International CSRC Investment Holdings Co., Ltd. and Subsidiaries

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

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
International CSRC Investment Holdings Co., Ltd.

Introduction

We have reviewed the accompanying consolidated balance sheets of International CSRC Investment Holdings Co., Ltd. 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, the related notes to the consolidated financial statements, including a summary of significant accounting policies (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

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

Basis for Qualified Conclusion

As disclosed in Note 13 to the consolidated financial statements, the financial statements of some non-significant subsidiaries included in the consolidated financial statements referred to in the first paragraph were not reviewed. As of June 30, 2026 and 2025, combined total assets of these non-significant subsidiaries were NT$3,861,426 thousand and NT$4,158,321 thousand, respectively, both representing 8% of the consolidated total assets, and combined total liabilities of these subsidiaries were NT$1,131,457 thousand and NT$1,290,915 thousand, respectively, representing 5% and 6% of the consolidated total liabilities; for the three months ended June 30, 2026 and 2025 and six months ended June 30, 2026 and 2025, the amounts of combined comprehensive loss of these subsidiaries were NT$59,792 thousand, NT$119,198 thousand, NT$87,846 thousand and NT$187,273 thousand, respectively, representing 9%, 3%, 6% and 4%, respectively, of the consolidated total comprehensive loss.

Qualified Conclusion

Based on our reviews, except for the adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries as described in the preceding paragraph been reviewed, 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 Mei-Hui Wu and Tza-Li Gung.

Deloitte & Touche
Taipei, Taiwan
Republic of China

August 11, 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.

INTERNATIONAL CSRC INVESTMENT HOLDINGS CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

	June 30, 2026		December 31, 2025		June 30, 2025	
ASSETS	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	$ 13,477,791	28	$ 10,593,696	22	$ 10,394,708	21
Financial assets at fair value through other comprehensive income - current (Note 8)	1,255,074	3	1,107,208	2	1,608,096	3
Notes receivable (Notes 9 and 35)	121,916	-	224,299	1	186,049	-
Accounts receivable, net (Notes 9, 25 and 35)	2,548,239	5	2,604,888	5	3,041,421	6
Accounts receivable from related parties (Note 34)	14,407	-	11,878	-	951	-
Current tax assets (Notes 4 and 27)	4,711	-	6,577	-	6,146	-
Inventories (Notes 10 and 35)	2,950,121	6	3,451,697	7	2,289,051	5
Other financial assets - current (Notes 12, 34 and 35)	182,403	1	3,146,783	6	1,984,297	4
Other current assets (Note 19)	910,277	2	1,012,837	2	1,198,844	3
Total current assets	21,464,939	45	22,159,863	45	20,709,563	42
NON-CURRENT ASSETS						
Financial assets at fair value through other comprehensive income - non-current (Notes 8 and 35)	4,358,740	9	4,324,073	9	4,762,949	10
Investments accounted for using the equity method (Note 14)	2,774,900	6	2,824,664	6	5,068,404	10
Property, plant and equipment (Notes 15 and 34)	16,546,941	34	16,685,627	34	15,910,183	32
Right-of-use assets (Note 16)	1,050,850	2	1,148,376	2	1,184,695	2
Investment properties (Note 17)	14,269	-	22,835	-	23,339	-
Goodwill (Note 18)	-	-	-	-	226,641	1
Deferred tax assets (Notes 4 and 27)	1,082,229	2	1,047,465	2	1,009,310	2
Prepayments for equipment	14,319	-	3,302	-	4,178	-
Net defined benefit assets (Notes 4 and 23)	3,584	-	3,584	-	-	-
Other financial assets - non-current (Note 35)	110,044	-	76,225	-	58,548	-
Other non-current assets (Note 19)	783,899	2	889,570	2	628,985	1
Total non-current assets	26,739,775	55	27,025,721	55	28,877,232	58
TOTAL	$ 48,204,714	100	$ 49,185,584	100	$ 49,586,795	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 20 and 35)	$ 11,118,812	23	$ 10,323,593	21	$ 8,419,432	17
Short-term bills payable (Note 20)	-	-	-	-	598,241	1
Financial liabilities at fair value through profit or loss (Notes 7 and 21)	110,600	-	83,300	-	114,450	-
Trade payables	936,060	2	940,405	2	580,567	1
Trade payables to related parties (Note 34)	103,933	-	73,694	-	67,801	-
Other payables (Notes 22 and 34)	1,111,663	3	1,225,170	3	1,185,307	3
Current tax liabilities (Notes 4 and 27)	32,931	-	36,612	-	26,524	-
Lease liabilities - current (Note 16)	135,754	-	68,396	-	126,296	-
Current portion of long-term borrowings and bonds payable (Notes 20 and 21)	3,352,165	7	3,320,576	7	602,870	1
Other current liabilities (Note 30)	150,399	-	196,579	-	161,007	1
Total current liabilities	17,052,317	35	16,268,325	33	11,882,495	24
NON-CURRENT LIABILITIES						
Bonds payable (Note 21)	-	-	-	-	3,289,320	6
Long-term borrowings (Note 20)	1,165,000	3	1,500,000	3	-	-
Provisions - non-current (Notes 4 and 23)	14,235	-	14,235	-	16,335	-
Deferred tax liabilities (Notes 4 and 27)	5,032,117	11	4,943,607	10	4,818,531	10
Lease liabilities - non-current (Note 16)	713,173	1	859,924	2	829,485	2
Net defined benefit liabilities (Notes 4 and 23)	28,394	-	27,569	-	36,304	-
Other non-current liabilities	64,408	-	64,004	-	53,706	-
Total non-current liabilities	7,017,327	15	7,409,339	15	9,043,681	18
Total liabilities	24,069,644	50	23,677,664	48	20,926,176	42
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Notes 21 and 24)						
Ordinary shares	9,847,336	20	9,847,336	20	9,847,336	20
Capital surplus	9,237,013	19	9,237,013	19	9,237,013	19
Retained earnings						
Legal reserve	3,189,170	6	3,189,170	6	3,189,170	6
Special reserve	748,274	2	748,274	2	748,274	2
(Accumulated deficit) unappropriated earnings	(1,395,682)	(3)	(119,027)	-	3,513,911	7
Total retained earnings	2,541,762	5	3,818,417	8	7,451,355	15
Other equity	1,698,020	4	1,519,439	3	860,462	2
Treasury shares	(290,088)	-	(290,088)	(1)	(290,088)	(1)
Total equity attributable to owners of the Corporation	23,034,043	48	24,132,117	49	27,106,078	55
NON-CONTROLLING INTERESTS	1,101,027	2	1,375,803	3	1,554,541	3
Total equity	24,135,070	50	25,507,920	52	28,660,619	58
TOTAL	$ 48,204,714	100	$ 49,185,584	100	$ 49,586,795	100

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

(With Deloitte & Touche review report dated August 11, 2026)

INTERNATIONAL CSRC INVESTMENT HOLDINGS CO., LTD. AND SUBSIDIARIES

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

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2026		2025		2026		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
NET LOSS FROM CONTINUING OPERATIONS								
Net operating revenue (Notes 25 and 34)	$ 3,251,917	100	$ 4,073,721	100	$ 6,759,902	100	$ 8,253,630	100
Operating costs (Notes 10, 26 and 34)	3,434,120	106	4,039,458	99	7,534,380	111	8,388,026	101
Gross (loss) profit	(182,203)	(6)	34,263	1	(774,478)	(11)	(134,396)	(1)
Operating expenses (Notes 9, 23, 26 and 34)								
Selling and marketing expenses	87,707	3	115,951	3	196,553	3	218,345	3
General and administrative expenses	179,334	5	234,062	6	360,951	5	437,888	5
Research and development expenses	42,378	1	40,330	1	84,638	1	80,946	1
Expected credit loss (reversal gain)	509	-	(1,859)	-	(36,138)	-	(1,659)	-
Total operating expenses	309,928	9	388,484	10	606,004	9	735,520	9
Loss from operations	(492,131)	(15)	(354,221)	(9)	(1,380,482)	(20)	(869,916)	(10)
Non-operating income and expenses (Notes 14, 26, 30 and 34)								
Interest income	90,493	3	96,430	2	178,709	3	189,820	2
Other income	204,249	6	375,478	9	284,097	4	401,708	5
Other gains and losses	(69,612)	(2)	181,552	5	(60,585)	(1)	295,617	3
Finance costs	(192,721)	(6)	(180,592)	(4)	(394,579)	(6)	(341,218)	(4)
Share of loss of associates and joint ventures	(49,413)	(2)	(237,348)	(6)	(74,709)	(1)	(360,954)	(4)
Total non-operating income and expenses	(17,004)	(1)	235,520	6	(67,067)	(1)	184,973	2
Loss before income tax from continuing operations	(509,135)	(16)	(118,701)	(3)	(1,447,549)	(21)	(684,943)	(8)
Income tax (expense) benefit (Notes 4 and 27)	(63,296)	(2)	(98,297)	(3)	(112,593)	(2)	165,920	2
Net loss from continuing operations	(572,431)	(18)	(216,998)	(6)	(1,560,142)	(23)	(519,023)	(6)
LOSS FROM DISCONTINUED OPERATIONS (Note 11)	(5,620)	-	(9,599)	-	(7,126)	-	(72,739)	(1)
NET LOSS	(578,051)	(18)	(226,597)	(6)	(1,567,268)	(23)	(591,762)	(7)
OTHER COMPREHENSIVE (LOSS) INCOME								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	20,842	1	(1,096,970)	(27)	201,647	3	(1,007,745)	(12)
Share of the other comprehensive (loss) income of associates and joint ventures accounted for using the equity method	(183)	-	(4,937)	-	531	-	(4,406)	-

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INTERNATIONAL CSRC INVESTMENT HOLDINGS CO., LTD. AND SUBSIDIARIES

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

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2026		2025		2026		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating foreign operations	$ (111,147)	(4)	$ (3,163,561)	(77)	$ (32,174)	-	$ (2,893,959)	(35)
Share of the other comprehensive (loss) income of associates and joint ventures accounted for using the equity method	(8,548)	-	(232,054)	(6)	24,414	-	(211,440)	(3)
Other comprehensive (loss) income	(99,036)	(3)	(4,497,522)	(110)	194,418	3	(4,117,550)	(50)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	$ (677,087)	(21)	$ (4,724,119)	(116)	$ (1,372,850)	(20)	$ (4,709,312)	(57)
NET LOSS ATTRIBUTABLE TO:								
Owners of the Corporation	$ (491,342)	(15)	$ (278,411)	(7)	$ (1,276,655)	(19)	$ (515,731)	(6)
Non-controlling interests	(86,709)	(3)	51,814	1	(290,613)	(4)	(76,031)	(1)
	$ (578,051)	(18)	$ (226,597)	(6)	$ (1,567,268)	(23)	$ (591,762)	(7)
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO:								
Owners of the Corporation	$ (583,705)	(18)	$ (4,559,111)	(112)	$ (1,098,074)	(16)	$ (4,438,942)	(54)
Non-controlling interests	(93,382)	(3)	(165,008)	(4)	(274,776)	(4)	(270,370)	(3)
	$ (677,087)	(21)	$ (4,724,119)	(116)	$ (1,372,850)	(20)	$ (4,709,312)	(57)
LOSS PER SHARE (NEW TAIWAN DOLLARS; Note 28)								
From continuing and discontinued operations								
Basic	$ (0.51)		$ (0.29)		$ (1.32)		$ (0.53)	
Diluted	$ (0.51)		$ (0.29)		$ (1.32)		$ (0.53)	
From continuing operations								
Basic	$ (0.50)		$ (0.28)		$ (1.31)		$ (0.46)	
Diluted	$ (0.50)		$ (0.28)		$ (1.31)		$ (0.46)	

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

(With Deloitte & Touche review report dated August 11, 2026) (Concluded)

INTERNATIONAL CSRC INVESTMENT HOLDINGS CO., LTD. AND SUBSIDIARIES

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

	Equity Attributable to Owners of the Corporation (Note 24)										
			Retained Earnings			Other Equity					
	Ordinary Shares	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings (Accumulated Deficit)	Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Treasury Shares	Total	Non-controlling Interests	Total Equity
BALANCE ON JANUARY 1, 2025	$ 9,847,336	$ 9,237,013	$ 3,189,170	$ 648,078	$ 4,129,838	$ 846,253	$ 3,937,420	$ (290,088)	$ 31,545,020	$ 1,824,911	$ 33,369,931
Appropriation of the 2024 earnings Special reserve	-	-	-	100,196	(100,196)	-	-	-	-	-	-
Balance after appropriation	9,847,336	9,237,013	3,189,170	748,274	4,029,642	846,253	3,937,420	(290,088)	31,545,020	1,824,911	33,369,931
Net loss for the six months ended June 30, 2025	-	-	-	-	(515,731)	-	-	-	(515,731)	(76,031)	(591,762)
Other comprehensive loss for the six months ended June 30, 2025	-	-	-	-	-	(2,912,034)	(1,011,177)	-	(3,923,211)	(194,339)	(4,117,550)
Total comprehensive loss for the six months ended June 30, 2025	-	-	-	-	(515,731)	(2,912,034)	(1,011,177)	-	(4,438,942)	(270,370)	(4,709,312)
BALANCE ON JUNE 30, 2025	$ 9,847,336	$ 9,237,013	$ 3,189,170	$ 748,274	$ 3,513,911	$ (2,065,781)	$ 2,926,243	$ (290,088)	$ 27,106,078	$ 1,554,541	$ 28,660,619
BALANCE ON JANUARY 1, 2026	$ 9,847,336	$ 9,237,013	$ 3,189,170	$ 748,274	$ (119,027)	$ (768,868)	$ 2,288,307	$ (290,088)	$ 24,132,117	$ 1,375,803	$ 25,507,920
Net loss for the six months ended June 30, 2026	-	-	-	-	(1,276,655)	-	-	-	(1,276,655)	(290,613)	(1,567,268)
Other comprehensive (loss) income for the six months ended June 30, 2026	-	-	-	-	-	(24,095)	202,676	-	178,581	15,837	194,418
Total comprehensive (loss) income for the six months ended June 30, 2026	-	-	-	-	(1,276,655)	(24,095)	202,676	-	(1,098,074)	(274,776)	(1,372,850)
BALANCE ON JUNE 30, 2026	$ 9,847,336	$ 9,237,013	$ 3,189,170	$ 748,274	$ (1,395,682)	$ (792,963)	$ 2,490,983	$ (290,088)	$ 23,034,043	$ 1,101,027	$ 24,135,070

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

(With Deloitte & Touche review report dated August 11, 2026)

INTERNATIONAL CSRC INVESTMENT HOLDINGS CO., LTD. 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		
Loss before income tax from continuing operations	$ (1,447,549)	$ (684,943)
Loss before income tax from discontinued operations	(7,126)	(72,739)
Loss before income tax	(1,454,675)	(757,682)
Adjustments for:		
Depreciation	732,656	800,973
Amortization	8,898	11,459
Expected credit reversal gain	(36,138)	(2,005)
Net loss (gain) on financial assets and liabilities at FVTPL	27,300	(15,599)
Interest expense	393,896	344,708
Interest income	(178,714)	(190,143)
Compensation costs of share-based payments	-	(2,173)
Share of loss of associates and joint ventures	74,709	360,954
(Gain) loss on disposal and retirement of property, plant and equipment	(506)	6,221
Loss on disposal of investment properties	-	69,310
Gain on disposal of subsidiary	-	(1,934)
Impairment reversal gain recognized on non-financial assets	(43,562)	(171,752)
Unrealized loss on foreign exchange	688	10,391
Changes in operating assets and liabilities		
Notes receivable	121,497	276,958
Accounts receivable	90,013	(37,797)
Accounts receivable from related parties	(2,378)	(951)
Inventories	549,793	916,130
Other current assets	102,560	216,029
Other financial assets	759,714	(150,253)
Trade payables	(4,400)	(344,451)
Trade payables to related parties	30,239	(33,309)
Other payables	(99,258)	(252,249)
Other current liabilities	(46,180)	(179,728)
Net defined benefit assets and liabilities	825	(4,849)
Cash generated from operations	1,026,977	868,258
Interest received	180,311	298,589
Income tax paid	(60,662)	(96,794)
Net cash generated from operating activities	1,146,626	1,070,053
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of financial assets at FVTPL	-	202,727
Acquisition of a joint venture	-	(139,383)
Net cash outflow on disposal of subsidiary	-	(114,184)
Acquisition of property, plant and equipment	(619,558)	(501,892)

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INTERNATIONAL CSRC INVESTMENT HOLDINGS CO., LTD. AND SUBSIDIARIES

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

	For the Six Months Ended June 30	
	2026	**2025**
Proceeds from disposal of property, plant and equipment	$ 10,000	$ 5,320
Proceeds from disposal of investment properties	-	199,190
Decrease in other financial assets	2,454,226	3,135,494
Decrease in other non-current assets	96,773	28,587
Increase in prepayments for equipment	(11,017)	-
Decrease in prepayments for equipment	-	30,394
Net cash generated from investing activities	1,930,424	2,846,253
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	795,219	1,105,709
Increase in short-term bills payable	-	398,482
Repayments of long-term borrowings	(335,000)	(945,392)
Repayments of the principal portion of lease liabilities	(63,383)	(66,447)
Increase in other non-current liabilities	404	3,160
Interest paid	(376,614)	(323,557)
Net cash generated from financing activities	20,626	171,955
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(213,581)	(1,206,769)
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,884,095	2,881,492
CASH AND CASH EQUIVALENTS, BEGINNING OF THE PERIOD	10,593,696	7,513,216
CASH AND CASH EQUIVALENTS, END OF THE PERIOD	$ 13,477,791	$ 10,394,708

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

(With Deloitte & Touche review report dated August 11, 2026) (Concluded)

1. GENERAL INFORMATION

International CSRC Investment Holdings Co., Ltd. (formerly China Synthetic Rubber Corporation) (the "Corporation") was incorporated on June 15, 1973 with a factory located inside the Linyuan Petrochemical Industrial Zone in Kaohsiung City, which produces carbon black, a material for tire and other rubber products. The power and steam co-generation system started operations in December 1993. The Corporation also engages in biotechnology research and development. The Corporation's shares are listed on the Taiwan Stock Exchange.

The Corporation spun off and assigned the business related to the domestic Carbon Black Business to its wholly-owned subsidiary, Linyuan Advanced Materials Technology Co., Ltd., and spun off the business related to the Biotechnology Business to establish Circular Commitment Company. After the spin-off, the Corporation was transformed into an investment holding corporation. The spin-off was approved at the shareholders' meeting on June 26, 2018. The spin-off record date was scheduled on October 1, 2018, which was approved by the Board of Directors on August 7, 2018.

Approved by the Ministry of Economic Affairs on October 15, 2018, China Synthetic Rubber Corporation is renamed as "International CSRC Investment Holdings Co., Ltd." The Corporation continues its listing with same stock code: 2104. The Chinese stock short name will be "International CSRC."

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

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Corporation's Board of Directors on August 11, 2026.

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

a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRS Accounting Standards") endorsed and issued into effect by the Financial Supervisory Commission (FSC)

   Except for the following, the initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have a material impact on the Group's accounting policies:

Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"

1) The amendments to the application guidance of classification of financial assets

The amendments mainly amend the requirements for the classification of financial assets, including:

a) If a financial asset contains a contingent feature that could change the timing or amount of contractual cash flows and the contingent event itself does not relate directly to changes in basic lending risks and costs (e.g., whether the debtor achieves a contractually specified reduction in carbon emissions), the financial asset has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding if, and only if,

- In all possible scenarios (before and after the occurrence of a contingent event), the contractual cash flows are solely payments of principal and interest on the principal amount outstanding; and

- In all possible scenarios, the contractual cash flows would not be significantly different from the contractual cash flows on a financial instrument with identical contractual terms, but without such a contingent feature.

b) To clarify that a financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.

c) To clarify that the characteristics of contractually linked instruments include a prioritization of payments to the holders of financial assets using multiple contractually linked instruments (tranches) established through a waterfall payment structure, resulting in concentrations of credit risk and a disproportionate allocation of cash shortfalls from the underlying pool between the tranches.

2) The amendments to the application guidance of derecognition of financial liabilities

The amendments mainly stipulate that a financial liability is derecognized on the settlement date. However, when settling a financial liability in cash using an electronic payment system, the Group can choose to derecognize the financial liability before the settlement date if, and only if, the Group has initiated a payment instruction that resulted in:

- The Group having no practical ability to withdraw, stop or cancel the payment instruction;

- The Group having no practical ability to access the cash to be used for settlement as a result of the payment instruction; and

- The settlement risk associated with the electronic payment system being insignificant.

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
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 assessing whether to early adopt IFRS 18 and the related consequential amendments.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing other 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.

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.

Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"

The amendments stipulate that, when the Group sells or contributes assets that constitute a business (as defined in IFRS 3) to an associate or joint venture, the gain or loss resulting from the transaction is recognized in full. Also, when the Group loses control of a subsidiary that contains a business but retains significant influence or joint control, the gain or loss resulting from the transaction is recognized in full.

Conversely, when the Group sells or contributes assets that do not constitute a business to an associate or joint venture, the gain or loss resulting from the transaction is recognized only to the extent of the Group's interest as an unrelated investor in the associate or joint venture, i.e., the Group's share of the gain or loss is eliminated. Also, when the Group loses control of a subsidiary that does not contain a business but retains significant influence or joint control over an associate or a joint venture, the gain or loss resulting from the transaction is recognized only to the extent of the Group's interest as an unrelated investor in the associate or joint venture, i.e., the Group's share of the gain or loss is eliminated.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the other 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 measured at fair value, payables arising from cash settled share-based payments and net defined benefit liabilities recognized at the present value of defined benefit liabilities 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 an asset or liability.

c. Basis of consolidation

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

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation.

Total comprehensive income of subsidiaries is attributed to the owners of the Corporation and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the 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 Corporation.

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and any investment retained in the former subsidiary at its fair value at the date when control is lost and (ii) the assets (including any goodwill) and liabilities and any non-controlling interests of the former subsidiary at their carrying amounts at the date when control is lost. The Group accounts for all amounts recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required had the Group directly disposed of the related assets or liabilities.

See Note 13, Tables 6 and 7 for detailed information on subsidiaries (including the percentages of ownership and main business).

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) Other long-term employee benefits

Other long-term employee benefits are accounted for in the same way as the accounting required for defined benefit plan except that remeasurement is recognized in profit or loss.

3) Income tax expense

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

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, management is required to make judgments, estimations, and assumptions about 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.

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

6. CASH AND CASH EQUIVALENTS

	June 30, 2026	December 31, 2025	June 30, 2025
Bank deposits	$ 2,956,480	$ 2,351,351	$ 2,198,033
Cash equivalent (investments with original maturities less than 3 months)			
Time deposits	9,906,972	7,231,124	7,661,304
Repurchase agreements collateralized by commercial papers	614,073	1,010,960	535,122
Cash on hand	266	261	249
	$ 13,477,791	$ 10,593,696	$ 10,394,708

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	June 30, 2026	December 31, 2025	June 30, 2025
Financial liabilities at FVTPL - current			
Held for trading			
Derivatives (undesignated hedging)			
Redemption option and put option of convertible bonds	$ 110,600	$ 83,300	$ 114,450

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	June 30, 2026	December 31, 2025	June 30, 2025
Current			
Debt instruments investment			
Bank's acceptance bill	$ 287,300	$ 306,414	$ 526,259
Domestic investments			
Listed shares and emerging market shares	967,774	800,794	1,081,837
	$ 1,255,074	$ 1,107,208	$ 1,608,096
Non-current			
Domestic investments			
Listed shares and emerging market shares	$ 3,932,953	$ 3,787,974	$ 4,134,193
Unlisted shares	425,787	536,099	628,756
	$ 4,358,740	$ 4,324,073	$ 4,762,949

The objectives of managing the bill receivables in mainland China by the Group are collecting contractual cash flows and selling financial assets. Accordingly, the management elected to designate these bill receivables in debt instruments as at FVTOCI. As of June 30, 2026, the Group evaluated the credit risk exposure as immaterial because all counterparties are reputable financial institutions with good credit ratings.

These investments in equity instruments are held for medium to long-term purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI.

The financial assets at FVTOCI pledged as collateral for bank borrowings were set out in Note 35.

9. NOTES RECEIVABLE AND ACCOUNTS RECEIVABLE

	June 30, 2026	December 31, 2025	June 30, 2025
Notes receivable			
Notes receivable	$ 121,916	$ 224,299	$ 186,049
Less: Allowance for impairment loss	-	-	-
	$ 121,916	$ 224,299	$ 186,049
Accounts receivable			
Accounts receivable	$ 2,583,979	$ 2,678,814	$ 3,079,312
Less: Allowance for impairment loss	(35,740)	(73,926)	(37,891)
	$ 2,548,239	$ 2,604,888	$ 3,041,421

The average credit period of sales of goods was 30-60 days. In order to minimize credit risk, the management of the Group has delegated proper personnel in accordance with the division of duties 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 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 applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of lifetime expected loss provision for all accounts receivables. The expected credit losses on accounts receivables are estimated using a provision matrix by reference to past collecting experience of the debtor, an analysis of the debtor's current financial position and adjusted for general economic conditions of the industry in which the debtors operate. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer of carbon black segments, the allowance for impairment loss based on past due status is not further distinguished according to the Group's different customer base.

The Group recognizes a full allowance for impairment loss of each individual accounts receivable or writes off accounts receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery of the receivables. For accounts 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 allowance for impairment loss of notes receivable and accounts receivable based on the Group's provision matrix.

June 30, 2026

		Past Due					
	Not Past Due	Less than 90 Days	91 to 180 Days	181 to 270 Days	271 to 365 Days	Over 365 Days	Total
Expected credit loss rate	0%	0%-20%	12%-100%	100%	100%	100%	
Gross carrying amount	$ 2,512,714	$ 159,640	$ 9,130	$ 3,763	$ 26	$ 20,622	$ 2,705,895
Allowance for impairment loss (Lifetime ECL)	(4,266)	(4,448)	(2,615)	(3,763)	(26)	(20,622)	(35,740)
Amortized cost	$ 2,508,448	$ 155,192	$ 6,515	$ -	$ -	$ -	$ 2,670,155

December 31, 2025

	Not Past Due	Past Due: Less than 90 Days	Past Due: 91 to 180 Days	Past Due: 181 to 270 Days	Past Due: 271 to 365 Days	Past Due: Over 365 Days	Total
Expected credit loss rate	0%-1%	0%-12%	88%-100%	100%	100%	100%	
Gross carrying amount	$ 2,432,145	$ 423,169	$ 13,422	$ 11,743	$ 3,775	$ 18,859	$ 2,903,113
Allowance for impairment loss (Lifetime ECL)	(6,318)	(21,050)	(12,181)	(11,743)	(3,775)	(18,859)	(73,926)
Amortized cost	$ 2,425,827	$ 402,119	$ 1,241	$ -	$ -	$ -	$ 2,829,187

June 30, 2025

	Not Past Due	Past Due: Less than 90 Days	Past Due: 91 to 180 Days	Past Due: 181 to 270 Days	Past Due: 271 to 365 Days	Past Due: Over 365 Days	Total
Expected credit loss rate	0%	1%-23%	100%	100%	100%	100%	
Gross carrying amount	$ 2,906,637	$ 333,342	$ 6,349	$ 40	$ 143	$ 18,850	$ 3,265,361
Allowance for impairment loss (Lifetime ECL)	(4,239)	(8,282)	(6,337)	(40)	(143)	(18,850)	(37,891)
Amortized cost	$ 2,902,398	$ 325,060	$ 12	$ -	$ -	$ -	$ 3,227,470

The movements of the allowance for impairment loss of notes receivable and accounts receivable were as follows:

	For the Six Months Ended June 30					
	2026			2025		
	Notes Receivable	Accounts Receivable	Total	Notes Receivable	Accounts Receivable	Total
Balance on January 1	$ -	$ 73,926	$ 73,926	$ -	$ 44,833	$ 44,833
Less: Reversal of impairment loss recognized	-	(36,138)	(36,138)	-	(2,005)	(2,005)
Less: Amount written off	-	-	-	-	(426)	(426)
Effect of exchange rate differences	-	(2,048)	(2,048)	-	(4,511)	(4,511)
Balance on June 30	$ -	$ 35,740	$ 35,740	$ -	$ 37,891	$ 37,891

The notes receivable and accounts receivable pledged as collateral for bank borrowings were set out in Note 35.

10. INVENTORIES

	June 30, 2026	December 31, 2025	June 30, 2025
Finished goods	$ 1,432,602	$ 1,170,726	$ 1,061,497
Semi-finished goods	50,675	44,301	43,534
Raw materials	1,090,460	1,865,196	770,468
Supplies	235,965	199,825	159,676
Inventory in transit	140,419	171,649	253,876
	$ 2,950,121	$ 3,451,697	$ 2,289,051

The nature of the cost of goods sold 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	$ 2,910,005	$ 3,545,133	$ 6,491,670	$ 7,538,419
(Reversal) provision of inventory	(16,378)	100,679	(43,562)	8,207
Unallocated fixed overhead	540,493	393,646	1,086,272	841,400
	$ 3,434,120	$ 4,039,458	$ 7,534,380	$ 8,388,026

The reversal was as a result of reduction of inventories for the three-month and six-month periods ended June 30, 2026.

The inventories pledged as collateral for bank borrowings were set out in Note 35.

11. DISCONTINUED OPERATIONS

On March 11, 2025, the Board of Directors resolved that its subsidiary in mainland China, CSRC China (Anshan) Corporation, to cease operations and proceed with dissolution and liquidation. This decision meets the criteria under IFRS 5 “Non-current Assets Held for Sale and Discontinued Operations.” Accordingly, the Corporation has presented the operations related to CSRC China (Anshan) Corporation as discontinued operations in the consolidated statement of comprehensive income.

The details of profit (loss) from discontinued operations and the related cash flow information were as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Operating revenue	$ -	$ (2)	$ -	$ 69
Operating costs	8	42	38	(10,755)
Gross profit (loss)	8	40	38	(10,686)
Selling and marketing expenses	-	5	-	(173)
General and administrative expenses	(5,679)	(7,940)	(12,984)	(65,475)
Research and development expenses	-	10	-	(313)
Reversal of expected credit loss	-	288	-	346
Loss from operations	(5,671)	(7,597)	(12,946)	(76,301)
Interest income	3	6	5	323
Other income	323	145	6,411	148
Other gains and losses	(142)	(2,147)	(333)	7,634
Finance costs	(133)	(6)	(263)	(4,543)
Loss before income tax	(5,620)	(9,599)	(7,126)	(72,739)
Income tax expense	-	-	-	-
Loss from discontinued operations	$ (5,620)	$ (9,599)	$ (7,126)	$ (72,739)

(Continued)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Loss from discontinued operations attributable to:				
Owners of the Corporation	$ (5,620)	$ (9,599)	$ (7,126)	$ (72,739)
Non-controlling interests	-	-	-	-
	$ (5,620)	$ (9,599)	$ (7,126)	$ (72,739)
Cash flows				
Operating activities	$ (5,384)	$ (75,523)	$ (2,669)	$ (39,493)
Investing activities	1,242	3,543	2,465	3,543
Financing activities	(131)	521,983	(258)	18,300
Net cash (outflows) inflows	$ (4,273)	$ 450,003	$ (462)	$ (17,650)

(Concluded)

12. OTHER FINANCIAL ASSETS - CURRENT

	June 30, 2026	December 31, 2025	June 30, 2025
Time deposits (original maturities more than 3 months)	$ 147,775	$ 2,635,820	$ 939,800
Interest receivable	17,183	18,780	46,926
Pledged time deposits	9,057	19,395	8,213
Pledged bank deposits	-	451,251	440,326
Proceeds receivable from disposal of subsidiary	-	-	304,047
Proceeds receivable from disposal of investment properties	-	-	209,150
Others	8,388	21,537	35,835
	$ 182,403	$ 3,146,783	$ 1,984,297

The market rate intervals of time deposits with original maturities more than 3 months at the end of reporting period were as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Time deposits with original maturities more than 3 months	1.46%-3.85%	1.39%-3.69%	1.46%-5.00%

The other financial assets - current pledged as collateral were set out in Note 35.

13. SUBSIDIARIES

a. Subsidiaries included in consolidated financial statements

The consolidated financial statements include subsidiaries as follows:

Investor	Investee	Main Business	Proportion of Ownership (%)			Remark
			June 30, 2026	December 31, 2025	June 30, 2025	
International CSRC Investment Holdings Co., Ltd.	CSRC (BVI) Ltd.	Investment	100.00	100.00	100.00	-
	CS Development & Investment Co.	Investment	100.00	100.00	100.00	1)
	Consolidated Resource Co.	Carbon masterbatch and carbon black processing and sales	100.00	100.00	100.00	1)
	Linyuan Advanced Materials Technology Co., Ltd.	Carbon black production and sales	100.00	100.00	100.00	-
	Circular Commitment Company	Biotechnology services and investment	100.00	100.00	100.00	-
	CCC Dutch B.V.	Investment	100.00	100.00	100.00	1)
	CSRC Alpha, Inc.	Investment	100.00	100.00	100.00	1)
	Yun Cheng Investment Corporation	Investment	94.69	94.69	94.69	1)
	Synpac (North Carolina) Inc.	Investment	88.46	88.46	88.46	-
	Synpac Ltd.	Investment	75.00	75.00	75.00	1)
	CCC USA Corp.	Investment	66.67	66.67	66.67	-
CSRC (BVI) Ltd.	CSRC (Singapore) Pte. Ltd.	Investment	100.00	100.00	100.00	-
	Continental Carbon Eco Tech Pvt Ltd.	Carbon black production and sales	0.01	0.01	0.01	-
CSRC (Singapore) Pte. Ltd.	CSRC China Corporation	Carbon black production and sales	100.00	100.00	100.00	-
	CSRC China (Anshan) Corporation	Carbon black production and sales	100.00	100.00	100.00	2)
	Continental Carbon India Pvt Ltd.	Carbon black production and sales	100.00	100.00	100.00	1)
	Continental Carbon Eco Tech Pvt Ltd.	Carbon black production and sales	99.99	99.99	99.99	-
CS Development & Investment Co.	SVC Services, LLC	Investment service	99.90	99.90	99.90	-
	SVC Management, LLC	Investment consultation	99.90	99.90	99.90	-
	Yun Cheng Investment Corporation	Investment	0.33	0.33	0.33	1)
Circular Commitment Company	Synpac GP Corporation	Investment	100.00	100.00	100.00	1)
Synpac GP Corporation	SVC Services, LLC	Investment service	0.10	0.10	0.10	-
	SVC Management, LLC	Investment consultation	0.10	0.10	0.10	-
Yun Cheng Investment Corporation	Synpac (North Carolina), Inc.	Investment	11.54	11.54	11.54	-
Synpac (North Carolina), Inc.	Synpac Venture Capital, L.P.	Investment	99.90	99.90	99.90	-
SVC Management, LLC	Synpac Venture Capital, L.P.	Investment	0.10	0.10	0.10	-
CCC USA Corp.	Continental Carbon Company	Carbon black production and sales	100.00	100.00	100.00	-
	CCC Transport Company	Carbon black transport	100.00	100.00	100.00	-
	Continental Carbon Nanotechnologies, Inc.	Carbon nanotubes production and sales	100.00	100.00	100.00	-
Continental Carbon Company	Continental Carbon Company Europe SPRL	Carbon black sales	100.00	100.00	100.00	-

Remark:

1) Company is not a major subsidiary. Its financial statements have not been reviewed.

2) On March 11, 2025, the Board of Directors resolved that its subsidiary in mainland China, CSRC China (Anshan) Corporation, to cease operations and proceed with dissolution and liquidation.

b. Subsidiaries excluded from consolidated financial statements: None.

c. There are no subsidiaries that have material non-controlling interests.

14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	June 30, 2026	December 31, 2025	June 30, 2025
Investment in associate	$ 954,500	$ 1,013,891	$ 3,311,831
Investment in joint venture	1,820,400	1,810,773	1,756,573
	$ 2,774,900	$ 2,824,664	$ 5,068,404

a. Investment in associate

	June 30, 2026	December 31, 2025	June 30, 2025
Associate that is not individually material			
TCC Recycle Energy Technology Company	$ 954,500	$ 1,013,891	$ 3,311,831

Aggregate information of associate that is not individually material

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
The Group's share of:				
Net loss from continuing operations	$ (27,622)	$ (151,425)	$ (59,754)	$ (260,116)
Other comprehensive (loss) income	(368)	(6,009)	363	(5,312)
Total comprehensive loss	$ (27,990)	$ (157,434)	$ (59,391)	$ (265,428)

b. Investment in joint venture

	June 30, 2026	December 31, 2025	June 30, 2025
Joint venture that is not individually material			
Continental Carbon OYAK (Netherlands) B.V.	$ 1,423,318	$ 1,418,428	$ 1,385,719
Eco CSRC Infinic, LLC	397,082	392,345	370,854
	$ 1,820,400	$ 1,810,773	$ 1,756,573

Aggregate information of joint venture that is not individually material

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
The Group's share of:				
Net loss from continuing operations	$ (21,791)	$ (85,923)	$ (14,955)	$ (100,838)
Other comprehensive (loss) income	(8,363)	(230,982)	24,582	(210,534)
Total comprehensive (loss) income	$ (30,154)	$ (316,905)	$ 9,627	$ (311,372)

The Group, together with its subsidiary Continental Carbon Company ("CCC") and Eco Infinic Co., Ltd., a Thai subsidiary of SHEICO Group (Shei Chung Hsin Ind.) Co., Ltd., jointly established a joint venture company, Eco CSRC Infinic, LLC to engage in the recovered carbon black business in the United States. The Company contributed cash to acquire a 21% equity interest in the joint venture, while CCC contributed certain property, plant, and equipment to acquire a 14% equity interest.

According to the contents of the joint venture agreement, the management authority of the actual operations, major approval matters, and significant decision-making are jointly led by two capital contributors, and the Group does not have control over these aspects.

15. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Equipment	Other Equipment	Property under Construction	Total
Cost						
Balance on January 1, 2026	$ 587,666	$ 3,580,609	$ 25,815,985	$ 1,296,376	$ 1,107,170	$ 32,387,806
Additions	-	20,055	437,894	28,500	133,109	619,558
Disposals and retirements	-	-	(15,149)	(23,316)	(1,166)	(39,631)
Reclassification	-	3,256	238,633	21,780	(243,231)	20,438
Effect of exchange rate differences	955	(1,447)	86,865	651	16,984	104,008
Balance on June 30, 2026	$ 588,621	$ 3,602,473	$ 26,564,228	$ 1,323,991	$ 1,012,866	$ 33,092,179
Accumulated depreciation and impairment						
Balance on January 1, 2026	$ -	$ 1,518,105	$ 13,013,839	$ 921,832	$ 248,403	$ 15,702,179
Depreciation expense	-	53,824	562,293	31,907	-	648,024
Disposals and retirements	-	-	(14,013)	(14,958)	(1,166)	(30,137)
Reclassification	-	-	-	12,849	-	12,849
Effect of exchange rate differences	-	26,133	168,436	9,760	7,994	212,323
Balance on June 30, 2026	$ -	$ 1,598,062	$ 13,730,555	$ 961,390	$ 255,231	$ 16,545,238
Carrying amounts on June 30, 2026	$ 588,621	$ 2,004,411	$ 12,833,673	$ 362,601	$ 757,635	$ 16,546,941
Cost						
Balance on January 1, 2025	$ 612,329	$ 3,835,117	$ 30,541,956	$ 1,362,998	$ 961,603	$ 37,314,003
Additions	-	55,794	204,991	7,227	233,880	501,892
Disposals and retirements	-	-	(142,017)	(2,046)	(7,509)	(151,572)
Disposal of subsidiary	-	(434,807)	(787,408)	(36,516)	(25,282)	(1,284,013)
Reclassification	(21,374)	201,850	(2,959,392)	1,880	(234,891)	(3,011,927)
Effect of exchange rate differences	(8,136)	(300,996)	(2,566,851)	(102,688)	(69,222)	(3,047,893)
Balance on June 30, 2025	$ 582,819	$ 3,356,958	$ 24,291,279	$ 1,230,855	$ 858,579	$ 30,320,490
Accumulated depreciation and impairment						
Balance on January 1, 2025	$ -	$ 1,977,755	$ 15,851,822	$ 920,738	$ 280,357	$ 19,030,672
Depreciation expense	-	48,472	609,856	31,587	-	689,915
Impairment losses reversed	-	-	(181,147)	-	-	(181,147)
Disposals and retirements	-	-	(131,716)	(7,772)	(543)	(140,031)
Disposal of subsidiary	-	(323,296)	(755,563)	(34,675)	(25,282)	(1,138,816)
Reclassification	-	(220,365)	(2,279,240)	(263)	-	(2,499,868)
Effect of exchange rate differences	-	(114,050)	(1,145,873)	(64,463)	(26,032)	(1,350,418)
Balance on June 30, 2025	$ -	$ 1,368,516	$ 11,968,139	$ 845,152	$ 228,500	$ 14,410,307
Carrying amounts on June 30, 2025	$ 582,819	$ 1,988,442	$ 12,323,140	$ 385,703	$ 630,079	$ 15,910,183

In the first half of 2025, the Group transferred certain property, plant and equipment located in the United States for which a provision had been recognized in the prior year, as capital contribution in exchange for equity interests in a joint venture. The recoverable amount of these assets was determined based on fair value less costs of disposal, amounting to US$8,500 thousand. The fair values used in determining the recoverable amounts were categorized as Level 3 measurements and were measured using the cost approach, with main assumption including replacement cost. Accordingly, impairment losses previously recognized of $181,147 thousand were reversed and recorded under other gains and losses.

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

Buildings	
Main buildings and improvements	3 to 61 years
Electro - mechanical equipment	10 years
Engineering system	10 years
Network equipment	10 years
Equipment	3 to 22 years
Other equipment	2 to 13 years

16. LEASE ARRANGEMENTS

a. Right-of-use assets

	June 30, 2026	December 31, 2025	June 30, 2025
Carrying amounts			
Land	$ 296,448	$ 305,285	$ 296,730
Buildings	10,583	13,808	21,345
Machinery	11,340	12,048	12,131
Transportation equipment	314,902	321,100	309,094
Oil tank	417,577	496,135	545,395
	$ 1,050,850	$ 1,148,376	$ 1,184,695

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Additions to right-of-use assets			$ -	$ 1,539
Depreciation charge for right-of-use assets				
From continuing operations				
Land	$ 1,719	$ 1,716	$ 3,443	$ 3,752
Buildings	1,867	4,537	3,739	9,199
Transportation equipment	5,591	10,863	16,264	23,146
Oil tank	29,488	31,836	59,699	65,018
	$ 38,665	$ 48,952	$ 83,145	$ 101,115
From discontinued operations				
Machinery	$ 622	$ 577	$ 1,235	$ 1,195

Except for the aforementioned addition and recognized depreciation, the Group did not have significant sublease or impairment of right-of-use assets during the six months ended June 30, 2026 and 2025.

b. Lease liabilities

	June 30, 2026	December 31, 2025	June 30, 2025
Carrying amounts			
Current	$ 135,754	$ 68,396	$ 126,296
Non-current	$ 713,173	$ 859,924	$ 829,485

Range of discount rate for lease liabilities was as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Land	2.90%-8.00%	2.90%-8.00%	2.90%-8.00%
Buildings	6.00%-8.35%	2.75%-8.35%	2.75%-8.35%
Machinery	3.80%	3.80%	3.80%
Transportation equipment	5.75%-6.75%	5.75%-6.75%	5.75%-6.75%
Oil tank	9.50%	9.50%	9.50%

c. Material lease-in activities and terms

Prior to the commencement of the lease, the subsidiaries in China and India leased land use rights from the People's Republic of China and Republic of India by prepaid lease payments. It was recognized under the right-of-use assets upon obtaining the land certificate, and depreciated on a straight-line basis during the lease period.

d. Other lease information

Lease arrangements under operating leases for the leasing out of investment properties are set out in Note 17.

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Continuing operations				
Expenses relating to short-term leases	$ 6,131	$ 6,023	$ 12,213	$ 12,938
Expenses relating to low-value asset leases	$ 593	$ 578	$ 1,187	$ 1,196
Expenses relating to variable lease payments not included in the measurement of lease liabilities	$ 6,645	$ 9,965	$ 14,951	$ 19,474
Total cash outflow for leases			$ 112,715	$ 124,567

(Continued)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Discontinued operations				
Expenses relating to short-term leases	$ -	$ (16)	$ -	$ 472
Total cash outflow for leases			$ 259	$ 767

(Concluded)

The Group leases certain buildings, office equipment, transportation equipment which qualify as short-term leases and certain office equipment which qualify as low-value asset leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

17. INVESTMENT PROPERTIES

	For the Six Months Ended June 30	
	2026	2025
Cost		
Balance on January 1	$ 35,431	$ 487,430
Reclassification	(21,162)	14,269
Disposals	-	(466,268)
Balance on June 30	$ 14,269	$ 35,431
Accumulated depreciation		
Balance on January 1	$ (12,596)	$ (201,112)
Depreciation expense	(252)	(8,748)
Reclassification	12,848	-
Disposals	-	197,768
Balance on June 30	$ -	$ (12,092)
Carrying amount on June 30	$ 14,269	$ 23,339

In the first half of 2025, the Group disposed of investment properties for a total consideration of $209,150 thousand (including tax) and recognized a disposal loss of $69,310 thousand, which was recorded under other gains and losses.

The investment properties held by the Group are depreciated on a straight-line basis over the estimated useful lives of 9-51 years.

The lease period of the above-mentioned investment properties was from November 20, 2017 to November 19, 2027 with an option to extend for an additional 5 years. The lessee does not have a bargain purchase option to acquire the investment properties at the expiry of the lease period. The above investment properties were disposed of in the first half of 2025 and the lease contract was terminated.

The fair value of investment properties as of December 31, 2025 was primarily based on the valuation reports obtained from several independent valuers. The fair value as of December 31, 2025 ranged from NT$1.34 billion to NT$1.71 billion. Management of the Group had assessed and determined that there was no significant change in the fair value for the six months ended June 30, 2026.

18. GOODWILL

	For the Six Months Ended June 30, 2025
Cost	
Balance on January 1	$ 647,150
Effect of exchange rate differences	(57,134)
Balance on June 30	$ 590,016
Accumulated impairment	
Balance on January 1	$ (377,391)
Effect of exchange rate differences	14,016
Balance on June 30	$ (363,375)
Carrying amount on June 30	$ 226,641

19. OTHER ASSETS

	June 30, 2026	December 31, 2025	June 30, 2025
Excess VAT paid	$ 1,214,503	$ 1,359,050	$ 1,207,457
Prepayments for purchases	237,861	298,414	272,176
Deferred expenses	200,117	211,681	220,941
Other prepayments	28,484	23,724	43,330
Others	13,211	9,538	83,925
	$ 1,694,176	$ 1,902,407	$ 1,827,829
Current	$ 910,277	$ 1,012,837	$ 1,198,844
Non-current	783,899	889,570	628,985
	$ 1,694,176	$ 1,902,407	$ 1,827,829

20. BORROWINGS

a. Short-term borrowings

	June 30, 2026	December 31, 2025	June 30, 2025
Secured borrowings (Note 35)			
Bank loans	$ 713,610	$ 840,427	$ 842,380
Unsecured borrowings			
Credit borrowings	10,405,202	9,483,166	7,577,052
	$ 11,118,812	$ 10,323,593	$ 8,419,432
Interest rates	1.88%-9.19%	1.85%-9.30%	1.85%-9.30%

b. Short-term bills payable

	June 30, 2026	December 31, 2025	June 30, 2025
Commercial paper	$ -	$ -	$ 600,000
Less: Unamortized discount on bills payable	-	-	(1,759)
	$ -	$ -	$ 598,241
Interest rate	-	-	2.09%-2.11%
Due date	-	-	2025.8.21

c. Long-term borrowings

	June 30, 2026	December 31, 2025	June 30, 2025
Credit borrowings	$ 1,165,000	$ 1,500,000	$ 602,870
Less: Current portions	-	-	(602,870)
Long-term borrowings	$ 1,165,000	$ 1,500,000	$ -
Interest rate	1.88%-2.10%	1.91%-2.39%	6.42%-6.73%
Due date	2032.11.26	2032.11.26	2027.5.23

On December 7, 2021, Continental Carbon Company ("CCC") entered into a new three-year syndicated loan agreement with ChinaTrust Commercial Bank and seven other banks. According to the loan agreement, after 2 years from the first use of the loan facility to six months before the expiration, a written application for extension of the credit period for two years can be made to the management bank if there is no breach of contract. The Group made early repayment of bank loans in the third quarter of 2025.

21. BONDS PAYABLE

	June 30, 2026	December 31, 2025	June 30, 2025
Third domestic unsecured convertible bonds	$ 3,500,000	$ 3,500,000	$ 3,500,000
Less: Discounts on bonds payable	(147,835)	(179,424)	(210,680)
	3,352,165	3,320,576	3,289,320
Less: Current portions	(3,352,165)	(3,320,576)	-
	$ -	$ -	$ 3,289,320

The Corporation issued third domestic unsecured convertible bonds with a coupon rate of 0% on October 13, 2023. The face value of each bond was $100 thousand and was issued at 100.2% of the face value. The bonds issued 35,000 units at the total amount of $3,507,000 thousand, and the maturity period was five years.

Each bondholders has the right to convert one unit of bonds into ordinary shares at a price of $21.2 per share. If the subsequent conversion price encounters anti-dilution clauses, it will be adjusted in accordance with the conversion regulations. The conversion period is from January 14, 2024 to October 13, 2028. If the corporate bonds are not converted by then, they will be repaid in cash at maturity according to the face value of the bonds.

Other major clauses are as follows:

a. Put option of the bondholders

These convertible bonds could be sold back by bondholders three years after the issuance date (i.e., October 13, 2026). Bondholders may request the Corporation to redeem the convertible bonds at the price by adding interest compensation to the face value, which is 100.90% of the face value of the bonds (the real yield is 0.3%). If the Corporation accepts the request of sell-back, the Corporation shall redeem the convertible bonds in cash.

b. Redemption right of the Corporation

From the day after the three-month issuance of the convertible bonds (i.e., January 14, 2024) to the forty days before the expiration of the issuance period (i.e., September 3, 2028), if the closing price of the Corporation’s common stock exceeding the current conversion price by more than 30% (inclusive) for thirty consecutive business days, or when the outstanding balance of the convertible bonds is less than 10% of the original issuance amount, the Corporation may redeem the outstanding bonds in cash according to the face value of the bonds in accordance with the regulations.

These convertible bonds include liability and equity components. The equity component is presented as capital surplus - share option under equity. The effective interest rate initially recognized for the liability component was 1.9106%.

	Convertible Bonds
Proceeds from issuance (less transaction cost $5,729 thousands)	$ 3,501,272
Derivative instrument of redemption option and put option (listed as financial liabilities at fair value through profit or loss) and allocation of transaction cost recognized as profit or loss	(34,592)
Equity component (less allocation of transaction cost $462 thousand)	(282,688)
Liability component at issue date (less allocation of transaction cost $5,208 thousand)	3,183,992
Interest charged at an effective interest rate of 1.9106%	136,584
Liability component on December 31, 2025	3,320,576
Interest charged at an effective interest rate of 1.9106%	31,589
Liability component on June 30, 2026	$ 3,352,165

22. OTHER PAYABLES

	June 30, 2026	December 31, 2025	June 30, 2025
Payable for research fee	$ 268,316	$ 267,848	$ 269,995
Payable for salaries and bonuses	211,457	223,187	205,260
Payable for purchase of equipment, construction and repairing construction	176,907	161,431	224,598
Payable for professional fee	99,094	98,545	92,631
Payable for tax	48,390	43,487	61,008
Payable for water and electricity	29,080	33,218	31,622
Payable for transportation and selling expenses	8,218	12,523	14,037
Others	270,201	384,931	286,156
	$ 1,111,663	$ 1,225,170	$ 1,185,307

23. RETIREMENT BENEFIT PLANS

Employee benefit expenses in respect of the Group's defined benefit retirement plans for the three months ended and six months ended June 30, 2026 and 2025 were $4,283 thousand, $4,549 thousand, $10,336 thousand and $8,969 thousand, respectively. These amounts were determined based on the actuarial pension cost discount rates as of December 31, 2025 and 2024, respectively.

The Group's other long-term employee benefits were $5,865 thousand, $5,866 thousand and $7,965 thousand as of June 30, 2026, December 31, 2025 and June 30, 2025, respectively, and were presented in provisions - non-current.

24. EQUITY

a. Ordinary shares

	June 30, 2026	December 31, 2025	June 30, 2025
Number of shares authorized (in thousands)	2,000,000	2,000,000	2,000,000
Shares authorized	$ 20,000,000	$ 20,000,000	$ 20,000,000
Number of shares issued and fully paid (in thousands)	984,734	984,734	984,734
Shares issued	$ 9,847,336	$ 9,847,336	$ 9,847,336
Surplus	8,529,343	8,529,343	8,529,343
	$ 18,376,679	$ 18,376,679	$ 18,376,679

The issued ordinary shares, with a par value of NT$10, carry one voting right per share and carry a right to dividends.

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 (1)			
Issuance of ordinary shares	$ 8,529,343	$ 8,529,343	$ 8,529,343
Treasury shares transactions	250,662	250,662	250,662
May be used to offset a deficit only (2)			
Changes in percentage of ownership interests in subsidiaries	107,235	107,235	107,235
Changes in interests in associates or joint ventures accounted for using the equity method	44,944	44,944	44,944
May not be used for any purpose			
Equity component of convertible bonds	282,688	282,688	282,688
Employee share options	22,141	22,141	22,141
	$ 9,237,013	$ 9,237,013	$ 9,237,013

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

2) Such capital surplus arises from the effects of changes in ownership interests in subsidiaries and associates resulting from equity transactions other than actual disposals or acquisitions or from changes in capital surplus of subsidiaries and associates accounted for using the equity method.

c. Retained earnings and dividend policy

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

The Corporation may also opt to transfer retained earnings to capital and distribute share dividends to finance its working capital requirements and major investment plans, but the cash dividend payout ratio should be at least 20% of the total dividends to be distributed to ordinary shareholders. For the policies on distribution of compensation of employees and remuneration of directors, please refer to Note 26(g).

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

Items referred to under Rule No. 1010012865 and Rule No. 1010047490 issued by the FSC and the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRS Accounting Standards" should be appropriated to or reversed from a special reserve by the Corporation.

The appropriation of earnings for 2024 was approved at the shareholders' meeting on May 28, 2025, as follows:

	Appropriation of Earnings	Dividends Per Share (NT$)
	For the Year Ended December 31, 2024	For the Year Ended December 31, 2024
Appropriation of special reserve	$ 100,196	$ -

The deficit compensation for 2025 was approved at the shareholders' meeting on May 26, 2026, as follows:

	Deficit Compensation
	For the Year Ended December 31, 2025
Unappropriated earnings at the beginning of the year	$ 4,029,642
Add: Remeasurement on defined benefit plan	56
Less: Net loss for the year	(4,148,725)
Accumulated deficit at the end of the year	$ (119,027)

d. Non-controlling interests

	For the Six Months Ended June 30	
	2026	2025
Balance on January 1	$ 1,375,803	$ 1,824,911
Attributable to non-controlling interests		
Share of loss for the period	(290,613)	(76,031)
Exchange difference on translating foreign operations	16,335	(193,365)
Unrealized loss on financial assets at FVTOCI	(498)	(974)
Balance on June 30	$ 1,101,027	$ 1,554,541

e. Treasury shares

(Shares in Thousands)

Purpose	Number of Shares on January 1	Increase During the Period	Decrease During the Period	Number of Shares on June 30
2026				
Shares held by its subsidiary	14,735	-	-	14,735
2025				
Shares held by its subsidiary	14,735	-	-	14,735

The subsidiary, CS Development & Investment Co., acquired the Corporation's shares with book value of $290,088 thousand. As of June 30, 2026, December 31, 2025 and June 30, 2025, the market value of the treasury shares was $151,030 thousand, $169,449 thousand and $157,661 thousand, respectively. A subsidiary holding treasury shares, shall have shareholders' rights, except that subsidiary holding over 50% of the shares has no rights to participate in any share issuance for cash and to vote.

25. REVENUE

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Revenue from contracts with customers from continuing operations				
Revenue from the sales of goods	$ 3,251,917	$ 4,042,224	$ 6,759,902	$ 8,215,347
Other operating revenue	-	31,497	-	38,283
	$ 3,251,917	$ 4,073,721	$ 6,759,902	$ 8,253,630
Revenue from contracts with customers from discontinued operations				
Revenue from the sales of goods	$ -	$ (2)	$ -	$ 69

a. Contract information

Revenue from the sale of goods comes from the sales of carbon black goods. Goods are sold at their respective fixed amounts as agreed in the contracts.

b. Contract balances

	June 30, 2026	December 31, 2025	June 30, 2025	January 1, 2025
Accounts receivable, net (Note 9)	$ 2,548,239	$ 2,604,888	$ 3,041,421	$ 3,039,522

26. LOSS BEFORE INCOME TAX

a. Other income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
From continuing operations				
Claim income	$ 189,568	$ 57,802	$ 251,293	$ 63,211
Technology licensing income	7,649	15,460	18,955	30,361
Government grants income (Note 30)	3,281	140,651	6,717	140,681
Rental income	404	400	580	478
Others	3,347	161,165	6,552	166,977
	$ 204,249	$ 375,478	$ 284,097	$ 401,708
From discontinued operations				
Government grants income	$ 45	$ -	$ 6,130	$ -
Rental income	12	-	12	-
Others	266	145	269	148
	$ 323	$ 145	$ 6,411	$ 148
Total other income	$ 204,572	$ 375,623	$ 290,508	$ 401,856

b. Interest income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
From continuing operations				
Bank deposits	$ 90,493	$ 96,430	$ 178,709	$ 189,820
From discontinued operations				
Bank deposits	$ 3	$ 6	$ 5	$ 323
Total interest income	$ 90,496	$ 96,436	$ 178,714	$ 190,143

c. Other gains and losses

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
From continuing operations				
Net (loss) gain on financial assets and liabilities at FVTPL	$ (59,150)	$ 18,550	$ (27,300)	$ 15,599
Net foreign exchange (losses) gains	(16,719)	40,830	(46,989)	151,775
(Loss) gain on disposal and retirement of property, plant and equipment	(8)	(58)	506	(2,897)
Impairment loss reversed on property, plant and equipment (Note 15)	-	181,147	-	181,147
Loss on disposal of investment properties (Note 17)	-	(69,310)	-	(69,310)
Gain on disposal of subsidiary (Note 32)	-	1,934	-	1,934
Other gains	6,265	8,459	13,198	17,369
	$ (69,612)	$ 181,552	$ (60,585)	$ 295,617
From discontinued operations				
Net foreign exchange (losses) gains	$ (4)	$ 1,173	$ (4)	$ 11,081
Loss on disposal and retirement of property, plant and equipment	-	(3,324)	-	(3,324)
Others (losses) gains	(138)	4	(329)	(123)
	$ (142)	$ (2,147)	$ (333)	$ 7,634
Total other gains and losses	$ (69,754)	$ 179,405	$ (60,918)	$ 303,251

d. Finance costs

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
From continuing operations				
Interest expense	$ 158,997	$ 143,528	$ 325,932	$ 265,007
Interest on lease liabilities	17,467	21,046	36,116	44,182
Bond interest	15,795	15,498	31,589	30,997
Other finance costs	462	520	942	1,032
	$ 192,721	$ 180,592	$ 394,579	$ 341,218

(Continued)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
From discontinued operations				
Interest expense	$ -	$ (142)	$ -	$ 4,227
Interest on lease liabilities	131	143	259	295
Other finance costs	2	5	4	21
	$ 133	$ 6	$ 263	$ 4,543
Total finance costs	$ 192,854	$ 180,598	$ 394,842	$ 345,761

(Concluded)

e. Depreciation and amortization

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
From continuing operations				
Property, plant and equipment	$ 324,889	$ 335,772	$ 648,024	$ 689,915
Right-of-use assets	38,665	48,952	83,145	101,115
Investment properties	-	4,374	252	8,748
Deferred expenses	3,199	3,736	6,692	10,757
	$ 366,753	$ 392,834	$ 738,113	$ 810,535
From discontinued operations				
Right-of-use assets	$ 622	$ 577	$ 1,235	$ 1,195
Deferred expenses	1,111	(24)	2,206	702
	$ 1,733	$ 553	$ 3,441	$ 1,897
An analysis of depreciation by function				
Operating costs	$ 345,345	$ 365,884	$ 685,773	$ 744,673
Operating expenses	18,209	23,214	45,648	55,105
From discontinued operations	622	577	1,235	1,195
	$ 364,176	$ 389,675	$ 732,656	$ 800,973
An analysis of amortization by function				
Operating costs	$ 1,483	$ 1,024	$ 3,087	$ 3,276
Operating expenses	1,716	2,712	3,605	7,481
From discontinued operations	1,111	(24)	2,206	702
	$ 4,310	$ 3,712	$ 8,898	$ 11,459

f. Employee benefits expense

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
From continuing operations				
Post-employment benefits				
Defined contribution plans	$ 12,693	$ 12,164	$ 25,502	$ 26,497
Defined benefit plans (Note 23)	4,283	4,549	10,336	8,969
	16,976	16,713	35,838	35,466
Cash-settled share-based payments (Note 29)	-	13,322	-	(2,173)
Other employee benefits	305,194	290,210	630,271	634,739
	$ 322,170	$ 320,245	$ 666,109	$ 668,032
From discontinued operations				
Post-employment benefits				
Defined contribution plans	$ 155	$ 174	$ 308	$ 1,495
Other employee benefits	733	32	2,205	59,627
	$ 888	$ 206	$ 2,513	$ 61,122
Total employee benefits expense	$ 323,058	$ 320,451	$ 668,622	$ 729,154
An analysis of employee benefits expense by function				
Operating costs	$ 217,019	$ 203,979	$ 447,470	$ 449,048
Operating expenses	105,151	116,266	218,639	218,984
From discontinued operations	888	206	2,513	61,122
	$ 323,058	$ 320,451	$ 668,622	$ 729,154

g. Compensation of employees and remuneration of directors

According to the amendments to the Corporation's Articles approved at the shareholders' meeting on May 28, 2025, the allocation ratio of employee compensation increased from 0.01%-3% of profit before income tax, before the deduction of employee compensation and directors' remuneration, to 0.1%-3%. Of the total amount of employee compensation, no less than 10% shall be distributed to non-executive employees. The allocation for director remuneration shall remain no more than 1%. When the Corporation has accumulated deficits, it shall reserve the deficit amount in advance, and then allocate compensation of employees and remuneration of directors based on aforementioned ratio.

For the six months ended June 30, 2026 and 2025, the Corporation incurred loss before tax, and thus did not accrue compensation of employees and remuneration of directors.

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 and adjusted in the following year.

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

27. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax expense (benefit) were as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Current tax				
In respect of the current year	$ 31,698	$ 47,594	$ 58,851	$ 82,714
Adjustments for prior years	1	(1,429)	(4)	(1,429)
	31,699	46,165	58,847	81,285
Deferred tax				
In respect of the current year	32,131	63,872	52,372	(236,544)
Others	(534)	(11,740)	1,374	(10,661)
	31,597	52,132	53,746	(247,205)
Income tax expense (benefit) recognized in profit or loss	$ 63,296	$ 98,297	$ 112,593	$ (165,920)

b. Income tax assessments

Income tax returns of the following companies had been assessed by tax authorities:

1) CS Development & Investment Co. - through 2024
2) Yun Cheng Investment Corporation - through 2024
3) Consolidated Resource Co. - through 2024
4) Circular Commitment Company - through 2022
5) Linyuan Advanced Materials Technology Co., Ltd. - through 2022
6) The Corporation - through 2022

28. LOSS 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 loss per share				
From continuing operations	$ (0.50)	$ (0.28)	$ (1.31)	$ (0.46)
From discontinued operations	(0.01)	(0.01)	(0.01)	(0.07)
Total basic loss per share	$ (0.51)	$ (0.29)	$ (1.32)	$ (0.53)
Diluted loss per share				
From continuing operations	$ (0.50)	$ (0.28)	$ (1.31)	$ (0.46)
From discontinued operations	(0.01)	(0.01)	(0.01)	(0.07)
Total diluted loss per share	$ (0.51)	$ (0.29)	$ (1.32)	$ (0.53)

The loss and weighted average number of ordinary shares used in the computation of loss per share from continuing operations were as follows:

Net Loss for the Period

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	**2025**	**2026**	**2025**
Loss attributable to owners of the Corporation	$ (491,342)	$ (278,411)	$ (1,276,655)	$ (515,731)
Net loss used in the computation of basic loss per share from discontinued operations	5,620	9,599	7,126	72,739
Net loss used in the computation of basic loss per share from continuing operations	(485,722)	(268,812)	(1,269,529)	(442,992)
Effect of potentially dilutive ordinary shares:				
Compensation of employees	-	-	-	-
Net loss used in the computation of diluted loss per share from continuing operations	$ (485,722)	$ (268,812)	$ (1,269,529)	$ (442,992)

Weighted Average Number of Ordinary Shares Outstanding (In Thousand 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 loss per share	969,999	969,999	969,999	969,999
Effect of potentially dilutive ordinary shares:				
Compensation of employees	-	-	-	-
Weighted average number of ordinary shares used in the computation of diluted loss per share	969,999	969,999	969,999	969,999

If the Group may choose to settle the compensation of employees in cash or shares, the Group assumes that the entire amount of the compensation will be settled in shares, and the resulting potential shares are included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

For the three months ended June 30, 2026 and 2025, and for the six months ended June 30, 2026 and 2025, one of the components used in the computation of diluted earnings per share was a net loss. Therefore, it caused an anti-dilutive effect and was excluded from the computation of diluted earnings per share.

29. CASH-SETTLED SHARE-BASED PAYMENTS ARRANGEMENTS

Information on employee share appreciation rights issued by CCC, the Corporation's subsidiary, for the six months ended June 30, 2026 and 2025, was as follows:

	For the Six Months Ended June 30			
	2026		2025	
	Number of Rights (In Thousands)	Weighted-average Exercise Price (NT$)	Number of Rights (In Thousands)	Weighted-average Exercise Price (NT$)
Balance on January 1	91	$ 4,398	187	$ 3,857
Rights forfeited	-	-	(1)	4,232
Rights exercised	-	-	(95)	3,363
Balance on June 30	91		91	
Rights exercisable, end of period	73		53	
Weighted-average fair value of rights granted ($)	$ -		$ -	

The Corporation's subsidiary, CCC, issued share appreciation rights ("SARs") to certain employees, and paid the intrinsic value of the SARs in cash to the employees at the date of exercise, in accordance with the contract.

The Group recognized an expense of $13,322 thousand for the three months ended June 30, 2025, and a benefit of $2,173 thousand for the six months ended June 30, 2025 in respect of the SARs.

30. GOVERNMENT GRANTS

In addition to those disclosed in other notes, the government grants obtained by the Group are as follows:

CCC had received Employee Retention Credit from Internal Revenue Service in May 2023. As of June 30, 2026, there was not yet reasonable assurance that the grant will meet the conditions and therefore an amount of $66,195 thousand was still recorded under other current liabilities.

31. CAPITAL MANAGEMENT

The Group manages and maintains sufficient capital to expand operations and meet related capital expenditure. The Group manages its capital to maintain the profitability and financial structure, and ensure that it has sufficient financial resources to fund its working capital, capital expenditures, debt repayments and the payment of dividends to shareholders.

32. DISPOSAL OF SUBSIDIARY

On March 11, 2025, the Board of Directors resolved to authorize CSRC (Singapore) Pte. Ltd., a subsidiary indirectly held by the Corporation, to enter into a share transfer agreement with Longxing Technology Group Co., Ltd. for the sale of its 100% equity interest in CSRC China (Chongqing) Corporation. The disposal transaction was completed on April 10, 2025, resulting the Group losing control over the subsidiary.

a. Analysis of assets and liabilities on the date control was lost

	CSRC China (Chongqing) Corporation
Current assets	
Cash and cash equivalents	$ 114,184
Notes receivable	776
Accounts receivables	22,098
Other current assets	5,689
Non-current assets	
Property, plant and equipment	145,197
Right-of-use assets	40,292
Other financial assets - non-current	42
Current liabilities	
Trade payables	(437)
Other payables	(41,565)
Other current liabilities	(1,300)
Net assets disposed of	$ 284,976

b. Gain on disposal of subsidiary

	CSRC China (Chongqing) Corporation
Consideration received	$ 304,047
Net assets disposed of	(284,976)
Cumulative exchange differences relating to the net assets of a subsidiary reclassified from equity to profit or loss upon loss of control over the subsidiary	(17,137)
Gain on disposal	$ 1,934

The Group’s gain on disposal of CSRC China (Chongqing) Corporation was accounted for under other gains or losses.

c. Net cash inflow on disposal of subsidiary

	CSRC China (Chongqing) Corporation
Consideration received in cash and cash equivalents	$ 304,047
Less: Cash and cash equivalents balances disposed of	(114,184)
	$ 189,863

33. FINANCIAL INSTRUMENTS

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

Except those listed in the table below, the disclosures of fair value are not required for financial instruments that are not measured at fair value with carrying value approximating fair value.

June 30, 2026

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial liabilities					
Financial liabilities at amortized cost					
Convertible bonds	$ 3,352,165	$ -	$ -	$ 3,330,950	$ 3,330,950

December 31, 2025

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial liabilities					
Financial liabilities at amortized cost					
Convertible bonds	$ 3,320,576	$ -	$ -	$ 3,319,750	$ 3,319,750

June 30, 2025

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial liabilities					
Financial liabilities at amortized cost					
Convertible bonds	$ 3,289,320	$ -	$ -	$ 3,281,950	$ 3,281,950

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

1) Fair value hierarchy

June 30, 2026

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares and emerging market shares	$ 4,888,464	$ -	$ 12,263	$ 4,900,727
Domestic unlisted shares	-	-	425,787	425,787
Investments in debt instruments				
Bank's acceptance bill	-	-	287,300	287,300
	$ 4,888,464	$ -	$ 725,350	$ 5,613,814
Financial liabilities at FVTPL				
Derivative instrument - redemption option and put option of convertible bonds	$ -	$ -	$ 110,600	$ 110,600

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares and emerging market shares	$ 4,573,105	$ -	$ 15,663	$ 4,588,768
Domestic unlisted shares	-	-	536,099	536,099
Investments in debt instruments				
Bank's acceptance bill	-	-	306,414	306,414
	$ 4,573,105	$ -	$ 858,176	$ 5,431,281
Financial liabilities at FVTPL				
Derivative instrument - redemption option and put option of convertible bonds	$ -	$ -	$ 83,300	$ 83,300

June 30, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares and emerging market shares	$ 5,204,687	$ -	$ 11,343	$ 5,216,030
Domestic unlisted shares	-	-	628,756	628,756
Investments in debt instruments				
Bank's acceptance bill	-	-	526,259	526,259
	$ 5,204,687	$ -	$ 1,166,358	$ 6,371,045
Financial liabilities at FVTPL				
Derivative instrument - redemption option and put option of convertible bonds	$ -	$ -	$ 114,450	$ 114,450

No transfers between Levels 1 and 2 for the six months ended June 30, 2026 and 2025.

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

For the six months ended June 30, 2026

Financial Assets	Financial Assets at FVTPL	Financial Assets at FVTOCI	Total
Balance on January 1, 2026	$ -	$ 858,176	$ 858,176
Recognized in other comprehensive loss (included in unrealized loss on financial assets at FVTOCI)	-	(113,712)	(113,712)
Changes in bank's acceptance bill	-	(19,114)	(19,114)
Balance on June 30, 2026	$ -	$ 725,350	$ 725,350

Financial Liabilities	Financial Liabilities at FVTPL	Financial Liabilities at FVTOCI	Total
Balance on January 1, 2026	$ 83,300	$ -	$ 83,300
Recognized in profit (other gains and losses)	27,300	-	27,300
Balance on June 30, 2026	$ 110,600	$ -	$ 110,600

For the six months ended June 30, 2025

Financial Assets	Financial Assets at FVTPL	Financial Assets at FVTOCI	Total
Balance on January 1, 2025	$ -	$ 1,479,226	$ 1,479,226
Recognized in other comprehensive loss (included in unrealized loss on financial assets at FVTOCI)	-	(85,958)	(85,958)
Changes in bank's acceptance bill	-	(226,910)	(226,910)
Balance on June 30, 2025	$ -	$ 1,166,358	$ 1,166,358

Financial Liabilities	Financial Liabilities at FVTPL	Financial Liabilities at FVTOCI	Total
Balance on January 1, 2025	$ 129,500	$ -	$ 129,500
Recognized in profit (other gains and losses)	(15,050)	-	(15,050)
Balance on June 30, 2025	$ 114,450	$ -	$ 114,450

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

	Fair Value at June 30, 2026	Valuation Techniques	Significant Unobservable Inputs	Range (Average Weighted)	The Relationship Between Inputs and Fair Value
Financial assets at FVTOCI					
Equity instruments	$ 438,050	Market approach	P/B	0.79-2.08	When the higher the P/B multiple, the higher the fair value; when the higher the lack of marketability discount, the lower the fair value.
			Lack of liquidity discount	20%-40%	
		Balance sheet method	Lack of liquidity discount	10%	When the higher lack of liquidity discount, the lower of fair value.
Debt instruments investment	287,300	Income approach	-	-	-
Financial liabilities at FVTPL					
Redemption option and put option of convertible bonds	110,600	Binomial tree convertible bond valuation model	Volatility	37.53%	When the higher of the volatility, the higher of the fair value.

	Fair Value at December 31, 2025	Valuation Techniques	Significant Unobservable Inputs	Range (Average Weighted)	The Relationship Between Inputs and Fair Value
Financial assets at FVTOCI					
Equity instruments	$ 551,762	Market approach	P/B	1.13-2.24	When the higher the P/B multiple, the higher the fair value; when the higher the lack of marketability discount, the lower the fair value.
			Lack of liquidity discount	20%-40%	
		Balance sheet method	Lack of liquidity discount	10%	When the higher lack of liquidity discount, the lower of fair value.
Debt instruments investment	306,414	Income approach	-	-	-
Financial liabilities at FVTPL					
Redemption option and put option of convertible bonds	83,300	Binomial tree convertible bond valuation model	Volatility	34.45%	When the higher of the volatility, the higher of the fair value.

	Fair Value at June 30, 2025	Valuation Techniques	Significant Unobservable Inputs	Range (Average Weighted)	The Relationship Between Inputs and Fair Value
Financial assets at FVTOCI					
Equity instruments	$ 640,099	Market approach	P/B	1.03-2.26	When the higher the P/B multiple, the higher the fair value; when the higher the lack of marketability discount, the lower the fair value.
			Lack of liquidity discount	20%-40%	
		Balance sheet method	Lack of liquidity discount	10%	When the higher lack of liquidity discount, the lower of fair value.
Debt instruments investment	526,259	Income approach	-	-	-
Financial liabilities at FVTPL					
Redemption option and put option of convertible bonds	114,450	Binomial tree convertible bond valuation model	Volatility	29.27%	When the higher of the volatility, the higher of the fair value.

c. Categories of financial instruments

	June 30, 2026	December 31, 2025	June 30, 2025
Financial assets			
Financial assets at amortized cost (1)	$ 16,454,800	$ 16,657,769	15,665,974
Financial assets at FVTOCI (2)	5,613,814	5,431,281	6,371,045
Financial liabilities			
Financial liabilities at FVTPL			
Held for trading	110,600	83,300	114,450
Amortized cost (3)	17,787,633	17,383,438	14,743,538

1) The balances included financial assets measured at amortized cost, which comprise cash and cash equivalents, notes receivable, accounts receivable, net, accounts receivable from related parties, other financial assets - current, and other financial assets - non-current.

2) The balances included financial assets at fair value through other comprehensive income - current and financial assets at fair value through other comprehensive income - non-current.

3) The balances included financial liabilities measured at amortized cost, which comprise short-term borrowings, short-term bills payable, trade payables, trade payables to related parties, other payables, bonds payable (included current portion) and long-term borrowings (included current portion).

d. Financial risk management objectives and policies

The Group's major financial instruments include equity and debt instruments investments, beneficiary certificates, accounts receivable, trade payables, borrowings, bonds payable and lease liabilities. The Group's Corporate Treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price 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 had been no change to the Group's exposure to market risks or the manner in which these risks were managed and measured.

a) Foreign currency risk

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) at the end of the reporting period are set out in Note 37.

Sensitivity analysis

The Group was mainly exposed to the U.S. dollars.

The sensitivity analysis included only outstanding foreign currency denominated monetary items and adjusts the translation at the end of the reporting period for a 1% change in foreign currency rates. Had the New Taiwan dollars strengthened/weakened by 1% against U.S. dollars, the Group's pre-tax loss for the six months ended June 30, 2026 and 2025 would decrease/increase by $17,158 thousand and $10,831 thousand, respectively.

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

b) Interest rate risk

The Group was exposed to interest rate risk because entities in the Group borrowed funds at both fixed and floating interest rates.

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**
Fair value interest rate risk			
Financial assets	$ 10,701,351	$ 10,921,733	$ 9,165,491
Financial liabilities	10,042,116	10,454,702	8,845,794
Cash flow interest rate risk			
Financial assets	2,956,480	2,802,602	2,638,359
Financial liabilities	6,442,788	5,617,787	5,019,850

Sensitivity analysis

The sensitivity analyses below were determined based on the Group's exposure to interest rates for both derivatives and 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.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's pre-tax loss for the six months ended June 30, 2026 and 2025 would increase/decrease by $8,716 thousand and $5,954 thousand, respectively.

c) Other price risk

The Group was exposed to equity price risk through its investments in listed equity securities. Equity investments are held for strategic rather than trading purposes. The Group does not actively trade these investments. The Group adopted sensitivity analysis to measure the equity price risk.

Sensitivity analysis

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

If equity prices had been 5% higher/lower, the pre-tax other comprehensive income (loss) for the six months ended June 30, 2026 and 2025 would increase/decrease by $266,326 thousand and $292,239 thousand, respectively, as a result of the changes in financial assets at fair value through other comprehensive income.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure of counterparties to discharge an obligation could arise from the carrying amount of the respective recognized financial assets as stated in the balance sheets.

The accounts receivable of the Group covers a large number of customers and spreads across different industries and geographical regions. The Group continuously evaluates the business and financial status of the customers and monitors the collection of accounts receivable.

The credit risk on liquid funds and derivatives was limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

The Group's concentration of credit risk of 67%, 47% and 56% in total accounts receivable as of June 30, 2026, December 31, 2025 and June 30, 2025, respectively, was related to the Group's eight largest customers.

3) Liquidity risk

The Group manages liquidity risk by maintaining a level of cash and cash equivalents, high liquidity in securities, and adequate reserves for bank loan facilities, deemed adequate to ensure the Group maintain enough financial flexibility. As of June 30, 2026, December 31, 2025 and June 30, 2025, the amounts of unused financing facilities were $15,318,380 thousand, $13,217,224 thousand and $15,456,138 thousand, respectively.

Liquidity and interest risk rate tables

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

June 30, 2026

	Less than 1 Year	1-2 Years	2-5 Years	5+ Years	Total
Non-derivative financial liabilities					
Non-interest bearing	$ 2,151,656	$ -	$ -	$ -	$ 2,151,656
Lease liabilities	197,099	201,197	366,560	292,780	1,057,636
Variable interest rate borrowings	6,442,788	-	-	-	6,442,788
Fixed interest rate borrowings	4,676,024	1,065,000	-	100,000	5,841,024
	$ 13,467,567	$ 1,266,197	$ 366,560	$ 392,780	$ 15,493,104

Additional information about the maturity analysis for total financial liabilities:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15+ Years	Total
Lease liabilities	$ 197,099	$ 567,757	$ 172,326	$ 120,454	$ -	$ 1,057,636
Variable interest rate borrowings	6,442,788	-	-	-	-	6,442,788
Fixed interest rate borrowings	4,676,024	1,065,000	100,000	-	-	5,841,024
	$ 11,315,911	$ 1,632,757	$ 272,326	$ 120,454	$ -	$ 13,341,448

December 31, 2025

	Less than 1 Year	1-2 Years	2-5 Years	5+ Years	Total
Non-derivative financial liabilities					
Non-interest bearing	$ 2,239,269	$ -	$ -	$ -	$ 2,239,269
Lease liabilities	201,538	205,217	461,374	297,451	1,165,580
Variable interest rate borrowings	5,617,787	-	-	-	5,617,787
Fixed interest rate borrowings	4,705,806	1,200,000	200,000	100,000	6,205,806
	$ 12,764,400	$ 1,405,217	$ 661,374	$ 397,451	$ 15,228,442

Additional information about the maturity analysis for total financial liabilities:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15+ Years	Total
Lease liabilities	$ 201,538	$ 666,591	$ 170,054	$ 127,397	$ -	$ 1,165,580
Variable interest rate borrowings	5,617,787	-	-	-	-	5,617,787
Fixed interest rate borrowings	4,705,806	1,400,000	100,000	-	-	6,205,806
	$ 10,525,131	$ 2,066,591	$ 270,054	$ 127,397	$ -	$ 12,989,173

June 30, 2025

	Less than 1 Year	1-2 Years	2-5 Years	5+ Years	Total
Non-derivative financial liabilities					
Non-interest bearing	$ 1,833,675	$ -	$ -	$ -	$ 1,833,675
Lease liabilities	230,325	222,353	645,603	330,823	1,429,104
Variable interest rate borrowings	5,019,850	-	-	-	5,019,850
Fixed interest rate borrowings	4,600,693	-	-	-	4,600,693
	$ 11,684,543	$ 222,353	$ 645,603	$ 330,823	$ 12,883,322

Additional information about the maturity analysis for total financial liabilities:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15+ Years	Total
Lease liabilities	$ 230,325	$ 867,956	$ 182,711	$ 148,112	$ -	$ 1,429,104
Variable interest rate borrowings	5,019,850	-	-	-	-	5,019,850
Fixed interest rate borrowings	4,600,693	-	-	-	-	4,600,693
	$ 9,850,868	$ 867,956	$ 182,711	$ 148,112	$ -	$ 11,049,647

e. Transfers of financial assets

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 has 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 amounts of the transferred but unsettled bills receivable, and as of June 30, 2026, December 31, 2025 and June 30, 2025, the face amounts of these unsettled bills receivable were $163,259 thousand, $71,415 thousand and $56,606 thousand, respectively. The unsettled bills receivable will be due in 4 months, 5 months and 3 months after June 30, 2026, December 31, 2025 and June 30, 2025, respectively. 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 any gains or losses upon the transfer of the banker's acceptance bills. No gains or losses were recognized from the continuing involvement, both during the period or cumulatively.

34. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Group and its related parties have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below.

a. The Group's related parties and their relationship

Related Party Name	Relationship with the Group
China Steel Chemical Corporation	The Group acts as key management personnel of the entity
TCC Group Holdings Co., Ltd.	Same key management personnel
Taiwan Transport & Storage Corporation	Same key management personnel
TCC Information Systems Corporation	Same key management personnel
Fuzhou TCC Information Technology Corporation	Same key management personnel
Kuan-Ho Refractories Industry Corporation	Same key management personnel
TCC Kao-Cheng Green Energy Corporation	Same key management personnel
Energy Helper TCC Corporation	Same key management personnel
China Hi-Ment Corporation	Same key management personnel
Dr. Cecilia Koo Botanic Conservation and Environmental Protection Foundation	Related party in substance
FDC International Hotels Corporation	Related party in substance
L'Hotel De Chine Corporation	Related party in substance
OYAK Synthetic Carbon Products Industry and Trade Corporation (OYAK Synthetic Carbon)	Joint venture (Note)

Note: OYAK Synthetic Carbon is a 100% owned subsidiary of the joint venture company, Continental Carbon OYAK (Netherlands) B.V.

b. Operating transactions

The prices and payment terms were comparable with those for third parties. Rental of lease agreements with related parties was based on market price and the payment terms were determined at general condition.

	Sales of Goods			
	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
The Group acts as key management personnel of the entity	$ 3,000	$ -	$ 3,000	$ -
Same key management personnel	1,239	1,319	2,257	1,713
	$ 4,239	$ 1,319	$ 5,257	$ 1,713

	Purchase of Goods			
	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
The Group acts as key management personnel of the entity	$ 311,203	$ 187,725	$ 535,491	$ 435,379
Same key management personnel	2,393	2,100	49,364	4,442
	$ 313,596	$ 189,825	$ 584,855	$ 439,821

	Overhead and Operating Expenses			
	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Same key management personnel	$ 32,386	$ 38,104	$ 81,546	$ 75,443
Related party in substance	67	3	333	141
The Group acts as key management personnel of the entity	-	-	9	-
	$ 32,453	$ 38,107	$ 81,888	$ 75,584

	Accounts Receivable from Related Parties		
	June 30, 2026	December 31, 2025	June 30, 2025
OYAK Synthetic Carbon	$ 11,466	$ 11,315	$ -
The Group acts as key management personnel of the entity	2,100	-	-
Same key management personnel	841	563	951
	$ 14,407	$ 11,878	$ 951

	Trade Payables to Related Parties		
	June 30, 2026	December 31, 2025	June 30, 2025
China Steel Chemical Corporation	$ 103,933	$ 73,617	$ 67,749
Same key management personnel	-	77	52
	$ 103,933	$ 73,694	$ 67,801

The outstanding trade payables to related parties are unsecured, and no guarantee is required for the outstanding amount of receivables from related parties. No allowances were recognized for receivables from related parties.

c. Other income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
OYAK Synthetic Carbon	$ -	$ 6,007	$ -	$ 6,007
Same key management personnel	-	150	-	570
	$ -	$ 6,157	$ -	$ 6,577

d. Other receivables from related parties (included in other financial assets - current)

	June 30, 2026	December 31, 2025	June 30, 2025
OYAK Synthetic Carbon	$ 2,212	$ -	$ -
Same key management personnel	77	52	-
	$ 2,289	$ 52	$ -

e. Other payables to related parties (included in other payables)

	June 30, 2026	December 31, 2025	June 30, 2025
Related party in substance	$ 28,000	$ 28,000	$ 28,000
Same key management personnel	9,910	10,638	12,027
	$ 37,910	$ 38,638	$ 40,027

f. Disposal of property, plant and equipment

	For the Three Months Ended June 30, 2026		For the Six Months Ended June 30, 2026	
	Proceeds (Excluding VAT)	Gain (Loss) on Disposal	Proceeds (Excluding VAT)	Gain (Loss) on Disposal
Same key management personnel	$ -	$ -	$ 10,000	$ 1,686

g. Compensation of key management personnel

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

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
Short-term employee benefits	$ 13,307	$ 13,624	$ 28,052	$ 28,181
Post-employment benefits	75	72	147	136
Share-based payments	-	13,322	-	(2,173)
	$ 13,382	$ 27,018	$ 28,199	$ 26,144

35. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for certain short-term borrowings, performance guarantees, and other credit accommodations:

	June 30, 2026		December 31, 2025		June 30, 2025	
	Shares (Thousands)	Amount	Shares (Thousands)	Amount	Shares (Thousands)	Amount
Notes and accounts receivable	-	$ 1,099,877	-	$ 1,043,189	-	$ 1,243,437
Inventories	-	828,158	-	699,192	-	648,841
Pledged bank deposits (included in other financial assets - current)	-	-	-	451,251	-	440,326
Pledged time deposits (included in other financial assets - current and non-current)	-	32,531	-	43,829	-	29,265
Financial assets at fair value through other comprehensive income - non-current						
TCC Group Holdings Co., Ltd.	4,100	98,605	4,100	95,120	4,100	104,550
		$ 2,059,171		$ 2,332,581		$ 2,466,419

36. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group as of June 30, 2026, December 31, 2025 and June 30, 2025 were as follows:

a. The Group entered into purchase agreements of materials with multiple suppliers. The relative minimum purchase quantity is specified in the agreements.

b. In January 2019 and December 2020, Continental Carbon Eco Tech Pvt. Ltd. (“CCET”), the Corporation’s subsidiary, entered into the contract and supplementary contract, respectively, with CINDA Engineering & Construction Private Limited (“CINDA”) for the construction of the carbon black factory. The contract amounts were approximately US$60,000 thousand and US$105,000 thousand, respectively, resulting in a total contract value of approximately US$165,000 thousand without tax. However, the actual total project cost is still subject to the final calculation according to the actual quantity and amount after the completion of the design, equipment procurement, and the construction at various stages. As of June 30, 2026, the accumulated construction cost paid is US$233,305 thousand (including payments made on behalf of the contractor of US$11,416 thousand) without tax.

   The turnkey contractor for the factory of CCET, CINDA, filed an arbitration claim with the Singapore International Arbitration Centre (SIAC) on December 30, 2024, initially seeking payment of US$25,584 thousand. The amount claimed was subsequently reduced to US$20,606 thousand. CCET also filed a counterclaim against CINDA for US$3,120 thousand in relation to construction defects and project delays.

   To resolve the aforementioned disputes, CCET and CINDA entered into a settlement agreement on May 29, 2026, pursuant to which CCET agreed to pay a settlement amount of US$13,000 thousand in full settlement of the claims relating to variation orders and additional costs arising from the plant construction project. In accordance with the settlement agreement, both parties have applied to the Singapore International Arbitration Centre (“SIAC”) to withdraw the arbitration proceedings.

c. The amounts of letters of guarantee granted and issued by the banks for the Group are as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Linyuan Advanced Materials Technology Co., Ltd.	$ 345,000	$ 385,000	$ 388,000
Continental Carbon Eco Tech Pvt. Ltd.	17,098	17,796	31,600

37. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

June 30, 2026

	Foreign Currencies	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 14,137	31.8500 (USD:NTD)	$ 450,255
USD	1,613	6.8109 (USD:RMB)	51,366
USD	1,427	64.6914 (USD:INR)	45,441
USD	1,370	0.8777 (USD:EUR)	43,620
			$ 590,682
Financial liabilities			
Monetary items			
USD	402	31.8500 (USD:NTD)	$ 12,812
USD	28	6.8109 (USD:RMB)	877
USD	14,263	64.6914 (USD:INR)	454,269
USD	57,725	0.8777 (USD:EUR)	1,838,543
			$ 2,306,501

December 31, 2025

	Foreign Currencies	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 19,397	31.4300 (USD:NTD)	$ 609,654
USD	1,386	7.0288 (USD:RMB)	43,566
USD	942	89.7769 (USD:INR)	29,623
USD	94	0.8518 (USD:EUR)	2,951
			$ 685,794

(Continued)

	Foreign Currencies	Exchange Rate	Carrying Amount
Financial liabilities			
Monetary items			
USD	$ 248	31.4300 (USD:NTD)	$ 7,802
USD	20	7.0288 (USD:RMB)	624
USD	107	89.7769 (USD:INR)	3,360
USD	57,718	0.8518 (USD:EUR)	1,814,065
			$ 1,825,851

(Concluded)

June 30, 2025

	Foreign Currencies	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 16,380	29.3000 (USD:NTD)	$ 479,921
USD	386	7.1586 (USD:RMB)	11,314
USD	2,108	85.7287 (USD:INR)	88,147
USD	1,526	0.8530 (USD:EUR)	44,705
			$ 624,087
Financial liabilities			
Monetary items			
USD	395	29.3000 (USD:NTD)	$ 11,585
USD	12	7.1586 (USD:RMB)	341
USD	141	85.7287 (USD:INR)	4,128
USD	57,717	0.8530 (USD:EUR)	1,691,103
			$ 1,707,157

For the three months ended June 30, 2026 and 2025 and for the six months ended June 30, 2026 and 2025, net foreign exchange (losses) gains were $(16,723) thousand, $42,003 thousand, $(46,993) thousand and $162,856 thousand, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the group entities.

38. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and investees:

1) Financing provided to others. (Table 1)

2) Endorsements/guarantees provided. (Table 2)

3) Significant Marketable securities held. (Table 3)

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

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

6) Intercompany relationships and significant intercompany transactions. (Table 8)

7) Information on investees. (Table 6)

b. 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 reporting period, repatriations of investment income, and limit on the amount of investment in the mainland China area. (Table 7)

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:

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

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

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

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the reporting period and the purposes. (Table 2)

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

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

39. SEGMENT INFORMATION

One operating unit, CSRC China (Anshan) Corporation, was discontinued during the first quarter of 2025. The segment information presented below does not include the amounts related to the discontinued operation. Please refer to Note 11 for further details.

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. Specifically, the Group's reportable segments are carbon black, biotechnology, and others:

a. Segment revenue and results

	For the Six Months Ended June 30, 2026			
	Carbon Black	**Biotechnology**	**Others**	**Total**
Segment revenues	$ 6,759,902	$ -	$ -	$ 6,759,902
Segment losses	$ (1,284,846)	$ (2,698)	$ (92,938)	$ (1,380,482)
Interest income				178,709
Other income				284,097
Other gains and losses				(60,585)
Finance costs				(394,579)
Share of profit or loss of associates and joint ventures for using the equity method				(74,709)
Net losses before income tax from continuing operations				$ (1,447,549)
Depreciation and amortization expenses from continuing operations				$ 738,113

	For the Six Months Ended June 30, 2025			
	Carbon Black	**Biotechnology**	**Others**	**Total**
Segment revenues	$ 8,215,347	$ -	$ 38,283	$ 8,253,630
Segment losses	$ (794,664)	$ (4,084)	$ (71,168)	$ (869,916)
Interest income				189,820
Other income				401,708
Other gains and losses				295,617
Finance costs				(341,218)
Share of profit or loss of associates and joint ventures for using the equity method				(360,954)
Net losses before income tax from continuing operations				$ (684,943)
Depreciation and amortization expenses from continuing operations				$ 810,535

The segment revenue reported was generated from external customers. There were no intersegment sales for the six months ended June 30, 2026 and 2025.

Segment profit or loss represented the profit or loss before income tax earned by each segment without the allocation of interest income, interest expense, other non-operating income and expense. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

b. Segment assets and liabilities

	June 30, 2026			
	Carbon Black	**Biotechnology**	**Others**	**Total**
Total segment assets	$ 29,703,537	$ 10,550,785	$ 7,950,392	$ 48,204,714
Total segment liabilities	$ 14,722,181	$ 4,268,860	$ 5,078,603	$ 24,069,644

	December 31, 2025			
	Carbon Black	**Biotechnology**	**Others**	**Total**
Total segment assets	$ 31,018,763	$ 10,193,393	$ 7,973,428	$ 49,185,584
Total segment liabilities	$ 14,079,218	$ 4,194,018	$ 5,404,428	$ 23,677,664

	June 30, 2025			
	Carbon Black	**Biotechnology**	**Others**	**Total**
Total segment assets	$ 29,682,996	$ 9,386,324	$ 10,517,475	$ 49,586,795
Total segment liabilities	$ 11,430,076	$ 4,137,795	$ 5,358,305	$ 20,926,176

INTERNATIONAL CSRC INVESTMENT HOLDINGS CO., LTD. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE SIX MONTHS ENDED JUNE 30, 2026
(In Thousands of New Taiwan Dollars and U.S. Dollars)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate	Nature of Financing	Business Transaction Amount	Reason for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits	Note
													Item	Value			
1	Synpac (North Carolina), Inc.	Continental Carbon Company	Other receivables from related parties	Yes	$ 959,850 (US$ 30,000)	$ 955,500 (US$ 30,000)	$ 700,700 (US$ 22,000)	5.27%	Short-term financing	$ -	Operating capital	$ -	-	$ -	$ 20,618,118 (Note 1)	$ 41,236,237 (Note 1)	-
		CCC Transport Company	Other receivables from related parties	Yes	319,950 (US$ 10,000)	318,500 (US$ 10,000)	286,650 (US$ 9,000)	5.24%	Short-term financing	-	Operating capital	-	-	-	20,618,118 (Note 1)	41,236,237 (Note 1)	-
		CCC Dutch B.V.	Other receivables from related parties	Yes	1,839,713 (US$ 57,500)	1,831,375 (US$ 57,500)	1,831,375 (US$ 57,500)	4.74%-4.78%	Short-term financing	-	Operating capital	-	-	-	20,618,118 (Note 1)	41,236,237 (Note 1)	-
		SVC Management, LLC	Other receivables from related parties	Yes	1,503,765 (US$ 47,000)	1,496,950 (US$ 47,000)	1,496,950 (US$ 47,000)	4.54%-4.78%	Short-term financing	-	Operating capital	-	-	-	20,618,118 (Note 1)	41,236,237 (Note 1)	-
		CSRC (BVI) Ltd.	Other receivables from related parties	Yes	1,919,700 (US$ 60,000)	1,911,000 (US$ 60,000)	1,911,000 (US$ 60,000)	4.74%	Short-term financing	-	Operating capital	-	-	-	20,618,118 (Note 1)	41,236,237 (Note 1)	-
2	CSRC (Singapore) Pte. Ltd.	Continental Carbon Eco Tech Pvt. Ltd.	Other receivables from related parties	Yes	1,599,750 (US$ 50,000)	1,592,500 (US$ 50,000)	445,900 (US$ 14,000)	5.25%	Short-term financing	-	Operating capital	-	-	-	12,095,915 (Note 2)	24,191,831 (Note 2)	-

Note 1: The financing limit of financing provided by Synpac (North Carolina), Inc. to direct and indirect wholly owned subsidiaries of the Corporation for each borrower is 150% of the lender's net equity on its latest financial statements. The aggregate financing limit is 300% of the lender's net equity on its latest financial statements.

Note 2: The financing limit of financing provided by CSRC (Singapore) Pte. Ltd. to direct and indirect wholly owned subsidiaries of the Corporation for each borrower is 150% of the lender's net equity on its latest financial statements. The aggregate financing limit is 300% of the lender's net equity on its latest financial statements.

Note 3: The consolidated subsidiaries' ending balances were excluded from the consolidation.

INTERNATIONAL CSRC INVESTMENT HOLDINGS CO., LTD. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE SIX MONTHS ENDED JUNE 30, 2026
(In Thousands of New Taiwan Dollars)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Given on Behalf of Each Party (Note 2)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collaterals	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											
1	International CSRC Investment Holdings Co., Ltd.	Consolidated Resource Co.	Note 1	$ 23,034,043	$ 75,000	$ 75,000	$ -	$ -	0.33%	$ 34,551,065 (Note 3)	Yes	No	No	-
		CS Development & Investment Co.	Note 1		140,000	140,000	-	-	0.61%		Yes	No	No	-
		Continental Carbon India Pvt. Ltd.	Note 1		1,516,447	1,516,447	184,263	-	6.58%		Yes	No	No	-
		Continental Carbon Eco Tech Pvt. Ltd.	Note 1		4,447,464	4,355,268	2,021,808	-	18.91%		Yes	No	No	-
		Continental Carbon Company	Note 1		7,130,578	7,130,578	5,729,178	-	30.96%		Yes	No	No	-
		CSRC (Singapore) Pte. Ltd.	Note 1		799,875	796,250	445,900	-	3.46%		Yes	No	No	-
		CSRC China Corporation	Note 1		3,528,000	3,528,000	1,541,861	-	15.32%		Yes	No	Yes	-
		Yun Cheng Investment Corporation	Note 1		150,000	150,000	-	-	0.65%		Yes	No	No	-

Note 1: Subsidiary in which the Corporation directly or indirectly owns more than 50% of its voting shares.

Note 2: For guarantees provided to a counter-party which a business relationship exists with the Corporation, the endorsement guarantee amount is limited up to 50% of total transactions amount in the recent year. In addition, the limit on endorsement guarantee is up to 100% of the Corporation's net equity based on latest financial statements.

Note 3: The aggregate endorsement/guarantee amount of the Corporation is limited to 150% of its net equity based on its latest financial statements.

INTERNATIONAL CSRC INVESTMENT HOLDINGS CO., LTD. AND SUBSIDIARIES

SIGNIFICANT MARKETABLE SECURITIES HELD
JUNE 30, 2026
(In Thousands of New Taiwan Dollars)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2026				Note
				Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value (Note 1)	
International CSRC Investment Holdings Co., Ltd.	Ordinary share(s)							
	China Steel Chemical Corporation	The Corporation is one of its directors	Financial assets at FVTOCI - current	11,759,096	$ 967,774	4.96	$ 967,774	-
	TCC Group Holdings Co., Ltd.	Same with key management personnel	Financial assets at FVTOCI - non-current	113,896,285	2,739,206	1.51	2,739,206	-
CS Development & Investment Co.	Ordinary share(s)							
	TCC Group Holdings Co., Ltd.	Same with key management personnel	Financial assets at FVTOCI - non-current	30,860,136	742,186	0.41	742,186	(Note 2)

Note 1: Listed shares were measured by closing price of June 30, 2026, please refer to Note 32.

Note 2: Please refer to Note 35 for the detail of financial assets pledged as collateral.

Note 3: This table only discloses marketable securities with a carrying amount of $300,000 thousand or above.

INTERNATIONAL CSRC INVESTMENT HOLDINGS CO., LTD. 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)

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payables)			Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance		% of Total	
Linyuan Advanced Materials Technology Co., Ltd.	China Steel Chemical Corporation	The Corporation is one of its directors	Purchase	$ 535,491	36	Payable on the 15th of the next month	$ -	-	Trade payables	$ (103,933)	(29)	-
Continental Carbon Company	Continental Carbon Company Europe SPRL	Same ultimate parent company	Sale	245,678	12	Receivable on the 120th day	-	-	Accounts receivable	157,387	14	Note
Continental Carbon Company Europe SPRL	Continental Carbon Company	Same ultimate parent company	Purchase	245,678	100	Payable on the 120th day	-	-	Trade payables	(157,387)	(100)	Note

Note: The consolidated subsidiaries' ending balances were excluded from the consolidation.

INTERNATIONAL CSRC INVESTMENT HOLDINGS CO., LTD. AND SUBSIDIARIES

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

Company Name	Related Party	Relationship	Ending Balance		Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
						Amount	Action Taken		
Synpac (North Carolina), Inc.	Continental Carbon Company	Same ultimate parent company	Other receivables	$ 706,955	Note 2	$ -	-	$ -	$ -
	CCC Transport Company	Same ultimate parent company	Other receivables	287,442	Note 2	-	-	-	-
	CCC Dutch B.V.	Same ultimate parent company	Other receivables	1,838,543	Note 2	-	-	-	-
	SVC Management, LLC	Same ultimate parent company	Other receivables	1,498,613	Note 2	-	-	1,828	-
	CSRC (BVI) Ltd.	Same ultimate parent company	Other receivables	1,924,461	Note 2	-	-	-	-
CSRC (Singapore) Pte. Ltd.	Continental Carbon Eco Tech Pvt. Ltd.	Same ultimate parent company	Other receivables	448,501	Note 2	-	-	-	-
Continental Carbon Company	Continental Carbon Company Europe SPRL	Same ultimate parent company	Accounts receivable	157,387	2.58	-	-	-	-

Note 1: The consolidated subsidiaries' ending balances were excluded from the consolidation.

Note 2: It was the transaction resulting from financing provided to others (including interest).

INTERNATIONAL CSRC INVESTMENT HOLDINGS CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTEES
FOR THE SIX MONTHS ENDED JUNE 30, 2026
(In Thousands of New Taiwan Dollars, U.S. Dollars and EUR)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of June 30, 2026			Net Income (Loss) of the Investee (Note 1)	Share of Profits (Loss) (Note 1)	Note
				June 30, 2026 (Note 1)	December 31, 2025 (Note 1)	Shares	%	Carrying Amount (Note 1)			
International CSRC Investment Holdings Co., Ltd.	CSRC (BVI) Ltd.	B.V.I.	Investment	$ 20,052,504	$ 20,386,125	512,990,790	100.00	$ 5,237,051	$ (373,299)	$ (372,987)	Subsidiary (Note 2)
	CS Development & Investment Co.	Taipei, Taiwan	Investment	198,569	198,569	45,178,600	100.00	1,358,012	8,018	8,018	Subsidiary (Note 2)
	Consolidated Resource Co.	Taipei, Taiwan	Carbon masterbatch and carbon black processing and sales	195,878	195,878	164,440	100.00	218,662	4,217	4,217	Subsidiary (Note 2)
	Linyuan Advanced Materials Technology Co., Ltd.	Kaohsiung, Taiwan	Carbon black production and sales	1,600,100	1,600,100	135,986,110	100.00	1,882,446	(175,082)	(175,685)	Subsidiary (Note 2)
	Circular Commitment Company	Taipei, Taiwan	Biotechnology services and investment	90,000	90,000	9,000,000	100.00	146,012	2,335	2,335	Subsidiary (Note 2)
	CCC Dutch B.V.	Netherlands	Investment	345,568	263,668	50,000	100.00	(370,904)	(110,268)	(110,268)	Subsidiary (Note 2)
	CSRC Alpha, Inc.	U.S.A.	Investment	142,131	142,131	3,000	100.00	131,711	(301)	(301)	Subsidiary (Note 2)
	Yun Cheng Investment Corporation	Taipei, Taiwan	Investment	991,041	991,041	52,173,842	94.69	1,344,222	17,790	16,845	Subsidiary (Note 2)
	Synpac (North Carolina), Inc.	U.S.A.	Investment	3,053,037	3,053,037	11,500,000	88.46	12,336,403	198,845	175,898	Subsidiary (Note 2)
	Synpac Ltd.	B.V.I.	Investment	211,425	211,425	8,100,000	75.00	23,561	175	131	Subsidiary (Note 2)
	CCC USA Corp.	U.S.A.	Investment	3,066,826	3,066,826	158,334	66.67	2,045,074	(874,630)	(583,086)	Subsidiary (Note 2)
	TCC Recycle Energy Technology Company	Taipei, Taiwan	Battery, electric generator and electronic components production and sales	3,963,684	3,963,684	388,962,582	13.67	928,926	(426,034)	(58,155)	Associate
CSRC (BVI) Ltd.	CSRC (Singapore) Pte. Ltd.	Singapore	Investment	US$ 703,060 ≒ 22,392,461	US$ 713,491 ≒ 22,724,688	764,104,456	100.00	US$ 220,383 ≒ 7,019,199	US$ (10,476) ≒ (331,188)	Note 3	Subsidiary (Note 2)
	Continental Carbon Eco Tech Pvt Ltd.	India	Carbon black production and sales	US$ - ≒ 2	US$ - ≒ 2	335	0.01	US$ - ≒ -	US$ (6,254) ≒ (197,714)	Note 3	Subsidiary (Note 2)
CSRC (Singapore) Pte. Ltd.	Continental Carbon India Pvt Ltd.	India	Carbon black production and sales	US$ 96,949 ≒ 3,087,826	US$ 96,949 ≒ 3,087,826	408,390,634	100.00	US$ 16,234 ≒ 517,053	US$ (81) ≒ (2,561)	Note 3	Subsidiary (Note 2)
	Continental Carbon Eco Tech Pvt Ltd.	India	Carbon black production and sales	US$ 314,300 ≒ 10,010,455	US$ 314,300 ≒ 10,010,455	2,373,064,884	99.99	US$ 200,392 ≒ 6,382,485	US$ (6,254) ≒ (197,714)	Note 3	Subsidiary (Note 2)
CS Development & Investment Co.	SVC Services, LLC	U.S.A.	Investment service	4	4	-	99.90	22,667	(319)	Note 3	Subsidiary (Note 2)
	SVC Management, LLC	U.S.A.	Investment consultation	8,885	8,885	-	99.90	755,068	12,601	Note 3	Subsidiary (Note 2)
	TCC Recycle Energy Technology Company	Taipei, Taiwan	Battery, electric generator and electronic components production and sales	105,046	105,046	10,583,923	0.37	25,168	(426,034)	Note 3	Associate
	Yun Cheng Investment Corporation	Taipei, Taiwan	Investment	10,775	10,775	183,066	0.33	4,685	17,790	Note 3	Subsidiary (Note 2)
Consolidated Resource Co.	TCC Recycle Energy Technology Company	Taipei, Taiwan	Battery, electric generator and electronic components production and sales	1,685	1,685	166,631	0.01	406	(426,034)	Note 3	Associate
Circular Commitment Company	Synpac GP Corporation	U.S.A.	Investment	602	602	1,000	100.00	839	11	Note 3	Subsidiary (Note 2)
Synpac GP Corporation	SVC Services, LLC	U.S.A.	Investment service	US$ 1 ≒ 32	US$ 1 ≒ 32	-	0.10	US$ 1 ≒ 32	US$ (10) ≒ (319)	Note 3	Subsidiary (Note 2)
	SVC Management, LLC	U.S.A.	Investment consultation	US$ 11 ≒ 350	US$ 11 ≒ 350	-	0.10	US$ 24 ≒ 764	US$ 399 ≒ 12,601	Note 3	Subsidiary (Note 2)
Yun Cheng Investment Corporation	Synpac (North Carolina), Inc.	U.S.A.	Investment	150,000	150,000	1,500,000	11.54	1,680,212	198,845	Note 3	Subsidiary (Note 2)
Synpac (North Carolina), Inc.	Synpac Venture Capital, L.P.	U.S.A.	Investment	US$ 2,250 ≒ 71,663	US$ 2,250 ≒ 71,663	-	99.90	US$ 160,462 ≒ 5,110,715	US$ 2,552 ≒ 80,679	Note 3	Subsidiary (Note 2)
SVC Management, LLC	Synpac Venture Capital, L.P.	U.S.A.	Investment	US$ 2 ≒ 64	US$ 2 ≒ 64	-	0.10	US$ 8,524 ≒ 271,489	US$ 2,552 ≒ 80,679	Note 3	Subsidiary (Note 2)
CCC USA Corp.	Continental Carbon Company	U.S.A.	Carbon black production and sales	US$ 204,000 ≒ 6,497,400	US$ 204,000 ≒ 6,497,400	151,300	100.00	US$ 121,101 ≒ 3,857,067	US$ (27,764) ≒ (877,731)	Note 3	Subsidiary (Note 2)
	CCC Transport Company	U.S.A.	Carbon black transport	US$ 10 ≒ 319	US$ 10 ≒ 319	10,000	100.00	US$ (2,588) ≒ (82,428)	US$ (92) ≒ (2,908)	Note 3	Subsidiary (Note 2)
	Continental Carbon Nanotechnologies, Inc.	U.S.A.	Carbon nanotubes production and sales	US$ 6,200 ≒ 197,470	US$ 6,200 ≒ 197,470	1,000	100.00	US$ 731 ≒ 23,282	US$ - ≒ -	Note 3	Subsidiary (Note 2)

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of June 30, 2026			Net Income (Loss) of the Investee (Note 1)	Share of Profits (Loss) (Note 1)	Note
				June 30, 2026 (Note 1)	December 31, 2025 (Note 1)	Shares	%	Carrying Amount (Note 1)			
Continental Carbon Company	Continental Carbon Company Europe SPRL	Belgium	Carbon black sales	US$ 24 ≒ 764	US$ 24 ≒ 764	1,000	100.00	US$ 338 ≒ 10,765	US$ 214 ≒ 6,765	Note 3	Subsidiary (Note 2)
	ECO CSRC INFINIC, LLC	U.S.A.	Carbon black production and sales	US$ 8,500 ≒ 270,725	US$ 8,500 ≒ 270,725	-	14.00	US$ 8,337 ≒ 265,530	US$ (45) ≒ (1,423)	Note 3	Joint venture
CCC Dutch B.V.	Continental Carbon OYAK (Netherland) B.V.	Netherlands	Investment	US$ 60,000 ≒ 1,911,000	US$ 60,000 ≒ 1,911,000	27	50.00	EUR 39,221 ≒ 1,423,318	EUR (783) ≒ (28,907)	Note 3	Joint venture
CSRC Alpha, Inc.	ECO CSRC INFINIC, LLC	U.S.A.	Carbon black production and sales	US$ 4,375 ≒ 139,344	US$ 4,375 ≒ 139,344	-	21.00	US$ 4,130 ≒ 131,552	US$ (45) ≒ (1,423)	Note 3	Joint venture

Note 1: The average exchange rates for the six months ended June 30, 2026 were US$1=NT$31.614, EUR1=NT$36.900; the exchange rates on June 30, 2026 were US$1=NT$31.850, EUR1=NT$36.290.

Note 2: The consolidated subsidiaries' ending balances were excluded from the consolidation.

Note 3: The share of profits/losses of the investee company is not reflected herein as such amount is already included in the share of profits/losses of the investor company.

(Concluded)

INTERNATIONAL CSRC INVESTMENT HOLDINGS CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE SIX MONTHS ENDED JUNE 30, 2026
(In Thousands of New Taiwan Dollars and U.S. Dollars)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investments 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	Note
					Outflow	Inflow							
CSRC China Corporation	Carbon black production and sales	US$ 30,000 ≒ 955,500	Indirect	US$ 56,441 ≒ 1,797,646	$ -	$ -	US$ 56,441 ≒ 1,797,646	US$ (3,955) ≒ (125,033) (Note 1)	100.00	US$ (3,955) ≒ (125,033) (Note 1)	US$ 1,995 ≒ 63,541	$ -	-
CSRC China (Anshan) Corporation	Carbon black production and sales	US$ 118,850 ≒ 3,785,373	Indirect	US$ 169,250 ≒ 5,390,613	-	-	US$ 169,250 ≒ 5,390,613	US$ (227) ≒ (7,176) (Note 1)	100.00	US$ (227) ≒ (7,176) (Note 1)	US$ 1,487 ≒ 47,361	-	Note 4

	Accumulated Outward Remittance for Investments in Mainland China as of June 30, 2026	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by the Investment Commission, MOEA (Note 3)
International CSRC Investment Holdings Co., Ltd.	$ 8,989,982	$ 9,486,841 (US$ 297,860)	$ 13,820,425

Note 1: Investment gain (loss) was based on financial statements reviewed by the Corporation’s auditors.

Note 2: Except for the profit (loss) in the current period which was based on the average exchange rate for the six months ended June 30, 2026 (US$1=NT$31.614), the rest of the amounts were based on the exchange rate on June 30, 2026 (US$1=NT$31.850).

Note 3: The investment limit is 60% of the Corporation’s net equity.

Note 4: On March 11, 2025, the Board of Directors resolved to cease operations and proceed with dissolution and liquidation, and this decision meets the criteria of discontinued operations. See Note 11.

Note 5: CSRC China (Chongqing) Corporation obtained approval from the Investment Commission, Ministry of Economic Affairs, for an investment amount of US$67,000 thousand. The related equity interest was fully disposed of in 2025. On May 27, 2026, the Investment Commission, Ministry of Economic Affairs, approved the cancellation of US$10,431 thousand of the approved investment quota, while the remaining investment quota of US$56,569 thousand has not yet been applied for cancellation with the Investment Commission, Ministry of Economic Affairs.

INTERNATIONAL CSRC INVESTMENT HOLDINGS CO., LTD. AND SUBSIDIARIES

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

No. (Note 1)	Transaction Company	Counterparty	Relationship (Note 2)	Transaction Details (Notes 3 and 5)			
				Financial Statement Accounts	Amount	Payment Terms	% of Total Sales or Assets
0	International CSRC Investment Holdings Co., Ltd.	Continental Carbon Company	1	Management fee income	$ 15,777	(Note 4)	-
1	CSRC (BVI) Ltd.	Synpac (North Carolina), Inc.	3	Other payables to related parties	1,924,461	(Note 4)	4
		Synpac (North Carolina), Inc.	3	Interest expense	44,236	(Note 4)	1
2	CSRC (Singapore) Pte. Ltd.	Continental Carbon Eco Tech Pvt. Ltd.	3	Other receivables from related parties	448,501	(Note 4)	1
3	CSRC China Corporation	CSRC China (Anshan) Corporation	3	Trade payables to related parties	16,635	(Note 4)	-
4	CSRC China (Anshan) Corporation	CSRC China Corporation	3	Accounts receivable from related parties	16,635	(Note 4)	-
5	Continental Carbon Eco Tech Pvt. Ltd.	CSRC (Singapore) Pte. Ltd.	3	Other payables to related parties	448,501	(Note 4)	1
6	Synpac (North Carolina), Inc.	Continental Carbon Company	3	Other receivables from related parties	706,955	(Note 4)	1
		Continental Carbon Company	3	Interest income	19,089	(Note 4)	-
		CCC Transport Company	3	Other receivables from related parties	287,442	(Note 4)	1
		CCC Dutch B.V.	3	Other receivables from related parties	1,838,543	(Note 4)	4
		CCC Dutch B.V.	3	Interest income	42,095	(Note 4)	1
		SVC Management, LLC	3	Other receivables from related parties	1,498,613	(Note 4)	3
		SVC Management, LLC	3	Interest income	34,062	(Note 4)	1
		CSRC (BVI) Ltd.	3	Other receivables from related parties	1,924,461	(Note 4)	4
		CSRC (BVI) Ltd.	3	Interest income	44,236	(Note 4)	1
7	SVC Management, LLC	Synpac (North Carolina), Inc.	3	Other payables to related parties	1,498,613	(Note 4)	3
		Synpac (North Carolina), Inc.	3	Interest expense	34,062	(Note 4)	1
8	Continental Carbon Company	International CSRC Investment Holdings Co., Ltd.	2	Management fee	15,777	(Note 4)	-
		Synpac (North Carolina), Inc.	3	Other payables to related parties	706,955	(Note 4)	1
		Synpac (North Carolina), Inc.	3	Interest expense	19,089	(Note 4)	-
		Continental Carbon Company Europe SPRL	3	Accounts receivable from related parties	157,387	(Note 4)	-
		Continental Carbon Company Europe SPRL	3	Operating revenue	245,678	(Note 4)	4
		Continental Carbon Company Europe SPRL	3	Selling expenses	18,140	(Note 4)	-
		CCC Transport Company	3	Operating costs	21,827	(Note 4)	-
		CCC USA Corp.	3	Other payables to related parties	31,178	(Note 4)	-
9	CCC USA Corp.	Continental Carbon Company	3	Other receivables from related parties	31,178	(Note 4)	-

(Continued)

No. (Note 1)	Transaction Company	Counterparty	Relationship (Note 2)	Transaction Details (Notes 3 and 5)			
				Financial Statement Accounts	Amount	Payment Terms	% of Total Sales or Assets
10	Continental Carbon Company Europe SPRL	Continental Carbon Company	3	Trade payables to related parties	$ 157,387	(Note 4)	-
		Continental Carbon Company	3	Operating costs	245,678	(Note 4)	4
		Continental Carbon Company	3	Non-operating income	18,140	(Note 4)	-
11	CCC Transport Company	Continental Carbon Company	3	Operating revenue	21,827	(Note 4)	-
		Synpac (North Carolina), Inc.	3	Other payables to related parties	287,442	(Note 4)	1
12	CCC Dutch B.V.	Synpac (North Carolina), Inc.	3	Other payables to related parties	1,838,543	(Note 4)	4
		Synpac (North Carolina), Inc.	3	Interest expense	42,095	(Note 4)	1

Note 1: The types of transaction companies are identified by the following numbers in the “No.” column:

a. 0 - parent company;
b. 1 to 12 - subsidiary.

Note 2: The flow of transactions are identified by the following numbers in the “Relationship” column:

a. 1 - from parent company to subsidiary;
b. 2 - from subsidiary to parent company;
c. 3 - between subsidiaries.

Note 3: The ratio of consolidated revenue/assets depends on the account to which it belongs. The profit and loss account is a percentage of consolidated revenue while the assets/liabilities are a percentage of consolidated total assets.

Note 4: The transaction terms are comparable with those for third parties.

Note 5: A transaction is disclosed if it amounts to more than $10,000 thousand.

(Concluded)