Eclat Textile Co., Ltd.

2025 Annual General Shareholders’ Meeting Minutes

Time : June 13, 2025 (Friday) 09:00 a.m.

Location: Eclat's Hsi-Chou factory, No. 39, Sanhao Rd., Houlong Township, Miaoli County.

Attendance:
The total number of shares represented by shareholders present in person or by proxy amounted to 254,772,294 shares, representing 92.85% of the Company’s total outstanding shares (274,367,111 shares).

Attendance list of Directors of the Board:
Shu-Wen Wang (Chairman), Kun-Tang Chen (Vice Chairman), Jui-Ting Hung (Director), Xin-Xin Limited Company (Representative: Hsin-Tung Tsai) (Director), Bei-Yu Limited Company (Representative: Tsung-Wu Wang) (Director), Pat-Huang Su (Director), Jiann-Jong Chiu (Director), Yih-Yuan Investment Corp (Representative: Kuo-Sung Hsieh) (Director), Cheng-Ping Yu (Independent Director and Audit Committee Convener), Nai-Ming Liu (Independent Director), Chiu-Chun Lai (Independent Director), Tian-Wei Shi (Independent Director), Xiao-Kai Chen (Independent Director)

In attendance: Hui-Chih Kou, CPA (KPMG Taiwan); Chung-Chieh Yue, Lawyer.

Chairperson : Shu-Wen Wang **Recorder**: Yu-Wen Kung

Call the meeting to order:
The total number of shareholders and representative shares has reached the statutory amount; the Chairperson hence calls the meeting to order.

Chairperson’s remarks: (skip)

I. Reporting Matters

1. 2024 Business Report.
   (Refer to Appendix I) (No inquiries from shareholders)
2. Audit Committee’s Review Report on the 2024 Financial Statements.
   (Refer to Appendix II) (No inquiries from shareholders)
3. 2024 Employees’ Remuneration Appropriation.
   (Refer to Appendix III) (No inquiries from shareholders)
4. Cash Dividend Distribution of 2024 Earnings.
   (Refer to Appendix IV) (No inquiries from shareholders)
5. Sustainability Strategy and Regulations Established in 2024.
   (Refer to Appendix V) (No inquiries from shareholders)

II. Acknowledged Matters

Proposal 1 (Proposed by the board of directors)

Proposal: To approve 2024 Business Report and Financial Statements, submitted for approval. (Refer to Appendix VI)

Explanation:

1. The 2024 financial statements (including consolidated financial statements) of the Company had been audited by KPMG's CPA Hui-Chih Kou and CPA Hsin-Yi Kuo, and audit reports which were capable of appropriately presenting the financial status of the Company were issued.
2. The aforementioned financial statements and business report, profit distribution table had been reviewed by the Audit Committee with the written review report issued on record, and had been submitted to the board of directors' meeting for resolution and approval.

There were no inquiries from the shareholders, hence the voting results for this proposal are outlined as follows:

Shares represented at the time of voting: 254,772,294

Voting result	
Approval votes: (Account for total votes 93.52%)	238,287,319
Disapproval votes:	10,629
Invalid votes:	0
Abstention votes/no votes:	16,474,346

RESOLVED, that the 2024 Business Report and Financial Statements were hereby accepted as submitted.

Proposal 2 (Proposed by the board of directors)

Proposal: To approve the 2024 Earnings Distribution Plan

Explanation:

1. The undistributed profit from the previous year was NT$ 10,086,897,260, the net profit after tax of the Company in 2024 was NT$ 6,640,851,851 and other comprehensive income was NT$ 26,187,175, after deducted legal reserve of NT$ 666,703,902, the distributable profit of the current year was NT$ 16,087,232,384. The Board proposes to distribute cash dividend for NT$ 17.00 per share and for a total amount of NT$ 4,664,240,887.

2. According to the shareholding of the shareholders recorded on the shareholders' roster on the record date, the amount of issuance per share is calculated to the integer dollar with the decimal values truncated; where the distribution is less than 1 dollar, it would be accounted to Other Income of the Company. Furthermore, the Chairman is authorized to set the ex-dividend date, the payable date and other relevant issues.

3. If the Company's outstanding shares changes and affects the dividend distribution rate, the Chairman is authorized to handle the matter with full authority.

4. After being reviewed by the Audit Committee and approved, in accordance with Article 37-1 of the Articles of Incorporation, the cash dividend distribution situation will be reported to the shareholders' meeting and the profit distribution proposal will be submitted to the shareholders' meeting for approval, as resolved by the Board of Directors in accordance with the law.

Eclat Textile Co., Ltd.
Earnings Distribution Table
2024

Unit: NT$

Beginning undistributed profit		$ **10,086,897,260**
Plus: Current net profit after tax	$ 6,640,851,851	
Plus: Other comprehensive income (actuarial gain with confirmed welfare plan (2024))	26,187,175	
Net profit after tax with extra items included in current year		**6,667,039,026**
Deduction: Legal reserve		(666,703,902)
Distributable profit for current year		**16,087,232,384**
Proposed profit distribution items[1]:		
Cash dividends - NT$ 17.00 per share		(4,664,240,887)
Ending undistributed profit		$ **11,422,991,497**

Chairman: Shu-Wen Wang President: Jui-Ting Hung CFO: Fen-Ru Lin

1 The profit of 2024 should be distributed in priority.

There were no inquiries from the shareholders, hence the voting results for this proposal are outlined as follows:

Shares represented at the time of voting: 254,772,294

Voting result	
Approval votes: (Account for total votes93.54%)	238,338,221
Disapproval votes:	10,649
Invalid votes:	0
Abstention votes/no votes:	16,423,424

RESOLVED, that the above proposal was hereby approved as proposed.

III. Matters for Discussion

Proposal 1 (Proposed by the board of directors)

Proposal: Amendment to "Articles of Incorporation".

Explanation:

To comply with regulatory amendments, the Company proposes to amend its “Articles of Incorporation”. A comparison table of the revised and current articles is as follows. The proposal is hereby submitted for resolution. (Refer to Appendix VII)

There were no inquiries from the shareholders, hence the voting results for this proposal are outlined as follows:

Shares represented at the time of voting: 254,772,294

Voting result	
Approval votes: (Account for total votes 92.87%)	236,628,955
Disapproval votes:	10,633
Invalid votes:	0
Abstention votes/no votes:	18,132,706

RESOLVED, that the above proposal was hereby approved as proposed.

IV. Extemporary Motions: None.

Shareholder's Inquiry (Account No. 27608):

What is the current percentage of green energy usage by the Company, and what are the long-term targets?

Chairperson's Response:

Currently, the Company's green energy usage accounts for 10% in Taiwan and 10% in Vietnam. The President will further elaborate on the Company's improvement plans.

President's Response:

Thank you for your concern regarding the Company's ESG direction. Moving forward, the Company plans to adopt a dual approach of self-generation and external procurement of green energy. The proportion between these two sources is still under careful evaluation, and the Company will report to shareholders once a specific allocation is determined.

V. Meeting Adjourned: 09:24 a.m.

* The record of 2025 Annual General Shareholders' Meeting only minute the main points, The Minutes only reflected the main contents of the meeting. Please refer to the video recording for the exact contents and procedures of the meeting.

Appendix I 2024 Business Report

(1) Preface

In 2024, global inflation gradually subsided, and interest rate cuts began in the U.S. and Europe. With the recovery of consumer purchasing power, market demand rebounded, leading to faster depletion of inventory by brand customers and normalization of order cycles. Some long-term customers even saw significant order growth after depleting their inventory.

Meanwhile, emerging brands have adopted a direct-to-consumer sales strategy, effectively utilizing e-commerce platforms, social media, and digital advertising. By continuously improving product quality, they have significantly enhanced the consumer experience. In a highly competitive market, they rapidly established a strong brand reputation and customer loyalty, especially among younger generations. Leveraging years of accumulated R&D capabilities, the Company accurately identified the needs of each market segment and swiftly delivered customized products and solutions, capitalizing on the rise of emerging brands and expansion of potential markets.

Despite the uncertainty in global monetary policies and geopolitical tensions, the Company has maintained a prudent and pragmatic business strategy, steadily growing through continuous innovation in R&D. We focused on high-value, niche products while actively expanding our customer base. With close collaboration from long-standing brand partners, the Company recorded the second-highest revenue in its history, delivering substantial value to shareholders.

(2) 2024 Business Plan Implementation Status and Result

A. 2024 Business Plan Implementation Status

(A) Process Optimization: The Company reinforced industrial engineering applications and implemented efficiency and quality-related projects. Ongoing improvement initiatives helped increase workers' productivity. With the assistance of devices and automated hardware/software, the Company shortened learning curves and standardized production and process quality

(B) Risk Diversification: Following the inventory correction of 2023, the U.S. and European apparel markets gradually recovered in 2024. As market share shifted among brands and retailers, the Company adhered to a diversification strategy to avoid over-reliance on individual clients. It carefully evaluated the financial conditions of potential clients and collaborated with them to establish high-end brand positioning.

(C) Compensation and Benefits: In response to the aging population and declining birthrate in Taiwan, the Company continued to enhance salary competitiveness by raising fixed pay and entry-level salaries. Multiple bonus systems were implemented to share business results and incentivize employees. Furthermore, the Company fostered a friendly, diverse, and work-life balanced environment through employee clubs, in-house sports facilities, gyms, and childcare subsidies.

B. 2024 Business Plan Implementation Results and Budget Execution Situation

In 2024, the Company' revenue reached NT$36.606 billion. Of this, the Fabrics Division accounted for NT$12.867 billion, representing 35.15% of total revenue, while the Garment Division contributed NT$23.739 billion, or 64.85% of total revenue. Compared to 2023, this was an increase of NT$5.92 billion or 19.29%. Operating profit totaled NT$7.273 billion, an increase of NT$904 million or 14.19%. Net income after tax amounted to NT$6.641 billion, an increase of NT$1.465 billion or 28.30%. Earnings per share (EPS) for 2024 was NT$24.20.

C. Financial Revenue/Expenditure and Profitability Analysis

Unit: NT$ 1,000

Item \ Year		2024	2023
Financial Revenue/ Expenditure	Operating Revenue	36,606,183	30,685,904
	Gross profit	10,084,628	8,827,159
	Operating Income (Loss)	7,272,898	6,368,906
	Current Income (Loss) after tax	6,640,852	5,176,467
Profitability	Return on Assets (%)	20.85	17.13
	Return on Equity (%)	24.33	20.37
	Operating Income to Paid-in Capital Ratio (%)	265.08	232.13
	Income before tax to paid-in capital ratio (%)	301.27	240.97
	Net Profit Margin (%)	18.14	16.87
	Basic Earnings Per Share (NT$)	24.20	18.87

(3) 2025 Business Plan

A. 2025 Business Plan

(A) Smart Manufacturing Upgrades:

Several products incorporated four key smart manufacturing projects:

(1) intelligent equipment upgrades with smart monitoring devices; (2) process information visualization through data collection and chart

presentation for team analysis; (3) AI-integrated smart fabric inspection with Automated Optical Inspection (AOI) to reduce manual inspection and enhance efficiency and accuracy; (4) sensor-driven smart warehouse positioning to improve logistics efficiency. Additionally, production progress and shipping schedules of collaborating factories were integrated with the Company's ERP system to ensure real-time monitoring of operations. Smart devices have replaced repetitive manual and visual tasks, optimizing operations management

(B) Capacity Expansion:

With the Indonesian garment plant fully operational, the Company will begin the third-phase construction of the Indonesian facility. Leveraging previous experience, construction speed will be accelerated. This move will further strengthen the completeness of the overseas production base, increase order flexibility, respond rapidly to market changes, and effectively mitigate potential tariff risks.

(C) Employer Branding Optimization:

In addition to existing recruitment channels, the Company will increase media exposure to enhance employer branding and attract more outstanding talent. By improving salary competitiveness, raising base pay and new-hire salaries, offering various bonuses, and implementing an employee stock ownership trust plan, the Company shares operating results with employees. The company fosters a friendly, work-life balanced environment, encouraging employees to share their positive experiences, thereby expanding the brand's influence and attracting top talent.

B. 2025 Research and Development Plan

(A) Continued Development of Functional Fabrics:

Functional fabric is a core product of the Company. We will continue to incorporate new raw materials and equipment while developing new processes and products to improve quality and yield. In response to the growing demand for eco-friendly and high-end fabrics, we will increase investment in both talent and equipment. The Company will also continue advancing new technologies in weaving and dyeing processes to lead the industry into a new era of innovation and expand the applications of functional textiles

(B) Collaborative Development with Customers to Create Value:

By working jointly with upstream material suppliers and downstream clients, and leveraging the Company's vertically integrated operations and one-stop sourcing service, we aim to create niche markets and avoid price wars with industry peers. Our R&D staff will collaborate with clients to develop niche fabrics. Meanwhile, we will cultivate apparel designers to engage in co-design with customers, assisting them in developing apparel brands or expanding market presence. This will gradually increase our ODM ratio and improve product profitability.

(C) Digital Technology and Eco-friendly Processes:

We will incorporate digital technology into our production processes and pursue innovation in new manufacturing methods. Through the application of big data, IoT, and AI, the Company will integrate industry expertise and collaborate with academia to transform labor-intensive procedures, enhancing production efficiency and product yield per employee. The Company also prioritizes corporate social responsibility, complying with occupational health and safety regulations. Beyond product quality, significant resources are devoted to the development and implementation of environmentally friendly production processes.

Outlook for 2025: Despite the unresolved Russia-Ukraine war and ongoing global tensions, the Israel-Palestine conflict has eased; however, tariff issues are becoming more prominent. The Company will continue its production base diversification strategy and, following the full operation of its Indonesian garment plant, further assess capacity expansion to mitigate tariff risks. At the same time, continued investment in automation hardware and production monitoring software will enhance operational efficiency. In key regions, the Company will focus on local talent development, strengthening managerial training, and promoting localized production. Over the long term, demand for premium apparel remains robust. The Company will expand its market share through product innovation, eco-friendly and automated manufacturing, and continuous R&D innovation. We remain committed to product quality, talent development, and maximizing value for our customers, employees, and shareholders

We wish all shareholders all the best

Good health and success

Eclat Textile Co., Ltd.

Chairman: Shu-Wen Wang

President: Jui-Ting Hung

CFO: Fen-Ru Lin

Appendix II Audit Committee's Review Report on the 2024 Financial Statements

Explanation:

2024 Financial Statements of the Company, approved through the resolution of the board of directors and audited by CPA, along with the Business Report and Profit Distribution Proposal, was submitted to the Audit Committee for review and review report was provided.

Audit Committee's Review Report

The Board of Directors prepares and submits the 2024 Business Report, Financial Statements and Profit Distribution Proposal etc., where the financial statements had been audited by CPA Hui-Chih Kou and CPA Hsin-Yi Kuo of KPMG Taiwan, and financial reports are issued. The aforementioned Business Report, Financial Statements and Profit Distribution Proposal have been reviewed by the Audit Committee and are considered to be conformed to requirements. Consequently, it is reported for review according to the relevant regulations of Securities and Exchange Act and the Company Act.

Respectfully submitted

The Company's 2025 Annual General Shareholders' Meeting

Eclat Textile Co., Ltd.

Audit Committee Convener: Cheng-Ping Yu

February 27, 2025

Appendix III 2024 Employees' Remuneration Appropriation

Explanation:

(1) The proposal for the appropriation of 2024 employees' compensation has been approved by the Board of Directors

(2) Pursuant to Article 37 of the Articles of Incorporation, if the Company has earnings for the year, it shall allocate no less than 0.1% of the earnings as employees' remuneration. For 2024, the amount appropriated was NT$9,000,000, which was entirely distributed in cash.

(3) The remuneration was granted to employees of the Company. The amount distributed was determined by the Chairman under full authorization, based on factors such as seniority, position, performance, overall contribution, special merits, and employee eligibility.

Appendix IV Cash Dividend Distribution of 2024 Earnings

Explanation:

(1) Pursuant to Article 37-1 of the "Articles of Incorporation", the Board of Directors is authorized to distribute all or part of the dividends and bonuses in the form of cash with a resolution adopted by a majority vote at a meeting of board of directors attended by two-thirds of the total number of directors, and report the resolution to the shareholders' meeting

(2) The cash dividend per share is calculated to the integer dollar with the decimal values truncated up. Where the distribution is less than 1 dollar, it would be accounted to Other Income of the Company.

(3) The Board of Directors passed a resolution on February 27, 2025 to distribute a cash dividend of NT$17.00 per share for 2024, with a total amount of NT$4,664,240,887. The Chairman is authorized to set the ex-dividend date and related matters. If the total number of issued shares changes and affects the dividend distribution rate, the Chairman is authorized to handle the matter with full authority

Appendix V Sustainability Strategy and Regulations Established in 2024

Explanation:

(1) Pursuant to Article 5 of "Sustainable Development Best Practice Principles".

(2) The Company formulated its sustainability strategy and policies in 2024 as follows:

A. In accordance with the reference template for the "Sustainability Committee Charter" issued by the Taiwan Stock Exchange on March 29, 2024, the Company adopted a new "Sustainability Committee Charter" to replace the existing "Regulations for the Establishment and Operations of the Sustainability Committee."

B. In response to the amendments to the "Regulations Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" issued by the Taiwan Stock Exchange on January 26, 2024, as well as international sustainability trends and requirements, the Company revised its "Procedures for Preparation and Verification of the Sustainability Report."

(3) All of the above policies and procedures were approved by the Board of Directors.

Independent Auditors' Report

To the Board of Directors of Eclat Textile Co., Ltd.:

Opinion

We have audited the accompanying financial statements of Eclat Textile Co., Ltd. ("the Company"), which comprise the balance sheets as of December 31, 2024 and 2023, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and its financial performance and its cash flows for the years ended December 31, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public 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 Financial Statements section of our report. We are independent of the Company in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were significant in our audit of the financial statements of the year ended December 31, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters individually. Based on our judgment, the key audit matters that should be disclosed in this audit report are as follows:

Revenue recognition and cut-off

Please refer to note 4(p) for details of the accounting policies of the recognition of revenue and note 6(p) revenue from contracts with customers.

How the matter was addressed in our audit

Revenue recognition of the Company is the main concern of the financial report users. Therefore, the assessment of revenue recognition is the key audit matter in our audit.

Our principal audit procedures included:

Testing the design and implementation of internal control over revenue recognition, inspecting the accuracy of revenue recognition, reconciling between sales systems and general ledger, implementing cut off test of revenues and further inspecting related transaction documents to ensure that the revenue is recorded in the appropriate period.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the financial statements, due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit.

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 financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors’ report are Hui-Chih Kou and Hsin-Yi Kuo.

KPMG

Taipei, Taiwan (Republic of China)
February 27, 2025

Notes to Readers

The accompanying financial statements are intended only to present the 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 audit such financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors’ report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese language independent auditors’ report and financial statements shall prevail.

(English Translation of Financial Statements Originally Issued in Chinese)

ECLAT TEXTILE CO., LTD.

Balance Sheets

December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	Assets	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current assets:				
1100	Cash and cash equivalents (note 6(a))	$ 2,345,771	7	2,068,812	7
1150	Notes receivable (note 6(b))	17,451	-	19,459	-
1170	Accounts receivable, net (including related parties) (note 6(b) and 7)	6,532,032	20	4,678,411	16
1200	Other receivables	15,060	-	21,538	-
1210	Other receivables due from related parties (note 7)	395,323	1	994,286	3
1310	Inventories, net (note 6(c))	4,629,889	14	3,658,599	12
1460	Non-current assets held for sale, net (note 6(d))	-	-	25,863	-
1470	Other current assets (note 6(i))	5,143,481	15	4,666,418	15
	Total current assets	19,079,007	57	16,133,386	53
	Non-current assets:				
1550	Investments accounted for using equity method (note 6(e))	5,870,964	17	5,213,184	17
1600	Property, plant and equipment (notes 6(f) and 7)	7,625,430	23	7,761,959	27
1755	Right-of-use assets (note 6(g))	23,884	-	24,641	-
1760	Investment property, net (note 6(h))	752,694	2	737,780	3
1780	Intangible assets	12,789	-	13,094	-
1840	Deferred tax assets (note 6(m))	13,222	-	47,370	-
1975	Net defined benefit asset, non-current (note 6(l))	163,930	1	117,066	-
1990	Other non-current assets, others (note 6(i))	12,067	-	111,722	-
	Total non-current assets	14,474,980	43	14,026,816	47
	Total assets	$ 33,553,987	100	30,160,202	100

	Liabilities and Equity	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current liabilities:				
2150	Notes payable (note 6(s))	100,093	-	90,303	-
2170	Accounts payable (note 6(s))	1,900,560	6	1,425,749	5
2180	Accounts payable to related parties (notes 6(s) and 7)	354,429	1	286,597	1
2200	Other payables (note 6(l))	1,006,448	3	912,399	3
2230	Current tax liabilities	831,705	2	1,539,484	5
2280	Current lease liabilities (notes 6(j)(s))	11,886	-	12,497	-
2399	Other current liabilities, others	309,554	1	194,857	1
	Total current liabilities	4,514,675	13	4,461,886	15
	Non-current liabilities:				
2570	Deferred tax liabilities (note 6(m))	100,443	1	10,822	-
2580	Non-current lease liabilities (notes 6(j)(s))	10,739	-	10,467	-
2645	Guarantee deposits received	6,469	-	6,446	-
	Total non-current liabilities	117,651	1	27,735	-
	Total liabilities	4,632,326	14	4,489,621	15
	Equity (notes 6(n)(u)):				
3110	Ordinary share	2,743,671	8	2,743,671	9
3200	Capital surplus	3,769,803	11	3,769,547	13
	Retained earnings:				
3310	Legal reserve	5,326,981	16	4,809,262	16
3350	Unappropriated retained earnings	16,753,936	50	14,308,572	47
	Total retained earnings	22,080,917	66	19,117,834	63
3490	Other equity, others	327,270	1	39,529	-
	Total equity	28,921,661	86	25,670,581	85
	Total liabilities and equity	$ 33,553,987	100	30,160,202	100

(English Translation of Financial Statements Originally Issued in Chinese)

ECLAT TEXTILE CO., LTD.

Statements of Comprehensive Income

For the Years Ended December 31, 2024 and 2023

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

		For the years ended December 31			
		2024		2023	
		Amount	%	Amount	%
4000	**Operating revenue (notes 6(p) and 7)**	$ 36,606,183	100	30,685,904	100
5000	**Operating costs (notes 6(c)(f)(g)(j)(l)(q), 7 and 12)**	26,521,555	72	21,858,745	71
	Gross profit from operations	10,084,628	28	8,827,159	29
	Operating expenses (notes 6(f)(g)(h)(j)(l)(q), 7 and 12):				
6100	Selling expenses	1,614,908	4	1,392,792	4
6200	Administrative expenses	1,032,272	3	917,320	3
6300	Research and development expenses	164,550	1	148,141	1
	Total operating expenses	2,811,730	8	2,458,253	8
	Net operating income	7,272,898	20	6,368,906	21
	Non-operating income and expenses (notes 6(f)(j)(k)(r), 7 and 12):				
7010	Other income	31,297	-	24,523	-
7020	Other gains and losses, net	512,618	1	95,892	-
7050	Finance costs	(468)	-	(387)	-
7060	Share of profit of associates accounted for using equity method, net	296,277	1	4,171	-
7100	Interest income	153,362	1	118,402	1
	Total non-operating income and expenses	993,086	3	242,601	1
7900	**Income before income tax**	8,265,984	23	6,611,507	22
7950	**Less: Tax expenses (note 6(m))**	1,625,132	5	1,435,040	5
8200	**Profit (note 6(u))**	6,640,852	18	5,176,467	17
8300	**Other comprehensive income:**				
8310	**Components of other comprehensive income that will not be reclassified to profit or loss**				
8311	Remeasurements from defined benefit plans (note 6(l))	24,361	-	1,021	-
8330	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	1,826	-	(298)	-
8349	Less:Income tax related to components that will not be reclassified to profit or loss	-	-	-	-
	Total components of other comprehensive income that will not be reclassified to profit or loss	26,187	-	723	-
8360	**Components of other comprehensive income (loss) that will be reclassified to profit or loss**				
8361	Exchange differences on translation of foreign financial statements	359,677	1	19,581	-
8399	Less:Income tax related to components of other comprehensive income that will be reclassified to profit or loss (note 6(m))	71,936	-	3,916	-
	Total components of other comprehensive income that will be reclassified to profit or loss	287,741	1	15,665	-
8300	**Other comprehensive income, net of income tax**	313,928	1	16,388	-
8500	**Total comprehensive income**	**$ 6,954,780**	**19**	**5,192,855**	**17**
	Earnings per share (note 6(o))				
9750	**Basic earnings per share (in dollars)**	**$ 24.20**		**18.87**	
9850	**Diluted earnings per share (in dollars)**	**$ 24.20**		**18.87**	

(English Translation of Financial Statements Originally Issued in Chinese)

ECLAT TEXTILE CO., LTD.

Statements of Changes in Equity

For the Years Ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

			Retained Earnings				Other Equity	
	Ordinary share	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Total equity
Balance at January 1, 2023	$ 2,743,671	3,769,547	4,126,099	429,446	14,049,340	18,604,885	23,864	25,141,967
Profit	-	-	-	-	5,176,467	5,176,467	-	5,176,467
Other comprehensive income (loss)	-	-	-	-	723	723	15,665	16,388
Total comprehensive income (loss)	-	-	-	-	5,177,190	5,177,190	15,665	5,192,855
Appropriation and distribution of retained earnings:								
Legal reserve appropriated	-	-	683,163	-	(683,163)	-	-	-
Cash dividends of ordinary share	-	-	-	-	(4,664,241)	(4,664,241)	-	(4,664,241)
Reversal of special reserve	-	-	-	(429,446)	429,446	-	-	-
Balance at December 31, 2023	2,743,671	3,769,547	4,809,262	-	14,308,572	19,117,834	39,529	25,670,581
Profit	-	-	-	-	6,640,852	6,640,852	-	6,640,852
Other comprehensive income (loss)	-	-	-	-	26,187	26,187	287,741	313,928
Total comprehensive income (loss)	-	-	-	-	6,667,039	6,667,039	287,741	6,954,780
Appropriation and distribution of retained earnings:								
Legal reserve appropriated	-	-	517,719	-	(517,719)	-	-	-
Cash dividends of ordinary share	-	-	-	-	(3,703,956)	(3,703,956)	-	(3,703,956)
Other changes in capital surplus:								
Other changes in capital surplus	-	256	-	-	-	-	-	256
Balance at December 31, 2024	**$ 2,743,671**	**3,769,803**	**5,326,981**	**-**	**16,753,936**	**22,080,917**	**327,270**	**28,921,661**

(English Translation of Financial Statements Originally Issued in Chinese)

ECLAT TEXTILE CO., LTD.

Statements of Cash Flows

For the Years Ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	2024	2023
Cash flows from (used in) operating activities:		
Profit before tax	$ 8,265,984	6,611,507
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	364,919	348,896
Amortization expense	10,350	7,281
Interest expense	468	387
Interest income	(153,362)	(118,402)
Share of loss(gain) of associates accounted for using equity method	(296,277)	(4,171)
Loss (gain) on disposal of property, plant and equipment	(1,726)	(629)
Property, plant and equipment transferred to expenses	746	-
Loss (gain) on disposal of non-current assets held for sale	(56,697)	(9,532)
Gain on lease modification	(334)	(6)
Total adjustments to reconcile profit	(131,913)	223,824
Changes in operating assets and liabilities:		
Decrease (increase) in notes receivable	2,008	(16,413)
Decrease (increase) in accounts receivable	(1,853,621)	(885,314)
Decrease (increase) in inventories	(971,290)	(2,997)
Decrease (increase) in other current assets	13,981	16,428
Increase (decrease) in notes payables	9,790	9,788
Increase (decrease) in accounts payables	474,811	15,707
Increase (decrease) in accounts payable to related parties	67,832	(24,503)
Increase (decrease) in other payables	97,931	(332,087)
Increase (decrease) in other current liabilities	114,697	(100,028)
Increase (decrease) in net defined benefit asset	(22,503)	(3,976)
Total changes in operating assets and liabilities	(2,066,364)	(1,323,395)
Total adjustments	(2,198,277)	(1,099,571)
Cash inflow generated from operations	6,067,707	5,511,936
Interest received	168,797	85,153
Interest paid	(94)	(61)
Income taxes paid	(2,281,078)	(1,680,286)
Net cash flows from operating activities	3,955,332	3,916,742
Cash flows from (used in) investing activities:		
Proceeds from disposal of non-current assets held for sale	82,560	44,516
Acquisition of property, plant and equipment	(235,960)	(151,745)
Proceeds from disposal of property, plant and equipment	10,641	1,086
Decrease in refundable deposits	737	1,642
Increase in other receivables due from related parties	-	(982,560)
Decrease in other receivables due from related parties	598,963	-
Acquisition of intangible assets	(10,045)	(12,239)
Increase in other financial assets	(500,000)	(1,500,000)
Increase in other non-current assets	-	(40,744)
Decrease in other non-current assets	98,918	-
Dividends received	-	542,555
Net cash flows from (used in) investing activities	45,814	(2,097,489)
Cash flows from (used in) financing activities:		
Increase in current borrowings	10,000	10,000
Decrease in current borrowings	(10,000)	(10,000)
Increase in guarantee deposits received	23	2,240
Payment of lease liabilities	(20,510)	(23,852)
Cash dividends paid	(3,703,956)	(4,664,241)
Other financing activities	256	-
Net cash flows from (used in) financing activities	(3,724,187)	(4,685,853)
Net increase (decrease) in cash and cash equivalents	276,959	(2,866,600)
Cash and cash equivalents at beginning of period	2,068,812	4,935,412
Cash and cash equivalents at end of period	**$ 2,345,771**	**2,068,812**

Independent Auditors' Report

To the Board of Directors of Eclat Textile Co., Ltd.:

Opinion

We have audited the accompanying consolidated financial statements of Eclat Textile Co., Ltd. and its subsidiaries (the "Group"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years ended December 31, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards (" IFRSs"), International Accounting Standards (" IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") as well as related guidance endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in 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 Certified Public Accountants Code of Professional Ethics in Republic of China (" the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were significant in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements taken as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters individually. Based on our judgment, the key audit matters that should be disclosed in this audit report are stated as follow:

Revenue recognition and cut off

Please refer to note 4(p) for details of the accounting policies of the recognition of revenue and note 6(q) revenue from contracts with customers.

How the matter was addressed in our audit:

Revenue recognition of the Group is the main concern of the consolidated financial report users. Therefore, the assessment of revenue recognition is the key audit matters in our audit.

Our principal audit procedures included:
Testing the design and implementation of internal control over revenue recognition, inspecting the accuracy of revenue recognition, reconciling between sales systems and general ledger, implementing cut off test of revenues and further inspecting related transaction documents to ensure that the revenue is recorded in the appropriate period.

Other Matter

Eclat Textile Co., Ltd. has prepared its individual financial statements as of and for the years ended December 31, 2024 and 2023, on which we have issued an unqualified opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs, IASs, IFRIC, interpretation as well as related regulations endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement 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 members of the Audit Committee) are responsible for overseeing the Group’s financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Hui-Chih Kou and Hsin-Yi Kuo.

KPMG

Taipei, Taiwan (Republic of China)
February 27, 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 audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese language independent auditors' report and consolidated financial statements shall prevail.

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

ECLAT TEXTILE CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	Assets	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current assets:				
1100	Cash and cash equivalents (note 6(a))	$ 3,618,179	10	2,813,733	9
1150	Notes receivable (note 6(b))	17,451	-	19,459	-
1170	Accounts receivable, net (note 6(b))	6,535,797	18	4,691,324	15
1200	Other receivables	31,308	-	30,290	-
1220	Current tax assets	71	-	-	-
1310	Inventories, net (note 6(c))	5,521,849	16	4,402,436	14
1460	Non-current assets held for sale, net (note 6(d))	-	-	25,863	-
1470	Other current assets (notes 6(h) and 8)	5,783,367	16	5,414,913	17
	Total current assets	21,508,022	60	17,398,018	55
	Non-current assets:				
1550	Investments accounted for using equity method	-	-	-	-
1600	Property, plant and equipment (notes 6(e) and 7)	12,993,610	36	12,287,751	39
1755	Right-of-use assets (note 6(f))	67,263	-	67,025	-
1760	Investment property, net (note 6(g))	752,694	2	737,780	2
1780	Intangible assets	26,838	-	25,128	-
1840	Deferred tax assets (note 6(n))	13,222	-	47,370	-
1975	Net defined benefit asset, non-current (note 6(m))	163,930	1	117,066	-
1990	Other non-current assets, others (note 6(h))	339,541	1	1,152,597	4
	Total non-current assets	14,357,098	40	14,434,717	45
	Total assets	$ 35,865,120	100	31,832,735	100

	Liabilities and Equity	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current liabilities:				
2100	Current borrowings (notes 6(i) and (t))	$ 1,804,322	5	623,772	2
2150	Notes payable (note 6(t))	100,093	-	90,303	-
2170	Accounts payable (note 6(t))	2,163,054	6	1,575,849	5
2200	Other payables (note 6(m))	1,516,604	4	1,457,374	4
2230	Current tax liabilities	855,720	3	1,557,861	5
2280	Current lease liabilities (note 6(k))	13,358	-	13,835	-
2320	Long-term liabilities, current portion (notes 6(j) and (t))	-	-	562,925	2
2399	Other current liabilities, others	313,705	1	199,039	1
	Total current liabilities	6,766,856	19	6,080,958	19
	Non-current liabilities:				
2570	Deferred tax liabilities (note 6(n))	103,078	-	13,290	-
2580	Non-current lease liabilities (note 6(k))	57,628	-	55,759	-
2640	Net defined benefit liability, non-current(note 6(m))	9,428	-	5,702	-
2645	Guarantee deposits received	6,469	-	6,445	-
	Total non-current liabilities	176,603	-	81,196	-
	Total liabilities	6,943,459	19	6,162,154	19
	Equity (note 6(o))				
3110	Ordinary share	2,743,671	8	2,743,671	9
3200	Capital surplus	3,769,803	11	3,769,547	12
	Retained earnings:				
3310	Legal reserve	5,326,981	15	4,809,262	15
3350	Unappropriated retained earnings	16,753,936	46	14,308,572	45
	Total retained earnings	22,080,917	61	19,117,834	60
3490	Other equity, others	327,270	1	39,529	-
	Total equity	28,921,661	81	25,670,581	81
	Total liabilities and equity	$ 35,865,120	100	31,832,735	100

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

ECLAT TEXTILE CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the Years Ended December 31, 2024 and 2023

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

		For the years ended December 31			
		2024		2023	
		Amount	%	Amount	%
4000	**Operating revenue (note 6(q))**	$ 36,828,499	100	30,790,462	100
5000	**Operating costs (notes 6(c), (e), (f), (k), (m), (r) and 12)**	25,459,513	69	21,111,381	69
	Gross profit from operations	11,368,986	31	9,679,081	31
	Operating expenses (notes 6(e), (f), (g), (k), (m), (r), 7 and 12):				
6100	Selling expenses	1,848,812	5	1,583,652	5
6200	Administrative expenses	1,593,289	4	1,393,123	4
6300	Research and development expenses	171,460	1	153,456	1
	Total operating expenses	3,613,561	10	3,130,231	10
	Net operating income	7,755,425	21	6,548,850	21
	Non-operating income and expenses (notes 6(e), (k), (l), (s), 7 and 12):				
7010	Other income	31,297	-	24,523	-
7020	Other gains and losses, net	525,737	2	103,912	1
7050	Finance costs	(78,287)	-	(117,374)	(1)
7100	Interest income	116,756	-	115,687	1
	Total non-operating income and expenses	595,503	2	126,748	1
7900	**Income before income tax**	8,350,928	23	6,675,598	22
7950	**Less: Tax expense (note 6(n))**	1,710,076	5	1,499,131	5
8200	**Profit**	6,640,852	18	5,176,467	17
8300	**Other comprehensive income:**				
8310	**Components of other comprehensive income that will not be reclassified to profit or loss**				
8311	Remeasurements from defined benefit plans (note 6(m))	26,187	-	723	-
8349	Less: Income tax related to components that will not be reclassified to profit or loss	-	-	-	-
	Total components of other comprehensive income that will not be reclassified to profit or loss	26,187	-	723	-
8360	**Components of other comprehensive income (loss) that will be reclassified to profit or loss**				
8361	Exchange differences on translation of foreign financial statements	359,677	1	19,581	-
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss (note 6(n))	71,936	-	3,916	-
	Total components of other comprehensive income (loss) that will be reclassified to profit or loss	287,741	1	15,665	-
8300	**Other comprehensive income, net of income tax**	313,928	1	16,388	-
8500	**Total comprehensive income**	**$ 6,954,780**	**19**	**5,192,855**	**17**
	Earnings per share (in dollars) (note 6(p))				
9750	**Basic earnings per share**	**$ 24.20**		**18.87**	
9850	**Diluted earnings per share**	**$ 24.20**		**18.87**	

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

ECLAT TEXTILE CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the Years Ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

			Retained Earnings				Other Equity	
	Ordinary share	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Total equity
Balance at January 1, 2023	$ 2,743,671	3,769,547	4,126,099	429,446	14,049,340	18,604,885	23,864	25,141,967
Profit	-	-	-	-	5,176,467	5,176,467	-	5,176,467
Other comprehensive income (loss)	-	-	-	-	723	723	15,665	16,388
Total comprehensive income (loss)	-	-	-	-	5,177,190	5,177,190	15,665	5,192,855
Appropriation and distribution of retained earnings:								
Legal reserve appropriated	-	-	683,163	-	(683,163)	-	-	-
Cash dividends of ordinary share	-	-	-	-	(4,664,241)	(4,664,241)	-	(4,664,241)
Reversal of special reserve	-	-	-	(429,446)	429,446	-	-	-
Balance at December 31, 2023	2,743,671	3,769,547	4,809,262	-	14,308,572	19,117,834	39,529	25,670,581
Profit	-	-	-	-	6,640,852	6,640,852	-	6,640,852
Other comprehensive income (loss)	-	-	-	-	26,187	26,187	287,741	313,928
Total comprehensive income (loss)	-	-	-	-	6,667,039	6,667,039	287,741	6,954,780
Appropriation and distribution of retained earnings:								
Legal reserve appropriated	-	-	517,719	-	(517,719)	-	-	-
Cash dividends of ordinary share	-	-	-	-	(3,703,956)	(3,703,956)	-	(3,703,956)
Other changes in capital surplus:								
Other changes in capital surplus	-	256	-	-	-	-	-	256
Balance at December 31, 2024	**$ 2,743,671**	**3,769,803**	**5,326,981**	**-**	**16,753,936**	**22,080,917**	**327,270**	**28,921,661**

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

ECLAT TEXTILE CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the Years Ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	2024	2023
Cash flows from (used in) operating activities:		
Profit before tax	$ 8,350,928	6,675,598
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	861,883	859,702
Amortization expense	24,477	21,751
Interest expense	78,287	117,374
Interest income	(116,756)	(115,687)
Loss (gain) on disposal of property, plant and equipment	(1,313)	(493)
Property, plant and equipment transferred to expenses	746	-
Loss (gain) on disposal of non-current assets held for sale	(56,697)	(9,532)
Gain on lease modification	(334)	(6)
Total adjustments to reconcile profit	790,293	873,109
Changes in operating assets and liabilities:		
Decrease (increase) in notes receivable	2,008	(16,413)
Decrease (increase) in accounts receivable	(1,844,473)	(894,354)
Decrease (increase) in inventories	(1,119,731)	222,753
Decrease (increase) in other current assets	(6,630)	142,365
Decrease (increase) in other financial assets	113,055	(142,670)
Decrease (increase) in other operating assets	(8,531)	3,814
Increase (decrease) in notes payable	9,790	9,788
Increase (decrease) in accounts payable	587,205	(29,313)
Increase (decrease) in other payables	57,559	(357,464)
Increase (decrease) in other current liabilities	114,666	(106,185)
Increase (decrease) in net defined benefit liability	(16,951)	(1,486)
Total changes in operating assets and liabilities	(2,112,033)	(1,169,165)
Total adjustments	(1,321,740)	(296,056)
Cash inflow generated from operations	7,029,188	6,379,542
Interest received	122,367	110,422
Interest paid	(70,913)	(107,110)
Income taxes paid	(2,360,288)	(1,718,710)
Net cash flows from (used in) operating activities	4,720,354	4,664,144
Cash flows from (used in) investing activities:		
Proceeds from disposal of non-current assets held for sale	82,560	44,516
Acquisition of property, plant and equipment	(484,305)	(289,482)
Proceeds from disposal of property, plant and equipment	10,641	1,086
Decrease in refundable deposits	1,008	2,000
Acquisition of intangible assets	(14,194)	(14,880)
Increase in other financial assets	(472,406)	(1,565,870)
Increase in other non-current assets	-	(13,265)
Decrease in other non-current assets	84,899	-
Net cash flows from (used in) investing activities	(791,797)	(1,835,895)
Cash flows from (used in) financing activities:		
Increase in current borrowings	5,598,612	6,106,294
Decrease in current borrowings	(4,418,062)	(7,260,631)
Repayments of long-term borrowings	(562,925)	(204,825)
Increase in guarantee deposits received	24	2,239
Payment of lease liabilities	(23,356)	(30,579)
Cash dividends paid	(3,703,956)	(4,664,241)
Other financing activities	256	-
Net cash flows from (used in) financing activities	(3,109,407)	(6,051,743)
Effect of exchange rate changes on cash and cash equivalents	(14,704)	14,956
Net increase (decrease) in cash and cash equivalents	804,446	(3,208,538)
Cash and cash equivalents at beginning of period	2,813,733	6,022,271
Cash and cash equivalents at end of period	**$ 3,618,179**	**2,813,733**

Appendix VII Comparison Table for the provisions before and after amendment of "Articles of Incorporation"

Eclat Textile Co., Ltd.

Comparison Table for the provisions before and after amendment of "Articles of Incorporation"

Provision After Amendment	Current Provision	Reason of Amendment
Article 7: The total capital of the Company shall be NT$3,000,000,000, divided into 300,000,000 shares, with a par value of NT$10 per share. The unissued shares may be issued in stages, as authorized by the Board of Directors.	Article 7: The total capital of the Company shall be ~~in the amount of~~ NT~~D~~ 3,000,000,000, divided into 300,000,000 shares, ~~at NTD~~ 10 per share~~, which may be issued at discrete times, and may be exchanged for shares of large denomination according to the request of shareholders~~.	Amended to reflect practical operations and accommodate scripless shares.
Article 19: A shareholder may appoint a proxy to attend a shareholders' meeting on his/her/its behalf by executing a power of attorney ~~printed by the Company~~ stating therein the scope of power authorized to the proxy. The regulations for authorizing proxies to attend shareholders' meetings on behalf of the shareholders of the Company shall comply with Article 177 of the Company Act and shall also be handled accordingly to the "Regulations Governing the	Article 19: A shareholder may appoint a proxy to attend a shareholders' meeting on his/her/its behalf by executing a power of attorney printed by the Company stating therein the scope of power authorized to the proxy. The regulations for authorizing proxies to attend shareholders' meetings on behalf of the shareholders of the Company shall comply with Article 177 of the Company Act and shall also be handled accordingly to the "Regulations Governing the	Amended in coordination with the Company Act; minor textual revision.

Provision After Amendment	Current Provision	Reason of Amendment
Use of Proxies for Attendance at Shareholder Meetings of Public Companies” announced by the competent authority.	Use of Proxies for Attendance at Shareholder Meetings of Public Companies” announced by the competent authority.	
Article 22: Omitted (No Revision) In the roster of directors described in the preceding paragraph, the number of independent directors shall not be less than three and shall not be less than one third of the total number of Directors. Relevant matters of the professional qualification, shareholding, concurrent job position limitation, nomination and election methods of the Independent Director as well as other necessary requirements shall comply with relevant regulations specified by the competent authority. Omitted (No Revision)	Article 22: Omitted (No Revision) In the roster of directors described in the preceding paragraph, the number of independent directors shall not be less than three and shall not be less than one ~~fifth~~ of the total number of Directors. Relevant matters of the professional qualification, shareholding, concurrent job position limitation, nomination and election methods of the Independent Director as well as other necessary requirements shall comply with relevant regulations specified by the competent authority. Omitted (No Revision)	Amended in line with the FSC’s “Corporate Governance 3.0 – Sustainable Development Roadmap” to strengthen board operations and functions.
Article 37: Where the Company has a profit (the term "profit" refers to the income before deducting the distribution of employee compensation from the income before tax) in the current year, if there is surplus after covering the accumulated loss, no less than 1% shall be appropriated for the employee’s compensation for the distribution according	Article 37: Where the Company has a profit (the term “profit” refers to the income before deducting the distribution of employee compensation from the income before tax) in current year, if there is surplus after covering the accumulated loss, no less than ~~0.~~1% shall be appropriated for the employee’s compensation for the distribution according	Amended in accordance with Paragraph 6, Article 14 of the Securities and Exchange Act.

Provision After Amendment	Current Provision	Reason of Amendment
to the resolution adopted by a majority vote at a meeting of board of directors attended by two-thirds of the total number of directors, and be reported to the shareholders' meeting. The distribution of employee compensation may be made in the form of shares or cash. Of the employee compensation, no less than 50% shall be allocated to the distribution of compensation for the employees.	to the resolution of ~~the~~ Board of Directors~~' meeting~~, and be reported to the shareholders' meeting. The distribution of employee's compensation may be made in the form of shares or cash.	
Article 41: Omitted (No Revision) The thirtieth amendment was made on June 13, 2025.	Article 41: Omitted (No Revision)	Added the latest amendment date.