

BORETECH Resource Recovery Engineering Co., Ltd.

Minutes of 2025 Annual General Shareholders' Meeting

(Translation)

(This document is prepared in accordance with the Chinese version and is for reference only. In the event of any inconsistency between the English version and the Chinese version, the Chinese version shall prevail.)

Time and Date of Meeting: 10:00 a.m., Monday, June 23, 2025

Place of Meeting: No. 99, Sec. 2, Liuying Rd., Liuying Dist., Tainan City

Meeting Type: Physical Shareholders' Meeting

Total outstanding shares of BORETECH-KY : 74,116,512 shares

Total shares represented by shareholders present: 63,643,454 shares (including 20,727,189 shares casted electronically) Percentage of shares held by shareholders present: 85.86 %

Director attendees: OU Che-Wen (Chairman), KO Yung-Chun (Director), OU Po-Hao (Director), HSU Wen-Kuan (Independent Director, the Convener of Audit Committee), HUANG Kuo-Ming (Independent Director)

Attendees: LIN Yu-Chun (CFO & Chief Corporate Governance Officer), HUNG S.H. Gary (Attorney-at-law, CHIEN YEH Law Offices), HSU Ming-Chuan (CPA, PricewaterhouseCoopers, Taiwan)

Chairman: OU Che-Wen, the Chairman of the Board of Directors

Recorder: SHE Ya-Chun

I. Announcement of the meeting (report attending shares)

II. Chairman remark (Omitted)

III. Report Items

- i. The Company's business report of 2024. (Please refer to Attachment 1)**
- ii. The Audit Committee's review report of 2024. (Please refer to Attachment 2)**
- iii. The directors and employees' compensation of 2024.**

(1) Pursuant to the Company's Articles of Incorporation, during the listing period, and unless otherwise provided by the laws of the Cayman Islands, applicable listing regulations, or the Articles themselves, if the Company records a profit in the relevant fiscal year, an amount ranging from 3% to 10% of such profit shall be allocated as employee remuneration. Such allocation shall be made in the form of shares and/or cash, subject to a resolution adopted by a majority of the directors present at a board meeting attended by at least two-thirds of all directors. Furthermore, a portion not exceeding 2% of the annual profit may

be allocated as directors' remuneration, also subject to the same board resolution requirements.

- (2) As the Company had not been listed during fiscal year 2024, it is proposed that no allocation be made for directors and employees' compensation for said fiscal year.

All of the above has been reviewed and duly acknowledged.

IV. Ratification Items

- i. Adoption of the Company's 2024 business report and financial statements. (Proposed by the Board of Directors)**

Explanatory Notes:

The Company's 2024 Consolidated Financial Statements were audited and certified by Mr. HSU, MING-CHUAN and Mr. TIEN, CHUNG-YU, the CPA of PricewaterhouseCoopers.

Business Report of 2024 please refer to Attachment 1, and 2024 Consolidated Financial Statements please refer to Attachment

Voting Results: Shares represented at the time of voting: 63,643,454

Voting Results		% of the total represented share present
Votes in favor	63,635,215 votes (including 20,718,950 shares casted electronically)	99.98%
Votes against	1,235 votes (including 1,235 shares casted electronically)	0.00%
Votes invalid	0 vote	0.00%
Votes abstained	7,004 votes (including 7,004 shares casted electronically)	0.01%

Resolved: The above proposal be and hereby was approved as proposed.

- ii. Adoption of the Company's distribution of 2024 profits. (Proposed by the Board of Directors)**

Explanatory Notes:

The Company reported a net profit after tax of NT\$489,553,658 for the fiscal year 2024. A proposed earnings distribution schedule has been prepared accordingly (please refer to Attachment 4).

The Company proposes to distribute NT\$293,732,195 from the distributable earnings of fiscal year 2024 as cash dividends to shareholders, representing NT\$3.97445568 per share.

Upon approval by the Annual General Meeting of Shareholders, it is proposed that the Chairman be authorized to determine the ex-dividend date, the actual distribution date, and other related matters.

The cash dividend distribution shall be calculated to the nearest whole New Taiwan dollar; any fractional amounts below one dollar shall be disregarded. The total amount of disregarded fractions shall be adjusted by descending order of decimal value and ascending order of shareholder account numbers to ensure the total distribution amount matches the approved cash dividend allocation.

In the event of any changes in the Company's share capital resulting in a variation in the number of outstanding shares, thereby affecting the dividend payout ratio, it is proposed that the Chairman be authorized by the shareholders' meeting to make corresponding adjustments to the distribution.

Voting Results: Shares represented at the time of voting: 63,643,454

Voting Results		% of the total represented share present
Votes in favor	63,635,215 votes (including 20,716,950 shares casted electronically)	99.98%
Votes against	3,235 votes (including 3,235 shares casted electronically)	0.00%
Votes invalid	0 vote	0.00%
Votes abstained	7,004 votes (including 7,004 shares casted electronically)	0.01%

Resolved: The above proposal be and hereby was approved as proposed.

V. Discussion Items

i. Approval of the amendment to the Company's "Amended and Restated Memorandum and Articles of Association". (Proposed by the Board of Directors)

Explanatory Notes:

In order to meet the Company's actual operational needs, it is proposed to amend "Memorandum and Articles of Association" (hereinafter referred to as "M&AA") of the Company in accordance with relevant laws and regulations of Republic of China. Please refer to "Attachment 5" for the Comparison Table of Amendments to the Company's M&AA, the amended M&AA and their Chinese translation.

The amended M&AA shall become effective immediately after being adopted and approved at the shareholders' meeting and shall entirely replace the existing M&AA of the Company.

the Registered Office Provider of the Company is hereby instructed and authorized, after the Company resolves to amend its M&AA by Special Resolution of the shareholders' meeting, to apply to the Registrar of Companies of Cayman Islands for submission and filing of necessary documents.

Voting Results: Shares represented at the time of voting: 63,643,454

Voting Results		% of the total represented share present
Votes in favor	63,635,192 votes (including 20,718,927 shares casted electronically)	99.98%
Votes against	1,238 votes (including 1,238 shares casted electronically)	0.00%
Votes invalid	0 vote	0.00%
Votes abstained	7,024 votes (including 7,024 shares casted electronically)	0.01%

Resolved: The above proposal be and hereby was approved as proposed.

ii. Approval of the amendment to the Company's "Operational Procedures for Loaning Funds to Others". (Proposed by the Board of Directors)

Explanatory Notes:

In order to meet the Company's actual operational needs, it is proposed to amend "Operational Procedures for Loaning Funds to Others" of the Company in accordance with relevant laws and regulations of Republic of China. Please refer to "Attachment 6" for the Comparison Table of Operational Procedures for Loaning Funds to Others.

Voting Results: Shares represented at the time of voting: 63,643,454

Voting Results		% of the total represented share present
Votes in favor	63,633,192 votes (including 20,716,927 shares casted electronically)	99.98%
Votes against	3,238 votes (including 3,238 shares casted electronically)	0.00%
Votes invalid	0 vote	0.00%
Votes abstained	7,024 votes (including 7,024 shares casted	0.01%

	electronically)	
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Resolved: The above proposal be and hereby was approved as proposed.

VI. Special Motions: The Chairperson inquired of all attending shareholders, and no extraordinary motions were proposed.

VII. Meeting Adjourned

There were no inquiries from shareholders at this meeting.

Attachment 1

BORETECH Resource Recovery Engineering Co., Ltd. Business Report of 2024

i. For the year ended December 31, 2024.

1、Business overview

Unit: TWD thousands

Items	2024	2023	Increased	Growth rate
Consolidated sales revenue	5,444,066	4,463,717	980,349	21.96%
Consolidated gross profit	1,166,250	1,113,930	52,320	4.70%
Consolidated operating income	549,392	543,203	6,189	1.14%
Consolidated profit before income tax	639,414	600,711	38,703	6.44%
Consolidated profit for the period	489,554	457,419	32,135	7.03%
Profit attributable to: Owners of the parent	489,554	457,419	32,135	7.03%
Basic earnings per share (in NT dollars)	7.51	7.02	0.49	6.98%

2、Financial and Profitability analysis

Financial and Profitability analysis				2024	2023
Items				2024	2023
Financial Structure	Debt to Asset Ratio			46.83%	53.63%
	Long-term Funds to Properties, Plants and Equipment Ratio			307.67%	289.97%
Liquidity	Current ratio			167.61%	149.89%
	Quick ratio			94.09%	99.64%
Profitability	Return on Assets			11.90%	12.05%
	Return on Equity			23.50%	25.22%
	to Capital Ratio	Operating income	86.79%	83.31%	
		Income before tax	98.07%	92.13%	
	Net Margin			8.99%	10.25%
	Earnings per share (TWD)			7.51	7.02

Under the concerted efforts of all employees, Boretech Group achieved record-breaking performance in fiscal year 2024, reaching the highest consolidated revenue and profit in the Group's history. Consolidated revenue totaled NT\$5.444 billion, representing a 21.96% increase compared to the previous year. Revenue from the Chemical Fiber Division grew by 5%, the Engineering Equipment Division by 24%, and the rPET Raw Material Washing and Pelletizing Division by 65%. The consolidated net profit for the year reached NT\$490 million, an increase of NT\$32.14 million year-over-year. Earnings per share after tax were NT\$7.51. The operational performance for each business unit is summarized as follows:

(1) Chemical Fiber Division

In recent years, the chemical fiber market has experienced oversupply, leading to price-driven competition in mass-produced, homogeneous products. In response, Boretech has adopted a product differentiation strategy in its chemical fiber division, focusing on niche markets rather than pursuing high market share. By doing so, the Company has successfully distanced itself

from price wars and maintained profitability. The differentiated product strategy has enabled the division to meet operational targets while achieving strong profit margins.

(2) Engineering Equipment Division

In 2024, the Engineering Equipment Division maintained a leading market share for plastic washing systems in China, India, and Southeast Asia. Washing systems accounted for approximately 82% of total equipment revenue, while the remaining 18% came from fiber and pelletizing systems. As a foundational component in rPET production lines, washing systems have evolved to meet market trends and customer demands, expanding into integrated solutions for fiber and food-grade applications. With Boretech's technical capabilities and service standards reaching a high level in recent years, the division has continued to secure new orders and expand its market presence.

(3) rPET Raw Material Washing and Pelletizing Division

Driven by growing consumer awareness of environmental sustainability and advancements in rPET production technology, the use of rPET in food packaging has increased steadily. Food-grade rPET now represents a major growth driver for Boretech's revenue. The Company's products have obtained certifications from the U.S. FDA, Japan's container inspection authorities, and Taiwan's Food and Drug Administration. Shipments have been made to food and beverage manufacturers in Japan, the U.S., and other countries. In 2024, the division saw significant growth in rPET revenue. Looking ahead, global policies promoting recycling and the circular economy, combined with increasing consumer preference for sustainable packaging, are expected to further boost market demand for rPET.

ii. Our Business Prospects for 2025

1 、 Chemical Fiber Division

Despite ongoing challenges in both domestic and international economic environments and intensifying market competition, the Chemical Fiber Division remained committed to the goals set by management and successfully achieved the performance targets for fiscal year 2024. In 2025, the division will continue to consolidate its existing achievements by expanding the sales of flame-retardant fibers and ensuring sustained growth in high-margin products.

For hygiene fiber products, efforts will focus on enhancing product diversity and controlling costs to improve competitiveness. For flame-retardant fiber products, the key strategy will be to increase sales in overseas markets while also boosting brand awareness abroad. Additionally, the division will strengthen the promotion of colored fibers with the aim of making them the second-largest profit contributor after flame-retardant products. Overall, optimizing the product portfolio remains a strategic priority in 2025. The division seeks to increase the share of high-margin products, phase out low-margin operations, and continuously enhance the Company's overall profitability.

2 、 Engineering Equipment Division

Driven by strong economic growth in India—with GDP growth projected at 6.5% for 2025, making it the fastest-growing major economy in the world—India has become one of the most promising markets for bottle-to-bottle PET recycling equipment, especially following regulatory approval for the use of recycled plastics in food-contact packaging. This development has made India an attractive destination for foreign investments in plastic recycling infrastructure. Accordingly, Boretech will continue to deepen its market penetration in India by incorporating more product lines and expanding local operations, positioning this as one of the Group's core development strategies going forward.

The year 2025 is also a milestone for global brands and retailers, who are expected to fulfill their plastic reduction commitments. Bearing the mission of sustainability and low-carbon

innovation, Boretech's bottle-to-bottle integration capabilities and chemical recycling solutions will play a critical role in helping brands realize their sustainability roadmaps. These capabilities also form the foundation for Boretech's transformation into a comprehensive leader in the plastic recycling industry.

To achieve these objectives, the Engineering Equipment Division has established key operational strategies for its major product units as follows:

Washing Systems Department:

- A. Strengthen project management
- B. Control costs and improve product quality
- C. Establish standards for supporting products

Fiber Equipment Department:

- A. Enhance R&D in fiber production technologies
- B. Optimize use of recycled PET flakes to improve fiber quality and production efficiency
- C. Expand presence in the Indian market

Bottle-to-Bottle Systems Department:

- A. Strengthen engineering integration capabilities
- B. Build communication mechanisms with brand clients
- C. Increase market promotion efforts
- D. Advance product certification processes

3 、 PET Raw Material Washing and Pelletizing Division

Taiwan generates approximately 100,000 metric tons of PET bottles annually. According to Taiwan's Ministry of Environment, by 2025, at least 25% of plastic materials used must be from recycled sources, increasing to over 50% by 2030. In line with this policy, Boretech plans to install a new pelletizing line with an annual capacity of 30,000 tons. This new capacity will be supported by recycled flakes produced from Zhejiang Boretech's newly developed PET flat-container washing systems, offering significant advantages in raw material control and cost efficiency.

In addition, Boretech Taiwan has partnered with 7-Eleven for PET bottle collection and collaborated with Carrefour on a demonstration project for packaging recycling, establishing a model for closed-loop recycling of plastic waste. These initiatives aim to scale up recycling capabilities and accelerate progress toward a circular economy.

iii. Future Development Strategies

1 、 Chemical Fiber Division

The Chemical Fiber Division aims to become a leading industry player in flame-retardant functional fibers and a key supplier to major hygiene brands in the composite fiber sector, driven by the dual engines of research and development as well as sales strategy. To achieve this vision, the division has established the following strategic operational plans for its core product departments:

(1) Polyester Fiber Department:

In recent years, intense competition in the flame-retardant fiber market has led to a gradual decline in prices. To maintain profitability and increase sales volume, expanding export markets has been identified as a key development strategy, supported by the following initiatives:

- A. Adjusting production line configurations to expand capacity and meet order demands
- B. Integrating the supply chain to ensure stable raw material sourcing and reduce costs
- C. Increasing the proportion of export sales

D. Strengthening inventory management

(2) Composite Fiber Department:

Facing intensified market competition, low gross margins, and limited application scopes, the division plans to implement the following strategies to enhance performance:

A. Developing differentiated products

B. Diversifying the customer base

C. Increasing export market share

D. Executing a strategic raw material procurement plan

Since its establishment, the division's R&D team has successfully developed a series of specialty products, including nylon-polyester composite fibers, biodegradable "Eco-An" fibers, and antibacterial fibers, all of which have been well received by the market. Looking forward, the division intends to recruit PhD-level research talent to collaborate on the following R&D projects:

A. Development of chemically spun short-staple fibers

B. Development of composite ultra-short-cut fibers

C. Development of specialty functional fibers

2 、 Engineering Equipment Division

With plastic recycling having become a global consensus, the Group is seizing significant industry development opportunities, driven by both national initiatives and the commitments of global brands. While facing uncertainties in the external environment and increasing industry competition, the Group remains committed to transforming the Engineering Equipment Division into a professional engineering service-oriented business model. To this end, the following key operational strategies have been set forth:

(1) Establish a long-term and stable profit model by enhancing core capabilities in industrial technology, engineering services, marketing, and sales. At the same time, continue developing engineering service capabilities to support the growth of product businesses, ensuring that each product reaches world-class standards. The division will seek to integrate resources across the value chain and provide customers with high-quality equipment and engineering service experiences.

(2) Strengthen the R&D, engineering design, and project management teams. Cultivate "T-shaped" talent with both deep professional expertise and cross-disciplinary capabilities, thereby building an operational model aligned with the Group's strategic objectives.

(3) Stay ahead of industry trends and product innovation cycles. Leverage leading innovation and technical strength to develop mid-to-high-end markets and large-scale production lines that deliver higher added value.

(4) Establish a global after-sales service network. Utilize digital connectivity to build a remote service platform, significantly enhancing technical support and customer service efficiency, while improving overall customer satisfaction.

3 、 PET Raw Material Washing and Pelletizing Division

Amid increasing global focus on ESG, energy efficiency, and carbon reduction, the recycled plastics industry is expected to thrive. The Basel Convention has called for countries to legislate restrictions on waste and promote recycling and reuse, further emphasizing the transition from virgin to recycled plastics. As international brands face mounting social responsibility, and with India already permitting food-grade recycled plastics and China expected to follow suit in 2025 (ROC Year 114), the world's two most populous nations are opening up enormous demand for recycled raw materials.

As such, securing raw material sources will be critical to the PET Raw Material Washing and Pelletizing Division. In addition to actively developing suitable and stable-quality sources,

the division will work closely with the Engineering Equipment Division' s R&D team to enhance both production capacity and product quality. Efforts will also focus on achieving greater energy efficiency to improve the competitiveness of its offerings—paving the way for a win-win outcome between equipment and pellet businesses.

Thanks to the steadfast support of our shareholders, Boretech Group continues to advance toward its goal of becoming a “Leading Global Enterprise in the Plastic Recycling Industry.” In light of the global surge in circular economy development driven by climate change, the Group is poised to expand into broader fields of recycling—promoting high-quality regeneration worldwide and contributing to a cleaner and more sustainable planet for future generations.

Attachments 2

BORETECH Resource Recovery Engineering CO., LTD. Audit Committee's Review Report of 2024(Translation)

The Board of Directors has duly prepared and submitted the Company's 2024 Consolidated Financial Statements, which have been audited and certified by CPAs Mr. HSU, MING-CHUAN and Mr. TIEN, CHUNG-YU of PricewaterhouseCoopers Taiwan. Together with the Business Report and the Earnings Distribution Proposal, these documents have been reviewed by the Audit Committee and found to be in compliance without any discrepancies.

This report is hereby submitted in accordance with the relevant provisions of the Securities and Exchange Act and the Company Act.

Respectfully submitted for your review and approval.

To the 2025 Annual General Shareholders' Meeting

BORETECH Resource Recovery Engineering Co., Ltd.

[HSU Wen-Kuan]

Convener of the Audit Committee

Date : 2025.03.13

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To Boretech Resource Recovery Engineering Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Boretech Resource Recovery Engineering Co., Ltd. and subsidiaries (the “Group”) as at December 31, 2024 and 2023, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's 2024 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2024 consolidated financial statements are stated as follows:

Assessment of allowance for inventory valuation losses

Description

Please refer to Note 4(12) for accounting policies on inventories, Note 5(2) for significant accounting estimates and assumptions and Note 6(5) for details of accounts.

The Group is primarily engaged in the manufacture and sales of recycled waste plastics, equipment and various chemical fibres. The management considers the selling price and purchase price of each inventory when the management calculates the net realisable value of inventory and assesses the age of inventory simultaneously to calculate the amount of allowance for inventory valuation losses. As the abovementioned process involves the management's subjective judgement and has a high degree of uncertainty, considering that inventory and its allowance for valuation losses have a significant impact on the financial statements, we considered the assessment of allowance for inventory valuation losses as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

- A. Assessed the reasonableness of policies and procedures on allowance for inventory valuation losses based on our understanding of the Group's operation and industry characteristic.
- B. Reviewed the annual physical inventory count plan and participated in the annual physical inventory count to assess the effectiveness of the management's control over obsolete inventories.
- C. Obtained the net realisable value report of inventory for evaluation, tested the accuracy of report preparation logic, sampled and reviewed the basis for calculating the net realisable value of individual inventory items and reviewed relevant supporting documents to verify the reasonableness of the net realisable value used.

Responsibilities of management and those charged with governance for the consolidated financial statement

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 the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including the audit committee, are responsible for

overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

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

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

- A. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- B. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- D. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- E. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- F. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Hsu, Ming-Chuan

Tien, Chung-Yu

For and on behalf of PricewaterhouseCoopers, Taiwan

March 13, 2025

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

BORETECH RESOURCE RECOVERY ENGINEERING CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2024 AND 2023

(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2024		December 31, 2023	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 1,300,669	31	\$ 1,545,512	37
1110	Financial assets at fair value through profit or loss - current	6(2)	-	-	-	-
1136	Current financial assets at amortised cost	6(1)(3) and 8	80,936	2	117,862	3
1150	Notes receivable, net	6(4)	112,240	3	144,490	3
1170	Accounts receivable, net	6(4)	252,373	6	321,609	8
1200	Other receivables		12,786	-	18,514	-
130X	Inventories, net	6(5)	1,045,934	25	884,667	21
1410	Prepayments	6(6)	332,334	8	210,869	5
1470	Other current assets	6(21)	5,028	-	24,511	1
11XX	Current Assets		3,142,300	75	3,268,034	78
Non-current assets						
1600	Property, plant and equipment, net	6(7) and 8	743,980	18	699,925	17
1755	Right-of-use assets	6(8) and 8	140,806	4	143,092	3
1780	Intangible assets	6(9)	39,517	1	32,176	1
1840	Deferred income tax assets	6(28)	85,952	2	55,803	1
1900	Other non-current assets	6(11)	11,245	-	10,868	-
15XX	Non-current assets		1,021,500	25	941,864	22
1XXX	Total assets		\$ 4,163,800	100	\$ 4,209,898	100

(Continued)

BORETECH RESOURCE RECOVERY ENGINEERING CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2024 AND 2023

(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			December 31, 2024		December 31, 2023	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Short-term borrowings	6(12) and 8	\$ 430,080	10	\$ 172,924	4
2130	Current contract liabilities	6(21)	612,792	15	1,225,599	29
2150	Notes payable		65,064	2	57,642	1
2170	Accounts payable		224,539	5	252,147	6
2200	Other payables	6(13)	391,997	9	368,602	9
2230	Current income tax liabilities		56,334	1	28,993	1
2250	Current provisions	6(16)	69,830	2	55,907	1
2280	Current lease liabilities	6(8)	23,748	1	17,713	1
2300	Other current liabilities		419	-	771	-
21XX	Current Liabilities		1,874,803	45	2,180,298	52
Non-current liabilities						
2570	Deferred income tax liabilities	6(28)	44,059	1	34,892	1
2580	Non-current lease liabilities	6(8)	30,664	1	42,572	1
2600	Other non-current liabilities		354	-	-	-
25XX	Non-current liabilities		75,077	2	77,464	2
2XXX	Total Liabilities		1,949,880	47	2,257,762	54
Equity						
	Share capital	6(17)				
3110	Share capital - common stock		651,995	16	651,995	15
	Capital surplus	6(18)				
3200	Capital surplus		711,279	17	708,252	17
	Retained earnings	6(19)				
3350	Unappropriated retained earnings		785,498	19	595,125	14
	Other equity interest	6(20)				
3400	Other equity interest		65,148	1	(3,236)	-
3XXX	Total equity		2,213,920	53	1,952,136	46
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	Total liabilities and equity		\$ 4,163,800	100	\$ 4,209,898	100

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

BORETECH RESOURCE RECOVERY ENGINEERING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023

(Expressed in thousands of New Taiwan dollars, except earnings per share amount)

	Items	Notes	Year ended December 31			
			2024		2023	
			AMOUNT	%	AMOUNT	%
4000	Sales revenue	6(21)	\$ 5,444,066	100	\$ 4,463,717	100
5000	Operating costs	6(5)(22)(26)(27)	(4,277,816)	(79)	(3,349,787)	(75)
5900	Net operating margin		<u>1,166,250</u>	<u>21</u>	<u>1,113,930</u>	<u>25</u>
	Operating expenses	6(26)(27) and 7				
6100	Selling expenses		(275,320)	(5)	(229,644)	(5)
6200	General & administrative expenses		(293,755)	(5)	(225,982)	(5)
6300	Research and development expenses		(112,918)	(2)	(75,997)	(2)
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	6(26) and 12(2)	<u>65,135</u>	<u>1</u>	(39,104)	(1)
6000	Total operating expenses		(616,858)	(11)	(570,727)	(13)
6900	Operating profit		<u>549,392</u>	<u>10</u>	<u>543,203</u>	<u>12</u>
	Non-operating income and expenses					
7100	Interest income	6(22)	56,409	1	25,117	-
7010	Other income	6(23)	38,848	1	30,953	1
7020	Other gains and losses	6(24)	6,920	-	6,282	-
7050	Finance costs	6(25)	(12,155)	-	(4,844)	-
7000	Total non-operating revenue and expenses		<u>90,022</u>	<u>2</u>	<u>57,508</u>	<u>1</u>
7900	Profit before income tax		<u>639,414</u>	<u>12</u>	<u>600,711</u>	<u>13</u>
7950	Income tax expense	6(28)	(149,860)	(3)	(143,292)	(3)
8200	Profit for the year		<u>\$ 489,554</u>	<u>9</u>	<u>\$ 457,419</u>	<u>10</u>
	Other comprehensive income					
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Exchange differences on translation of foreign financial statement	6(20)	<u>\$ 68,384</u>	<u>1</u>	(\$ 30,768)	-
8300	Other comprehensive income (loss) for the year		<u>\$ 68,384</u>	<u>1</u>	(\$ 30,768)	-
8500	Total comprehensive income for the year		<u>\$ 557,938</u>	<u>10</u>	<u>\$ 426,651</u>	<u>10</u>
	Profit, attributable to:					
8610	Owners of the parent		<u>\$ 489,554</u>	<u>9</u>	<u>\$ 457,419</u>	<u>10</u>
	Comprehensive income attributable to:					
8710	Owners of the parent		<u>\$ 557,938</u>	<u>10</u>	<u>\$ 426,651</u>	<u>10</u>
	Earnings per share	6(29)				
9750	Basic earnings per share	6(29)	<u>\$ 7.51</u>		<u>\$ 7.02</u>	
9850	Diluted earnings per share	6(29)	<u>\$ 7.42</u>		<u>\$ 7.02</u>	

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

BORETECH RESOURCE RECOVERY ENGINEERING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent					
		Capital Reserves				Financial statements translation differences of foreign operations	
Notes	Share capital - common stock	Capital surplus, additional paid-in capital	Capital surplus, employee share options	Unappropriated retained earnings		Total equity	
<u>Year ended December 31, 2023</u>							
	\$ 651,995	\$ 704,250	\$ -	\$ 291,319	\$ 27,532	\$ 1,675,096	
	-	-	-	457,419	-	457,419	
6(20)	-	-	-	-	(30,768)	(30,768)	
	-	-	-	457,419	(30,768)	426,651	
6(19)							
	-	-	-	(153,613)	-	(153,613)	
6(15)	-	-	4,002	-	-	4,002	
	<u>\$ 651,995</u>	<u>\$ 704,250</u>	<u>\$ 4,002</u>	<u>\$ 595,125</u>	<u>(\$ 3,236)</u>	<u>\$ 1,952,136</u>	
<u>Year ended December 31, 2024</u>							
	\$ 651,995	\$ 704,250	\$ 4,002	\$ 595,125	(\$ 3,236)	\$ 1,952,136	
	-	-	-	489,554	-	489,554	
6(20)	-	-	-	-	68,384	68,384	
	-	-	-	489,554	68,384	557,938	
6(19)							
	-	-	-	(299,181)	-	(299,181)	
6(15)	-	-	3,027	-	-	3,027	
	<u>\$ 651,995</u>	<u>\$ 704,250</u>	<u>\$ 7,029</u>	<u>\$ 785,498</u>	<u>\$ 65,148</u>	<u>\$ 2,213,920</u>	

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

BORETECH RESOURCE RECOVERY ENGINEERING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2024	2023
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 639,414	\$ 600,711
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation charge	6(7)(8)(26)	121,964	92,255
Impairment loss	6(7)(10)(24)	13,471	7,399
Amortisations	6(26)	3,634	2,334
Expect credit impairment (gain) loss	6(26) and 12(2) (	65,135)	39,104
Gain on financial assets at fair value through profit or loss	6(24)	-	(6,247)
Interest expense	6(25)	12,155	4,844
Interest income	6(22) (	56,409 ) (	25,117)
(Gains) losses on disposal of property, plant and equipment	6(24) (	1,283)	2,525
Overdue contract liabilities transferred to revenue	6(23)	-	(513)
Share-based payment transactions	6(15)	3,027	4,002
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		37,244 (	65,349)
Accounts receivable		145,228 (	142,634)
Other receivables		5,642 (	603)
Inventories, net	(	131,991 ) (	286,866)
Prepayments	(	114,653)	2,377
Other current assets		19,483	6,796
Other non-current assets		-	(3,787)
Changes in operating liabilities			
Current contract liabilities	(	652,706)	290,662
Notes payable		5,295 (	52,239)
Accounts payable	(	40,187)	10,274
Other payables		26,967	95,890
Other current liabilities	(	7,212 ) (	319)
Current provisions		11,815	1,670
Cash (outflow) inflow generated from operations	(	24,237)	577,169
Interest received		56,409	25,117
Interest paid	(	13,632 ) (	4,642)
Income taxes paid	(	115,991 ) (	123,214)
Net cash flows (used in) from operating activities		(97,451)	474,430

(Continued)

BORETECH RESOURCE RECOVERY ENGINEERING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2024	2023
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Proceeds from disposal of current financial assets at fair value through profit or loss		\$ -	\$ 270,157
Acquisition of current financial assets at amortised cost		(80,428)	(111,998)
Proceeds from disposal of current financial assets at amortised cost		120,871	147,935
Acquisition of property, plant and equipment	6(30)	(157,014)	(100,990)
Proceeds from disposal of property, plant and equipment		14	113
Acquisition of intangible assets	6(9)	(9,111)	(8,704)
Increase in guarantee deposits paid		(783)	(988)
Net cash flows (used in) from investing activities		(126,451)	195,525
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(31)	249,201	101,955
Lease liabilities paid	6(31)	(23,467)	(18,230)
Cash dividends paid	6(30)	(299,181)	(153,613)
Net cash flows used in financing activities		(73,447)	(69,888)
Effect of exchange rate changes on cash and cash equivalents		52,506	(27,069)
Net (decrease) increase in cash and cash equivalents		(244,843)	572,998
Cash and cash equivalents at beginning of year		1,545,512	972,514
Cash and cash equivalents at end of year		<u>\$ 1,300,669</u>	<u>\$ 1,545,512</u>

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

Attachment 4**BORETECH Resource Recovery Engineering Co., Ltd.****Earnings Distribution Table****For the Year Ended December 31, 2024****Currency : TWD**

Items	Amount
Unappropriated retained earnings from previous years	295,944,171
Add: Profit after income tax for 2024	489,553,658
Retained earnings available for distribution as of December 31, 2024	785,497,829
Cash dividends	(293,732,195)
Total	(293,732,195)
Unappropriated retained earnings	491,765,634

Attachments 5

BORETECH Resource Recovery Engineering CO., LTD.

Table of Amendments to “Amended and Restated Memorandum and Articles of Association”

No.	Current Provisions	Proposed Amendments	Explanations
100	(2) During the Relevant Period, subject to the Law, the Applicable Listing Rules and these Articles, where the Company has annual profits at the end of a financial year, upon the approval of a majority of the Directors present at a meeting attended by at least two-thirds or more of the total number of the Directors, the Company may distribute not less than <u>three percent (3%)</u> and not more than <u>ten percent (10%)</u> of the profits for such year to the Employees as the Employees’ compensation in the form of shares and/or in cash and may distribute not more than two percent (2%) hereof to the Directors as the Directors’ compensation, provided, however, that the total amount of accumulated losses of the Company (including adjusted undistributed profits) shall be reserved from the said profits in advance, and the Company shall distribute the remaining balance thereof to the Employees and Directors in the proportion set out above. A report of such distribution	(2) During the Relevant Period, subject to the Law, the Applicable Listing Rules and these Articles, where the Company has annual profits at the end of a financial year, upon the approval of a majority of the Directors present at a meeting attended by at least two-thirds or more of the total number of the Directors, the Company may distribute not less than <u>one percent (1%)</u> and not more than <u>three percent (3%)</u> of the profits for such year to the Employees as the Employees’ compensation in the form of shares and/or in cash and may distribute not more than two percent (2%) hereof to the Directors as the Directors’ compensation, provided, however, that the total amount of accumulated losses of the Company (including adjusted undistributed profits) shall be reserved from the said profits in advance, and the Company shall distribute the remaining balance thereof to the Employees and Directors in the proportion set out above. A report of such distribution	In order to meet the Company’s actual operational needs

No.	Current Provisions	Proposed Amendments	Explanations
	<p>of Employee and Directors' compensation shall be submitted to the general meeting of the Company. Except otherwise set forth by the Applicable Listing Rules, any Directors' compensation shall not be paid in the form of shares. The term "annual profits" as used herein shall mean the annual profits for such year before tax without deducting the amount of compensation distributed to the Employees and Directors as prescribed in this Paragraph (2) of this Article.</p>	<p>of Employee and Directors' compensation shall be submitted to the general meeting of the Company. Except otherwise set forth by the Applicable Listing Rules, any Directors' compensation shall not be paid in the form of shares. The term "annual profits" as used herein shall mean the annual profits for such year before tax without deducting the amount of compensation distributed to the Employees and Directors as prescribed in this Paragraph (2) of this Article.</p>	

BORETECH Resource Recovery Engineering Co., Ltd.
Table of Amendments to “Operational Procedures for
Loaning Funds to Others”

Article No.	Current Provisions	Amended Provisions	Explanation
Article 4 – Limit on Aggregate and Individual Fund Lending Amounts	<p>Fund lending conducted by the Company in accordance with the preceding Article shall comply with the following limits:</p> <ol style="list-style-type: none"> 1. The total amount of fund lending shall not exceed 40% of the Company’s net worth. 2. The amount of fund lending to any single entity shall not exceed 40% of the Company’s net worth. <p>The aforementioned lending limits shall not apply to fund lending between foreign companies in which the Company directly and indirectly holds 100% of the voting shares, or from such wholly-owned foreign subsidiaries to the Company.</p> <p><u>However, the amount lent shall not exceed 100% of the net worth of the lending company.</u></p> <p>The term “net worth” as used in this Article shall refer to the net worth shown in the most recent financial statements audited or reviewed by a certified public accountant.</p> <p>Where the responsible person of the Company violates the provisions of Paragraph 1 or the proviso of the preceding paragraph, such person shall be jointly and severally liable</p>	<p>Fund lending conducted by the Company in accordance with the preceding Article shall comply with the following limits:</p> <ol style="list-style-type: none"> 1. The total amount of fund lending shall not exceed 40% of the Company’s net worth. 2. The amount of fund lending to any single entity shall not exceed 40% of the Company’s net worth. <p>The aforementioned lending limits shall not apply to fund lending between foreign companies in which the Company directly and indirectly holds 100% of the voting shares, or from such wholly-owned foreign subsidiaries to the Company.</p> <p><u>However, the amount lent shall not exceed 100% of the net worth of the lending company. However, both the aggregate amount and the amount lent to any single counterparty shall not exceed 100% of the Company’s net worth.</u></p> <p>The term “net worth” as used in this Article shall refer to the net worth shown in the most recent financial statements audited or reviewed by a certified public accountant.</p> <p>Where the responsible person</p>	<p>Amended in accordance with Paragraph 4, Article 3 of the “Regulations Governing the Loaning of Funds and Making of Endorsements/Guarantees by Public Companies.”</p>

Article No.	Current Provisions	Amended Provisions	Explanation
	with the borrower for repayment. If the Company incurs damages as a result, the responsible person shall be liable for compensation.	of the Company violates the provisions of Paragraph 1 or the proviso of the preceding paragraph, such person shall be jointly and severally liable with the borrower for repayment. If the Company incurs damages as a result, the responsible person shall be liable for compensation.	
Article 15 – Establishment and Amendments	1. Date of Establishment: February 22, 2018 2. First Amendment: August 3, 2021 3. Second Amendment: June 15, 2022 4. Third Amendment: December 29, 2023	1. Date of Establishment: February 22, 2018 2. First Amendment: August 3, 2021 3. Second Amendment: June 15, 2022 4. Third Amendment: December 29, 2023 <u>5. Fifth Amendment: May 12, 2025</u>	Addition of the current amendment.