

Eclat Textile Co., Ltd.

2026 Annual General Shareholders' Meeting Minutes

Time : May 29, 2026 (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 249,088,014 shares, representing 90.78% 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. 2025 Business Report.
(Refer to Appendix I) (No inquiries from shareholders)
2. Audit Committee's Review Report on the 2025 Financial Statements.
(Refer to Appendix II) (No inquiries from shareholders)
3. 2025 Employees' Remuneration Appropriation.
(Refer to Appendix III) (No inquiries from shareholders)
4. Cash Dividend Distribution of 2025 Earnings.
(Refer to Appendix IV) (No inquiries from shareholders)
5. Sustainability Strategy and Regulations Established in 2025.
(Refer to Appendix V) (No inquiries from shareholders)

II. Acknowledged Matters

Proposal 1

(Proposed by the board of directors)

Proposal: To approve 2025 Business Report and Financial Statements, submitted for approval. (Refer to Appendix VI)

Explanation:

1. The 2025 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: 249,088,014

Voting result	
Approval votes: (Account for total votes 92.35%)	230,036,905
Disapproval votes:	26,439
Invalid votes:	0
Abstention votes/no votes:	19,024,670

RESOLVED, that the 2025 Business Report and Financial Statements were hereby accepted as submitted.

Proposal 2

(Proposed by the board of directors)

Proposal: To approve the 2025 Earnings Distribution Plan

Explanation:

1. The Company's distributable earnings for FY2025 amount to NT\$16,391,320,250 (for detailed calculation, please refer to the Earnings Distribution Statement). It is proposed to distribute a cash dividend of NT\$15 per share to shareholders, totaling NT\$4,115,506,665, with the remaining NT\$12,275,813,585 to be retained for distribution in future years.
2. If a change in issued shares affects the dividend rate, the Chairman has full authority to address it.

3. Cash dividends shall be calculated based on the per-share distribution amount and computed against the number of shares held as recorded in the shareholders register on the dividend record date, with amounts less than NT\$1 rounded down. Fractional amounts of less than NT\$1 shall be recorded as other income of the Company. The Chairman is authorized to separately determine the dividend record date, payment date, and other related matters, and to handle the same in accordance with applicable laws.
4. This proposal has been reviewed by the Audit Committee and approved by resolution of the Board of Directors. Pursuant to Article 37-1 of the Company's Articles of Incorporation, the cash dividend distribution is hereby reported to the shareholders meeting, and the earnings distribution proposal is submitted for ratification.

Eclat Textile Co., Ltd. Earnings Distribution Statement 2025		Unit: NT\$
Beginning undistributed profit		\$ 11,422,991,497
Plus: Current net profit after tax	\$ 5,514,936,724	
Plus: Other comprehensive income		
(actuarial gains on defined benefit plans)	<u>26,187,175</u>	
Total amount of net profit after tax and		
other items credited to retained earnings		5,520,365,281
Deduction: Legal reserve		<u>(552,036,528)</u>
Distributable profit for current year		16,391,320,250
Proposed profit distribution items ¹ :		
Cash dividends - NT\$ 15.00 per share		<u>(4,115,506,665)</u>
Ending undistributed profit		\$ <u>12,275,813,585</u>

Chairman: Shu-Wen Wang

President: Jui-Ting Hung

CFO: Fen-Ru Lin

¹ The profit of 2025 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: 249,088,014

Voting result	
Approval votes: (Account for total votes92.38%)	230,131,124
Disapproval votes:	11,738
Invalid votes:	0
Abstention votes/no votes:	18,945,152

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

III. Extemporary Motions: None.

IV. Meeting Adjourned: 09:22 a.m.

Eclat

* The record of 2026 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 2025 Business Report

(1) Preface

In 2025, the overall political and economic landscape was significantly affected by tariff issues, drastic exchange rate fluctuations, and geopolitical conflicts. Facing severe challenges such as increasingly conservative procurement strategies among brand customers and demands for the supply chain to absorb tariff burdens, overall industry profitability was eroded, posing a major test of corporate operational resilience and risk response capabilities.

Although the Company was inevitably affected by the broader environment, it demonstrated a high degree of operational resilience through its years of accumulated R&D capabilities and technological expertise, not only mitigating external shocks but also successfully capturing growth opportunities from emerging brand customers, injecting new momentum into the Company's revenue. With contributions from both new and existing customers, the Company's revenue grew for the second consecutive year, once again reaching the second-highest level in its history.

Despite the highly challenging political and economic landscape, the Company has adhered to a prudent and pragmatic business strategy, continuing to increase investment in R&D and innovation, actively developing high-value-added and niche products, expanding its new brand customer base, and deepening cooperative relationships with existing brand customers, thereby continuously strengthening corporate resilience and pursuing growth amid stability.

(2) Overview and Results of Business Plan Implementation in 2025

A. Overview of Business Plan Implementation in 2025

- (A) Smart Manufacturing Upgrade: Four major smart manufacturing work items were introduced for certain products: 1. Equipment intelligence — equipping equipment with smart monitoring devices; 2. Process information visualization — collecting data and presenting it through charts for personnel to interpret; 3. Smart fabric inspection utilizing Artificial Intelligence (AI) and Automated Optical Inspection (AOI), reducing manual inspection, and improving inspection efficiency and accuracy; 4. Deploying sensor-based smart warehousing for positioning, improving logistics efficiency.

Furthermore, the production progress and shipment speed of partner manufacturers were integrated and synchronized into the Company's ERP system, ensuring real-time access to production and operational performance information. By replacing repetitive visual management and manual monitoring with smart equipment, the goal of optimizing operational management was ultimately achieved.

- (B) Capacity Expansion: With the Indonesia garment factory now in full production, the Company initiated the Phase 3 construction plan for the Indonesia plant, leveraging experiences from the first two phases to accelerate construction. This will further enhance the overseas production base, increase flexibility in order allocation to respond quickly to market changes, and effectively diversify potential tariff risks.
- (C) Employer Brand Optimization: In addition to existing recruitment channels, the Company will strengthen brand exposure through diverse media to attract more outstanding talents to proactively pay attention and submit their resumes. The Company continues to enhance compensation competitiveness through multiple incentive mechanisms including raising fixed salaries and starting pay for new hires, distributing various bonuses, and implementing an employee stock ownership trust (ESOT), sharing corporate achievements with employees. Furthermore, the Company is committed to creating a friendly workplace with work-life balance. By encouraging employees to proactively share positive workplace experiences, the Company aims to expand brand influence, further attract outstanding talents to join, and ultimately become regular employees.

B. Results of Business Plan Implementation and Budget Execution in 2025

The Company's net operating revenue for 2025 was NT\$37.725 billion, of which the Knitting Division accounted for NT\$12.505 billion, representing 33.15% of total revenue, and the Garment Division accounted for NT\$25.220 billion, representing 66.85% of total revenue, for a combined increase of NT\$1.119 billion over 2024, a growth of 3.06%. In terms of operating income, the Company recorded NT\$6.657 billion in 2025, a decrease of NT\$616 million compared to 2024, representing a decline of 8.47%. Net income for 2025 was NT\$5.515 billion, a decrease of NT\$1.126 billion compared to 2024, representing a decline of 16.95%. Earnings per share after tax for 2025 was NT\$20.10.

Financial Revenue/Expenditure and Profitability Analysis

Unit: NT\$ 1,000

Item		Year	2025	2024
Financial Revenue/ Expenditure	Operating Revenue		37,724,881	36,606,183
	Gross Profit		9,566,462	10,084,628
	Operating Income (Loss)		6,657,211	7,272,898
	Net income (loss) for the period		5,514,937	6,640,852
Profitability	Return on Assets (%)		16.25	20.85
	Return on Equity (%)		18.84	24.33
	Operating Income to Paid-in Capital Ratio (%)		242.64	265.08
	Income before tax to paid-in capital ratio (%)		250.59	301.27
	Net Profit Margin (%)		14.62	18.14
	Basic Earnings Per Share (NT\$)		20.10	24.20

(3) Business Plan for 2026

A. Business Plan for 2026

- (A) **Accelerating Capacity Expansion:** The Company officially initiated the Phase 3 construction plan for the Indonesia plant in 2025 and, leveraging the experience gained from the first two phases of local construction, is accelerating the construction timeline. A gradual commissioning model will be adopted, with the expectation of contributing new capacity at the earliest opportunity, increasing Indonesia's share in the Group's overall production capacity. Through a more flexible and diversified capacity deployment, the Company will enhance its ability to respond to fluctuations in global market demand.
- (B) **Large Language Model Deployment and Deepening of Smart Manufacturing:** The Company is dedicated to building a secure, efficient, and resilient AI-powered smart enterprise. It plans to deploy applications based on AI Large Language Models (LLM), adopting a hybrid approach of on-premises and cloud computing. Under the premise of ensuring data security and preventing data leakage, complying with cybersecurity policies and regulatory requirements, and maintaining computational performance, the Company aims to comprehensively enhance employee productivity while effectively addressing and mitigating risks arising from

emerging technologies. In the area of smart manufacturing, the Company will continue to expand equipment monitoring, process visualization, and AI and AOI-based smart inspection applications, replacing repetitive visual management and manual monitoring with smart equipment. It will also continue to deepen integration with supply chain ERP systems, enabling real-time tracking of production efficiency and operational status, and optimizing operational management and competitiveness through the combination of AI and automation technologies.

- (C) Deepening the Management Pipeline: As the Company's business scale expands, it is committed to building a comprehensive and forward-looking management talent reserve system. The Company plans to further strengthen collaboration with professional external consultants and academic institutions. Building upon the existing foundation, for entry-level and mid-level managers, the focus will be on enhancing core competencies through more diverse and comprehensive training programs, systematically cultivating leadership and execution capabilities to ensure effective implementation of company policies. For senior executives, the emphasis will be on holistic strategic planning of human resource management, strengthening operational analysis capabilities and systematic problem-solving mechanisms, thereby enhancing organizational resilience and decision-making effectiveness to support the Company's long-term stable development.
- (D) Expanding Non-U.S. Market Customers: Given the uncertainty brought to the global supply chain by U.S. single-country tariff policy changes in 2025, the Company continues to promote a more resilient customer structure. Building upon the existing market deployment, the Company will gradually increase the number of brand customers in non-U.S. markets and their share of revenue, thereby reducing dependence on a single-country market and mitigating the impact of specific countries' policies and market fluctuations on the Company's operations, thus diversifying overall market risk.

B. Research and Development Plan for 2026

- (A) Continued R&D of Functional Fabrics: Functional fabrics are the Company's core products. The Company continues to adopt new raw materials and new equipment, develop new processes and products, and improve production quality and yield rates. For the

eco-friendly and premium fabric consumer market, additional talent and equipment investment will be increased. In the areas of knitting and dyeing and finishing processes, the Company will continue to invest in the development of new technologies, with the aim of leading the industry into a new era of technology and expanding the applications of functional fabrics.

- (B) Collaborative Development with Customers to Co-create Value: Through collaborative development models with upstream raw material suppliers and downstream customers, combined with the Company's vertical integration advantages and one-stop-shop services, the Company creates niche markets to avoid price competition with industry peers. R&D personnel can collaboratively develop niche fabrics with customers. The Company is cultivating garment designers for collaborative design to assist customers in developing garment brands or markets, gradually increasing the proportion of original design manufacturing (ODM) to enhance product profitability.
- (C) Digital Technology and Eco-friendly Processes: Digital technology is being introduced into production processes to innovate and develop new manufacturing processes. Utilizing big data, the Internet of Things (IoT), artificial intelligence, and other cutting-edge technologies, the Company integrates industry expertise and collaborates with academia and research institutions to transform existing labor-intensive workflows, aiming to improve efficiency while increasing product yield rates and per-capita output. The Company also places great emphasis on corporate sustainability, fulfilling occupational safety and health regulations and other requirements. In addition to product quality, the Company also invests substantial resources in the development and implementation of eco-friendly manufacturing processes.

Looking ahead to 2026, despite the many variables still present in the overall political and economic environment, the Company remains committed to its long-term development axis, steadily implementing its business strategy objectives. It will continue to diversify its production base strategy, accelerate the Phase 3 construction timeline of the Indonesia garment factory, and enhance the Company's ability to respond to fluctuations in global market demand through a more flexible and diversified capacity deployment. At the same time, the Company will continue to increase the benefits derived from the introduction of automated production

hardware and production line monitoring software. In key areas, the Company will focus on cultivating local talent, strengthening management training, and promoting localized production. In the long-term outlook, demand for premium apparel products continues to grow steadily. The Company will expand its potential market through product design innovation, optimization and investment in automated green and eco-friendly manufacturing processes, and continued R&D of innovative products. We will, as always, focus on product quality, strengthen talent cultivation and management, and continue to create maximum value for customers, employees, and shareholders.

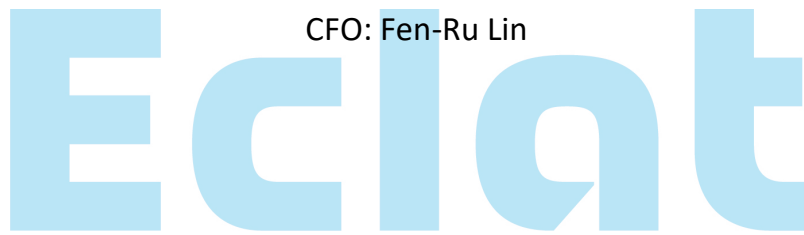
In closing, we wish all shareholders good health and all the best.

Eclat Textile Co., Ltd.

Chairman: Shu-Wen Wang

President: Jui-Ting Hung

CFO: Fen-Ru Lin

The logo for Eclat Textile Co., Ltd. features the word "Eclat" in a large, light blue, sans-serif font. The letters are bold and modern, with a slight shadow effect. The 'E' and 'C' are particularly prominent.

Appendix II Audit Committee's Review Report on the 2025 Financial Statements

Explanation:

The Company's 2025 financial statements have been approved by resolution of the Board of Directors and have been audited and certified by the certified public accountants. Together with the business report and earnings distribution statement, these have been submitted to the Audit Committee for review, which has issued a review report

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2025 Business Report, Financial Statements and Profit Distribution Proposal, etc. The financial statements have been audited by CPA Hui-Chih Kou and CPA Hsin-Yi Kuo of KPMG Taiwan who have issued an audit report thereon. The aforementioned Business Report, Financial Statements and Profit Distribution Proposal have been reviewed by the Audit Committee and are considered to be in conformity with applicable requirements. Consequently, it is reported for review in accordance with the relevant provisions of the Securities and Exchange Act and the Company Act.

Submitted to: Eclat Textile Co., Ltd. 2026 Annual General Meeting

Eclat Textile Co., Ltd.

Audit Committee Convener: Cheng-Ping Yu

March 5, 2026.

Appendix III 2025 Employees' Remuneration Appropriation

Explanation:

- (1) Pursuant to Article 235-1 of the Company Act and Article 37 of the Company's Articles of Incorporation: If the Company has a profit in the current year (profit meaning pre-tax income before deducting employee compensation to be distributed) after offsetting accumulated deficits, any remaining balance shall first be appropriated for employee compensation at a ratio of not less than one percent (1%). Such compensation shall be distributed by resolution of the Board of Directors, with the attendance of at least two-thirds of all directors and the approval of a majority of attending directors, and shall be reported to the shareholders meeting. Employee compensation may be distributed in the form of shares or cash.

Of the employee compensation amount referred to in the preceding paragraph, not less than fifty percent (50%) shall be allocated as compensation to rank-and-file employees.

- (2) The FY2025 employee compensation appropriation of the Company amounts to NT\$70,000,000 in total, of which the portion attributable to rank-and-file employees is NT\$35,000,000.
- (3) The foregoing employee compensation has been resolved by the Board of Directors to be distributed entirely in cash. The actual recognized amount is consistent with the estimated amount, with no variance.

Appendix IV Cash Dividend Distribution of 2025 Earnings

Explanation:

- (1) Pursuant to Article 37-1 of the “Articles of Incorporation”, which authorizes the Board of Directors, by special resolution, to distribute all or part of the dividends and bonuses to be distributed by way of cash payment, and to report the same to the shareholders meeting.
- (2) The Board of Directors resolved on March 5, 2026, to distribute a FY2025 cash dividend of NT\$15 per share, totaling NT\$4,115,506,665, and authorized the Chairman to set the ex-dividend date and handle related matters. If a change in total issued shares impacts the dividend rate, the Chairman is fully authorized to handle it.
- (3) Cash dividends shall be calculated to the nearest New Taiwan Dollar (amounts below NT\$1 shall be rounded down). Any fractional amounts of less than NT\$1 that cannot be distributed shall be recorded as other income of the Company.

The logo for Eclat, featuring the word "Eclat" in a light blue, sans-serif font. The letters are bold and modern, with a slight shadow effect.

Appendix V Sustainability Strategy and Regulations Established in 2025

Explanation:

- (1) Pursuant to Article 5 of "Sustainable Development Best Practice Principles".
- (2) The status of the Company's formulation of sustainability development strategies and systems for FY2025 is as follows: In response to the Taiwan Stock Exchange Corporation's revision of the "Listed and OTC Companies Sustainable Development Best Practice Principles" on September 2, 2025, and in response to international sustainability trends and requirements, the Company's "Sustainable Development Best Practice Principles" were revised accordingly.
- (3) The foregoing policy documents were approved by resolution of the Board of Directors

The logo for Eclat, featuring the word "Eclat" in a light blue, sans-serif font. The letters are bold and modern, with the 'E' and 'C' having a distinctive shape.

Independent Auditors' Report

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

Opinion

We have audited the financial statements of Eclat Textile Co., Ltd. ("the Company"), which comprise the balance sheets as of December 31, 2025 and 2024, 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 material accounting policies.

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

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public 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 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Based on our judgment, the key audit matters that should be disclosed in this audit report are as follows:

Revenue Recognition Timing 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 Company is a matter of significant concern to users and recipients of the financial report. Accordingly, testing of revenue recognition timing constitutes a key assessment item in our audit of the Company's financial statements.

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, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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)

March 5, 2026

Eclat

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 accepted and applied in the Republic of China.

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

(English Translation of Financial Statements Originally Issued in Chinese)

ECLAT TEXTILE CO., LTD.

Balance Sheets

December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2025		December 31, 2024				December 31, 2025		December 31, 2024	
Assets		Amount	%	Amount	%	Liabilities and Equity		Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (note 6(a))	\$ 1,336,510	4	2,345,771	7	2100	Short-term borrowings (notes 6(j)(t))	\$ 220,010	1	-	-
1150	Notes receivable (note 6(b))	17,518	-	17,451	-	2150	Notes payable (note 6(t))	118,726	1	100,093	-
1170	Accounts receivable, net (note 6(b))	3,073,829	9	6,532,032	20	2170	Accounts payable (note 6(t))	1,810,983	5	1,900,560	6
1200	Other receivables (note 6(c))	1,648,219	5	15,060	-	2180	Accounts payable to related parties (notes 6(t) and 7)	367,124	1	354,429	1
1210	Other receivables due from related parties (note 7)	-	-	395,323	1	2200	Other payables (notes 6(m)(r))	1,013,940	3	1,006,448	3
1310	Inventories, net (note 6(d))	5,096,417	15	4,629,889	14	2230	Current tax liabilities	757,993	2	831,705	2
1470	Other current assets (note 6(i))	6,692,660	19	5,143,481	15	2280	Current lease liabilities (notes 6(k)(t))	14,235	-	11,886	-
						2399	Other current liabilities, others	307,318	1	309,554	1
	Total current assets	17,865,153	52	19,079,007	57		Total current liabilities	4,610,329	14	4,514,675	13
Non-current assets:						Non-current liabilities:					
1550	Investments accounted for using equity method (note 6(e))	8,130,638	24	5,870,964	17	2570	Deferred tax liabilities (note 6(n))	52,486	-	100,443	1
1600	Property, plant and equipment (notes 6(f) and 7)	7,341,438	21	7,625,430	23	2580	Non-current lease liabilities (notes 6(k)(t))	12,694	-	10,739	-
1755	Right-of-use assets (note 6(g))	28,390	-	23,884	-	2645	Guarantee deposits received	6,442	-	6,469	-
1760	Investment property, net (note 6(h))	743,211	2	752,694	2		Total non-current liabilities	71,622	-	117,651	1
1780	Intangible assets	9,061	-	12,789	-		Total liabilities	4,681,951	14	4,632,326	14
1840	Deferred tax assets (note 6(n))	14,235	-	13,222	-	Equity (notes 6(o) and(v)):					
1975	Net defined benefit asset, non-current (note 6(m))	176,607	1	163,930	1	3110	Ordinary shares	2,743,671	8	2,743,671	8
1990	Other non-current assets, others (note 6(i))	10,355	-	12,067	-	3200	Capital surplus	3,769,803	11	3,769,803	11
	Total non-current assets	16,453,935	48	14,474,980	43		Retained earnings:				
						3310	Legal reserve	5,993,685	17	5,326,981	16
						3350	Unappropriated retained earnings	16,943,357	49	16,753,936	50
							Total retained earnings	22,937,042	66	22,080,917	66
						3490	Other equity, others	186,621	1	327,270	1
							Total equity	29,637,137	86	28,921,661	86
	Total assets	\$ 34,319,088	100	33,553,987	100		Total liabilities and equity	\$ 34,319,088	100	33,553,987	100

See accompanying notes to the financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)
ECLAT TEXTILE CO., LTD.

Statements of Comprehensive Income

For the Years Ended December 31, 2025 and 2024

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

		2025		2024	
		Amount	%	Amount	%
4000	Operating revenue (notes 6(q) and 7)	\$ 37,724,881	100	36,606,183	100
5000	Operating costs (notes 6(d)(f)(g)(k)(m)(r), 7 and 12)	28,158,419	75	26,521,555	72
	Gross profit from operations	9,566,462	25	10,084,628	28
	Operating expenses (notes 6(f)(g)(h)(k)(m)(r), 7 and 12):				
6100	Selling expenses	1,684,020	4	1,614,908	4
6200	Administrative expenses	1,057,903	3	1,032,272	3
6300	Research and development expenses	167,328	-	164,550	1
	Total operating expenses	2,909,251	7	2,811,730	8
	Net operating income	6,657,211	18	7,272,898	20
	Non-operating income and expenses (notes 6(f)(k)(l)(s), 7 and 12):				
7010	Other income	32,235	-	31,297	-
7020	Other gains and losses, net	(256,860)	(1)	512,618	1
7050	Finance costs	(8,629)	-	(468)	-
7060	Share of profit of associates accounted for using equity method, net	301,493	1	296,277	1
7100	Interest income	149,991	-	153,362	1
	Total non-operating income and expenses	218,230	-	993,086	3
7900	Profit before income tax	6,875,441	18	8,265,984	23
7950	Less: Income tax expenses (note 6(n))	1,360,504	3	1,625,132	5
8200	Profit (note 6(v))	5,514,937	15	6,640,852	18
8300	Other comprehensive income:				
8310	Items that may not be reclassified subsequently to profit or loss:				
8311	Gains (losses) on remeasurements of defined benefit plans (note 6(m))	6,920	-	24,361	-
8330	Share of other comprehensive income of subsidiaries accounted for using equity method, components of other comprehensive income that will not be reclassified	(1,491)	-	1,826	-
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	Total items that will not be reclassified to profit or loss	5,429	-	26,187	-
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translation	(176,751)	(1)	359,677	1
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss (note 6(n))	36,102	-	(71,936)	-
	Total items that will be reclassified to profit or loss (note 6(o))	(140,649)	(1)	287,741	1
8300	Other comprehensive income (after tax)	(135,220)	(1)	313,928	1
8500	Total comprehensive income	\$ 5,379,717	14	6,954,780	19
	Earnings per share (note 6(p))				
9750	Basic earnings per share (NT dollars)	\$ 20.10		24.20	
9850	Diluted earnings per share (NT dollars)	\$ 20.09		24.20	

See accompanying notes to the financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)
ECLAT TEXTILE CO., LTD.

Statements of Changes in Equity
For the Years Ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	Retained Earnings				Other Equity	
	Ordinary share	Capital surplus	Legal reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Total equity
Balance at January 1, 2024	\$ 2,743,671	3,769,547	4,809,262	14,308,572	19,117,834	25,670,581
Profit	-	-	-	6,640,852	6,640,852	6,640,852
Other comprehensive income (loss)	-	-	-	26,187	287,741	313,928
Total comprehensive income (loss)	-	-	-	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)
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	327,270	28,921,661
Profit	-	-	-	5,514,937	-	5,514,937
Other comprehensive income (loss)	-	-	-	5,429	(140,649)	(135,220)
Total comprehensive income (loss)	-	-	-	5,520,366	(140,649)	5,379,717
Appropriation and distribution of retained earnings:						
Legal reserve appropriated	-	-	666,704	(666,704)	-	-
Cash dividends of ordinary share	-	-	-	(4,664,241)	-	(4,664,241)
Balance at December 31, 2025	<u>\$ 2,743,671</u>	<u>3,769,803</u>	<u>5,993,685</u>	<u>16,943,357</u>	<u>186,621</u>	<u>29,637,137</u>

See accompanying notes to the financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)

ECLAT TEXTILE CO., LTD.

Statements of Cash Flows

For the Years Ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	<u>2025</u>	<u>2024</u>
Cash flows from (used in) operating activities:		
Profit before income tax	\$ 6,875,441	8,265,984
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	357,385	364,919
Amortization expense	17,326	10,350
Interest expense	8,629	468
Interest income	(149,991)	(153,362)
Share of loss (profit) of associates accounted for using equity method	(301,493)	(296,277)
Loss (gain) on disposal of property, plant and equipment	26	(1,726)
Property, plant and equipment transferred to expenses	-	746
Loss (gain) on disposal of non-current assets held for sale	-	(56,697)
Gain on lease modification	-	(334)
Total adjustments to reconcile profit	<u>(68,118)</u>	<u>(131,913)</u>
Changes in operating assets and liabilities:		
Decrease (increase) in notes receivable	(67)	2,008
Decrease (increase) in accounts receivable	1,853,599	(1,853,621)
Decrease (increase) in inventories	(466,528)	(971,290)
Decrease (increase) in other current assets	(66,228)	13,981
Decrease (increase) in other operating assets	(5,757)	(22,503)
Increase (decrease) in notes payables	18,633	9,790
Increase (decrease) in accounts payables	(89,577)	474,811
Increase (decrease) in accounts payable to related parties	12,695	67,832
Increase (decrease) in other payables	5,888	97,931
Increase (decrease) in other current liabilities	(2,236)	114,697
Total changes in operating assets and liabilities	<u>1,260,422</u>	<u>(2,066,364)</u>
Total adjustments	<u>1,192,304</u>	<u>(2,198,277)</u>
Cash inflow generated from operations	8,067,745	6,067,707
Interest received	138,486	168,797
Interest paid	(7,026)	(94)
Income taxes paid	<u>(1,447,084)</u>	<u>(2,281,078)</u>
Net cash flows from operating activities	<u>6,752,121</u>	<u>3,955,332</u>
Cash flows from (used in) investing activities:		
Acquisition of investments accounted for using equity method	(2,136,423)	-
Proceeds from disposal of non-current assets held for sale	-	82,560
Acquisition of property, plant and equipment	(47,404)	(235,960)
Proceeds from disposal of property, plant and equipment	179	10,641
Increase in refundable deposits	(50)	-
Decrease in refundable deposits	-	737
Decrease in other receivables due from related parties	395,323	598,963
Acquisition of intangible assets	(13,598)	(10,045)
Increase in other financial assets	(1,500,000)	(500,000)
Decrease in other non-current assets	1,762	98,918
Net cash flows from (used in) investing activities	<u>(3,300,211)</u>	<u>45,814</u>
Cash flows from (used in) financing activities:		
Increase in current borrowings	281,470	10,000
Decrease in current borrowings	(61,460)	(10,000)
Increase in guarantee deposits received	-	23
Decrease in guarantee deposits received	(27)	-
Payment of lease liabilities	(16,913)	(20,510)
Cash dividends paid	(4,664,241)	(3,703,956)
Other financing activities	-	256
Net cash flows from (used in) financing activities	<u>(4,461,171)</u>	<u>(3,724,187)</u>
Net increase (decrease) in cash and cash equivalents	(1,009,261)	276,959
Cash and cash equivalents at beginning of period	<u>2,345,771</u>	<u>2,068,812</u>
Cash and cash equivalents at end of period	<u>\$ 1,336,510</u>	<u>2,345,771</u>

See accompanying notes to the financial statements.

Independent Auditors' Report

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

Opinion

We have audited the consolidated financial statements of Eclat Textile Co., Ltd. and its subsidiaries (the “Group”), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, 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 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 of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards (“IFRSs”), International Accounting Standards (“IASs”), Interpretations developed by the International Financial Reporting Interpretations Committee (“IFRIC”) or the former Standing Interpretations Committee (“SIC”) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public 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 of our opinion.

Key Audit Matters

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

Revenue Recognition Timing 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 Group is a matter of significant concern to users and recipients of the financial report. Accordingly, testing of revenue recognition timing constitutes a key assessment item in our audit of the Group's financial statements.

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, 2025 and 2024, on which we have issued an unmodified 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 with the IFRSs, IASs, IFRIC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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:

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

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

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

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

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

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

KPMG

Taipei, Taiwan (Republic of China)
March 5, 2026

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 accepted and applied in the Republic of China.

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

(Expressed in Thousands of New Taiwan Dollars)

- 25 -

(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, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

		2025		2024	
		Amount	%	Amount	%
4000	Operating revenue (note 6(p))	\$ 37,989,751	100	36,828,499	100
5000	Operating costs (notes 6(d), (e), (f), (j), (l), (q) and 12)	<u>27,108,151</u>	<u>71</u>	<u>25,459,513</u>	<u>69</u>
	Gross profit from operations	<u>10,881,600</u>	<u>29</u>	<u>11,368,986</u>	<u>31</u>
	Operating expenses (notes 6(e), (f), (g), (j), (l), (q), 7 and 12):				
6100	Selling expenses	1,935,731	5	1,848,812	5
6200	Administrative expenses	1,678,174	4	1,593,289	4
6300	Research and development expenses	<u>175,775</u>	<u>1</u>	<u>171,460</u>	<u>1</u>
	Total operating expenses	<u>3,789,680</u>	<u>10</u>	<u>3,613,561</u>	<u>10</u>
	Net operating income	<u>7,091,920</u>	<u>19</u>	<u>7,755,425</u>	<u>21</u>
	Non-operating income and expenses (notes 6(e), (j), (k), (r), 7 and 12):				
7010	Other income	32,235	-	31,297	-
7020	Other gains and losses, net	(257,424)	(1)	525,737	2
7050	Finance costs	(65,021)	-	(78,287)	-
7100	Interest income	<u>163,860</u>	<u>-</u>	<u>116,756</u>	<u>-</u>
	Total non-operating income and expenses	<u>(126,350)</u>	<u>(1)</u>	<u>595,503</u>	<u>2</u>
7900	Profit before income tax	6,965,570	18	8,350,928	23
7950	Less: Income tax expenses (note 6(m))	<u>1,450,633</u>	<u>3</u>	<u>1,710,076</u>	<u>5</u>
8200	Profit (note 6(u))	<u>5,514,937</u>	<u>15</u>	<u>6,640,852</u>	<u>18</u>
8300	Other comprehensive income:				
8310	Items that may not be reclassified subsequently to profit or loss:				
8311	Remeasurements from defined benefit plans (note 6(l))	5,429	-	26,187	-
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total items that will not be reclassified to profit or loss	<u>5,429</u>	<u>-</u>	<u>26,187</u>	<u>-</u>
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translation	(176,751)	(1)	359,677	1
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss (note 6(m))	<u>(36,102)</u>	<u>-</u>	<u>71,936</u>	<u>-</u>
	Total items that will be reclassified to profit or loss (note 6(n))	<u>(140,649)</u>	<u>(1)</u>	<u>287,741</u>	<u>1</u>
8300	Other comprehensive income (after tax)	<u>(135,220)</u>	<u>(1)</u>	<u>313,928</u>	<u>1</u>
8500	Total comprehensive income	<u>\$ 5,379,717</u>	<u>14</u>	<u>6,954,780</u>	<u>19</u>
	Earnings per share (in dollars) (note 6(o))				
9750	Basic earnings per share	<u>\$ 20.10</u>		<u>24.20</u>	
9850	Diluted earnings per share	<u>\$ 20.09</u>		<u>24.20</u>	

See accompanying notes to consolidated financial statements.

(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, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	Retained Earnings				Other Equity	
	Ordinary share	Capital surplus	Legal reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Total equity
Balance at January 1, 2024	\$ 2,743,671	3,769,547	4,809,262	14,308,572	19,117,834	25,670,581
Profit	-	-	-	6,640,852	6,640,852	6,640,852
Other comprehensive income (loss)	-	-	-	26,187	287,741	313,928
Total comprehensive income (loss)	-	-	-	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)
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	327,270	28,921,661
Profit	-	-	-	5,514,937	5,514,937	5,514,937
Other comprehensive income (loss)	-	-	-	5,429	(140,649)	(135,220)
Total comprehensive income (loss)	-	-	-	5,520,366	(140,649)	5,379,717
Appropriation and distribution of retained earnings:						
Legal reserve appropriated	-	-	666,704	(666,704)	-	-
Cash dividends of ordinary share	-	-	-	(4,664,241)	-	(4,664,241)
Balance at December 31, 2025	\$ 2,743,671	3,769,803	5,993,685	16,943,357	186,621	29,637,137

See accompanying notes to consolidated financial statements.

(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, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	2025	2024
Cash flows from (used in) operating activities:		
Profit before income tax	\$ 6,965,570	8,350,928
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	844,454	861,883
Amortization expense	31,350	24,477
Interest expense	65,021	78,287
Interest income	(163,860)	(116,756)
Loss (gain) on disposal of property, plant and equipment	41	(1,313)
Property, plant and equipment transferred to expenses	-	746
Loss (gain) on disposal of non-current assets held for sale	-	(56,697)
Gain on lease modification	-	(334)
Total adjustments to reconcile profit	777,006	790,293
Changes in operating assets and liabilities:		
Decrease (increase) in notes receivable	(67)	2,008
Decrease (increase) in accounts receivable	1,852,076	(1,844,473)
Decrease (increase) in inventories	(409,110)	(1,119,731)
Decrease (increase) in other current assets	(5,458)	(6,630)
Decrease (increase) in other financial assets	(17,958)	113,055
Decrease (increase) in other operating assets	(5,757)	(8,531)
Increase (decrease) in notes payable	18,633	9,790
Increase (decrease) in accounts payable	(178,416)	587,205
Increase (decrease) in other payables	(12,232)	57,559
Increase (decrease) in other current liabilities	(2,236)	114,666
Increase (decrease) in net defined benefit liability	5,056	(16,951)
Total changes in operating assets and liabilities	1,244,531	(2,112,033)
Total adjustments	2,021,537	(1,321,740)
Cash inflow generated from operations	8,987,107	7,029,188
Interest received	150,452	122,367
Interest paid	(75,205)	(70,913)
Income taxes paid	(1,492,269)	(2,360,288)
Net cash flows from (used in) operating activities	7,570,085	4,720,354
Cash flows from (used in) investing activities:		
Proceeds from disposal of non-current assets held for sale	-	82,560
Acquisition of property, plant and equipment	(369,629)	(484,305)
Proceeds from disposal of property, plant and equipment	179	10,641
Increase in refundable deposits	(5,053)	-
Decrease in refundable deposits	-	1,008
Acquisition of intangible assets	(14,300)	(14,194)
Increase in other financial assets	(1,497,783)	(472,406)
Decrease in other non-current assets	20,373	84,899
Net cash flows from (used in) investing activities	(1,866,213)	(791,797)
Cash flows from (used in) financing activities:		
Increase in current borrowings	5,097,689	5,598,612
Decrease in current borrowings	(6,268,930)	(4,483,683)
Repayments of long-term borrowings	-	(562,925)
Increase in guarantee deposits received	-	24
Decrease in guarantee deposits received	(27)	-
Payment of lease liabilities	(18,313)	(23,356)
Cash dividends paid	(4,664,241)	(3,703,956)
Other financing activities	-	256
Net cash flows from (used in) financing activities	(5,853,822)	(3,175,028)
Effect of exchange rate changes on cash and cash equivalents	(58,755)	50,917
Net increase (decrease) in cash and cash equivalents	(208,705)	804,446
Cash and cash equivalents at beginning of period	3,618,179	2,813,733
Cash and cash equivalents at end of period	\$ 3,409,474	3,618,179

See accompanying notes to consolidated financial statements.