Stock Code:1532

CHINA METAL PRODUCTS CO., LTD.
AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

with Independent Auditors' Review Report
For the Six Months Ended June 30, 2025 and 2024

Address: 4F, NO.85, SEC.4, REN' AI RD, TAIPEI, TAIWAN, R.O.C.
Telephone: 886-2-2711-2831

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

Table of contents

Contents	Page
1. Cover Page	1
2. Table of Contents	2
3. Independent Auditors' Review Report	3
4. Consolidated Balance Sheets	4
5. Consolidated Statements of Comprehensive Income	5
6. Consolidated Statements of Changes in Equity	6
7. Consolidated Statements of Cash Flows	7
8. Notes to the Consolidated Financial Statements	
(1) Company history	8
(2) Approval date and procedures of the consolidated financial statements	8
(3) New standards, amendments and interpretations adopted	8～10
(4) Summary of material accounting policies	10～13
(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty	13
(6) Explanation of significant accounts	13～48
(7) Related-party transactions	48～54
(8) Assets pledged as security	54～55
(9) Commitments and contingencies	55～57
(10) Losses due to major disasters	57
(11) Subsequent events	57
(12) Other	58
(13) Other disclosures	
(a) Information on significant transactions	59～62
(b) Information on investees	63～64
(c) Information on investment in Mainland China	64～65
(14) Segment information	66

安侯建業聯合會計師事務所
KPMG
台北市110615信義路5段7號68樓(台北101大樓)
68F., TAIPEI 101 TOWER, No. 7, Sec. 5,
Xinyi Road, Taipei City 110615, Taiwan (R.O.C.)
電 話 Tel + 886 2 8101 6666
傳 真 Fax + 886 2 8101 6667
網 址 Web kpmg.com/tw

Independent Auditors' Review Report

To the Board of Directors of China Metal Products Co., Ltd.:

Introduction

We have reviewed the accompanying consolidated balance sheets of China Metal Products Co., Ltd. (the "Company") and its subsidiaries (the "Group") as of June 30, 2025 and 2024, and the related consolidated statements of comprehensive income, for the three months and six months ended June 30, 2025 and 2024, and the changes in equity and cash flows for the six months ended June 30, 2025 and 2024, and notes to the consolidated financial statements, including a summary of significant accounting policies. 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 Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with the Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. A review of the 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 conducted in accordance with the Standards on Auditing of the Republic of China 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 stated in Note 4(b), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect the total assets amounting to $5,509,536 thousand and $4,288,325 thousand, constituting 10.45% and 8.08% of the consolidated total assets; and the total liabilities amounting to $3,009,219 thousand and $1,815,717 thousand, constituting 8.62% and 5.28% of the consolidated total liabilities as of June 30, 2025 and 2024, respectively, as well as the total comprehensive income (loss) amounting to $(50,004) thousand, $(16,601) thousand, $(78,210) thousand and $(21,236) thousand, constituting 4.98%, (1.47)%, 8.59% and (1.11)% of the consolidated total comprehensive income (loss) for the three months and six months ended June 30, 2025 and 2024, respectively.

Furthermore, as stated in Note 6(e), the other equity accounted investments of the Group in its investee companies of $707,992 thousand and $728,397 thousand as of June 30, 2025 and 2024, respectively, and its equity in net earnings on these investee companies of $6,295 thousand, $(15,755) thousand, $(11,344) thousand and $(30,396) thousand for the three months and six months ended June 30, 2025 and 2024, respectively, were recognized solely on the financial statements prepared by these investee companies, but not reviewed by independent auditors.

KPMG, a Taiwan partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

Qualified Conclusion

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and equity accounted investee companies described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews, nothing has come to our attention that causes 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, 2025 and 2024, and of its consolidated financial performance for the three months and six months ended June 30, 2025 and 2024, and its consolidated cash flows for the six months ended June 30, 2025 and 2024 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 Tsou, Yi-Yun and Han, Yi-Lien.

KPMG

Taipei, Taiwan (Republic of China)
August 13, 2025

Notes to Readers

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

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

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

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

June 30, 2025, December 31, 2024, and June 30, 2024

(Expressed in Thousands of New Taiwan Dollars)

		June 30, 2025		December 31, 2024		June 30, 2024	
	Assets	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current assets:						
1100	Cash and cash equivalents (Notes 6(a) and (y))	$ 5,525,964	11	6,030,407	12	7,334,137	14
1110	Current financial assets at fair value through profit or loss (Notes 6(n) and (y))	-	-	-	-	115	-
1141	Current contract assets (Note 6(v))	-	-	1,397	-	-	-
1170	Notes and accounts receivable, net (Notes 6(c), (v) and (y))	2,878,431	6	3,070,211	6	3,325,498	6
1180	Accounts receivable due from related parties, net (Notes 6(y) and 7)	1,523	-	1,655	-	634	-
1200	Other receivables (Note 6(y))	149,775	-	128,706	-	118,372	-
1210	Other receivables due from related parties (Notes 6(y) and 7)	168	-	4,360	-	5,417	-
130X	Inventories (Notes 6(d), 8 and 9(a))	20,435,954	39	19,993,664	38	19,861,541	38
1410	Prepayments (Note 9(a))	225,187	-	198,083	-	197,840	-
1476	Other current financial assets (Notes 6(a), (j), (y), 8 and 9(a))	3,791,980	7	3,101,073	6	2,545,280	5
1479	Other current assets, others	584,844	1	574,044	1	534,626	1
1480	Incremental costs of obtaining contracts	694,450	1	531,332	1	393,289	1
	Total current assets	34,288,276	65	33,634,932	64	34,316,749	65
	Non-current assets:						
1517	Non-current financial assets at fair value through other comprehensive income (Notes 6(b) and (y))	202,194	-	216,256	-	201,977	-
1550	Investments accounted for using equity method (Note 6(e))	707,992	1	721,466	1	728,397	2
1600	Property, plant and equipment (Notes 6(f), 8 and 9(a))	13,675,868	26	14,178,054	27	11,011,008	21
1755	Right-of-use assets (Notes 6(g) and 9(a))	1,372,307	3	1,490,950	3	1,587,781	3
1760	Investment property, net (Notes 6(h) and 8)	788,448	2	880,419	2	660,379	1
1780	Intangible assets (Note 6(i))	416,246	1	457,063	1	441,761	1
1840	Deferred tax assets	114,586	-	120,167	-	180,344	-
1975	Non-current net defined benefit assets	-	-	2,896	-	-	-
1980	Other non-current financial assets (Notes 6(a), (j), (y), 7, 8 and 9(a))	939,925	2	929,901	2	705,276	1
1990	Other non-current assets, others (Notes 6(k), 8 and 9(a))	222,366	-	212,973	-	3,264,739	6
	Total non-current assets	18,439,932	35	19,210,145	36	18,781,662	35
	Total assets	**$ 52,728,208**	**100**	**52,845,077**	**100**	**53,098,411**	**100**

		June 30, 2025		December 31, 2024		June 30, 2024	
	Liabilities and equity	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current liabilities:						
2100	Short-term borrowings (Notes 6(l) and (y))	$ 13,396,722	26	13,105,678	25	12,655,390	24
2130	Current contract liabilities (Notes 6(v), 7 and 9(a))	5,269,553	10	3,803,824	7	3,496,364	7
2170	Notes and accounts payable (Note 6(y))	2,734,874	5	3,299,954	6	3,675,660	7
2180	Notes and accounts payable due to related parties (Notes 6(y) and 7)	32,925	-	22,704	-	23,807	-
2200	Other payables (Notes 6(y) and 7)	2,241,511	4	1,806,682	4	2,230,177	4
2220	Other payables due to related parties (Notes 6(y) and 7)	701	-	2,302	-	176	-
2230	Current income tax liabilities	54,663	-	58,259	-	141,593	-
2280	Current lease liabilities (Notes 6(o) and (y))	203,301	-	205,829	-	205,272	-
2321	Bonds payable, current portion (Notes 6(n) and (y))	-	-	259,400	1	1,055,909	2
2322	Long-term borrowings, current portion (Notes 6(m) and (y))	904,271	2	1,126,493	2	2,891,393	6
2399	Other current liabilities	164,556	-	106,586	-	146,741	-
	Total current liabilities	25,003,077	47	23,797,711	45	26,522,482	50
	Non-current liabilities:						
2540	Long-term borrowings (Notes 6(m) and (y))	8,009,953	15	7,637,096	14	5,800,510	11
2570	Deferred tax liabilities	525,454	1	524,545	1	512,842	1
2580	Non-current lease liabilities (Notes 6(o) and (y))	1,010,780	2	1,105,246	2	1,202,307	2
2640	Non-current net defined benefit liabilities	30,002	-	29,112	-	27,037	-
2670	Other non-current liabilities, others (Notes 6(p), (y) and 7)	332,673	1	334,796	1	339,251	1
	Total non-current liabilities	9,908,862	19	9,630,795	18	7,881,947	15
	Total liabilities	34,911,939	66	33,428,506	63	34,404,429	65
	Equity attributable to owners of parent (Note 6(t)):						
3100	Ordinary share	4,226,043	8	4,167,782	8	3,907,833	7
3200	Capital surplus (Note 6(n))	2,527,961	5	2,385,924	5	1,856,824	4
3300	Retained earnings	7,818,854	15	8,630,577	16	8,814,432	17
3400	Other equity	(610,326)	(1)	151,352	-	114,891	-
3500	Treasury stock	(38,169)	-	-	-	-	-
	Total equity attributable to owners of parent	13,924,363	27	15,335,635	29	14,693,980	28
36XX	Non-controlling interests	3,891,906	7	4,080,936	8	4,000,002	7
	Total equity	17,816,269	34	19,416,571	37	18,693,982	35
	Total liabilities and equity	**$ 52,728,208**	**100**	**52,845,077**	**100**	**53,098,411**	**100**

See accompanying notes to consolidated financial statements.

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

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the Three Months and Six Months Ended June 30, 2025 and 2024

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

		For the Three Months Ended June 30				For the Six Months Ended June 30			
		2025		2024		2025		2024	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	**Operating revenues (Notes 6(v) and 7)**	$ 3,099,283	100	6,731,288	100	6,062,350	100	11,558,829	100
5000	**Operating costs (Notes 6(d), (r) and 7)**	(2,280,129)	(74)	(4,852,344)	(72)	(4,648,084)	(77)	(8,419,876)	(73)
	Gross profit from operations	819,154	26	1,878,944	28	1,414,266	23	3,138,953	27
	Operating expenses (Notes 6(r) and 7):								
6100	Selling expenses	(125,666)	(4)	(191,933)	(3)	(256,992)	(4)	(315,287)	(3)
6200	Administrative expenses (Notes 6(w) and 9(a))	(478,691)	(15)	(523,703)	(8)	(982,935)	(16)	(952,761)	(8)
6300	Research and development expenses	(2,400)	-	(3,230)	-	(6,810)	-	(6,237)	-
6450	Expected credit gains (losses) (Note 6(c))	1,655	-	1,536	-	13,671	-	(5,906)	-
	Total operating expenses	(605,102)	(19)	(717,330)	(11)	(1,233,066)	(20)	(1,280,191)	(11)
	Net operating income	214,052	7	1,161,614	17	181,200	3	1,858,762	16
	Non-operating income and expenses:								
7100	Interest income (Notes 6(x) and 7)	27,518	1	35,137	-	48,045	-	61,466	1
7010	Other income (Notes 6(x) and 7)	47,958	2	64,055	1	73,635	1	88,601	1
7020	Other gains and losses (Notes 6(n) and (x))	(16,544)	(1)	10,322	-	(3,546)	-	21,340	-
7050	Finance costs (Notes 6(x) and 7)	(100,421)	(3)	(98,368)	(1)	(205,474)	(3)	(179,609)	(2)
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method, net (Note 6(e))	6,295	-	(15,755)	-	(11,344)	-	(30,396)	-
	Total non-operating income and expenses	(35,194)	(1)	(4,609)	-	(98,684)	(2)	(38,598)	-
	Profit from continuing operations before tax	178,858	6	1,157,005	17	82,516	1	1,820,164	16
7950	**Less: Tax expense (Note 6(s))**	(69,340)	(2)	(111,170)	(1)	(85,988)	(1)	(180,863)	(2)
8200	**Net profit (losses)**	109,518	4	1,045,835	16	(3,472)	-	1,639,301	14
8300	**Other comprehensive income:**								
8360	**Items that may be reclassified subsequently to profit or loss:**								
8361	Exchange differences on translation of foreign financial statements (Note 6(t))	(1,113,943)	(36)	84,881	1	(906,933)	(15)	266,668	2
8399	Less:Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-	-	-	-	-
	Total items that may be reclassified subsequently to profit or loss	(1,113,943)	(36)	84,881	1	(906,933)	(15)	266,668	2
8300	**Other comprehensive income (after tax)**	(1,113,943)	(36)	84,881	1	(906,933)	(15)	266,668	2
8500	**Comprehensive income**	**$ (1,004,425)**	**(32)**	**1,130,716**	**17**	**(910,405)**	**(15)**	**1,905,969**	**16**
	Net profit (losses), attributable to:								
8610	Owners of parent	$ 55,390	2	874,048	13	(56,251)	(1)	1,381,754	12
8620	Non-controlling interests	54,128	2	171,787	3	52,779	1	257,547	2
		$ 109,518	**4**	**1,045,835**	**16**	**(3,472)**	**-**	**1,639,301**	**14**
	Comprehensive income attributable to:								
8710	Owners of parent	$ (879,429)	(28)	945,562	14	(817,929)	(13)	1,607,030	14
8720	Non-controlling interests	(124,996)	(4)	185,154	3	(92,476)	(2)	298,939	2
		$ (1,004,425)	**(32)**	**1,130,716**	**17**	**(910,405)**	**(15)**	**1,905,969**	**16**
	Earnings (losses) per share (expressed in dollars) (Note 6(u))								
9750	**Basic earnings (losses) per share**	**$ 0.13**		**2.29**		**(0.13)**		**3.63**	
9850	**Diluted earnings (losses) per share**	**$ 0.13**		**2.08**		**(0.13)**		**3.30**	

See accompanying notes to consolidated financial statements.

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

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the Six Months Ended June 30, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of Parent										
	Share Capital		Retained Earnings			Other Equity					
	Ordinary Share	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) from Financial Assets Measured at Fair Value Through Other Comprehensive Income	Treasury stock	Total Equity Attributable to Owners of Parent	Non-Controlling Interests	Total Equity
Balance on January 1, 2024	$ 3,787,865	1,600,373	2,046,183	49,081	5,909,382	(160,089)	49,704	-	13,282,499	3,904,693	17,187,192
Profit for the six months ended June 30, 2024	-	-	-	-	1,381,754	-	-	-	1,381,754	257,547	1,639,301
Other comprehensive income for the six months ended June 30, 2024	-	-	-	-	-	225,276	-	-	225,276	41,392	266,668
Total comprehensive income for the six months ended June 30, 2024	-	-	-	-	1,381,754	225,276	-	-	1,607,030	298,939	1,905,969
Appropriation and distribution of retained earnings:											
Legal reserve	-	-	96,392	-	(96,392)	-	-	-	-	-	-
Special reserve	-	-	-	61,304	(61,304)	-	-	-	-	-	-
Cash dividends	-	-	-	-	(571,968)	-	-	-	(571,968)	-	(571,968)
Changes in equity of associates and joint ventures accounted for using equity method	-	346	-	-	-	-	-	-	346	137	483
Conversion of convertible bonds	119,968	256,105	-	-	-	-	-	-	376,073	-	376,073
Cash dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(203,767)	(203,767)
Balance on June 30, 2024	**$ 3,907,833**	**1,856,824**	**2,142,575**	**110,385**	**6,561,472**	**65,187**	**49,704**	**-**	**14,693,980**	**4,000,002**	**18,693,982**
Balance on January 1, 2025	$ 4,167,782	2,385,924	2,142,575	110,385	6,377,617	120,963	30,389	-	15,335,635	4,080,936	19,416,571
(Loss) profit for the six months ended June 30, 2025	-	-	-	-	(56,251)	-	-	-	(56,251)	52,779	(3,472)
Other comprehensive income for the six months ended June 30, 2025	-	-	-	-	-	(761,678)	-	-	(761,678)	(145,255)	(906,933)
Total comprehensive income for the six months ended June 30, 2025	-	-	-	-	(56,251)	(761,678)	-	-	(817,929)	(92,476)	(910,405)
Appropriation and distribution of retained earnings:											
Legal reserve	-	-	119,790	-	(119,790)	-	-	-	-	-	-
Cash dividends	-	-	-	-	(729,362)	-	-	-	(729,362)	-	(729,362)
Reversal of special reserve	-	-	-	(61,304)	61,304	-	-	-	-	-	-
Conversion of convertible bonds	58,261	115,940	-	-	-	-	-	-	174,201	-	174,201
Purchase of treasury stock	-	-	-	-	-	-	-	(38,169)	(38,169)	-	(38,169)
Changes in equity of associates and joint ventures accounted for using equity method	-	26,097	-	-	(26,110)	-	-	-	(13)	-	(13)
Cash capital increase by non-controlling interests	-	-	-	-	-	-	-	-	-	30,000	30,000
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-	-	(113)	(113)
Cash dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(126,441)	(126,441)
Balance on June 30, 2025	**$ 4,226,043**	**2,527,961**	**2,262,365**	**49,081**	**5,507,408**	**(640,715)**	**30,389**	**(38,169)**	**13,924,363**	**3,891,906**	**17,816,269**

See accompanying notes to consolidated financial statements.

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

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the Six Months Ended June 30, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	For the Six Months Ended June 30	
	2025	2024
Cash flows from operating activities:		
Profit before tax	$ 82,516	1,820,164
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	659,125	508,442
Amortization expense	5,605	3,377
Expected credit (gains) losses	(13,671)	5,906
Net losses on financial assets or liabilities at fair value through profit or loss	-	41
Interest expense	205,474	179,609
Interest income	(48,045)	(61,466)
Dividend income	(3,750)	(30,773)
Share of loss of associates and joint ventures accounted for using equity method	11,344	30,396
Losses on disposal of property, plant and equipment	555	720
Property, plant and equipment transferred to expenses	2,233	515
Lease modification gains	-	(10)
Deferred credits recognized as the deduction of cost	(12,226)	(210,625)
Effect of exchange rate changes on short-term and long-term borrowings	15,933	3,905
Total adjustments to reconcile profit	822,577	430,037
Changes in operating assets and liabilities:		
Changes in operating assets:		
Contract assets	1,397	-
Notes and accounts receivable, net	(42,288)	399,117
Accounts receivable due from related parties, net	(39,613)	5,603
Other receivables	353,008	(50,290)
Inventories	(449,561)	3,310,259
Prepayments	(28,690)	(22,148)
Other current assets	(34,172)	(47,551)
Other financial assets	(418,695)	(835,918)
Incremental costs of obtaining contracts	(163,118)	29,978
Total changes in operating assets	(821,732)	2,789,050
Changes in operating liabilities:		
Notes and accounts payable (including related parties), net	(392,571)	(444,789)
Other payables	(740,017)	(206,560)
Current contract liabilities	1,473,821	(1,494,741)
Other current liabilities	46,804	86,621
Net defined benefit liabilities	1,785	(639)
Other non-current liabilities	-	(107)
Total changes in operating liabilities	389,822	(2,060,215)
Total changes in operating assets and liabilities	(431,910)	728,835
Total adjustments	390,667	1,158,872
Cash inflow generated from operations	473,183	2,979,036
Interest received	49,098	56,637
Dividends received	13	31,034
Interest paid	(302,767)	(284,618)
Income taxes paid	(82,282)	(272,269)
Net cash flows generated from operating activities	137,245	2,509,820
Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	-	(9,226)
Acquisition of investments accounted for using equity method	-	(66,304)
Acquisition of property, plant and equipment	(330,460)	(647,921)
Proceeds from disposal of property, plant and equipment	176	1,632
Acquisition of intangible assets	(669)	(1,055)
Acquisition of investment properties	(12,058)	-
Increase in other financial assets	(358,185)	(54,313)
Increase in other non-current assets	(84,017)	(118,086)
Net cash flows used in investing activities	(785,213)	(895,273)
Cash flows from financing activities:		
Increase in short-term borrowings	2,002,679	4,292,373
Decrease in short-term borrowings	(1,583,956)	(2,988,258)
Increase in short-term notes and bills payable	79,937	74,939
Proceeds from long-term borrowings	1,407,081	1,770,000
Repayments of long-term borrowings	(1,255,222)	(3,772,158)
Payment of lease liabilities	(103,898)	(103,565)
Increase in other non-current liabilities	9,163	221
Payment of treasury stock	(38,169)	-
Redemption of convertible bonds	(85,200)	-
Cash capital increase by non-controlling interests	30,000	-
Cash dividends paid to non-controlling interests	-	(203,767)
Change in non-controlling interests	(66)	-
Net cash flows generated from (used in) financing activities	462,349	(930,215)
Effect of exchange rate changes on cash and cash equivalents	(318,824)	93,157
Net (decrease) increase in cash and cash equivalents	(504,443)	777,489
Cash and cash equivalents at the beginning of the period	6,030,407	6,556,648
Cash and cash equivalents at the end of the period	**$ 5,525,964**	**7,334,137**

See accompanying notes to consolidated financial statements.

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

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

June 30, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars, unless otherwise specified)

(1) Company history

CHINA METAL PRODUCTS CO., LTD. (the "Company") was established on September 9, 1972, via Ministry of Economic Affairs' authorization. The registered office is located at 4F, No. 85, Section 4, Ren'ai Road, Taipei. The major business activities of the Company and its subsidiaries (the "Group") are iron hardware manufacturing and casting, residential and commercial buildings developing, leasing and selling, international hotel servicing and department store retailing. Please refer to Note 14, for the aforementioned information.

(2) Approval date and procedures of the consolidated financial statements:

The accompanying consolidated financial statements were authorized for issue by the Board of Directors on August 13, 2025.

(3) New standards, amendments and interpretations adopted:

(a) The impact of the IFRS Accounting Standards endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2025:

- Amendments to IAS21 "Lack of Exchangeability"

(b) The impact of IFRS Accounting Standards endorsed by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2026, would not have a significant impact on its consolidated financial statements:

- IFRS 17 "Insurance Contracts" and amendments to IFRS 17 "Insurance Contracts"
- Amendments to IFRS 9 and IFRS 7 " Amendments to the Classification and Measurement of Financial Instruments"
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(c) The impact of IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 "Presentation and Disclosure in Financial Statements"	The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities. ● A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ' operating profit' subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company' s main business activities. ● Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. ● Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.	January 1, 2027

(Continued)

The Group is evaluating the impact on its consolidated financial position and consolidated financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures"

(4) Summary of material accounting policies

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the preparation and guidelines of IAS 34 "Interim Financial Reporting" which are endorsed and issued into effect by FSC, and do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except the following accounting policies mentioned below, the significant accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2024. For the related information, please refer to Note 4 of the consolidated financial statements for the year ended December 31, 2024.

(b) Basis of consolidation

Principles of preparation of the consolidated financial statements are the same as those of the consolidated financial statements for the year ended December 31, 2024. For the related information, please refer to Note 4(c) of the consolidated financial statements for the year ended December 31, 2024.

(i) List of subsidiaries in the consolidated financial statements

			Percentage Ownership			
Investor	Name of Subsidiary	Principal Activity	June 30, 2025	December 31, 2024	June 30, 2024	Note
The Company	United Elite Agents Limited (UEA)	Investing	100.00 %	100.00 %	100.00 %	Note 2
The Company and Sunflower Investment	Atrans Precision Industries Co., Ltd. (Atrans Precision)	Vehicle parts processing	85.53 %	85.51 %	85.51 %	Note 1
The Company	Sunflower Investment Co., Ltd. (Sunflower Investment)	Investing	99.01 %	99.01 %	99.01 %	Note 1
The Company	The Hotel National Co., Ltd. (The Hotel National)	International tourist hotel services and other hotel business approved by the Ministry of Transportation and Communications	100.00 %	100.00 %	100.00 %	Note 3

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Investor	Name of Subsidiary	Principal Activity	Percentage Ownership			Note
			June 30, 2025	December 31, 2024	June 30, 2024	
The Company	CMAI CO., LIMITED. (CMAI)	Vehicle parts retailing	100.00 %	100.00 %	100.00 %	Note 1
The Company	CMJ CO., LTD. (CMJ)	Cast iron product retailing	83.33 %	83.33 %	83.33 %	Note 1
The Company	National Management Co., Ltd. (National Management)	Management and consulting services	100.00 %	100.00 %	100.00 %	Note 1
The Company and Sunflower Investment	PUJEN Land Development Co., Ltd. (PUJEN Land Development)	Residents, commercial buildings and factories leasing and developing	71.82 %	71.82 %	71.82 %	Note 2
The Company	Shangrila Tourism Co., Ltd. (Shangrila Tourism)	Amusement park and hotel services	100.00 %	100.00 %	100.00 %	Note 1
The Company	Taichung CMP Hospitality Management Consulting Co., Ltd.(Taichung CMP Hospitality)	International tourist hotel services	100.00 %	100.00 %	100.00 %	Note 1
The Company	Calligraphy Greenway Plaza Co., Ltd. (Calligraphy Greenway Plaza)	Management and consulting services	100.00 %	100.00 %	100.00 %	Note 1
The Company	Great Naturalistic Block Co., Ltd. (Great Naturalistic Block)	Management and consulting, department store retailing services	100.00 %	100.00 %	100.00 %	Note 1
The Company	CMP Intelligence Technology Co., Ltd. (CMP Intelligence Technology)	Intelligent manufacturing services	70.00 %	70.00 %	- %	Note1, 4
UEA	China Metal International Holdings Inc. (CMI)	Investing and cast iron product retailing	83.27 %	83.27 %	83.27 %	Note 2
CMI	China Metal International (BVI) Limited (CMI (BVI))	Investing	100.00 %	100.00 %	100.00 %	Note 2
CMI	CMW (Cayman Islands) Co., Ltd. (CMW (C.I.))	Investing	100.00 %	100.00 %	100.00 %	Note 2
CMI	CMB (H.K.) Co., Ltd. (CMB (H.K.))	Investing	100.00 %	100.00 %	100.00 %	Note 2
CMB (H.K.)	Suzhou CMB Machinery Co., Ltd. (Suzhou CMB)	Cast iron product designing, manufacturing and retailing	100.00 %	100.00 %	100.00 %	Note 2
CMI (BVI)	CMP (H.K.) Industry Co., Ltd. (CMP (H.K.))	Investing	100.00 %	100.00 %	100.00 %	Note 2
CMP (H.K.)	Tianjin CMT Industry Co., Ltd. (Tianjin CMT)	Cast iron products, machine parts and vehicle parts designing, developing, manufacturing and selling	100.00 %	100.00 %	100.00 %	Note 2
CMP (H.K.)	Suzhou CMS Machinery Co., Ltd. (Suzhou CMS)	Vehicle parts, E&M as-casting and finished product developing, manufacturing and selling	100.00 %	100.00 %	100.00 %	Note 2
CMW (C.I.)	CMW (Tianjin) Industry Co., Ltd. (CMW (Tianjin))	Vehicle parts, E&M as-casting and finished product developing, manufacturing and selling	100.00 %	100.00 %	100.00 %	Note 2
CMW (C.I.)	CMI (Wu Han) Precision Machinery Co., Ltd. (CMH)	Vehicle parts, farm wagon parts, industrial wagon parts, household appliances parts and E&M as-casting and molds developing, manufacturing, selling and the after sales services	100.00 %	100.00 %	100.00 %	Note 2
CMJ	Qingdao Sourcing Specialists Trading Co., Ltd. (Qingdao Sourcing Specialists)	Cast iron product retailing	100.00 %	100.00 %	100.00 %	Note 1

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Investor	Name of Subsidiary	Principal Activity	Percentage Ownership			Note
			June 30, 2025	December 31, 2024	June 30, 2024	
CMJ	SIAM SST Co., LTD (SIAM SST)	Cast iron product retailing	99.99 %	99.99 %	99.99 %	Note 1
Atrans Precision	FAR HSING (SAMOA) ENTERPRISE CO., LTD. (FAR HSING (SAMOA))	Investing	100.00 %	100.00 %	100.00 %	Note 1
PUJEN Land Development	CHINGENG Land Development Co., Ltd. (CHINGENG Land Development)	Residents, commercial buildings and factories leasing and developing	50.00 %	50.00 %	50.00 %	Note 1
PUJEN Land Development	PUJEN CHENGMEI Land Development Co., Ltd. (PUJEN CHENGMEI Land Development)	Residents, commercial buildings and factories leasing and developing	70.00 %	70.00 %	70.00 %	Note 1, 5
PUJEN Land Development	PUZHI Construction Co., Ltd. (PUZHI Construction)	Comprehensive construction Activities, residents, commercial buildings and factories leasing and developing	100.00 %	100.00 %	100.00 %	Note 1
CMAI	CMAI Holding, Inc. (CMAI Holding)	Investing	100.00 %	100.00 %	100.00 %	Note 1
CMAI Holding	Pilot Drive LLC (Pilot)	Assets leasing	100.00 %	100.00 %	100.00 %	Note 1
Pilot	CMAI INDUSTRIES, INC. (CMAI N.A.)	Vehicle parts retailing	100.00 %	100.00 %	100.00 %	Note 1
CMAI Holding	CMAI-MEX Holding LLC(CMAI-MEX)	Investing	100.00 %	100.00 %	100.00 %	Note 1
CMAI Holding&CMAI-MEX	MEXICO CMI-CMAI S. de R.L. de C.V. (MEXICO CMI-CMAI)	Vehicle parts retailing	100.00 %	100.00 %	100.00 %	Note 1

Note 1: An non-significant subsidiary, its financial statements have not been reviewed.

Note 2: The financial statements have been reviewed.

Note 3: The financial statements have not been reviewed for the six months ended June 30, 2025; the financial statements have been reviewed for the six months ended June 30, 2024.

Note 4: The establishments of CMP Intelligence Technology had registered on July 23, 2024.

Note 5: PUJEN CHENGMEI Land Development executed a cash capital increase on March 25, 2025. The Group and the non-controlling interests subscribed to the new shares in proportion with the original percentage of ownership, amounting to $70,000 thousand and $30,000 thousand, respectively.

(ii) Subsidiaries excluded from the consolidated financial statements: None.

(c) Employee benefits

The pension cost for the interim period was calculated and disclosed on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year, and be adjusted by the significant market flotation, significant curtailment, settlement or other significant single occasions.

(Continued)

(d) Income taxes

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of International Financial Reporting Standards 34, Interim Reporting.

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period by the effective annual tax rate which is forecasted by the management. This should be recognized fully as tax expense for the current period.

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time of the asset or liability is recovered or settled, and be recognized directly in equity or other comprehensive income as tax expense.

(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty:

The preparation of the consolidated financial statements in conformity with the Regulations and IAS 34 " Interim Financial Reporting" endorsed by the FSC requires management to make judgments, and estimates about the future, including climate-related risks and opportunities, that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The preparation of the consolidated interim financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2024. For the related information, please refer to Note 5 of the consolidated financial statements for the year ended December 31, 2024.

(6) Explanation of significant accounts:

Except for the following disclosures, there is no significant difference as compared with those disclosed in the consolidated financial statements for the year ended December 31, 2024. Please refer to Note 6 of the 2024 annual consolidated financial statements.

(a) Cash and cash equivalents

	June 30, 2025	December 31, 2024	June 30, 2024
Cash on hand	$ 6,469	6,419	5,786
Cash in banks	3,097,645	3,961,874	3,623,957
Time deposits	2,421,850	2,062,114	3,704,394
Cash and cash equivalents	**$ 5,525,964**	**6,030,407**	**7,334,137**

The expiration period of time deposits between three months and one year are classified under other current financial assets. As of June 30, 2025, December 31, 2024 and June 30, 2024, the amounts of $814,400 thousand, $884,408 thousand and $526,096 thousand, respectively, were classified under other current financial assets. The expiration period of time deposits above one year are classified under other non-current financial assets. As of June 30, 2025, December 31, 2024 and June 30, 2024, the amount of $214,263 thousand, $231,589 thousand and $0 thousand was classified under other non-current financial assets.

Please refer to Note 6(y) for the sensitivity analysis of the financial assets.

(b) Non-current financial assets at fair value through other comprehensive income

	June 30, 2025	December 31, 2024	June 30, 2024
Equity investments at fair value through other comprehensive income			
Stocks unlisted on domestic markets—MEITA Industrial Co., Ltd.	$ 85,730	85,730	99,955
Stocks unlisted on domestic markets—GUANGYUAN Investment Co., Ltd.	22,424	36,486	31,134
Stocks unlisted on domestic markets—DEVELOPMENT Venture Capital Co., Ltd.(Note)	12,994	12,994	11,662
Stocks unlisted on domestic markets—Asia World Engineering & Construction Co., Ltd.	53,212	53,212	30,000
Stocks unlisted on domestic markets—MASADA Technology Limited Co., Ltd.	17,418	17,418	29,226
Stocks unlisted on domestic markets—Longmen I L.P.	10,416	10,416	-
Total	**$ 202,194**	**216,256**	**201,977**

Note: DEVELOPMENT Venture Capital Co., Ltd. had completed its liquidation registration procedures on January 24, 2024.

(i) The Group holds the equity investments for long-term strategic purposes, rather than transaction purposes. Therefore, the investments are measured at FVOCI.

(ii) For the three months and six months ended June 30, 2025 and 2024, the Group received dividend income amounting to $3,750 thousand, $30,773 thousand, $3,750 thousand and $30,773 thousand, respectively, from the above investments measured at FVOCI.

(iii) Please refer to Note 6(y) for the information on credit risk (including the impairment of debt instrument investments) and market risk.

(iv) As of June 30, 2025, December 31, 2024 and June 30, 2024, the financial assets were not pledged as collateral.

(c) Notes and accounts receivable

	June 30, 2025	December 31, 2024	June 30, 2024
Notes receivable from operating activities	$ 288,441	171,160	557,393
Accounts receivable measured as amortized cost	2,598,590	2,924,099	2,778,546
Subtotal	2,887,031	3,095,259	3,335,939
Less: Loss allowance	(8,600)	(25,048)	(10,441)
Total	**$ 2,878,431**	**3,070,211**	**3,325,498**

The Group applies the simplified approach to estimate its expected credit losses, which permit the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, notes and accounts receivable have been grouped based on shared credit risk characteristics and the days past due, as well as forward-looking information including macroeconomics and relative industries information. The loss allowance provision is determined as follows:

	June 30, 2025		
	Gross Carrying Amount	Weighted Average Loss Rate	Loss Allowance Provision
Current	$ 2,732,455	0%	-
1 to 30 days past due	125,380	0%~0.34%	424
31 to 90 days past due	18,512	1.96%	362
91 to 120 days past due	1,982	1.97%	39
121 days to a year past due	4,561	5.98%~79.68%	3,634
Over a year past due	4,141	100%	4,141
	$ 2,887,031		**8,600**

	December 31, 2024		
	Gross Carrying Amount	Weighted Average Loss Rate	Loss Allowance Provision
Current	$ 2,904,714	0%	-
1 to 30 days past due	129,364	0%~0.51%	656
31 to 90 days past due	25,003	0%~0.03%	8
91 to 120 days past due	7,464	1.91%	133
121 days to a year past due	15,593	5.98%~71.38%	11,130
Over a year past due	13,121	100%	13,121
	$ 3,095,259		**25,048**

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	June 30, 2024		
	Gross Carrying Amount	Weighted Average Loss Rate	Loss Allowance Provision
Current	$ 3,151,298	0%	-
1 to 30 days past due	129,268	0%	-
31 to 90 days past due	22,300	0%	-
91 to 120 days past due	4,673	0%	-
121 days to a year past due	15,619	27.03%~68.26%	10,441
Over a year past due	12,781	100%	-
	$ 3,335,939		**10,441**

The movements in the allowance for notes and accounts receivable is as follows:

	For the Six Months Ended June 30	
	2025	2024
Balance on January 1	$ 25,048	4,684
Impairment (reversed) losses recognized	(13,671)	5,906
Amounts written off	(2,247)	-
Foreign exchange losses	(530)	(149)
Balance on June 30	**$ 8,600**	**10,441**

The financial assets mentioned above were not pledged as collateral.

(d) Inventories

	June 30, 2025	December 31, 2024	June 30, 2024
Raw materials	$ 122,570	140,893	141,005
Work in process	191,970	186,799	224,990
Semi-finished goods	86,222	110,629	103,258
Finished goods	740,450	972,152	1,022,645
Merchandise	137,370	155,149	139,486
Land held for development	1,365,857	4,289,689	4,211,575
Properties and land held for sale	1,546,618	1,843,442	2,669,005
Construction-in-progress	16,123,165	12,176,234	11,224,480
Prepayments for land	61,041	60,070	60,070
Other inventories	60,691	58,607	65,027
	$ 20,435,954	**19,993,664**	**19,861,541**

(Continued)

(i) For the three months and six months ended June 30, 2025 and 2024, the cost of goods sold amounted to $2,280,129 thousand, $4,852,344 thousand, $4,648,084 thousand and $8,419,876 thousand, respectively. For the three months and six months ended June 30, 2025 and 2024, the reversal gain from the increase in inventories' net realizable value amouted to $12,646 thousand, $3,584 thousand, $17,665 thousand and $1,790 thousand, respectively.

(ii) For the information on inventories pledged as collateral, as of June 30, 2025, December 31, 2024 and June 30, 2024, please refer to Note 8.

(iii) For the six months ended June 30, 2025 and 2024, the capitalized interest expense recognized in the inventory amounted to $90,110 thousand and $92,288 thousand, respectively. The interest rate of capitalization were 2.70%~2.71% and 2.54%~2.68%, respectively.

(e) Investments accounted for using equity method

The components of investments accounted for using the equity method at the reporting date is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Associates	$ 414,125	403,666	397,919
Joint ventures	293,867	317,800	330,478
	$ 707,992	**721,466**	**728,397**

(i) Associates

Due to the fact that the Group does not have the obligation of assuming the excess losses, it ceased the recognition of the losses from the investment of Amida Trustlink Assets Management Co., Ltd. (Amida Trustlink Assets). For the three months and six months ended June 30, 2025 and 2024, the unrealized investment losses amounted to $30 thousand, $69 thousand, $59 thousand and $140 thousand, respectively; the accumulated unrealized investment losses, as of June 30, 2025 and 2024, amounted to $58,765 thousand and $58,672 thousand, respectively.

Amida Trustlink Assets Management Co., Ltd. had completed its liquidation registration procedures on July 4, 2025.

The Group's financial information for investments accounted for using the equity method that were individually insignificant is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Carrying amount of individually insignificant associates' equity	**$ 414,125**	**403,666**	**397,919**

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Attributable to the Group:				
Net income (loss)	$ 23,358	1,772	13,675	(5,653)
Other comprehensive income	-	-	-	-
Comprehensive income	**$ 23,358**	**1,772**	**13,675**	**(5,653)**

(ii) Joint ventures

The Group's financial information for joint ventures accounted for using the equity method that were individually insignificant is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Carrying amount of individually insignificant joint ventures' equity	**$ 293,867**	**317,800**	**330,478**

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Attributable to the Group:				
Net loss	$ (17,063)	(17,527)	(25,019)	(24,743)
Other comprehensive income	-	-	-	-
Comprehensive income	**$ (17,063)**	**(17,527)**	**(25,019)**	**(24,743)**

(iii) Pledge to secure

As of June 30, 2025, December 31, 2024 and June 30, 2024, the investments accounted for using equity method were not pledged as collateral.

(iv) The unreviewed financial statements of investments accounted for using equity method

The investments were accounted for by the equity method, and the share of profit or loss and other comprehensive income of those investments were calculated based on the financial statements that have not been reviewed.

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(f) Property, plant and equipment

The cost and accumulated depreciation of the property, plant and equipment of the Group for the six months ended June 30, 2025 and 2024 are as follows:

	Land	Buildings	Machinery	Office Equipment	Transportation Equipment	Leasehold Improvement	Other Equipment	Construction in Progress	Total
Cost:									
Balance on January 1, 2025	$ 3,138,538	8,768,217	10,876,724	140,806	56,792	342,955	1,229,093	264,364	24,817,489
Additions	-	42,726	67,144	3,033	798	8,386	46,189	162,184	330,460
Disposals	-	-	(52,553)	(576)	(4,641)	(10,301)	(1,908)	-	(69,979)
Reclassification	111,172	100,182	31,752	1,586	-	34,254	16,384	(108,644)	186,686
Influence from exchange rates	(952)	(306,371)	(831,657)	(7,098)	(3,289)	(32,003)	(44,321)	(9,532)	(1,235,223)
Balance on June 30, 2025	**$ 3,248,758**	**8,604,754**	**10,091,410**	**137,751**	**49,660**	**343,291**	**1,245,437**	**308,372**	**24,029,433**
Balance on January 1, 2024	$ 3,176,092	4,313,532	10,409,370	127,203	57,156	265,880	971,520	973,794	20,294,547
Additions	-	5,423	45,413	8,946	551	509	22,377	564,702	647,921
Disposals	-	(1,557)	(75,633)	(827)	(2,336)	(1,899)	(9,250)	-	(91,502)
Reclassification	-	(6,185)	67,752	1,819	-	13,737	28,932	(77,833)	28,222
Influence from exchange rates	474	91,712	254,510	2,181	811	7,740	12,956	3,501	373,885
Balance on June 30, 2024	**$ 3,176,566**	**4,402,925**	**10,701,412**	**139,322**	**56,182**	**285,967**	**1,026,535**	**1,464,164**	**21,253,073**
Accumulated depreciation and impairment loss									
Balance on January 1, 2025	$ -	2,016,285	7,642,096	110,430	48,517	152,957	669,150	-	10,639,435
Depreciation	-	164,395	266,095	7,251	1,420	24,053	84,189	-	547,403
Disposals	-	-	(51,843)	(568)	(4,641)	(10,301)	(1,895)	-	(69,248)
Reclassification	-	11,126	-	-	-	-	-	-	11,126
Influence from exchange rates	-	(113,651)	(604,885)	(6,127)	(2,863)	(14,319)	(33,306)	-	(775,151)
Balance on June 30, 2025	**$ -**	**2,078,155**	**7,251,463**	**110,986**	**42,433**	**152,390**	**718,138**	**-**	**10,353,565**
Balance on January 1, 2024	$ -	1,780,961	7,011,127	97,729	48,484	125,445	642,304	-	9,706,050
Depreciation	-	62,985	266,597	6,363	1,726	16,531	48,120	-	402,322
Disposals	-	(1,557)	(73,433)	(813)	(2,256)	(1,899)	(9,192)	-	(89,150)
Reclassification	-	(229)	-	-	-	229	-	-	-
Influence from exchange rates	-	32,214	175,290	1,810	636	3,742	9,151	-	222,843
Balance on June 30, 2024	**$ -**	**1,874,374**	**7,379,581**	**105,089**	**48,590**	**144,048**	**690,383**	**-**	**10,242,065**
Carrying value:									
Balance on January 1, 2025	**$ 3,138,538**	**6,751,932**	**3,234,628**	**30,376**	**8,275**	**189,998**	**559,943**	**264,364**	**14,178,054**
Balance on June 30, 2025	**$ 3,248,758**	**6,526,599**	**2,839,947**	**26,765**	**7,227**	**190,901**	**527,299**	**308,372**	**13,675,868**
Balance on January 1, 2024	**$ 3,176,092**	**2,532,571**	**3,398,243**	**29,474**	**8,672**	**140,435**	**329,216**	**973,794**	**10,588,497**
Balance on June 30, 2024	**$ 3,176,566**	**2,528,551**	**3,321,831**	**34,233**	**7,592**	**141,919**	**336,152**	**1,464,164**	**11,011,008**

As of March 31, 2025, the Group reassessed the usage and leasing status of property, plant and equipment, and reclassified certain items to investment property at book value at the time of the change in use, please refer to Note 6(h) for details.

As of June 30, 2025, December 31, 2024 and June 30, 2024, please refer to Note 8 for the details of property, plant and equipment pledged as collateral for the Group's long-term loan and financing guarantee.

(Continued)

(g) Right-of-use assets

The cost and accumulated depreciation of the right-of-use assets, which includes land, buildings, machinery and transportation equipment rented by the Group, for the six months ended June 30, 2025 and 2024 are as follows:

	Land	Buildings	Machinery	Transportation Equipment	Office Equipment	Other Equipment	Total
Cost:							
Balance on January 1, 2025	$ 1,015,679	2,395,020	42,205	23,727	2,657	123,089	3,602,377
Additions	-	6,669	-	1,146	412	-	8,227
Reduction for expiration	-	(4,280)	-	(1,804)	(430)	-	(6,514)
Influence from exchange rates	(30,383)	(518)	(3,369)	-	(148)	-	(34,418)
Balance on June 30, 2025	**$ 985,296**	**2,396,891**	**38,836**	**23,069**	**2,491**	**123,089**	**3,569,672**
Balance on January 1, 2024	$ 1,003,993	2,399,913	37,451	22,439	1,584	120,726	3,586,106
Additions	-	-	8,600	3,170	909	-	12,679
Reduction for expiration	-	(439)	-	(2,645)	-	-	(3,084)
Influence from exchange rates	9,349	228	1,033	-	40	-	10,650
Balance on June 30, 2024	**$ 1,013,342**	**2,399,702**	**47,084**	**22,964**	**2,533**	**120,726**	**3,606,351**
Accumulated depreciation:							
Balance on January 1, 2025	$ 251,890	1,796,710	23,100	12,759	1,384	25,584	2,111,427
Depreciation	11,778	81,201	6,485	3,365	310	1,959	105,098
Reduction for expiration	-	(4,280)	-	(1,804)	(430)	-	(6,514)
Influence from exchange rates	(10,193)	(130)	(2,264)	-	(59)	-	(12,646)
Balance on June 30, 2025	**$ 253,475**	**1,873,501**	**27,321**	**14,320**	**1,205**	**27,543**	**2,197,365**
Balance on January 1, 2024	$ 224,598	1,639,220	15,028	11,206	788	22,053	1,912,893
Depreciation	11,794	81,631	6,707	3,290	276	1,572	105,270
Reduction for expiration	-	(439)	-	(2,645)	-	-	(3,084)
Influence from exchange rates	2,907	158	420	-	6	-	3,491
Balance on June 30, 2024	**$ 239,299**	**1,720,570**	**22,155**	**11,851**	**1,070**	**23,625**	**2,018,570**
Carrying value:							
Balance on January 1, 2025	**$ 763,789**	**598,310**	**19,105**	**10,968**	**1,273**	**97,505**	**1,490,950**
Balance on June 30, 2025	**$ 731,821**	**523,390**	**11,515**	**8,749**	**1,286**	**95,546**	**1,372,307**
Balance on January 1, 2024	**$ 779,395**	**760,693**	**22,423**	**11,233**	**796**	**98,673**	**1,673,213**
Balance on June 30, 2024	**$ 774,043**	**679,132**	**24,929**	**11,113**	**1,463**	**97,101**	**1,587,781**

(h) Investment property

Investment property comprises office buildings and business location that are leased to third parties under operating leases, as well as properties that are owned by the Group. The leases of investment properties contain an initial non-cancellable lease term of 3 to 5 years. Some leases provide the lessees with options to extend at the end of the term.

For all investment property leases, the rental income is fixed under the contracts, but some leases require the lessee to reimburse the insurance costs of the Group. When this is the case, the amounts of insurance costs are determined annually.

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The movements of the investment property is as follows:

		Land	Buildings	Construction in Progress	Total
Cost:					
Balance on January 1, 2025	$	629,379	240,207	70,537	940,123
Additions		-	12,058	-	12,058
Reclassification		(111,172)	73,096	(70,537)	(108,613)
Balance on June 30, 2025	**$**	**518,207**	**325,361**	**-**	**843,568**
Balance on January 1, 2024	$	596,723	121,530	-	718,253
Balance on June 30, 2024	**$**	**596,723**	**121,530**	**-**	**718,253**
Depreciation:					
Balance on January 1, 2025	$	-	59,704	-	59,704
Depreciation		-	6,624	-	6,624
Reclassification		-	(11,208)	-	(11,208)
Balance on June 30, 2025	**$**	**-**	**55,120**	**-**	**55,120**
Balance on January 1, 2024	$	-	57,024	-	57,024
Depreciation		-	850	-	850
Balance on June 30, 2024	**$**	**-**	**57,874**	**-**	**57,874**
Carrying value:					
Balance on January 1, 2025	**$**	**629,379**	**180,503**	**70,537**	**880,419**
Balance on June 30, 2025	**$**	**518,207**	**270,241**	**-**	**788,448**
Balance on January 1, 2024	**$**	**596,723**	**64,506**	**-**	**661,229**
Balance on June 30, 2024	**$**	**596,723**	**63,656**	**-**	**660,379**

Investment properties comprise a number of commercial properties that are leased to third parties. Each leasing contact includes an original non-cancelable lease term of one to three years, and the lease term of the renewal is available for discussion with the lessee. The contingent rent is not charged in the contract. Please refer to Note 6(q) for the regarding information.

Information on depreciation for the six months ended June 30, 2025 and 2024 is discussed in Note 12(b), and for the information on rental revenue and other direct operating expense, please refer to Note 6(q).

The fair value of the investment property was not significantly different from those disclosed in the Note 6(h) of the annual consolidated financial statements for the year ended December 31, 2024.

As of June 30, 2025, December 31, 2024 and June 30, 2024, the details of investment properties pledged as collateral, please refer to Note 8.

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(i) Intangible assets

The movements in the costs of intangible assets and amortization of the Group are as follows:

	Goodwill	Patent	Client Relationship	Computer Software	Total
Cost:					
Balance on January 1, 2025	$ 427,151	65,123	235,098	75,958	803,330
Acquisitions	-	-	-	669	669
Influence from exchange rates	(35,881)	(5,669)	(20,466)	(376)	(62,392)
Balance on June 30, 2025	**$ 391,270**	**59,454**	**214,632**	**76,251**	**741,607**
Balance on January 1, 2024	$ 410,156	62,942	227,226	56,315	756,639
Acquisitions	-	-	-	1,055	1,055
Reclassification	-	-	-	883	883
Influence from exchange rates	13,925	1,745	6,298	188	22,156
Balance on June 30, 2024	**$ 424,081**	**64,687**	**233,524**	**58,441**	**780,733**
Accumulated amortization:					
Balance on January 1, 2025	$ -	65,123	235,098	46,046	346,267
Amortization	-	-	-	5,605	5,605
Influence from exchange rates	-	(5,669)	(20,466)	(376)	(26,511)
Balance on June 30, 2025	**$ -**	**59,454**	**214,632**	**51,275**	**325,361**
Balance on January 1, 2024	$ -	62,942	227,226	37,196	327,364
Amortization	-	-	-	3,377	3,377
Influence from exchange rates	-	1,745	6,298	188	8,231
Balance on June 30, 2024	**$ -**	**64,687**	**233,524**	**40,761**	**338,972**
Carrying value:					
Balance on January 1, 2025	**$ 427,151**	**-**	**-**	**29,912**	**457,063**
Balance on June 30, 2025	**$ 391,270**	**-**	**-**	**24,976**	**416,246**
Balance on January 1, 2024	**$ 410,156**	**-**	**-**	**19,119**	**429,275**
Balance on June 30, 2024	**$ 424,081**	**-**	**-**	**17,680**	**441,761**

(j) Other current and non-current financial assets

	June 30, 2025	December 31, 2024	June 30, 2024
Other current financial assets			
Restricted assets	$ 2,566,034	1,794,991	1,598,839
Refundable deposits	411,546	421,674	420,345
Time deposits- The expiration period from three months to one year	814,400	884,408	526,096
	$ 3,791,980	**3,101,073**	**2,545,280**

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	June 30, 2025	December 31, 2024	June 30, 2024
Other non-current financial assets			
Debt obligation receivable－The Splendor Hospitality International Co., Ltd.	$ 575,000	575,000	575,000
Refundable deposits	148,909	121,559	130,276
Time deposits－The expiration period above one year	214,263	231,589	-
Long－term borrowings reserve deposits	1,753	1,753	-
	$ 939,925	**929,901**	**705,276**

(i) In June, 2006, the Group and Prince Housing and Development Co., Ltd. (Prince Housing and Development) entered into an assignment of debt agreement with Amida Trustlink Assets which the Group and Prince Housing and Development each owned half of the obligation. The Group and Prince Housing and Development each injected 50% and obtained the major mortgages, collateral, and the appurtenant rights of Taichung Port Splendor Hospitality International Co., Ltd. (Taichung Port Splendor). The Group and Prince Housing and Development agreed to pay Amida Trustlink Assets the residual debt in the agreement, the related costs and returns when the real right of the underlying is completed. The Group and Prince Housing and Development each injected 50% and cofounded The Splendor Hospitality International Co., Ltd. (The Splendor Hospitality International). In November 2006, The Splendor Hospitality International and Taichung Port Splendor entered into a specific asset transfer agreement and obtained the specific assets of Taichung Port Splendor by assuming its debts. The Group' s right of receivables transferred from Taichung Port Splendor to The Splendor Hospitality International. In December 2006, the Group and Prince Housing and Development signed a supplementary agreement with Amida Trustlink Assets which increased the selling price of all debt obligations and canceled the payment of the related cost and return. The verdinglichung obligatorischer rechte was assumed by the Group and Prince Housing and Development equally. The details of total debt obligation receivable and obligation cost after deducted the received amount in 2007 is as follows:

	June 30, 2025			
Underlying	**Obligation Cost**	**Obligation Principal**	**Valuation Assessment**	**Collateral**
The Splendor Hospitality International	**$ 575,000**	**796,845**	According to the assessment of Colliers International Real Estate Appraiser Joint Office, the valuation of mortgage is $8,942,754 thousand. After deducting the 1st security, which amounted to $3,960,000 thousand, the residual mortgage attributed to the Group amounted to $2,491,377 thousand.	The building of The Splendor Hospitality International (the 2nd security)

(Continued)

	December 31, 2024			
Underlying	Obligation Cost	Obligation Principal	Valuation Assessment	Collateral
The Splendor Hospitality International	$ 575,000	796,845	According to the assessment of Colliers International Real Estate Appraiser Joint Office, the valuation of mortgage is $8,671,540 thousand. After deducting the 1st security, which amounted to $3,960,000 thousand, the residual mortgage attributed to the Group amounted to $2,355,770 thousand.	The building of The Splendor Hospitality International (the 2nd security)

	June 30, 2024			
Underlying	Obligation Cost	Obligation Principal	Valuation Assessment	Collateral
The Splendor Hospitality International	$ 575,000	796,845	According to the assessment of Colliers International Real Estate Appraiser Joint Office, the valuation of mortgage is $8,671,540 thousand. After deducting the 1st security, which amounted to $3,960,000 thousand, the residual mortgage attributed to the Group amounted to $2,355,770 thousand.	The building of The Splendor Hospitality International (the 2nd security)

(k) Other non-current assets

The details of other non-current assets are as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Construction in progress	$ -	-	3,078,366
Discounts for converting residential to commercial	50,271	51,075	51,879
Land	14,159	14,159	44,299
Prepayments for equipment	45,621	44,351	44,660
Other	112,315	103,388	45,535
	$ 222,366	**212,973**	**3,264,739**

(i) The construction in progress is the development project of land and hotel of the Group located in Taichung, please refer to Note 9(a), (ix) for details. The development project was completed and put into operation on October 23, 2024, which was reclassified to property, plant and equipment, please refer to Note 6(f) for details.

(ii) The land held by the Group is located at Xinfeng Township Kengzikou and Zaoqiao Township Niulan Lake. According to the laws and regulations, companies cannot be registered as landowners, due to the usage of the land is registered for farming, graveyard and conservation. Therefore, the ownership of the land was passed to individuals and was registered as private personal property. For obtaining the right of land, the Group held the land certificate and entered into an agreement with the registered owner, which specified that the Group retain all rights and obligations of the land, and pledged the land as collateral for the Group.

(iii) For the six months ended June 30, 2024, the capitalized interest expense recognized in other non-current assets amounted to $11,076 thousand. The interest rate of capitalization was 2.50%.

(l) Short-term borrowings

	June 30, 2025	December 31, 2024	June 30, 2024
Unsecured bank borrowings	$ 6,570,694	6,708,232	6,152,922
Secured bank borrowings	5,900,429	5,551,784	5,851,496
Notes and bills payable	925,599	845,662	650,972
Total	**$ 13,396,722**	**13,105,678**	**12,655,390**
Unused credit limit	**$ 7,659,044**	**8,881,242**	**7,896,109**
Range of interest rates	**0.50%~5.56%**	**0.50%~5.43%**	**1.58%~6.4%**

(i) Borrowing and repayment

For the six months ended June 30, 2025 and 2024, the Group obtained from short-term borrowings amounting to $2,002,679 thousand and $4,292,373 thousand with an interest rate of 2.04%～3.02% and 1.73%～6.67%; the repayment amounting to $1,583,956 thousand and $2,988,258 thousand, respectively. Please refer to Note 6(x) for details of the interest expense.

(ii) Collateral for bank borrowings

Please refer to Note 8 for details of the assets pledged as collateral for bank borrowings.

(m) Long-term borrowings

	June 30, 2025	December 31, 2024	June 30, 2024
Unsecured bank borrowings	$ 1,050,000	1,350,000	1,550,000
Secured bank borrowings	7,875,360	7,428,700	7,141,911
Less: Current portion	(904,271)	(1,126,493)	(2,891,393)
Unamortized long-term borrowings costs	(11,136)	(15,111)	(8)
Total	**$ 8,009,953**	**7,637,096**	**5,800,510**
Unused credit limit	**$ 1,246,000**	**826,126**	**1,238,426**
Interest rate range	**1.88%~2.84%**	**1.86%~2.68%**	**1.86%~2.67%**

(Continued)

(i) Borrowing and repayment

For the six months ended June 30, 2025 and 2024, the Group obtained from long-term borrowings amounting to $1,407,081 thousand and $1,770,000 thousand with an interest rate of 2.10%～2.84% and 1.75%～2.67%; the repayment amounting to $1,255,222 thousand and $3,772,158 thousand, respectively. Please refer to Note 6(x) for details of the interest expense.

(ii) Collateral for bank borrowings

Please refer to Note 8 for details of the assets pledged as collateral for bank borrowings.

(iii) Borrowing covenants

The Group entered into a syndicated loan contract in a total credit of $3,150,000 thousand with four joint banks, including Bank Sinopac on September 16, 2024. The borrowed funds were used to pay off the outstanding balance of the original syndicated loan contract and to support all direct or indirect costs and expenses of the Taichung CMP Hospitality development project. According to the contract, during the borrowing repayment periods the Company should file annual and semi-annual consolidated financial statements which were audited and reviewed by CPA and must comply with certain financial covenants, such as the current ratio shall be greater than or equal to 100%, the financial debt ratio shall be less than or equal to 180%, the interest coverage ratio shall be greater than or equal to 5 times, and the tangible net value shall be greater than or equal to $14,000,000 thousand. The compliance with the aforementioned covenants will be examined semi-annually. As of December 31, 2024, the Group was in compliance with the above borrowing covenants. As of June 30, 2025, the outstanding balance of the syndicated loan amounted to $2,473,800 thousand. Due to delays in the handover and settlement of residential construction projects, the Group's operating revenue and profit before tax decreased during the period, which caused the Group to violate the borrowing contract conditions due to the interest coverage ratio being less than 500%, but did not immediately constitute a default. However, specific improvement measures should be proposed to the management bank. If the above financial ratios and standards are met during the next review, then there will be no default.

(n) Bonds payable

The details of the bonds payable are as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Unsecured convertible bonds	$ -	259,400	1,045,500
Unamortized premium on bonds payable	-	-	10,409
Less: Current portion	-	(259,400)	(1,055,909)
	$ -	**-**	**-**
Embedded derivative-call option (which is listed under "current financial assets at FVTPL")	**$ -**	**-**	**115**
Equity component-convertible option (which is listed under "capital surplus-stock option")	**$ -**	**8,398**	**33,848**

(Continued)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Embedded derivative-gains (losses) on remeasurements through fair value (which is listed under "other gains and losses")	$ -	115	-	(41)
Interest expense	$ -	(6,650)	-	(13,782)

On January 24, 2022, the Group issued the fourth domestic unsecured convertible corporate bonds amounting to $1.5 billion with the following conditions:

(i) Coupon rate: 0%

(ii) Issuance period: Three years (maturing on January 24, 2025)

(iii) Repayment: Unless the bonds had been redeemed before maturity, repurchased and converted, the bonds will be redeemed by the Group upon maturity at par value.

(iv) Redemption: The Group will redeem the bonds from its creditors under the following circumstances:

1) The Group would repurchase the bond at par value if the close price of the Group's ordinary share listed on the Taiwan Stock Exchange exceeds or equals 30% of the conversion price for 30 consecutive days from the day after the bonds have been issued for three months to 40 days before maturity.

2) The Group would repurchase the bond at par value if the outstanding balance of bonds is less than 10% of the original issuance value from the day after the bonds have been issued for three months to 40 days before maturity.

(v) Repurchase:

The holders can require the Group to repurchase the bonds at 100.5% of the par value from the day after the bonds have been issued for two years.

(vi) Conversion:

1) The holders can convert the bonds into ordinary shares according to the conversion method from the day after the bonds have been issued for three months to the expiry.

2) The conversion price is $34.2 per share, which is the average close price on the first day, as well as the first three and five operating days, before the base date of the Group's ordinary share listed on the Taiwan Stock Exchange, which was on January 4, 2022, multiply by 104%. To cooperate with the ex-dividend work in 2024, the conversion price had been adjusted from $31.0 per share to $29.9 per share on September 5, 2024 (ex-dividends date).

(vii) For the six months ended June 30, 2025, the holders had converted their bonds into 5,826,048 ordinary shares of the Company, with the face value of $174,200 thousand, and the conversion prices of $29.9 per share, respectively. For the six months ended June 30, 2024, the holders had converted their bands into 11,996,746 ordinary shares of Company, with the face value of $371,900 thousand, and the conversion prices of $31.0 per share, respectively.

(viii) On January 24, 2025, the Group redeemed unsecured convertible bonds with the face value of $85,200 thousand.

(o) Lease liabilities

The details of the lease liabilities are as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Current	$ 203,301	205,829	205,272
Non-current	$ 1,010,780	1,105,246	1,202,307

For the maturing analysis, please refer to Note 6(y).

The amounts recognized in profit or loss are as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Interest on lease liabilities	$ 4,077	4,785	8,282	9,633
Variable lease payments not included in the measurement of lease liabilities	$ 4,029	1,480	9,399	2,959
Expenses relating to short-term leases	$ 8,791	6,216	19,198	11,281

The amounts recognized in the statement of cash flows are as follows:

	For the Six Months Ended June 30	
	2025	2024
Total cash outflow for leases	$ 140,777	127,438

(i) Real estate leases

The Group leases land and buildings for its offices, retail stores and future project development. The leases of offices, typically run for a period of 2 years, retail stores for a period of 15 years, and the land use rights leased for future project development for 40 to 50 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

Some leases provide for additional rent payments that are based on changes in local price indices, or sales that the Group makes at the leased store in the period. Some also require the Group to make payments that relate to the property taxes levied on the lessor and insurance payments made by the lessor; these amounts are generally determined annually.

Some leases of equipment contain extension or cancellation options exercisable by the Group before the end of the non-cancellable contract period. These leases are negotiated and monitored by local management, and accordingly, contain a wide range of different terms and conditions. The extension options held are exercisable only by the Group and not by the lessors. In which the leasee is not reasonably certain to use an optional extended lease term, payments associated with the optional period are not included within lease liabilities.

(ii) Other leases

The Group leases equipment and transportation, with lease terms of 2 to 6 years. In some cases, the Group has options to purchase the assets at the end of the contract term.

The Group also leases equipment and machinery, dormitory and company cars with contract terms of one year. These leases are short-term or low-value items which the Group has elected not to recognize right-of-use assets and lease liabilities.

(p) Other non-current liabilities

		June 30, 2025	December 31, 2024	June 30, 2024
Non-current:				
Financial guarantee contracts	$	36,282	41,003	46,164
Legal		236,052	236,052	236,052
Deposits received		26,178	32,119	33,613
Others		34,161	25,622	23,422
Total	**$**	**332,673**	**334,796**	**339,251**

(i) Financial guarantee contracts

The Group assisted the joint venture to obtain the endorsement guarantee for the credit limit from the financial institutions. According to IFRS 9 " Financial Instruments", the financial guarantee contracts are measured at fair value.

(ii) Legal

Please refer to Note 9(b), (ii) for the information on estimated legal provisions and losses.

(q) Operating leases

The Group leases out investment properties under operating lease which was classified based on not transferring substantially all of the risks and rewards of ownership incidental to ownership of the underlying asset to the lessee. Please refer to Note 6(h) for the regarding information on investment properties.

(Continued)

A maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date are as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Less than one year	$ 10,731	15,393	7,994
One to two years	5,392	6,890	4,499
Two to three years	2,629	5,257	-
Total undiscounted lease payments	**$ 18,752**	**27,540**	**12,493**

For the three months and six months ended June 30, 2025 and 2024, rental revenues from investment properties amounted to $4,399 thousand, $3,692 thousand, $8,805 thousand and $7,396 thousand, respectively. The equipment and maintenance costs arising from the investment properties (recognized under "operating costs") are $0 thousands.

(r) Employee benefits

(i) Defined benefit plans

Management believes that there was no material volatility of the market, no material reimbursement and settlement or no other material onetime events since prior fiscal year. As a result, the pension cost in the accompanying interim period was measured and disclosed according to the actuarial report as of December 31, 2024 and 2023.

The expenses recognized in profit or loss for the Group are as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Operating cost	$ 68	9	177	18
Administration expenses	18	60	35	121
Total	**$ 86**	**69**	**212**	**139**

(ii) Defined contribution plans

The Group's expenses under the pension plan cost to the Bureau of Labor Insurance are as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Operating cost	$ 14,785	13,144	30,289	25,520
Selling expenses	923	773	1,851	1,519
Administration expenses	9,485	8,991	19,804	18,645
Research and development expenses	85	96	165	200
Total	**$ 25,278**	**23,004**	**52,109**	**45,884**

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(s) Income tax

(i) Applicated legal tax rates of foreign subsidiaries: China: 15%~25%; Japan: 33.79%; the USA: 21%.

(ii) The income tax expense are as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Current income tax expense				
Current period incurred	$ 30,878	96,010	49,514	138,582
Land value increment taxes	1,238	15,595	1,925	40,076
Undistributed profit tax	29,813	18,565	29,813	18,565
Adjustment for prior periods	6,428	(34,180)	1,948	(34,310)
	68,357	95,990	83,200	162,913
Deferred tax expense				
Origination and reversal of temporary differences	983	15,180	2,788	17,950
Income tax expense	**$ 69,340**	**111,170**	**85,988**	**180,863**

(iii) The income tax returns of the Company had been assessed and approved by the Tax Authority through 2022, other domestic consolidated subsidiaries had been assessed and approved through 2023. The Company and Sunflower Investment did not agree with the proposed tax adjustments made by the tax authority, and filed the petition of administration. Please refer to Note 9(b) for details.

(t) Share capital and other equity

Except for the following disclosure, there was no significant change for capital and other equity for the six months ended June 30, 2025 and 2024. For the related information, please refer to Note 6(t) of the consolidated financial statements for the year ended December 31, 2024.

(i) Capital stock

As of June 30, 2025, December 31, 2024 and June 30, 2024, the Company's authorized share capital are $5,000,000 thousands, with par value of $10 per share and the issued capital are $4,226,043 thousand, $4,167,782 thousand and $3,907,833 thousand, respectively. All the proceeds from the issued capital have been remitted.

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Capital surplus

The components of the capital surplus are as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
From issuance of share capital	$ 1,616,500	1,494,920	940,024
Employee stock option of subsidiaries	33,352	33,352	33,352
Stock option of convertible bonds	2,758	8,398	33,848
From conversion of convertible bonds	843,035	843,035	843,035
Changes in equity of associates and joint ventures accounted for using equity method	32,316	-	346
Difference between consideration and carrying amount of subsidiaries acquired or disposed of	-	6,219	6,219
	$ 2,527,961	**2,385,924**	**1,856,824**

(iii) Retained earnings

In accordance with the Company's Articles of Incorporation, after-tax earnings and other items in undistributed earnings except from after-tax earnings shall first be offset against any deficit, and 10% of the balance shall be set aside as legal reserve. The appropriation for legal reserve is discontinued when the balance of the legal reserve equals the total authorized capital. Aside from the aforesaid legal reserve, the Company may, as required by its operation or by the government, appropriate for special reserve. The remaining balance of the earnings, if any, may be appropriated according to the distribution plan proposed by the Board of Directors and submitted to the shareholders' meeting for approval. If all or part of the aforementioned employees' compensation is distributed in cash, the resolution will be approved by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, and the distribution shall be submitted to the shareholders' meeting.

The Company is in the growth stage of business cycle and the annual earnings and future cash flow is maintained stable. Considering the Company' s significant investment plan for the future, the Company applied " Residual dividend policy" for long-term operating plan and funding needs. The dividend distribution of cash and stock is correlated with annual earning. The Company's stock dividends cannot be higher than 70% of the total dividend.

1) Earnings distribution

The amount of cash dividends of appropriations of the Company' s 2024 and 2023 earnings was based on the resolutions decided during the meetings of the Board of Directors held on March 10, 2025 and March 14, 2024, respectively.

(Continued)

These earnings are appropriated as follows:

	2024		2023	
	Allotment (NTD)	Amount	Allotment (NTD)	Amount
Common stock dividends per share				
Cash	$ 1.75	**729,362**	1.51	**571,968**

(iv) Treasury stock

For the six months ended June 30, 2025, in accordance with the requirements under section 28(2) of the Securities and Exchange Act, the Company repurchased 1,412 thousand shares as treasury stock in order to transfer to the employees. As of June 30, 2025, a total of 1,412 thousand shares were yet to be cancelled**.**

In accordance with the requirements of Securities and Exchange Act, treasury shares held by the Company should not be pledged, and do not hold any shareholder rights before their transfer.

(v) Other equity (net of tax)

	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains from Financial Assets Measured at FVOCI	Non-controlling Interest	Total
Balance on January 1, 2025	$ 120,963	30,389	4,080,936	4,232,288
Profit attributable to non-controlling interests	-	-	52,779	52,779
Exchange differences on foreign operations	(761,678)	-	(145,255)	(906,933)
Cash capital increase by non-controlling interests	-	-	30,000	30,000
Acquisition of non-controlling interests	-	-	(113)	(113)
Cash dividends paid to non-controlling interests	-	-	(126,441)	(126,441)
Balance on June 30, 2025	**$ (640,715)**	**30,389**	**3,891,906**	**3,281,580**
Balance on January 1, 2024	$ (160,089)	49,704	3,904,693	3,794,308
Profit attributable to non-controlling interests	-	-	257,547	257,547
Exchange differences on foreign operations	225,276	-	41,392	266,668
Changes in equity of associates and joint ventures accounted for using equity method	-	-	137	137
Cash dividends paid to non-controlling interests	-	-	(203,767)	(203,767)
Balance on June 30, 2024	**$ 65,187**	**49,704**	**4,000,002**	**4,114,893**

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(u) Earnings per share

The Group's earnings (losses) per share are calculated as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	**2024**	**2025**	**2024**
Basic earnings (losses) per share				
Profit (losses) attributable to owners of the parent	**$ 55,390**	**874,048**	**(56,251)**	**1,381,754**
Weighted average number of ordinary shares	**422,501**	**382,315**	**422,062**	**380,600**
Basic earnings (losses) per share (dollar)	**$ 0.13**	**2.29**	**(0.13)**	**3.63**
Diluted earnings (losses) per share				
Profit (losses) attributable to owners of the parent	$ 55,390	874,048	(56,251)	1,381,754
Effect of potential diluted ordinary shares				
Convertible bonds	-	(5,435)	-	(10,985)
Profit (losses) attributable to owners of the parent (after the adjustment of diluted ordinary shares)	**$ 55,390**	**868,613**	**(56,251)**	**1,370,769**
Weighted average number of ordinary shares	422,501	382,315	422,062	380,600
Effect of potential diluted ordinary shares				
Employee stock option	-	895	450	1,184
Convertible bonds	-	33,726	-	33,726
Weighted average number of ordinary shares (after the adjustment of diluted ordinary shares)	422,501	416,936	422,512	415,510
Diluted earnings (losses) per share (dollar)	**$ 0.13**	**2.08**	**(0.13)**	**3.30**

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(v) Revenue from contracts with customers

(i) Disaggregation of revenue

	For the Three Months Ended June 30, 2025			
	Metal Manufacturing Segment	Real Estate Development Segment	Lifestyle Innovation Segment	Total
Major geographic markets:				
Taiwan	$ 64,824	287,951	330,636	683,411
United States	458,633	-	-	458,633
Japan	387,531	-	-	387,531
China	1,232,742	-	-	1,232,742
Europe	181,071	-	-	181,071
South America	10,922	-	-	10,922
Others	144,973	-	-	144,973
	$ 2,480,696	**287,951**	**330,636**	**3,099,283**
Major product/service lines:				
Iron casting hardware	$ 2,474,739	-	-	2,474,739
Construction	-	284,723	-	284,723
Counter commissions	-	-	113,834	113,834
Accommodation and meals	-	-	168,394	168,394
Others	5,957	3,228	48,408	57,593
	$ 2,480,696	**287,951**	**330,636**	**3,099,283**

	For the Three Months Ended June 30, 2024			
	Metal Manufacturing Segment	Real Estate Development Segment	Lifestyle Innovation Segment	Total
Major geographic markets:				
Taiwan	$ 86,984	4,082,865	161,898	4,331,747
United States	512,574	-	-	512,574
Japan	377,554	-	-	377,554
China	1,219,265	-	-	1,219,265
Europe	109,463	-	-	109,463
South America	18,947	-	-	18,947
Others	161,738	-	-	161,738
	$ 2,486,525	**4,082,865**	**161,898**	**6,731,288**

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	For the Three Months Ended June 30, 2024			
	Metal Manufacturing Segment	Real Estate Development Segment	Lifestyle Innovation Segment	Total
Major product/service lines:				
Iron casting hardware	$ 2,478,021	-	-	2,478,021
Construction	-	4,078,964	-	4,078,964
Counter commissions	-	-	111,460	111,460
Accommodation and meals	-	-	28,078	28,078
Others	8,504	3,901	22,360	34,765
	$ 2,486,525	**4,082,865**	**161,898**	**6,731,288**

	For the Six Months Ended June 30, 2025			
	Metal Manufacturing Segment	Real Estate Development Segment	Lifestyle Innovation Segment	Total
Major geographic markets:				
Taiwan	$ 141,109	481,596	702,564	1,325,269
United States	850,829	-	-	850,829
Japan	750,129	-	-	750,129
China	2,436,340	-	-	2,436,340
Europe	365,871	-	-	365,871
South America	22,833	-	-	22,833
Others	311,079	-	-	311,079
	$ 4,878,190	**481,596**	**702,564**	**6,062,350**
Major product/service lines:				
Iron casting hardware	$ 4,865,706	-	-	4,865,706
Construction	-	475,276	-	475,276
Counter commissions	-	-	233,948	233,948
Accommodation and meals	-	-	372,523	372,523
Others	12,484	6,320	96,093	114,897
	$ 4,878,190	**481,596**	**702,564**	**6,062,350**

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	For the Six Months Ended June 30, 2024			
	Metal Manufacturing Segment	Real Estate Development Segment	Lifestyle Innovation Segment	Total
Major geographic markets:				
Taiwan	$ 183,353	6,318,416	332,339	6,834,108
United States	967,148	-	-	967,148
Japan	726,157	-	-	726,157
China	2,452,141	-	-	2,452,141
Europe	274,782	-	-	274,782
South America	35,481	-	-	35,481
Others	269,012	-	-	269,012
	$ 4,908,074	**6,318,416**	**332,339**	**11,558,829**
Major product/service lines:				
Iron casting hardware	$ 4,892,512	-	-	4,892,512
Construction	-	6,310,569	-	6,310,569
Counter commissions	-	-	221,809	221,809
Accommodation and meals	-	-	69,259	69,259
Others	15,562	7,847	41,271	64,680
	$ 4,908,074	**6,318,416**	**332,339**	**11,558,829**

(ii) Contract balances

	June 30, 2025	December 31, 2024	June 30, 2024
Notes and accounts receivable	$ 2,887,031	3,095,259	3,335,939
Less: Loss allowance	(8,600)	(25,048)	(10,441)
Total	**$ 2,878,431**	**3,070,211**	**3,325,498**
Contract assets–Construction	**$ -**	**1,397**	**-**
Contract liabilities–Advance real estate receipts	$ 5,197,080	3,745,610	3,443,113
Contract liabilities–Advance receipts	50,033	58,214	53,251
Contract liabilities– Construction	22,440	-	-
Total	**$ 5,269,553**	**3,803,824**	**3,496,364**

For the details of accounts receivable and loss allowance, please refer to Note 6(c).

The amount of revenue recognized for the six months ended June 30, 2025 and 2024, that were included in the contract liabilities balance at the beginning of the period were $143,905 thousand and $2,402,374 thousand, respectively.

(Continued)

The major change in the balance of contract assets and contract liabilities is the difference between the time frame in the performance obligation to be satisfied by transferring ownership to the customer and the payment to be received.

(w) Employees' compensation and remuneration of directors

On June 17, 2025, the Company resolved at the shareholders' meeting to amend its Articles of Incorporation. According to the amended Articles, if the Company has profit in a given fiscal year, the profit shall be used to offset against any accumulated losses incurred by the Company. The remainder, if any, 2.5% shall be allocated as employee remuneration (including a minimum of 30% to those base-level employees) and a maximum of 2.5% as remunerations for directors and supervisors. The recipients of the aforementioned employee remuneration, whether in the form of shares or cash, may include employees of the subsidiaries who meet certain specific requirements. Prior to the amendment, the Articles of Incorporation stipulated that, if the Company has profit in a given fiscal year, the profit shall be used to offset against any accumulated losses incurred by the Company. The remainder, if any, 2.5% should be allocated as employee remuneration and no more than 2.5% as remunerations for directors and supervisors. The recipients of the aforementioned employee remuneration, whether in the form of shares or cash, could include employees of the subsidiaries who met certain specific requirements.

For the three months and six months ended June 30, 2025 and 2024, appropriated employees' compensation by $0 thousand, $26,736 thousand, $0 thousand and $41,981 thousand, respectively, and appropriated remuneration of directors by $0 thousand, $23,875 thousand, $0 thousand and $37,483 thousand, respectively, which were estimated on the basis of the Company' s net profit before tax, excluding employees' compensation and the remuneration of directors of each period, then multiplied by the percentage of remuneration of employees and directors as specified in the Company's Articles of Incorporation. Such amounts were recognized as operating cost or operating expense for the period. The number of shares to be distributed were calculated based on the closing price of the Company' s ordinary shares, one day prior to Board of Directors meeting. Management is expecting that the differences, if any, between the actual distributed amounts and estimated amounts will be treated as changes in accounting estimates and charged to profit or loss.

For the years ended December 31, 2024 and 2023, appropriated employees' compensation by $38,599 thousand and $28,094 thousand, respectively, and appropriated remuneration of directors by $34,463 thousand and $25,084 thousand, respectively. There were no significant difference between employees' compensation and remuneration of directors approved by the Board of Directors meeting and the estimated amount.

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

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(x) Non-operating income and expenses

(i) Interest income

The information on interest income is listed as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Interest income from bank deposits	$ 24,614	32,358	42,225	55,958
Interest income from financial guarantee contracts	2,904	2,779	5,820	5,508
Total interest income	**$ 27,518**	**35,137**	**48,045**	**61,466**

(ii) Other income

The information on other income is listed as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Rental revenue	$ 4,006	5,685	8,993	10,758
Dividend income	3,750	30,773	3,750	30,773
Others	40,202	27,597	60,892	47,070
Total other income	**$ 47,958**	**64,055**	**73,635**	**88,601**

(iii) Other gains and losses

The information on other gains and losses is listed as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
(Losses) gains on disposal of property, plant and equipment	$ (555)	803	(555)	(720)
Lease modification gains	-	10	-	10
Foreign exchange (losses) gains	(15,946)	20,703	(2,885)	33,405
Gains (losses) on financial assets at FVTPL	-	115	-	(41)
Other losses	(43)	(11,309)	(106)	(11,314)
Net amount of other gains and losses	**$ (16,544)**	**10,322**	**(3,546)**	**21,340**

(Continued)

(iv) Finance costs

The information on interest expense is listed as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Borrowing interest expense	$ 139,427	146,164	286,310	286,376
Lease liability interest expense	4,077	4,785	8,282	9,633
Capitalized interest expense	(43,582)	(46,304)	(90,110)	(103,364)
Bonds interest expense	-	(6,650)	-	(13,782)
Amortized long term borrowings costs	499	373	992	746
Net amount of finance costs	**$ 100,421**	**98,368**	**205,474**	**179,609**

(y) Financial instruments

Except for the content mentioned below, there was no significant change in the fair value of the Group's financial instruments and degree of exposure to credit risk, liquidity risk and market risk arising from financial instruments. For the related information, please refer to Note 6(y) of the consolidated financial statements for the year ended December 31, 2024.

(i) Credit risk

1) Credit risk exposure

The carrying amount of financial assets and contract assets represent the maximum amount exposed to credit risk.

2) Concentration of credit risk

Since the Group had a large number of unrelated customers, the concentration of the credit risk is limited.

3) Credit risks of receivables and debt securities

For the information regarding credit risk exposure of notes and accounts receivables, please refer to Note 6(c). Other financial assets at amortized cost include other receivables and time deposits.

All of these financial assets mentioned above are considered to be low risk, therefore, the impairment provision recognized during the period was limited to 12 months expected losses. For the allowance of impairment on financial assets for the six months ended June 30, 2025 and 2024, please refer to Note 6(c).

(ii) Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments, but not the impact of netting agreements.

	Contractual Cash Flow	Within 6 Months	6-12 Months	1-2 Years	2-5 Years	Over 5 Years
June 30, 2025						
Non-derivative financial liabilities						
Bank borrowings	$ 20,910,751	6,691,688	1,617,176	3,716,839	8,885,048	-
Lease liabilities	1,374,429	111,393	106,263	207,117	280,912	668,744
Notes and accounts payables (including related parties)	2,767,799	2,767,799	-	-	-	-
Other payables (including related parties)	2,242,212	2,242,212	-	-	-	-
Guarantee deposits received	26,178	6,410	4,594	1,494	10,407	3,273
	$ 27,321,369	**11,819,502**	**1,728,033**	**3,925,450**	**9,176,367**	**672,017**
December 31, 2024						
Non-derivative financial liabilities						
Bank borrowings	$ 22,890,404	6,520,126	2,369,363	5,782,868	8,218,047	-
Bonds payable	259,400	259,400	-	-	-	-
Lease liabilities	1,479,351	111,375	110,108	207,409	373,100	677,359
Notes and accounts payables (including related parties)	3,322,658	3,322,658	-	-	-	-
Other payables (including related parties)	1,808,984	1,808,984	-	-	-	-
Guarantee deposits received	32,119	9,450	4,238	4,748	10,390	3,293
	$ 29,792,916	**12,031,993**	**2,483,709**	**5,995,025**	**8,601,537**	**680,652**
June 30, 2024						
Non-derivative financial liabilities						
Bank borrowings	$ 22,206,187	9,072,698	938,352	4,394,003	7,801,134	-
Bonds payable	1,045,500	-	1,045,500	-	-	-
Lease liabilities	1,584,578	112,515	109,826	211,649	464,731	685,857
Notes and accounts payables (including related parties)	3,699,467	3,699,467	-	-	-	-
Other payables (including related parties)	2,230,353	2,230,353	-	-	-	-
Guarantee deposits received	33,613	10,022	2,316	5,939	12,043	3,293
	$ 30,799,698	**15,125,055**	**2,095,994**	**4,611,591**	**8,277,908**	**689,150**

The Group does not expect the cash flows included in the maturity analysis to occur significantly earlier or at significantly different amounts.

(Continued)

(iii) Currency risk

Information on the significant exposure to foreign currency risk of the Group is as follows:

	June 30, 2025			December 31, 2024			June 30, 2024		
	Foreign Currency	Exchange Rate	NTD	Foreign Currency	Exchange Rate	NTD	Foreign Currency	Exchange Rate	NTD
Financial assets									
Monetary items									
USD:NTD	$ 5,528	29.30	161,982	3,110	32.79	101,976	5,435	32.45	176,356
USD:CNY	31,114	7.16	911,632	30,048	7.32	985,260	50,646	7.29	1,643,476
USD:JPY	1,888	144.05	55,308	1,630	156.22	53,459	1,219	160.88	39,556
EUR:NTD	1,406	34.35	48,301	799	34.14	27,264	466	34.71	16,158
EUR:CNY	7,199	8.40	247,293	5,855	7.62	199,893	4,767	7.80	165,461
JPY:NTD	110,576	0.20	22,491	64,160	0.21	13,467	161,802	0.20	32,635
JPY:CNY	75,319	0.05	15,320	37,552	0.05	7,882	59,247	0.05	11,950
Financial liabilities									
Monetary items									
USD:CNY	32,088	7.16	940,178	35,277	7.32	1,156,730	40,797	7.29	1,323,862
EUR:CNY	6,335	8.40	217,605	3,253	7.62	111,047	1,242	7.80	43,124

1) Sensitivity analysis

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts receivable, other receivables, borrowings, accounts payable and other payables that are denominated in foreign currency. A 1% of appreciation or depreciation of each major foreign currency against the Group' s functional currency as of June 30, 2025 and 2024 would have (decreased) increased the after-tax net income for the three months and six months ended June 30, 2025 and 2024 by $1,572 thousand, $2,145 thousand, $1,218 thousand and $2,875 thousand, respectively. The analysis assumes that all other variables remain constant and was performed on the same basis for both periods.

As the Group deals in diverse foreign currencies, gains or losses on foreign exchange were summarized as a single amount. For the three months and six months ended June 30, 2025 and 2024, the foreign exchange gains (losses), including both realized and unrealized, amounted to $(15,946) thousand, $20,703 thousand, $(2,885) thousand and $33,405 thousand, respectively.

(iv) Interest rate risk

The interest risk exposure from financial assets and liabilities has been disclosed in the note of liquidity risk management.

The following sensitivity analysis is based on the risk exposure to interest rates on the derivative and non-derivative financial instruments at the reporting date. For variable rate instruments, the sensitivity analysis assumes the variable rate liabilities are outstanding for the whole year at the reporting date.

If the interest rate increases or decreases by 1% the Group's net income will increase /decrease by $32,382 thousand, $26,275 thousand, $62,257 thousand and $52,295 thousand for the three months and six months ended June 30, 2025 and 2024, respectively, assuming all other variable factors remain constant. This is mainly due to the Group' s variable rate bank borrowings.

(v) Other market price risk

If the equity price changes, the impact of equity price change to other comprehensive income will be as follows, assuming the analysis were based on the same basis, and other variables considered in the analysis remain the same:

	For the Six Months Ended June 30			
	2025		2024	
	Other Comprehensive Income (net of tax)	Net Income (Loss) (net of tax)	Other Comprehensive Income (net of tax)	Net Income (Loss) (net of tax)
Increase 10%	$ 20,219	-	20,198	12
Decrease 10%	$ (20,219)	-	(20,198)	(12)

(vi) Fair value of financial instruments

1) Fair value hierarchy

The Group measured its financial assets and liabilities at FVTPL, and financial assets at FVOCI on a recurring basis. The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy are as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required:

	June 30, 2025				
		Fair Value			
	Book Value	Level 1	Level 2	Level 3	Total
Non-current financial assets at FVOCI	$ 202,194	-	-	210,398	210,398
Financial assets measured at amortized cost	$ 13,274,644	-	-	-	-
Financial liabilities measured at amortized cost	$ 28,561,216	-	-	-	-

	December 31, 2024				
		Fair Value			
	Book Value	Level 1	Level 2	Level 3	Total
Non-current financial assets at FVOCI	$ 216,256	-	-	216,256	216,256
Financial assets measured at amortized cost	$ 13,248,738	-	-	-	-

(Continued)

	December 31, 2024				
		Fair Value			
	Book Value	Level 1	Level 2	Level 3	Total
Financial liabilities measured at amortized cost	$ 28,603,503	-	-	-	-

	June 30, 2024				
		Fair Value			
	Book Value	Level 1	Level 2	Level 3	Total
Current financial assets at FVTPL	$ 115	-	-	115	115
Non-current financial assets at FVOCI	$ 201,977	-	-	213,317	213,317
Financial assets measured at amortized cost	$ 14,031,917	-	-	-	-
Financial liabilities measured at amortized cost	$ 29,774,214	-	-	-	-

2) Valuation techniques for financial instruments measured at fair value

Financial instruments traded in active markets are based on quoted market prices. Market prices quoted from main exchanges and over-the-counter are the basis of fair value of equity instruments and credit instrument traded in active markets.

If the quoted price of a financial instrument can be obtained in time and often from exchanges, brokers, underwriters, industrial union, pricing institute, or authorities and such price can reflect those actual trading and frequently happen in the market, then the financial instrument is considered to have a quoted price in an active market. If a financial instrument does not accord with the definition aforementioned, then it is considered to be without a quoted price in an active market. In general, market with low trading volume or high bid-ask spreads is an indication of non-active market.

If the financial instruments held by the Group have active market, the measurements of fair value are categorized as follows:

- The listed redeemable bonds, listed stocks, drafts and bonds are recognized as financial assets and liabilities traded in active markets by the standards and nature. The fair value is measured at the market quoted price.

Measurements of fair value of financial instruments without an active market are based on valuation technique or quoted price from a competitor. Fair value, measured by using valuation technique that can be extrapolated from either similar financial instruments or discounted cash flow method or other valuation techniques, including models, is calculated based on available market data at the reporting date.

(Continued)

If the financial instruments held by the Group have no active market, the measurements of fair value are categorized as follows:

- Equity instruments without quoted price: The fair value is measured at discounted cash flow model. The assumption is discounted investees' expected future cash flows by using the discounting rate which reflects the time value of money and the return of the investment.

3) Transfers between Level 1 and Level 2

There were no transfers in either direction for the six months ended June 30, 2025 and 2024.

4) Reconciliation of Level 3 instruments

	Non-current Financial Assets at FVOCI
	Equity Instrument without Quoted Price
Balance on January 1, 2025	$ 216,256
Cash capital reduction	(14,062)
Balance on June 30, 2025	**$ 202,194**
Balance on January 1, 2024	$ 192,751
Purchase	9,226
Balance on June 30, 2024	**$ 201,977**

5) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

The Group's major financial instruments that use Level 3 inputs to measure fair value is "financial assets measured at FVOCI – equity investments".

Most of the Group's financial assets in Level 3 have only one significant unobservable input, while its equity investments without an active market have more than one significant unobservable inputs. The significant unobservable inputs of equity investments without an active market are individually independent, and there is no correlation between them.

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Quantified information regarding significant unobservable inputs are as follows:

Item	Valuation Technique	Significant Unobservable Inputs	Inter-relationship between Significant Unobservable Inputs and Fair Value Measurement
Financial assets at FVOCI equity investments without active market	Dividend discount model	· Average expected future dividend income of 5 years (As of June 30, 2025, December 31, 2024 and June 30, 2024 were $2,175~17,565, thousand, $1,425~18,916 thousand and $1,425~18,916 thousand, respectively.)	· The estimated fair value would increase, if the 5- year average expected future dividend income is increased.
		· Weighted average capital cost (As of June 30, 2025, December 31, 2024 and June 30, 2024 were 3.66%, 3.65% and 3.79%, respectively.)	· The estimated fair value would decrease, if the weighted average capital cost is increased.
		· Discounting rate without market liquidity (As of June 30, 2025, December 31, 2024 and June 30, 2024, were both 15%)	· The estimated fair value would decrease, if the discounting rate without market liquidity is increased.
	Net asset value method	· Net asset value	· The estimated fair value would increase, if the net asset value is increased.
		· Discounting rate without market liquidity (As of June 30, 2025, December 31, 2024 and June 30, 2024, were both 30%)	· The estimated fair value would decrease, if the discounting rate without market liquidity is increased.

(Continued)

6) Fair value measurements in Level 3-sensitivity analysis of reasonably possible alternative assumptions

The Group' s measurement on the fair value of financial instruments is deemed reasonable despite different valuation models or assumptions may lead to different results. For fair value measurements in Level 3, changing one or more of the assumptions would have the following effects on profit or loss and other comprehensive income:

	Inputs (Note)	Fluctuation in Inputs	Other Comprehensive Income	
			Favorable	Unfavorable
June 30, 2025				
Financial assets at FVOCI				
Equity investments without an active market	3.66 %	1%	4,347	(4,130)
December 31, 2024				
Financial assets at FVOCI				
Equity investments without an active market	3.65 %	1%	5,101	(4,842)
June 30, 2024				
Financial assets at FVOCI				
Equity investments without an active market	3.79 %	1%	5,015	(4,762)

Note: Inputs are the weighted average capital cost.

The favorable and unfavorable effects represent the changes in fair value, and fair value is based on a variety of unobservable inputs calculated using a valuation technique. The analysis above only reflects the effects of changes in a single input, and it does not include the interrelationships with another input.

(z) Financial risk management

There were no significant changes in the Group' s financial risk management and policies as disclosed in Note 6(z) of the consolidated financial statements for the year ended December 31, 2024.

(aa) Capital management

Management believes that the objectives, policies and processes of capital management of the Group has been applied consistently with those described in the consolidated financial statements for the year ended December 31, 2024. Also, management believes that there were no significant changes in the Group' s capital management information as disclosed for the year ended December 31, 2024. Please refer to Note 6 (aa) of the consolidated financial statements for the year ended December 31, 2024 for further details.

(ab) Investing and financing activities not affecting the current cash flow

The Group's investing and financing activities which did not affect the current cash flow in the years ended June 30, 2025 and 2024, were as follows:

(i) Reconciliation of assets arising from financing activities were as follows:

	January 1, 2025	Cash flows	Non-cash changes Bonds Conversion	June 30, 2025
Covertible Bonds	$ 259,400	(85,200)	(174,200)	-

(ii) Reconciliation of assets arising from investing activities were as follows:

	January 1, 2025	Cash flows	Non-cash changes Reclassification	June 30, 2025
Other non-current assets	$ 212,973	84,017	(74,624)	222,366

	January 1, 2024	Cash flows	Non-cash changes Reclassification	June 30, 2024
Other non-current assets	$ 3,212,749	118,086	(66,096)	3,264,739

(7) Related-party transactions:

(a) The ultimate parent company

The company is both the parent company and the ultimate controlling party of the Group.

(b) Names and relationship with related parties

The followings are entities that have had transactions with related parties during the periods covered in the consolidated financial statements.

Name of Related Party	Relationship with the Group
The Splendor Hospitality International Co., Ltd. (The Splendor Hospitality)	Joint ventures
CMAAN Health Co., Ltd. (CMAAN Health)	Joint ventures
Hua-Pu Development Co., Ltd. (Hua-Pu Development)	Joint ventures
Amida Trustlink Assets Management Co., Ltd. (Amida Trustlink Assets)	Associates
Keng-Hsin Urban Renewal Co., Ltd. (Keng-Hsin Urban Renewal)	Associate of subsidiaries
Beyond Fitness Co., Ltd. (Beyond Fitness)	Associate of subsidiaries
Fuzhou Aprec Mechanical and Electrical Co., Ltd. (Fuzhou Aprec)	Subsidiaries of subsidiaries' associates
Advancision Corporation (Advancision)	Subsidiaries of subsidiaries' associates
Chain-Yuan Investment Co., Ltd. (Chain-Yuan Investment)	Other related parties
San Lien Technology Corp. (San Lien Technology)	Other related parties

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of Related Party	Relationship with the Group
CMP PUJEN Foundation for Arts and Culture (Foundation)	Other related parties
Hao Bao Investment Co., Ltd. (Hao Bao Investment)	Other related parties
LEESCO Development Co. Ltd. (LEESCO Development)	Other related parties
Gee Lien Resource Development Corp. (Gee Lien Resource)	Other related parties
Yi-Shi Investment Corporation (Yi-Shi Investment)	Other related parties
HUA YUN Floral Art Co., Ltd. (HUA YUN Floral Art)	Other related parties
Jhao Hong Investment Co., Ltd (Jhao Hong Investment)	Other related parties
Kemitek Industrial Corp. (Kemitek Industrial)	Other related parties
Lucent Source Co., Ltd. (Lucent Source)	Other related parties
Mr. Ming Shiann, Ho	Other related parties
Mr. Dai Jun, Lin	Other related parties
Ms. Pei Ling, Ho	Other related parties
Ms. Chih Ning, Ho	Other related parties
Ms. Pei Fen, Ho	Other related parties
Mr. Chieh Jen, Cheng	Other related parties
Ms. Ming Chu, Hsieh	Other related parties
Mr. Ting Fung, Lin	Key Management

(c) Significant transactions with related parties

(i) Sales to related parties

1) The amounts of significant sales transactions and outstanding balance between the Group and related parties are as follows:

	Sales				Notes and Accounts Receivables			Advance receipts (Recognized under contract liabilities)		
	For the Three Months Ended June 30		For the Six Months Ended June 30							
	2025	2024	2025	2024	June 30, 2025	December 31, 2024	June 30, 2024	June 30, 2025	January 1, 2024	June 30, 2024
Associates	$ 837	1,401	2,689	4,879	1,400	996	433	-	-	-
Joint ventures	289	144	313	788	-	-	-	200	-	-
Other related parties	2,020	226	3,929	252	123	659	201	581	634	-
	$ 3,146	**1,771**	**6,931**	**5,919**	**1,523**	**1,655**	**634**	**781**	**634**	**-**

The sales between the Group and related parties approximated the market price.

(Continued)

2) The amounts of significant real estate sales transactions and outstanding balance between the Group and related parties are as follows:

	Revenue recognized				Advance real estate receipts (Recognized under contract liabilities)		
	For the Three Months Ended June 30		For the Six Months Ended June 30				
	2025	2024	2025	2024	June 30, 2025	December 31, 2024	June 30, 2024
Other related parties	$ 63,940	43,665	63,940	43,665	39,225	37,376	33,022

As of June 30, 2025, December 31, 2024 and June 30, 2024, the total contract price of real estate in contract with related parties mentioned above is $176,120 thousand (tax included), $145,030 thousand (tax included) and $145,030 thousand (tax included), repectively. The terms and pricing of sales transactions with related parties were not significantly different from those with the third parties.

(ii) Purchases from related parties

1) The amounts of significant purchases transactions and outstanding balances between the Group and related parties are as follows:

	Purchases				Notes and Accounts Payable		
	For the Three Months Ended June 30		For the Six Months Ended June 30				
	2025	2024	2025	2024	June 30, 2025	December 31, 2024	June 30, 2024
Associates	$ 32,783	25,469	54,855	42,607	31,617	21,664	21,532
Joint ventures	7	9	14	15	2	2	1
Other related parties	638	607	638	945	1,306	1,038	2,274
	$ 33,428	26,085	55,507	43,567	32,925	22,704	23,807

The purchases mentioned above could not compare to the market because the Group did not purchase the same items from non-related parties. The payment terms with related parties are not significantly different from those with third parties.

(iii) Leases

1) Rental expenses

The information on office leased by the Group is as follows:

	Rental Expenses			
	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Other related parties	$ 651	608	1,302	1,216

	Guarantee Deposit Paid (Recognized under other non-current financial assets)		
	June 30, 2025	December 31, 2024	June 30, 2024
Other related parties	$ 443	443	443

(Continued)

2) Rental revenues

The information on office leased to related parties is as follows:

	Rental Revenues			
	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Associates	$ 65	65	131	131
Other related parties	15	15	30	30
	$ 80	**80**	**161**	**161**

	Guarantee Deposit Received (Recognized under other non-current liabilities)		
	June 30, 2025	December 31, 2024	June 30, 2024
Associates	$ 300	300	300
Other related parties	2	2	-
	$ 302	**302**	**300**

(iv) Providing services to related party

The information on providing management consulting and application services to related parties is as follows:

	Service Revenues			
	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Associates	$ -	-	19	-
Joint ventures	1,342	1,342	2,685	2,947
Other related parties	400	-	1,000	-
	$ 1,742	**1,342**	**3,704**	**2,947**

(v) Non-performing receivables

	Total Claims		
	June 30, 2025	December 31, 2024	June 30, 2024
Joint ventures:			
The Splendor Hospitality	**$ 796,845**	**796,845**	**796,845**

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	Costs of Claims		
	June 30, 2025	December 31, 2024	June 30, 2024
Joint ventures:			
The Splendor Hospitality	**$ 575,000**	**575,000**	**575,000**

The claims mentioned above was recognized in other non-current financial assets, please refer to Note 6(j).

(vi) Guarantees and endorsements

The information on guarantees and endorsements of financing quotas and actual usage is as follows:

	Borrowing Limits		
	June 30, 2025	December 31, 2024	June 30, 2024
Joint ventures:			
The Splendor Hospitality	$ 1,750,000	1,750,000	1,750,000
Others	10,000	10,000	10,000
	$ 1,760,000	**1,760,000**	**1,760,000**

	Actual Usage Amount		
	June 30, 2025	December 31, 2024	June 30, 2024
Joint ventures:			
The Splendor Hospitality	$ 1,450,000	1,450,000	1,450,000
Others	-	10,000	10,000
	$ 1,450,000	**1,460,000**	**1,460,000**

(vii) Guarantee for bank borrowings

The Group didn't pay any guarantee fee to related parties as a guarantor.

(viii) Construction

The information on construction in retention for Taichung development projects to be paid by the Group is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Other related parties	**$ 360**	**360**	**360**

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ix) Other transactions

1) The information on donation to related parties is as follows:

	Donation			
	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Other related parties:Foundation	$ 4,500	-	9,000	-

2) The information on other services or transactions provided by related parties is as follows:

	Other Expenses			
	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Associates	$ 2	1	3	2
Joint ventures	-	-	-	40
Other related parties	5	-	34	-
	$ 7	1	37	42

3) The amounts on revenues from providing guarantees and endorsements to related parties is as follows:

	Interest Revenues			
	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Joint ventures:				
The Splendor Hospitality	$ 2,886	2,760	5,783	5,471
Others	18	19	37	37
	$ 2,904	2,779	5,820	5,508

4) Other receivables and advance payments from related parties

	Other Receivables (including advance payments)		
	June 30, 2025	December 31, 2024	June 30, 2024
Associates	$ 23	52	1,243
Joint ventures	90	10	7
Other related parties:LEESCO Development	-	4,163	4,163
Other related parties	55	135	4
	$ 168	4,360	5,417

(Continued)

5) Other payables and advance receipts from related parties

	Other Payables (including advance receipts)		
	June 30, 2025	December 31, 2024	June 30, 2024
Joint ventures	$ 9	530	1
Other related parties	692	1,685	175
Key management	-	87	-
	$ 701	**2,302**	**176**

(d) Key management transactions

The compensation of key management is as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Short-term employee benefits	$ 28,102	55,508	85,500	125,618
Post-employment benefits	638	551	3,248	1,654
	$ 28,740	**56,059**	**88,748**	**127,272**

(8) Assets pledged as security

The information on pledged assets' carrying value is as follows:

Pledged Assets	Object	June 30, 2025	December 31, 2024	June 30, 2024
Land (including other non-current assets)	The credit limits of long-term and short-term bank borrowings	$ 1,510,765	1,438,263	1,423,032
Buildings	〃	212,671	213,823	265,183
Investment properties	〃	478,429	590,143	590,592
Inventories—Land held for development	〃	827,666	3,444,489	3,390,270
Inventories—Construction in progress	〃	13,098,968	9,624,152	8,900,091
Inventories—Buildings and land held for sale	The credit limits of short-term bank borrowings	1,477,862	1,758,377	2,659,727
Other current financial assets	Bank acceptance bills	-	358	76,097
〃	Trusts	2,562,991	1,794,509	1,590,321
Other current and non-current financial assets	Reserve accounts	4,796	2,235	8,518
		$ 20,174,148	**18,866,349**	**18,903,831**

(Continued)

As of June 30, 2025, December 31, 2024 and June 30, 2024, the Group provided 88,181 thousand shares of subsidiaries as collateral for the credit limits of bank borrowings.

(9) Commitments and contingencies

(a) The Group's unrecognized contractual commitments are as follows:

(i) The unused standby letters of credit for purchasing machinery and equipment and raw material are as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Unused standby letters of credit	$ 78	14	109

(ii) The unrecognized contractual commitment from contracts of buildings for future operational use, selling and purchasing of equipment, decorating constructions, and engineering constructions entered into by the Group is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Total contract price	$ 15,029,638	14,056,937	11,704,802
Total amounts paid under contracts (Note)	$ 8,167,608	7,555,773	6,320,853

Note: Recognized in "prepayments for equipment and construction in progress", "other non-current assets", "inventory- construction in progress", "property, plant and equipment", "investment properties" and "administrative expenses".

(iii) The Group's total selling price for presale construction projects is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Total contract price	$ 26,352,747	16,687,394	14,544,512
Total amounts received under contracts (recognized under current contract liabilities)	$ 5,197,080	3,745,610	3,443,113

(iv) The Group's purchase contracts of building capacity is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Total contract price	$ 168,748	168,748	168,748
Total amounts paid under contracts (recognized under prepayments)	$ 84,374	84,374	84,374

(v) The Group's security deposits paid to landlords for joint construction projects is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Security deposits of joint construction projects (recognized under other current and non-current financial assets)	$ 408,199	408,399	417,746

(vi) The Group's security deposits for renting real estates is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Security deposits (recognized under other current and non-current financial assets)	$ 106,839	107,170	107,197

(vii) The Group's unrecognized contractual commitments for purchasing land is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Total contract price	$ 70,315	67,080	67,080
Total amounts paid under contracts (recognized under inventories—prepayments for land)	$ 61,041	60,070	60,070

(viii) The Group's construction contracts and the amount received under the contracts are as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Total contract price	$ 227,946	227,946	-
Total amounts received under contracts	$ 33,052	-	-

(ix) 1) The Group and The Presbyterian Church in Taiwan entered into an real estate leasing contract, with the contract term of 40 years, commencing the day after the signing date, September 30, 2016. For the development of the leasing real estates, the Group agreed to pay development royalty amounting to $126,000 thousand. As of June 30, 2025 and 2024, the accumulated royalty payments amounted to $126,000 thousand, which was recognized under right-of-use assets.

2) The Group leased a parcel of land to construct several buildings for its hotels. The Group agreed that the ownership of the buildings would still be under the title deed of the Presbyterian Church in Taiwan even after the completion of the construction. Upon maturity of the lease period, the Group shall dismantle the buildings and related facilities, and return the land to the Presbyterian Church in Taiwan.

(Continued)

3) The security deposits paid by the Group for land development and leased land and buildings for hotel operating amounted to $106,080 thousand, as of June 30, 2025, December 31, 2024 and June 30, 2024, respectively.

(x) The Group entered into various services agreement with InterContinental Hotels Group for its hotel operation, including planning, constructing and building, as well as during the pre-opening phase, and the period from the pre-opening phase to the opening day and fifteen years afterwards. According to the contract, the fees shall either be paid based on the services rendered, or be calculated in accordance with certain ratio of the gross revenue for the fiscal year or each accounting period.

(b) Contingencies

(i) Please refer to Note 7 for the Group's guarantees and endorsements for related parties' loans as of June 30, 2025 and 2024.

(ii) Contingencies for the Company and its subsidiary, Sunflower Investment, regarding the stages of Daguangsan tax petition for real estate transaction and non-performing receivables is as follows:

Litigant	Issue	Current Status
The Company	Filing a petition for the administrative penalty of the value-added tax in the Daguangsan real estate transaction which was approved by National Taxation Bureau of Taipei	National Taxation Bureau of Taipei has approved the additional value-added tax and the regarding penalty amounting to $38,497 thousand, which the Company had paid $25,665 thousand in 2012. The Company was dissatisfied with the verdict from the original authority, which has filed the administrative petition. According to the ruling of the Taipei High Administrative Court, the lawsuit has now been suspended.
Sunflower Investment	Since 2011, Sunflower Investment had received several administrative penalties approved by National Tax Bureau of Taipei which arose from the withholding tax, value-added tax, enterprise income tax and undistributed earnings tax of the Daguangsan non-performing receivables. Sunflower Investment has sought administrative remedy for the aforementioned verdict.	National Tax Bureau of Taipei reduced the approved value-added tax and the regarding penalties to the total amount of $564,452 thousand on June 6, 2014, which arose from Daguangsan non-performing receivables. The aforementioned amount had been paid in the amount of $46,174 thousand. Sunflower Investment was dissatisfied with the verdicts and filed the petitions of the review, appeal and administrative litigation, which are being processed by the authority. The administrative litigation was filed against Taipei High Administrative Court on December 24, 2013. In accordance with the Administrative Regulation Article 177, Section 1 and 2, Taipei High Administrative Court suspended the proceeding of the lawsuit on July 25, 2016. Considering the risk of losing the lawsuit in the future, Sunflower Investment assessed the aforementioned possible losses based on the conservative principle and estimate the contingent liabilities. For details of regarding contingencies, please refer to Note 6(p).

(10) Losses due to major disasters: None.

(11) Subsequent events: None.

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(12) Other:

(a) The Securities and Futures Investors Protection Center (SFIPC) filed a criminal incidental civil action to the Supreme Court on behalf of the Company against the former chairman of the Company, Mr. Ming Shiann, Ho, wherein the appeal was handed back over to the High Court for reconsideration on August 22, 2019. Thereafter, the Tainan Branch of Taiwan High Court suspended the proceedings on May 30, 2024, until the criminal appeal of violation of the Securities and Exchange Law No. 21 has come into conclusion in 2024.

(b) Employee benefits, depreciation, and amortization are summarized as follows:

By function / By item	For the Three Months Ended June 30					
	2025			2024		
	Operating Costs	Operating Expenses	Total	Operating Costs	Operating Expenses	Total
Employee benefits						
Salary	206,013	181,245	387,258	169,420	256,258	425,678
Labor and health insurance	19,404	16,503	35,907	15,730	15,981	31,711
Pension	14,853	10,511	25,364	13,153	9,920	23,073
Others	23,434	15,125	38,559	20,626	12,758	33,384
Depreciation	217,691	108,717	326,408	174,898	82,216	257,114
Amortization	269	2,505	2,774	339	1,390	1,729

By function / By item	For the Six Months Ended June 30					
	2025			2024		
	Operating Costs	Operating Expenses	Total	Operating Costs	Operating Expenses	Total
Employee benefits						
Salary	419,371	380,613	799,984	334,159	453,019	787,178
Labor and health insurance	40,426	32,433	72,859	31,839	30,679	62,518
Pension	30,466	21,855	52,321	25,538	20,485	46,023
Others	44,300	27,092	71,392	37,725	29,895	67,620
Depreciation	441,826	217,299	659,125	347,030	161,412	508,442
Amortization	555	5,050	5,605	687	2,690	3,377

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(13) Other disclosures:

(a) Information on significant transactions:

The following is the information on significant transactions for the six months ended June 30, 2025, required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the Group:

(i) Loans to other parties:

(In Thousands of NTD)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Highest Ending Balance During the Period	Ending Balance (Note 1)	Actual Borrowing Amount	Interest Rate	Nature for Financing (Note 2)	Transaction Amount for Business	Reasons for Short-term Financing	Allowance for Doubtful Accounts	Collateral		Financing Limit for Each Borrower (Note 3)	Aggregate Financing Limit (Note 4)
													Item	Value		
0	The Company	Taichung CMP Hospitality	Accounts receivable due from related parties	Yes	1,260,000	-	-	2.475%	2	-	Operation requirements	-	None	-	4,177,308	5,569,745
1	Suzhou CMS	CMH	Accounts receivable due from related parties	Yes	457,000	409,000	409,000	2.43%	2	-	Operation requirements	-	None	-	1,300,092	1,733,456
2	CMAI	Pilot	Accounts receivable due from related parties	Yes	36,531	32,230	27,835	4.57%	2	-	Operation requirements	-	Land, buildings and improvement	62,856	59,481	79,308
3	CMW(C.I.)	CMI	Accounts receivable due from related parties	Yes	457,000	409,000	409,000	5.00%	2	-	Operation requirements	-	None	-	1,715,984	2,287,979
4	CMW (Tianjin)	CMH	Accounts receivable due from related parties	Yes	868,300	777,100	777,100	0.75%~2.41%	2	-	Operation requirements	-	None	-	1,735,946	2,314,595

Note 1: Balance of loan as of the reporting date was within the credit limits approved by the Board of Directors.

Note 2: 1. For business transactions.

2. For the necessity of short-term financing.

Note 3: The lender's total amount available for lending shall not exceed 30% of its net worth.

Note 4: The lender's total amount available for lending shall not exceed 40% of its net worth.

Note 5: Intra-group transactions have been eliminated in the consolidated financial statements.

(ii) Guarantees and endorsements for other parties:

(In Thousands of NTD)

No.	Name of Guarantor/ Endorse	Counter-party of Guarantee and Endorsement		Limitation on Amount of Guarantees and Endorsements for a Specific Enterprise (Note 4)	Highest Balance for Guarantees and Endorsements During the Period	Ending Balance (Note 2)	Actual Borrowing Amount	Endorsements and guarantees secured by pledged assets	Ratio of Accumulated Amounts of Guarantees and Endorsements to Net Worth of the Latest Financial Statements	Maximum Amount for Guarantees and Endorsements (Note 5)	Parent Company Endorsements/ Guarantees to Third Parties on Behalf of Subsidiary (Note 3)	Subsidiary Endorsements/ Guarantees to Third Parties on Behalf of Parent Company (Note 3)	Endorsements/ Guarantees to Third Parties on Behalf of Companies in Mainland China (Note 3)
		Name	Relationship with the Company (Note 1)										
0	The Company	Sunflower Investment	1	5,569,745	270,000	160,000	112,000	-	1.15 %	6,962,181	Y	N	N
0	The Company	The Hotel National	1	5,569,745	50,000	50,000	30,000	-	0.36 %	6,962,181	Y	N	N
0	The Company	Shangrila Tourism	1	5,569,745	674,000	674,000	452,000	-	4.84 %	6,962,181	Y	N	N
0	The Company	The Splendor Hospitality	2	5,569,745	1,950,000	1,750,000	1,450,000	-	12.57 %	6,962,181	N	N	N
0	The Company	CMAAN Health	2	5,569,745	10,000	10,000	-	-	0.07 %	6,962,181	N	N	N

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

No.	Name of Guarantor/ Endorse	Counter-party of Guarantee and Endorsement: Name	Counter-party of Guarantee and Endorsement: Relationship with the Company (Note 1)	Limitation on Amount of Guarantees and Endorsements for a Specific Enterprise (Note 4)	Highest Balance for Guarantees and Endorsements During the Period	Ending Balance (Note 2)	Actual Borrowing Amount	Endorsements and guarantees secured by pledged assets	Ratio of Accumulated Amounts of Guarantees and Endorsements to Net Worth of the Latest Financial Statements	Maximum Amount for Guarantees and Endorsements (Note 5)	Parent Company Endorsements/ Guarantees to Third Parties on Behalf of Subsidiary (Note 3)	Subsidiary Endorsements/ Guarantees to Third Parties on Behalf of Parent Company (Note 3)	Endorsements/ Guarantees to Third Parties on Behalf of Companies in Mainland China (Note 3)
0	The Company	Taichung CMP Hospitality	1	5,569,745	1,410,000	1,360,000	694,000	-	9.77 %	6,962,181	Y	N	N
1	CMW (Tianjin)	CMH	4	2,314,595	137,100	122,700	-	-	2.12 %	2,893,244	N	N	Y

Note 1: 1.The Company held directly or indirectly more than 50% of the shares with voting rights.
2.Due to the joint investment relationship, all of the shareholders of the Group endorse the company in accordance with their investment ratio.
3.The company held directly or indirectly more than 50% of the shares with voting rights.
4.The company held directly or indirectly more than 90% of the shares with voting rights.

Note 2: Balance of guarantees and endorsements as of the reporting date was within the credit limit approved by the Board of Directors.

Note 3: The following three situations are filled in Y: the endorsement of the subsidiary by the Company; the endorsement of the Company by the subsidiary and the endorsement to the company located in Mainland China.

Note 4: The guarantor's total amount available for guarantee and endorsement shall not exceed the percentage mentioned below of its net worth: The Company 40% and CMW (Tianjin) 40%.

Note 5: The guarantor's total amount available for guarantee and endorsement shall not exceed the percentage mentioned below of its net worth: The Company 50% and CMW (Tianjin) 50%.

(iii) Securities held as of June 30, 2025 (excluding investment in subsidiaries, associates and joint ventures):

(In Thousands of NTD)

Name of Holder	Category and Name of Security	Relationship with Issued Company	Account	Ending Balance: Shares/Units	Ending Balance: Carrying Value	Ending Balance: Percentage of Ownership (%)	Ending Balance: Fair Value	Note
The Company	MEITA Industrial Co., Ltd.	The Company is the legal person	Non-current financial assets at FVOCI	1,351,164	85,730	3.12 %	79,581	
The Company	GUANGYUAN Investment Co., Ltd.	-	Non-current financial assets at FVOCI	2,343,750	22,424	3.91 %	26,502	
The Company	DEVELOPMENT Venture Capital Co., Ltd.	-	Non-current financial assets at FVOCI	3,260,000	12,994	4.00 %	12,988	
The Company	Pacific Electric Wire & Cable Co., Ltd.	-	Current financial assets at FVTPL	81,666	-	0.01 %	-	
Sunflower Investment	Fantasystory Inc.	-	Non-current financial assets at FVOCI	415,883	-	19.80 %	-	
Sunflower Investment	il. COM, INC.	-	Non-current financial assets at FVOCI	100,000	-	0.52 %	-	
Sunflower Investment	Longmen I L.P.	-	Non-current financial assets at FVOCI	-	10,416	4.73 %	10,416	
Sunflower Investment	Asia World Engineering & Construction Co., Ltd.	-	Non-current financial assets at FVOCI	6,429,563	53,212	6.43 %	63,493	
Sunflower Investment	Masada Technology Limited Co., Ltd.	-	Non-current financial assets at FVOCI	2,922,600	17,418	2.60 %	17,418	
The Hotel National	Century National Technology Co., Ltd.	-	Non-current financial assets at FVOCI	35,600	-	2.34 %	-	
Atrans Precision	Acore Material Technology Co., Ltd.	-	Non-current financial assets at FVOCI	42,466	-	2.12 %	-	

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iv) Information regarding related-party transactions for purchases and sales exceeding NT$100 million or 20% of the share capital:

(In Thousands of NTD)

Name of Company	Related Party	Nature of Relationship	Transaction Details				Transactions with Terms Different from Others		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	Percentage of Total Purchases/Sales	Payment Terms	Unit Price	Payment Terms	Ending Balance	Percentage of Total Notes/Accounts Receivable (Payable)	
Suzhou CMS	CMI	Subsidiaries	Sale	335,155	30.64 %	180 days	-	-	1,238,251	69.16%	
CMW (Tianjin)	CMW (C.I.)	Subsidiaries	Sale	753,562	41.86 %	180 days	-	-	1,860,496	68.49%	
Suzhou CMB	CMI	Subsidiaries	Sale	135,939	16.71 %	180 days	-	-	225,172	32.94%	

Note : Intra-group transactions have been eliminated in the consolidated financial statements.

(v) Receivables from related parties with amounts exceeding the lower of NT$100 million or 20% of the share capital:

(In Thousands of NTD/In CNY)

Name of Company	Counter-party	Nature of Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
					Amount	Action Taken		
CMW (Tianjin)	CMW (C.I.)	Subsidiaries	Accounts receivable due from related parties 1,860,496	0.79	-	-	CNY 34,885,519	-
Tianjin CMT	CMI	Subsidiaries	Accounts receivable due from related parties 276,399	-	-	-	-	-
Suzhou CMB	CMI	Subsidiaries	Accounts receivable due from related parties 225,172	1.25	-	-	CNY 10,280,936	-
Suzhou CMS	CMI	Subsidiaries	Accounts receivable due from related parties 1,238,251	0.55	-	-	CNY 103,231,776	-
CMW (Tianjin)	CMH	Affiliates	Accounts receivable due from related parties, other 777,100	Note 2	-	-	-	-
CMW (C.I.)	CMI	Subsidiaries	Accounts receivable due from related parties, other 413,249	Note 2	-	-	-	-
Suzhou CMS	CMH	Affiliates	Accounts receivable due from related parties, other 409,000	Note 2	-	-	-	-
China Metal Products	PUJEN Land Development	Parent Company	Accounts receivable due from related parties, other 279,373	Note 3	-	-	-	-

Note1: Intra-group transactions have been eliminated in the consolidated financial statements.

Note2: Balance of loans to other parties.

Note3: The amount is recognized as dividends receivable.

(vi) Business relationships and significant intercompany transactions:

(In Thousands of NTD)

No. (Note 1)	Name of Company	Name of Counter-party	Nature of Relationship (Note 2)	Intercompany Transactions (Note 3)			
				Account	Amount	Trading Terms	Percentage of the Total Consolidated Revenue or Total Assets (Note 4)
1	CMW (Tianjin)	CMW (C.I.)	2	Operating revenue	753,562	180 days	12.43%
3	Suzhou CMS	CMI	2	Operating revenue	335,155	180 days	5.53%
3	Suzhou CMS	Suzhou CMB	3	Operating revenue	12,224	90 days	0.20%
3	Suzhou CMS	CMP (H.K)	2	Operating revenue	41,622	180 days	0.69%
4	Suzhou CMB	CMI	2	Operating revenue	135,939	180 days	2.24%
4	Suzhou CMB	CMB(H.K.)	2	Operating revenue	68,450	180 days	1.13%
4	Suzhou CMB	Suzhou CMS	3	Operating revenue	15,441	90 days	0.25%
5	National Management	China Metal Products	2	Operating revenue	41,851	25 days	0.69%
9	CMH	CMW (Tianjin)	3	Operating revenue	40,524	90 days	0.67%
9	CMH	Suzhou CMB	3	Operating revenue	13,822	90 days	0.23%
9	CMH	Suzhou CMS	3	Operating revenue	16,884	90 days	0.28%
10	CMAI(N.A.)	CMAI	2	Operating revenue	21,363	180 days	0.35%
13	PUZHI Construction	PUJEN Land Development	2	Operating revenue	87,461	30 days	1.44%
15	CMP(H.K.)	SIAM SST	3	Operating revenue	18,081	210 days	0.30%
1	CMW (Tianjin)	CMW(C.I.)	2	Accounts receivable due from related parties	1,860,496	180 days	3.53%
2	Tianjin CMT	CMI	2	Accounts receivable due from related parties	276,399	180 days	0.52%
9	CMH	Suzhou CMS	3	Accounts receivable due from related parties	15,045	90 days	0.03%

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

No. (Note 1)	Name of Company	Name of Counter-party	Nature of Relationship (Note 2)	Intercompany Transactions (Note 3)			
				Account	Amount	Trading Terms	Percentage of the Total Consolidated Revenue or Total Assets (Note 4)
9	CMH	CMW (Tianjin)	3	Accounts receivable due from related parties	13,649	90 days	0.03%
9	CMH	Suzhou CMB	3	Accounts receivable due from related parties	13,518	90 days	0.03%
3	Suzhou CMS	CMI	2	Accounts receivable due from related parties	1,238,251	180 days	2.35%
3	Suzhou CMS	CMP (H.K.)	2	Accounts receivable due from related parties	38,778	180 days	0.07%
4	Suzhou CMB	CMB (H.K.)	2	Accounts receivable due from related parties	97,907	180 days	0.19%
4	Suzhou CMB	CMI	2	Accounts receivable due from related parties	225,172	180 days	0.43%
15	CMP(H.K.)	SIAM SST	3	Accounts receivable due from related parties	16,776	210 days	0.03%
13	PUZHI Construction	PUJEN Land Development	2	Accounts receivable due from related parties	42,362	30 days	0.08%
0	China Metal Products	PUJEN Land Development	1	Other receivables due from related parties	279,373	-	0.53%
3	Suzhou CMS	CMH	3	Other receivables due from related parties	409,000	-	0.78%
1	CMW (Tianjin)	CMH	3	Other receivables due from related parties	777,100	-	1.47%
6	CMI	CMH	1	Other receivables due from related parties	25,362	-	0.05%
7	CMW(C.I.)	CMI	2	Other receivables due from related parties	413,249	-	0.78%
7	CMW(C.I.)	CMW (Tianjin)	1	Other receivables due from related parties	43,491	-	0.08%
11	CMAI	Pilot	1	Other receivables due from related parties	28,823	-	0.05%
11	CMAI	CMAI (N.A.)	1	Other receivables due from related parties	26,304	-	0.05%
10	CMAI (N.A)	CMAI	2	Other receivables due from related parties	23,668	-	0.04%
14	PUJEN Land Development	China Metal Products	2	Other receivables due from related parties	59,648	-	0.11%
16	Sunflower Investment	PUJEN Land Development	3	Other receivables due from related parties	68,109	-	0.13%
8	CMB(H.K.)	Suzhou CMB	1	Other long-term receivables due from related parties	25,472	-	0.05%

Note 1: For the inter-company business relationship and transaction condition in the “Number” column, the labeling method is as follows:
1. Parent company - 0.
2. Subsidiaries – In sequence from 1.

Note 2: Relationship is classified into three types:
1. Parent company to subsidiary.
2. Subsidiary to parent company.
3. Subsidiary to subsidiary.

Note 3: The Group only disclosed the information on sales and accounts receivable with subsidiary and did not give unnecessary details of opposite purchases and accounts payables in this part.

Note 4: The transaction amount is divided by the consolidated operating revenue or the consolidated total assets.

Note 5: Intra-group transactions have been eliminated in the consolidated financial statements.

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(b) Information on investees:

The following is the information on investees for the six months ended June 30, 2025 (excluding information on investees in Mainland China):

(In Thousands of NTD/In USD, CNY, THB, and JPY)

Name of Investor	Name of Investee	Location	Main Businesses	Original Investment Amount		Balance as of June 30, 2025			Net Income (Losses) of Investee	Share of Profits/Losses of Investee	Note
				June 30, 2025	December 31, 2024	Shares	Percentage of Ownership	Carrying Value			
The Company	UEA	British Virgin Islands	Investing in CMI	865,286	865,286	667,820	100.00 %	7,692,624	210,107	210,107	Subsidiaries
The Company	Sunflower Investment	Taiwan	Investing	99,096	99,096	67,013,057	99.01 %	1,035,072	9,195	9,104	Subsidiaries
The Company	Atrans Precision	Taiwan	Vehicle parts processing	247,218	247,218	25,782,134	72.24 %	406,943	(5,351)	(4,026)	Subsidiaries
The Company	CMJ	Japan	Cast iron product retailing	4,887	4,887	500	83.33 %	129,015	13,724	11,436	Subsidiaries
The Company	CMAI	Hong Kong	Vehicle parts retailing	24,036	24,036	1,000,000	100.00 %	188,120	20,788	20,788	Subsidiaries
The Company	PUJEN Land Development	Taiwan	Residents, commercial buildings and factories leasing and developing	2,003,067	2,003,067	158,877,643	56.65 %	4,450,473	40,842	18,708	Subsidiaries
The Company	Amida Trustlink Assets	Taiwan	Real estate developing, leasing and financial claims acquiring from financial institutions	44,576	44,576	16,763,726	35.21 %	-	-	21,761	Investees accounted for using equity method
The Company	The Hotel National	Taiwan	International tourist hotel services	1,515,952	1,515,952	5,000,000	100.00 %	1,492,236	32,581	31,636	Subsidiaries
The Company	National Management	Taiwan	Management and consulting services	10,000	10,000	1,000,000	100.00 %	38,708	9,707	9,707	Subsidiaries
The Company	The Splendor Hospitality	Taiwan	International tourist hotel services	1,125,000	1,125,000	32,500,000	50.00 %	239,293	(41,128)	(26,347)	Joint ventures accounted for using equity method
The Company	Shangrila Tourism	Taiwan	Amusement park and hotel services	564,303	564,303	22,664,800	55.74 %	266,303	(11,962)	(10,748)	Subsidiaries
The Company	CMAAN Health	Taiwan	Management and consulting services	50,000	50,000	5,000,000	50.00 %	49,421	2,700	1,313	Joint ventures accounted for using equity method
The Company	Taichung CMP Hospitality	Taiwan	International tourist hotel services	1,198,800	1,198,800	123,780,000	100.00 %	876,374	(89,035)	(85,997)	Subsidiaries
The Company	Calligraphy Greenway Plaza	Taiwan	Management and consulting services	59,000	59,000	5,900,000	100.00 %	65,140	3,972	3,972	Subsidiaries
The Company	Great Naturalistic Block	Taiwan	Management and consulting, department store retailing services	50,000	50,000	5,000,000	100.00 %	38,749	(21)	(21)	Subsidiaries
The Company	CMP Intelligence Technology	Taiwan	Intelligence manufacturing services	7,000	7,000	700,000	70.00 %	6,826	(174)	(122)	Subsidiaries
Sunflower Investment	PUJEN Land Development	Taiwan	Residents, commercial buildings and factories leasing and developing	288,437	288,437	42,568,300	15.18 %	1,157,659	40,842	Exempt from disclosure	Subsidiaries of the Company
Sunflower Investment	Astrans Precision	Taiwan	Vehicle parts processing	77,903	77,836	4,741,489	13.29 %	74,121	(5,351)	Exempt from disclosure	Subsidiaries of the Company
Sunflower Investment	Amida Trustlink Assets	Taiwan	Real estate developing, leasing and financial claims acquiring from financial institutions	-	-	5,951,619	12.50 %	-	-	Exempt from disclosure	Investee accounted for using equity method
Sunflower investment	ADVANCISION (CAYMAN)	Cayman Islands	Investing and cast iron product retailing	23,457	23,457	1,871,288	4.46 %	12,873	(10,468)	Exempt from disclosure	Investee accounted for using equity method
UEA	CMI	Cayman Islands	Investing in CMI (BVI) and cast iron product retailing	USD 136,536,250	USD 136,536,250	823,281,475	83.27 %	USD 261,811,709	USD 7,925,031	Exempt from disclosure	Subsidiaries of UEA
CMI	CMI (BVI)	British Virgin Islands	Investing in CMP (H.K.)	USD 280,426	USD 280,426	161	100.00 %	CNY 1,169,107,094	CNY 38,147,722	Exempt from disclosure	Subsidiaries of CMI
CMI	CMW (C.I.)	Cayman Islands	Investing in CMW (Tianjin) and CMH	USD 75,156,500	USD 75,156,500	50,000,000	100.00 %	CNY 1,451,770,058	CNY 16,863,574	Exempt from disclosure	Subsidiaries of CMI
CMI	CMB (H.K.)	Hong Kong	Investing in Suzhou CMB	USD 77,970,000	USD 92,970,000	125,693,596	100.00 %	CNY 501,439,118	CNY 10,378,206	Exempt from disclosure	Subsidiaries of CMI
CMI(BVI)	CMP (H.K.)	Hong Kong	Investing in Tianjin CMT and Suzhou CMS	USD 21,000,000	USD 21,000,000	21,000,000	100.00 %	CNY 1,169,804,576	CNY 38,147,722	Exempt from disclosure	Subsidiaries of CMI(BVI)
CMAI	CMAI Holding	USA	Investing	USD 8,364,644	USD 8,364,644	10,000	100.00 %	USD 2,539,386	USD (210,554)	Exempt from disclosure	Subsidiaries of CMAI
CMAI Holding	Pilot	USA	Assets leasing	USD 8,328,644	USD 8,328,044	-	100.00 %	USD 2,527,746	USD (200,649)	Exempt from disclosure	Subsidiaries of CMAI Holding
CMAI Holding	CMAI-MEX	Mexico	Investing	USD 47,520	USD 35,640	47,520	100.00 %	USD 11,524	USD (9,806)	Exempt from disclosure	Subsidiaries of CMAI Holding
CMAI Holding and CMAI-MEX	MEXICO CMI-CMAI	Mexico	Vehicle parts retailing	USD 48,000	USD 36,000	48,000	100.00 %	USD 11,640	USD (9,905)	Exempt from disclosure	Subsidiaries of CMAI Holding and CMAI-MEX
Pilot	CMAI N.A.	USA	Vehicle parts retailing	USD 7,792,972	USD 7,792,972	10,000	100.00 %	USD 1,220,765	USD (264,988)	Exempt from disclosure	Subsidiaries of Pilot
Atrans Precision	FAR HSING (SAMOA)	SAMOA	Investing	USD 1,272,055	USD 1,272,055	1,272,055	100.00 %	29,923	(2,241)	Exempt from disclosure	Subsidiaries of Atrans Precision
FAR HSING (SAMOA)	ADVANCISION (CAYMAN) Industries Co., Ltd	Cayman Islands	Investing and cast iron product retailing	USD 4,052,188	USD 4,052,188	9,068,414	21.59 %	USD 1,007,388	USD (328,578)	Exempt from disclosure	Investees of FAR HSING (SAMOA) accounted for using equity method
CMJ	SIAM SST	Thailand	Cast iron product retailing	THB 31,300,000	THB 3,000,000	312,998	99.99 %	JPY 117,565,078	JPY (10,406,995)	Exempt from disclosure	Subsidiaries of CMJ

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of Investor	Name of Investee	Location	Main Businesses	Original Investment Amount		Balance as of June 30, 2025			Net Income (Losses) of Investee	Share of Profits/Losses of Investee	Note
				June 30, 2025	December 31, 2024	Shares	Percentage of Ownership	Carrying Value			
PUJEN Land Development	Keng-Hsin Urban Renewal	Taiwan	Residents, commercial buildings and factories leasing and developing	300,800	300,800	37,851,339	29.12 %	367,686	(46,555)	Exempt from disclosure	Investees of PUJEN Land Development accounted for using equity method
PUJEN Land Development	CHINGGENG Land Development	Taiwan	Residents, commercial buildings and factories leasing and developing	1,500	1,500	150,000	50.00 %	5,324	9	Exempt from disclosure	Subsidiaries of PUJEN Land Development
PUJEN Land Development	PUJEN CHENGMEI Land Development Co., Ltd.	Taiwan	Residents, commercial buildings and factories leasing and developing	269,500	199,500	26,950,000	70.00 %	212,092	(860)	Exempt from disclosure	Subsidiaries of PUJEN Land Development
PUJEN Land Development	PUZHI Construction	Taiwan	Residents, commercial buildings and factories leasing and developing	134,800	134,800	122,500	100.00 %	101,118	(10,248)	Exempt from disclosure	Subsidiaries of PUJEN Land Development
PUJEN Land Development	Hua-Pu Development	Taiwan	Residents, commercial buildings and factories leasing and developing	5,000	5,000	500,000	50.00 %	5,153	30	Exempt from disclosure	Joint ventures of PUJEN Land Development accounted for using equity method
PUJEN Land Development	Beyond Fitness	Taiwan	Sport training and other consulting service	4,050	4,050	494,333	36.82 %	4,049	1,196	Exempt from disclosure	Investees of PUJEN Land Development accounted for using equity method
The Hotel National	Shangrila Tourism	Taiwan	Amusement park and hotel services	180,000	-	18,000,000	44.26 %	211,456	(11,962)	-	Subsidaries of the Company

Note : The aforementioned investments have been eliminated in the consolidated financial statements.

(c) Information on investment in Mainland China:

(i) The names of investees in Mainland China, the main businesses and products, and other information:

(In Thousands of NTD, CNY, USD and JPY)

Name of Investee	Main Businesses	Total Amount of Paid-in Capital	Method of Investment (Note 1)	Accumulated Outflow of Investment from Taiwan as of January 1, 2025	Investment Flows		Accumulated Outflow of Investment from Taiwan as of June 30, 2025	Net Income (Losses) of the Investee	Percentage of Ownership held directly or indirectly by the Company	Investment Income (Losses) (Notes 2&3)	Book Value (Note 3)	Accumulated Remittance of Earnings in Current Period (Note 5)	Note
					Outflow	Inflow							
Tianjin CMT	Cast iron products, machine parts and vehicle parts designing, developing, manufacturing and selling	293,000 (USD10,000)	2	388,238	-	-	388,238	(467) (CNY(106))	83.27%	(389) (CNY(89))	430,435 (CNY105,241)	82,542	Note 2
Suzhou CMS	Cast iron products, machine parts and vehicle parts designing, developing, manufacturing and selling	351,600 (USD12,000)	2	423,406	-	-	423,406	164,054 (CNY37,370)	83.27%	136,608 (CNY31,118)	4,333,904 (CNY1,059,634)	14,601	Note 2
Suzhou CMB	Cast iron product designing, manufacturing and retailing	2,402,600 (USD82,000 (Note 6))	2	-	-	-	-	35,457 (CNY8,077)	83.27%	29,525 (CNY6,725)	2,061,609 (CNY504,061)	-	Note 2
CMW (Tianjin)	Vehicle parts, E&M as-casting and finished product developing, manufacturing and selling	937,600 (USD32,000)	2	-	-	-	-	117,571 (CNY26,782)	83.27%	97,901 (CNY22,301)	5,778,442 (CNY1,412,822)	-	Note 2
CMH	Vehicle parts, farm wagon parts, industrial wagon parts household appliances parts and E&M as-casting and molds developing, manufacturing, selling and after sales services	937,600 (USD32,000)	2	-	-	-	-	(100,590) (CNY(22,913))	83.27%	(83,761) (CNY(19,080))	409,170 (CNY100,041)	-	Note 2
Qingdao Sourcing Specialists	Cast iron product retailing	2,930 (USD100)	2	-	-	-	-	3,259 (JPY15,189)	83.33%	2,716 (JPY12,657)	42,728 (JPY210,067)	-	-

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Limitation on investment in Mainland China:

(In Thousands of NTD and USD)

Accumulated Investment in Mainland China as of June 30, 2025	Investment Amount Authorized by the Investment Commission, MOEA (Note 7)	Upper Limit on Investment (Note 4)
811,644	6,112,595 (USD 208,621)	-

Note 1: Method of investment is classified into three types:

1. Directly invested in Mainland China.
2. Indirectly invested in Mainland China through the third region.
3. Other methods.

Note 2: The recognition basis of the investment income and losses is the financial report reviewed by an international accounting firm which is in partnership with the accounting firm in the R.O.C.

Note 3: The amount stated is the investment income and losses and the book value of the investment at the end of the period which is recognized by the subsidiaries established through the investment in the third region.

Note 4: The Company complies with the amended Permit 9704604680 ‘Investment or technical cooperation review principal in China’, which obtained the certified documents of the operational scope of the headquarters from the Industrial Development Bureau, Ministry of Economic Affairs, with the valid period from March 3, 2023 to March 1, 2026. The restriction on the cumulative investment amount or proportion in China is not applicable.

Note 5: As of June 30, 2025, the company had obtained a surplus of $3,256,084 thousand (USD$108,140 thousand) from the investment companies set up in the third region. The surplus was remitted to the companies by the subsidiaries which was invested indirectly in China and then was remitted to Taiwan. It was impossible to distinguish the remittance from the company in China.

Note 6: The share capital was reduced by USD$15,000 thousand upon resolution of the Board of Directorsin March 25, 2025.

Note 7: The amount in the table is translated by the spot rate on the financial reporting date.

Note 8: The aforementioned investments have been eliminated in the consolidated financial statements.

(iii) Significant transactions: None.

(Continued)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(14) Segment information:

The Group's operating segment information and reconciliation are as follows:

		Metal Manufacturing Segment	Real Estate Development Segment	Lifestyle Innovation Segment	Reconciliation and Elimination	Total
For the Three Months Ended June 30, 2025						
Revenue from external customers	$	2,480,696	287,951	330,636	-	3,099,283
Intersegment revenues		788,018	54,619	21,944	(864,581)	-
Total revenue	**$**	**3,268,714**	**342,570**	**352,580**	**(864,581)**	**3,099,283**
Reportable segment profit or loss	**$**	**151,073**	**180,235**	**(34,924)**	**(117,526)**	**178,858**
For the Three Months Ended June 30, 2024						
Revenue from external customers	$	2,486,525	4,082,865	161,898	-	6,731,288
Intersegment revenues		780,886	850	23,060	(804,796)	-
Total revenue	**$**	**3,267,411**	**4,083,715**	**184,958**	**(804,796)**	**6,731,288**
Reportable segment profit or loss	**$**	**128,292**	**1,085,118**	**(37,454)**	**(18,951)**	**1,157,005**
For the Six Months Ended June 30, 2025						
Revenue from external customers	$	4,878,190	481,596	702,564	-	6,062,350
Intersegment revenues		1,528,945	89,101	45,911	(1,663,957)	-
Total revenue	**$**	**6,407,135**	**570,697**	**748,475**	**(1,663,957)**	**6,062,350**
Reportable segment profit or loss	**$**	**246,540**	**93,300**	**(43,996)**	**(213,328)**	**82,516**
For the Six Months Ended June 30, 2024						
Revenue from external customers	$	4,908,074	6,318,416	332,339	-	11,558,829
Intersegment revenues		1,486,294	1,700	47,556	(1,535,550)	-
Total revenue	**$**	**6,394,368**	**6,320,116**	**379,895**	**(1,535,550)**	**11,558,829**
Reportable segment profit or loss	**$**	**237,854**	**1,650,005**	**(37,115)**	**(30,580)**	**1,820,164**

Note 1: The management uses pre-tax profit or loss as the measure of performance. Since the amount of assets and liabilities of the Group's reportable segments is not available, it has not been disclosed.