Eclat

Code:1476

ECLAT TEXTILE CO., LTD.

Handbook of 2026 Annual General Shareholders' Meeting

May 29, 2026

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

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Eclat Textile Co., Ltd.

2026 Annual General Shareholders' Meeting Agenda

Time: May 29, 2026 (Friday) 9:00 a.m.
Location: Eclat's Hsi-Chou factory, No.39, Sanhao Rd., Houlong Township, Miaoli County, Taiwan.
Method of Convening: Physical Shareholders' Meeting

I Reporting Matters:
1. 2025 Business Report
2. Audit Committee's Review Report on the 2025 Financial Statements
3. 2025 Employees' Remuneration Appropriation
4. Cash Dividend Distribution of 2025 Earnings
5. Sustainability Strategy and Regulations Established in 2025

II Acknowledged Matters:
1. The 2025 Business Report and Financial Statements
2. The 2025 Earnings Distribution Plan

III Extemporary Motions

IV Meeting Adjourned

I. Reporting Matters

1. 2025 Business Report, submitted for review.

(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

2. Audit Committee’s Review Report on the 2025 Financial Statements, submitted for review.

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.

3. 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.

4. 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.

5. 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

II. Acknowledged Matters

Proposal 1 Proposed by the board of directors

Proposal: The 2025 Business Report and Financial Statements.

Explanation:

(1) The 2025 financial statements (including consolidated financial statements) of the Company had been audited by CPA Hui-Chih Kou and CPA Hsin-Yi Kuo of KPMG Taiwan, and audit reports which were capable of appropriately presenting the financial status of the Company were issued.

(2) The financial statements, business report, and profit distribution table were reviewed by the Audit Committee, documented in a written report, and submitted to the board of directors for approval.

(3) Refer to the financial statements at Appendices.

Hereby submitted for ratification.

Resolution:

Proposal 2 Proposed by the board of directors

Proposal: 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.

Hereby submitted for ratification.

Resolution:

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)	5,428,557	
Total amount of net profit after tax and		
other items credited to retained earnings		5,520,365,281
Deduction: Legal reserve		(552,036,528)
Distributable profit for current year		16,391,320,250
Proposed profit distribution items[1]:		
Cash dividends - NT$ 15 per share		(4,115,506,665)
Ending undistributed profit		$ 12,275,813,585

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

[1] The profit of 2025 should be distributed in priority.

III. Extemporary Motions

IV. Meeting Adjourned

APPENDICES

Eclat Textile Co., Ltd.

Articles of Incorporation

Chapter I General Principles

Article 1: The Company shall be incorporated under the Company Act. The English name of "儒鴻企業股份有限公司" shall be "Eclat Textile Co., Ltd."

Article 2: The scope of business of the Company shall be as follows:

1. C301010 Yarn Spinning Mills
2. C302010 Knit Fabric Mills
3. C305010 Printing, Dyeing, and Finishing Mills
4. C306010 Outerwear Knitting Mills
5. C399990 Other Textile Products Manufacturing
6. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: The reinvestment amount of the Company in other enterprises may exceed the limit of forty percent of the paid-in capital specified in the Company Act. The Board of Directors is authorized to make resolution on the actual amount.

Article 4: The Company may provide endorsements and guarantees to the external depending upon the business needs. The operation procedure thereof shall be handled according to the Endorsement and Guarantee Policies of the Company.

Article 5: The Company shall have its head office in New Taipei City, and when it is determined to be necessary, branch offices may be established domestically or overseas.

Article 6: (Deleted)

Chapter 2 Shares

Article 7: The total capital of the Company shall be in the amount of NTD 3,000,000,000, divided into 300,000,000 shares, at NTD 10 per share, which may be issued at discrete times, and the unissued shares may be issued in stages as authorized by the Board of Directors.

Article 8: The shares of the Company shall be registered, which shall be signed or sealed by the Directors on behalf of the Company, and the shares shall be certified with the signatures by the authorized bank for the issuance thereof.

Article 9: For the shares issued by the Company, the printing of share certificates may be exempted; however, they shall be registered with the Centralized Securities Depository Enterprises.

Article 10: Shareholders of the Company performing shareholder services of share transfer, creation of rights and pledges, reporting of loss, inheritance, gift and chop loss/change or address change etc. and the exercising all of the rights of shareholders, unless the laws and securities regulations specify otherwise, shall be handled according to the "Regulations Governing the Administration of Shareholder Services of Public Companies".

Article 11: Deleted.

Article 12: Deleted.

Article 13: Deleted.

Article 14: Any change and transfer registration of shares shall be prohibited within 60 days prior to the ordinary shareholders' meeting, 30 days prior to the extraordinary shareholders' meeting, or 5 days prior to the record date for the distribution of dividends and bonuses or other interests by the Company.

Chapter 3 Shareholders' Meeting

Article 15: The shareholders' meeting is divided into two types of the ordinary shareholder's meeting and the extraordinary shareholders' meeting:

1. Ordinary shareholders' meeting shall be convened within six months after the end of each fiscal year.
2. Extraordinary shareholders' meeting shall be convened when there is an important event and considered necessary by the Board of Directors or shall be convened upon the request of shareholders according to the regulations of the Company Act.

The shareholders' meeting can be held by means of visual communication network or other methods promulgated by the central competent authority.

In case a shareholders' meeting is proceeded via visual communication network, the shareholders taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.

Article 16: 30 days prior to the convention of an ordinary shareholders' meeting and

15 days prior to the convention of an extraordinary shareholders' meeting, a notice indicating the date, location of the meeting and the reason of convention shall be issued to each shareholder in writing or may be informed via electronic method upon the consent of the counterparty; provided that for shareholders with the holding of less than 1,000 shares, announcement method may be adopted.

Article 17: Except where the Company Act and relevant laws specify restrictions or conditions without voting rights, each shareholder shall have one voting right for each share held. Unless otherwise specified in the Company Act, the convention of a shareholders' meeting shall be attended by a majority of the shareholders representing more than half of the total number of the Company's outstanding shares, and a resolution of the shareholders' meeting shall be executed based on the consents of a majority of the voting rights of attending shareholders.

Article 18: (deleted).

Article 19: A shareholder may appoint a proxy to attend a shareholders' meeting on his/her/its behalf by executing a power of attorney 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 Use of Proxies for Attendance at Shareholder Meetings of Public Companies" announced by the competent authority.

Article 20: Shareholders' meeting shall be convened by the Board of Directors' meeting, and the Chairman shall be the chairperson of the shareholders' meetings. In case where the Chairman is absent due to reasons, the vice chairman shall act on his behalf. In case there is no vice chairman, or the vice chairman is also on leave or absent or unable to exercise his power and authority for any cause, the Chairman may designate one director to act as a proxy thereof. In case where no designation of proxy is made, the Board of Directors shall elect one director to act as the chairperson. Where a shareholders' meeting is convened by other party with the convening power, such party shall act as the chairperson of the shareholders' meeting. Shareholders' meeting shall be convened according to the Rules of Procedure for Shareholders' Meeting of the Company.

Article 21: Resolutions made in a shareholders' meeting shall be recorded in the meeting minutes and shall be prepared, preserved and issued to all shareholders according to Article 183 of the Company Act.

Chapter 4 Director and Managerial Personnel

Article 22: The Company shall have eleven to thirteen directors. The election of the directors of the Company shall adopt the candidate nomination system prescribed in Article 192-1 of the Company Act, and directors shall be elected by the shareholders' meeting from the candidate roster announced by the Company. Required compliance matters shall be handled according to relevant laws. The total number of registered shares held by all of the directors shall not be less than the percentage specified by the competent authority according to the laws.

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

Independent and non-independent directors shall be elected at the same time, but in separately calculated numbers.

Article 23: The term of office of a director is three years, and he/she may be eligible for re-election. Unless otherwise specified in the Company Act, in case where no election of new Directors is effected after expiration of the term of office of existing directors, the term of office of out-going Directors shall be extended until the time new Directors have been elected and assumed their office.

The Company establishes the "Audit Committee" according to Article 14-4 of the Securities and Exchange Act. The audit committee shall be composed of the entire number of independent directors.

The number and term of office of audit committee members, powers of the audit committee, and the rules of procedure for meetings of the audit committee shall be handled according to the "Regulations Governing the Exercise of Powers by Audit Committees of Public Companies", and shall be further specified in the audit committee charter.

The Company might establish other functional committees under the Board, the numbers, terms of office, and powers of committee members etc, shall be included in organizational charter to be approved by the board of directors.

Article 24: When the number of vacancies of directors reaches one third or when all of the independent directors are discharged, the Board of Directors shall convene an extraordinary shareholders' meeting within sixty days to fill the vacancies, and the term of office thereof shall be limited to fulfill the unexpired term of office of the predecessor.

Article 25: When the directors are performing duties, regardless of the operating loss or profit of the Company, the Company may pay remuneration for the performance of duties, and the remuneration is authorized to the Board of Directors to make a determination based on their participation level and value of contribution to the operation of the Company along with the consideration of the standard adopted in the same industry.

Article 26: The Board of Directors organizing the Board of Directors' meeting shall exercise the authorities of the directors according to the laws, and shall be attended by more than two-thirds of the directors along with the consents of the majority of the attending directors in order to elect a Chairman among the directors, may also elect in the same manner a vice chairman of the board.

Article 27: Except that the first board of directors' meeting of each session shall be convened according to the Company Act, board of director's meetings shall be convened by the Chairman. Unless otherwise specified in the Company Act, resolutions of Board of Directors' meeting shall be executed based on the attendance of a majority of Directors and the consents of more than half of the attending Directors.

The notice for the convention of Board of Directors' meeting of the Company may be made in writing, e-mail or facsimile method.

Article 28: Unless otherwise specified in the Company Act, Board of Directors' meetings shall be attended by a majority of the directors. In case where a director cannot attend the meeting due to reasons, he or she may appoint another director to act as a proxy for attending the Board of Directors' meeting on his or her behalf, by presenting a power of attorney indicating the authorization scope of the convention; provided that such appointment shall be limited to one director only. Resolutions of the Board of Directors' meeting shall be executed based on the consent of a majority of the attending directors, and resolution records shall be made and shall be signed and sealed by the chairperson for preservation. Where a Board of Directors' meeting is held as a video conference, the directors attending the meeting through video conference shall be deemed to have attended to the meeting in person.

Article 29: (Deleted)

Article 30: (Deleted)

Article 31: According to the indemnification liabilities required to be borne under the laws within the scope of duties of all of the directors within their term of office, the Company shall purchase liability insurances for the directors in order to reduce and diversify the damage risks of all of the directors, the Company and the shareholders. The Board of Directors is authorized to have the full authority to handle matters related to the application of liability insurances for all of the directors.

Article 32: The Company may have managerial personnel, and the appointment, discharge and remuneration thereof shall be handled according to Article 29 of the Company Act. Within the scope of authorization, the managerial personnel are empowered to manage affairs and signature for the Company, and the Board of Directors shall establish relevant scope of authorization and authorization regulations.

Article 33: The President of the Company shall handle daily affairs of the Company according to the resolutions of the Board of Directors’ meeting.

Article 34: Deleted

Chapter 5 Accounting

Article 35: The accounting fiscal year of the Company shall start from January 1 to December 31, and settlement shall be performed at the end of each fiscal year.

Article 36: The Board of Directors shall prepare the business report, financial statement and proposal on distribution of surplus earnings or loss of-setting according to the Company Act at the end of each fiscal year, and shall submit to the Audit Committee for auditing thirty days prior to the convention of ordinary shareholders’ meeting, in order to issue a report for submission to the shareholders’ meeting for approval.

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 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.

Article 37-1: Where the Company has a profit in current year, when allocating its surplus profits after having paid all taxes and dues, shall first set aside ten percent of said profits as legal reserve. Where such legal reserve amounts to the total paid-in capital, this provision may be exempted. Aside from the aforesaid legal reserve, the company may, under its Articles of Incorporation or by resolution of the meeting of shareholders, set aside another sum as special reserve, along with the undistributed earnings at the beginning. When the board of directors establishes the earnings distribution proposal and the method of distribution in cash is to be adopted, according to Paragraph 5 of Article 240 of the Company Act, the board of directors is authorized to distribute the distributable dividends and bonuses in whole or in part in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition, a report of such distribution shall be submitted to the shareholders' meeting; when it is to be distributed in the form of new shares, it shall be submitted to the shareholders' meeting for resolution before the distribution.

According to the provision of Article 241 of the Company Act, the legal reserve and the capital reserve, in whole or in part, are distributed in the form of new shares or cash; when the form of cash is adopted, distribution shall be made based on the resolution of a board of directors' meeting attended by more than two-thirds of directors with a majority of voting rights of the attending directors, which shall also be reported to the shareholders' meeting; when the distribution is made by issuing new shares, it shall be submitted to the shareholders' meeting for resolution before distribution.

The present industrial development of the Company is at the growing stage, and there are plans for expansion of production lines and fund demands. Consequently, during the distribution of surplus earnings, the Board of Directors shall consider the investment plan, financial structure, future fund demand and profit status of the Company, and under the consideration that there are no other special conditions, it shall not be lower than 50% of the net income of the current year after the deduction of the compensation loss according to the paragraph I under this Article, for the Board of Directors to submit proposal to the shareholders' meeting for resolution before the execution thereof. However, cash dividends shall account for no less than 20% of the total dividends distributed.

Article 38: (Deleted)

Chapter 6 Supplementary Provisions

Article 39: For any matters not specified in this Article of Incorporation, such matters shall be handled according to the regulations of the Company Act.

Article 40: These Articles of Incorporation shall become effective after the resolution of the shareholders' meeting, and the same requirement shall be applied to the amendment thereof.

Article 41: These Articles of Incorporation were established on November 10, 1977.

The first amendment was made on August 21, 1981.
The second amendment was made on February 27, 1985.
The third amendment was made on October 23, 1987.
The fourth amendment was made on June 27, 1988.
The fifth amendment was made on July 23, 1988.
The sixth amendment was made on July 18, 1990.
The seventh amendment was made on October 1, 1991.
The eighth amendment was made on January 20, 1992.
The ninth amendment was made on September 15, 1992.
The tenth amendment was made on September 29, 1992.
The eleventh amendment was made on June 21, 1995.
The twelfth amendment was made on May 12, 1997.
The thirteenth amendment was made on August 16, 1997.
The fourteenth amendment was made on June 25, 1998.
The fifteenth amendment was made on May 26, 2000.
The sixteenth amendment was made on May 25, 2001.
The seventeenth amendment was made on June 10, 2002.
The eighteenth amendment was made on June 7, 2004.
The nineteenth amendment was made on June 6, 2005.
The twentieth amendment was made on June 14, 2006.
The twenty-first amendment was made on June 15, 2010.
The twenty-second amendment was made on June 18, 2012.
The twenty-third amendment was made on June 17, 2014.

The twenty-fourth amendment was made on June 24, 2015.
The twenty-fifth amendment was made on June 21, 2016.
The twenty-sixth amendment was made on June 18, 2019.
The twenty-seventh amendment was made on June 18, 2020.
The twenty-eighth amendment was made on June 14, 2022.
The twenty-ninth amendment was made on June 15, 2023.
The thirtieth amendment was made on June 13, 2025.

Eclat Textile Co., Ltd.

Rules Governing the Procedures for Shareholders’ Meetings

1. To establish an excellent shareholders' meeting governance system, sound supervisory function and enhance the management performance of the Company, the Company establishes these rules according to the Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies as the basis for compliance.
2. The rules of procedures for the Company’s shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

   The Company shall specify the shareholder, solicitor, and proxy agent. (collectively, "shareholders") in meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.

   The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For virtual shareholders’ meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attending the shareholders’ meeting in person.
3. Unless otherwise provided by law or regulation, the Company’s shareholders meetings shall be convened by the board of directors.

   Unless otherwise provided in “Regulations Governing the Administration of Shareholder Services of Public Companies”, a company that will convene a shareholders' meeting with video conferencing shall expressly provide for such meetings in its Articles of Incorporation and obtain a resolution of its board of directors. Furthermore, convening of a virtual-only shareholders' meeting shall require a resolution adopted by a majority vote at a meeting of the board of directors attended by at least two-thirds of the total number of directors.

   Changes to how the Company convenes its shareholders’ meeting shall be resolved by the board of directors, and shall be made no later than the mailing of the shareholders’ meeting notice.

   For the convention of an ordinary shareholders’ meeting, meeting agenda book shall be prepared and notices shall be sent to all shareholders thirty days before the convention of the meeting, and for shareholders holding less than 1,000 registered shares, the announcement method of uploading onto the Market Observation Post System (MOPS) may be adopted 30 days before the convention of the meeting. For the convention of an extraordinary shareholders' meeting, notices shall be sent to all shareholders 15 days before the convention of the meeting, and for shareholders holding less than 1,000 registered shares, the announcement method of uploading onto the MOPS may be adopted 15 days before the convention of the meeting. If, however, this Corporation has the paid-in capital of NT$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders meeting.

The Company shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders' meeting:

I. For physical shareholders' meetings, to be distributed on-site at the meeting.

II. For hybrid shareholders' meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.

III. For virtual-only shareholders' meetings, electronic files shall be shared on the virtual meeting platform.

The notice and announcement shall describe the reason of convention. Where the consent of the counterparty of the notice is obtained, an electronic method may be adopted.

Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the Company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, and the matters described as the Article 26-1 and 43-6 of the Securities and Exchange Act, the Article 56-1and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.

The reason of convention of shareholders' meeting has indicated the re-election of directors, and the date of assuming the position is also indicated. After the re-election is completed in such session of shareholder's meeting, the date of assuming the position shall not be changed through extempore motion or other methods.

A shareholder holding 1 percent or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. Nevertheless, shareholders may raise an advisory proposal for the purpose of promoting the Company to improve the public interest or to fulfill the corporate social responsibility, where should follow comply with the Article 172-1, of the "Company Act". Such proposals are limited to one matter, and in case a proposal contains more than one matter, such proposal shall not be included in the agenda.

Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce that it will receive shareholder proposals by written or electronic, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda book. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

4. The attending shareholders may hand in a sign-in card in lieu of signing in.

The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished. Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting.

When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

In the event of a virtual shareholders' meeting, shareholders wishing to attend the meeting online shall register with the Company two days before the meeting date.

In the event of a virtual shareholders' meeting, the Company shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

4-1 To convene a virtual shareholders' meeting, the Company shall include the following particulars in the shareholders' meeting notice:

I. How shareholders attend the virtual meeting and exercise their rights.

II. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:

(I) To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.

(II) Shareholders not having registered to attend the affected virtual shareholders' meeting shall not attend the postponed or resumed session.

(III) In case of a hybrid shareholders' meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders' meeting online, meets the minimum legal requirement for a shareholders' meeting, then the meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on the meeting agenda of that shareholders' meeting.

(IV) Actions to be taken if the outcome of all proposals has been announced and an extraordinary motion has not been carried out.

III. To convene a virtual-only shareholders' meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online shall be specified. Except in the circumstances set out in "Regulations Governing the Administration of Shareholder Services of Public Companies" Article 44-9, paragraph 6, it shall at least provide the shareholders with connection facilities and necessary assistance, and specify the period during which shareholders may apply to the company and other related matters requiring attention.

5. Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book, sign-in cards and the shares checked in on the virtual meeting platform plus the number of shares whose voting rights are exercised by correspondence or electronically.

   Voting at a shareholders meeting shall be calculated based the number of shares. With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

   When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder. The number of shares for which voting rights may not be exercised shall not be calculated as part of the voting rights represented by attending shareholders.

   With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3 percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

6. The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

   The restrictions on the place of the meeting shall not apply when the Company convenes a virtual-only shareholders' meeting.

7. If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairman of the board. When the chairman of

the board is on leave or for any reason unable to exercise the powers of the chairman, the vice chairman shall act in place of the chairman. If there is no vice chairman or the vice chairman also is on leave or for any reason unable to exercise the powers of the vice chairman, the chairman shall appoint one of the managing directors to act as chairman, or, if there are no managing directors, one of the directors shall be appointed to act as the chairman. Where the chairman does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as the chairman.

It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors, at least one independent director in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

8. Attorneys, certified public accountants, or related persons appointed by the Company may attend a shareholders meeting.

Personnel handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.

9. The Company shall make video record of the registration procedure and make an uninterrupted audio and video recording of the proceedings of the shareholders meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Where a shareholders' meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

10. The chair shall call the meeting to order at the appointed meeting time,

meanwhile announcing the relevant information regarding non-voting shares and the number of shares in attendance.

However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders' meeting, the Company shall also declare the meeting adjourned on the virtual meeting platform.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within 1 month. In the event of a virtual shareholders' meeting, shareholders intending to attend the meeting online shall re-register to the Company in accordance with Article 4.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

11. If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. All the discussion matters should be voted. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs, except by a resolution of the shareholders meeting.

If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

12. Before speaking, an attending shareholder must specify on a speaker's slip

the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.

13. Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes.

If the shareholder's speech violates the above provisions or exceeds the scope of the agenda item, the chair may prevent the shareholder from doing so.

When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

Where a virtual shareholders' meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declares the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations specified in Article 12 and Paragraph 1 to Paragraph 3 of Article 13 do not apply.

As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.

14. After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

15. The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote, arrange adequate time for vote as well.

16. The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors, the numbers of votes with which they were elected, and the list of directors candidate who are not elected and the number of election rights obtained.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. However, where a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the files shall be retained until the conclusion of the litigation.

17. Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company. Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

18. When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items on the meeting agenda book have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders meeting to defer or resume the meeting within 5 days in accordance with Article 182 of the Company Act.

19. A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

When the Company holds a shareholders meeting, it should allow the shareholders to exercise voting rights by electronic and correspondence means. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company before 2 days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before 2 business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

After a proxy form is delivered to the Company, a shareholder wishes attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to the Company two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Except as otherwise provided in the Company Act and in the Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

When the Company convenes a virtual shareholders' meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.

In the event of a virtual shareholders' meeting, votes shall be counted at once after the chair announces the voting session ends, and the results of votes and elections shall be announced immediately.

When the Company convenes a hybrid shareholders' meeting, if shareholders who have registered to attend the meeting online in accordance with Article 4 decide to attend the physical shareholders' meeting in person, they shall revoke their registration two days before the shareholders' meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders' meeting online.

When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders' meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

20. When there is an amendment or alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

21. On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders' meeting. In the event of a virtual shareholders' meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

During the Company's virtual shareholders' meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes are released during the meeting.

22. The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help

maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

23. Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the numbers of votes). The Company shall disclose the voting numbers of each candidate, which shall be retained for the duration of the existence of the Company.

Where a virtual shareholders' meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders' meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of a disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

When convening a virtual-only shareholders' meeting, other than compliance with the requirements in the preceding paragraph, the Company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders' meeting online.

24. In the event of a virtual shareholders' meeting, the Company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced

the meeting adjourned.

25. When the Company convenes a virtual-only shareholders' meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.

26. In the event of a virtual shareholders' meeting, when declaring the meeting open, the chair shall also declare, unless, under a circumstance where a meeting is not required to be postponed to or resumed at another time under Paragraph 4 of Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

For a meeting to be postponed or resumed, as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders' meeting online shall not attend the postponed or resumed session.

For a meeting to be postponed or resumed under Paragraph 1, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders' meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders' meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.

During a postponed or resumed session of a shareholders' meeting held under Paragraph 1, no further discussion or resolution is required for proposals for which votes have been cast and counted and results or ..

When the Company convenes a hybrid shareholders' meeting, and the virtual meeting cannot continue as described in Paragraph 1, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders' meeting online, still meets the minimum legal requirement for a shareholders' meeting, then the shareholders' meeting shall continue, and not postponement or resumption thereof under Paragraph 1 is required.

Under the circumstances where a meeting should continue as in the preceding Paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders' meeting.

When postponing or resuming a meeting according to Paragraph 1, the Company shall handle the preparatory work based on the date of the original shareholders' meeting in accordance with the requirements listed under Paragraph 7 of Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For dates or period set forth under the second half of Article 12 and Paragraph 3 of Article 13 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Paragraph 2 of Article 44-5, Article 44-15, and Paragraph 1 of Article 44-17 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall handle the matter based on the date of the shareholders' meeting that is postponed or resumed under Paragraph 1.

27. When convening a virtual-only shareholders' meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online. Except in the circumstances set out in "Regulations Governing the Administration of Shareholder Services of Public Companies" Article 44-9, paragraph 6, it shall at least provide the shareholders with connection facilities and necessary assistance, and specify the period during which shareholders may apply to the company and other related matters requiring attention.

28. These Rules, and any amendments hereto, shall be implemented after adoption by shareholders meetings.

These Rules were first amended on June 14, 2006.
These Rules were second amended on June 18, 2012.
These Rules were third amended on June 24, 2015.
These Rules were fourth amended on June 18, 2020.
These Rules were fifth amended on August 12, 2021.
These Rules were sixth amended on June 14, 2022.
These Rules were seventh amended on June 12, 2024.

Eclat Textile Co., Ltd.

Shareholdings of All Directors

As of March 31, 2026

Title	Name	Shareholding	
		Share	%
Chairman	Shu-Wen Wang	21,000	0.01%
Vice Chairman	Kun-Tang Chen	388,864	0.14%
Director	Jui-Ting Hung	4,218,746	1.54%
Director	Bei-Yu Limited Company	8,000	0.00%
Director	Xin-xin Limited Company.	3,000	0.00%
Director	Pat-Huang Su	0	0.00%
Director	Yih-Yuan Investment Corp. (Rep. Kuo-Sung Hsieh)	25,790,335	9.40%
Director	Jiann-Jong Chiu	0	0.00%
	Subtotal	30,429,945	11.09%
Independent Director	Cheng-Ping Yu	0	0.00%
Independent Director	Nai-Ming Liu	0	0.00%
Independent Director	Chiu-Chun Lai	0	0.00%
Independent Director	Tian-Wei Shi	0	0.00%
Independent Director	Xiao-Kai Chen	0	0.00%
	Subtotal	**0**	**0.00%**

The total shares issued as of March 31, 2026 were 274,367,111 common shares.
Note: Directors are required to hold in the aggregate not less than 12,000,000 shares. March 31, 2026, the holding shares of Directors were 30,429,945 shares.

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 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 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

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)

	Assets	December 31, 2025 Amount	%	December 31, 2024 Amount	%
	Current assets:				
1100	Cash and cash equivalents (note 6(a))	$ 1,336,510	4	2,345,771	7
1150	Notes receivable (note 6(b))	17,518	-	17,451	-
1170	Accounts receivable, net (note 6(b))	3,073,829	9	6,532,032	20
1200	Other receivables (note 6(c))	1,648,219	5	15,060	-
1210	Other receivables due from related parties (note 7)	-	-	395,323	1
1310	Inventories, net (note 6(d))	5,096,417	15	4,629,889	14
1470	Other current assets (note 6(i))	6,692,660	19	5,143,481	15
	Total current assets	17,865,153	52	19,079,007	57
	Non-current assets:				
1550	Investments accounted for using equity method (note 6(e))	8,130,638	24	5,870,964	17
1600	Property, plant and equipment (notes 6(f) and 7)	7,341,438	21	7,625,430	23
1755	Right-of-use assets (note 6(g))	28,390	-	23,884	-
1760	Investment property, net (note 6(h))	743,211	2	752,694	2
1780	Intangible assets	9,061	-	12,789	-
1840	Deferred tax assets (note 6(n))	14,235	-	13,222	-
1975	Net defined benefit asset, non-current (note 6(m))	176,607	1	163,930	1
1990	Other non-current assets, others (note 6(i))	10,355	-	12,067	-
	Total non-current assets	16,453,935	48	14,474,980	43
	Total assets	**$ 34,319,088**	**100**	**33,553,987**	**100**

	Liabilities and Equity	December 31, 2025 Amount	%	December 31, 2024 Amount	%
	Current liabilities:				
2100	Short-term borrowings (notes 6(j)(t))	$ 220,010	1	-	-
2150	Notes payable (note 6(t))	118,726	1	100,093	-
2170	Accounts payable (note 6(t))	1,810,983	5	1,900,560	6
2180	Accounts payable to related parties (notes 6(t) and 7)	367,124	1	354,429	1
2200	Other payables (notes 6(m)(r))	1,013,940	3	1,006,448	3
2230	Current tax liabilities	757,993	2	831,705	2
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 liabilities	4,610,329	14	4,514,675	13
	Non-current liabilities:				
2570	Deferred tax liabilities (note 6(n))	52,486	-	100,443	1
2580	Non-current lease liabilities (notes 6(k)(t))	12,694	-	10,739	-
2645	Guarantee deposits received	6,442	-	6,469	-
	Total non-current liabilities	71,622	-	117,651	1
	Total liabilities	4,681,951	14	4,632,326	14
	Equity (notes 6(o) and(v)):				
3110	Ordinary shares	2,743,671	8	2,743,671	8
3200	Capital surplus	3,769,803	11	3,769,803	11
	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 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	Total 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	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
Profit	-	-	-	5,514,937	5,514,937	-	5,514,937
Other comprehensive income (loss)	-	-	-	5,429	5,429	(140,649)	(135,220)
Total comprehensive income (loss)	-	-	-	5,520,366	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)	-	(4,664,241)
Balance at December 31, 2025	**$ 2,743,671**	**3,769,803**	**5,993,685**	**16,943,357**	**22,937,042**	**186,621**	**29,637,137**

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)

	2025	2024
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, plan 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	(68,118)	(131,913)
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	1,260,422	(2,066,364)
Total adjustments	1,192,304	(2,198,277)
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	(1,447,084)	(2,281,078)
Net cash flows from operating activities	6,752,121	3,955,332
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	(3,300,211)	45,814
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	(4,461,171)	(3,724,187)
Net increase (decrease) in cash and cash equivalents	(1,009,261)	276,959
Cash and cash equivalents at beginning of period	2,345,771	2,068,812
Cash and cash equivalents at end of period	**$ 1,336,510**	**2,345,771**

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.

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

ECLAT TEXTILE CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	Assets	December 31, 2025 Amount	%	December 31, 2024 Amount	%
	Current assets:				
1100	Cash and cash equivalents (note 6(a))	$ 3,409,474	10	3,618,179	10
1150	Notes receivable (note 6(b))	17,518	-	17,451	-
1170	Accounts receivable, net (note 6(b))	3,079,117	9	6,535,797	18
1200	Other receivables (note 6(c))	1,667,279	5	31,308	-
1220	Current tax assets	24	-	71	-
1310	Inventories, net (note 6(d))	5,931,258	17	5,521,849	16
1470	Other current assets (notes 6(h) and 8)	7,262,405	20	5,783,367	16
	Total current assets	21,367,075	61	21,508,022	60
	Non-current assets:				
1550	Investments accounted for using equity method	-	-	-	-
1600	Property, plant and equipment (notes 6(e) and 7)	12,323,370	35	12,993,610	36
1755	Right-of-use assets (note 6(f))	68,178	-	67,263	-
1760	Investment property, net (note 6(g))	743,211	2	752,694	2
1780	Intangible assets	20,016	-	26,838	-
1840	Deferred tax assets (note 6(m))	14,235	-	13,222	-
1975	Net defined benefit asset, non-current (note 6(l))	176,607	1	163,930	1
1990	Other non-current assets, others (note 6(h))	324,221	1	339,541	1
	Total non-current assets	13,669,838	39	14,357,098	40
	Total assets	**$ 35,036,913**	**100**	**35,865,120**	**100**

	Liabilities and Equity	December 31, 2025 Amount	%	December 31, 2024 Amount	%
	Current liabilities:				
2100	Current borrowings (notes 6(i) and (s))	$ 547,353	2	1,804,322	5
2150	Notes payable (note 6(s))	118,726	-	100,093	-
2170	Accounts payable (note 6(s))	1,984,638	6	2,163,054	6
2200	Other payables (notes 6(l) and (q))	1,506,043	4	1,516,604	4
2230	Current tax liabilities	778,947	2	855,720	3
2280	Current lease liabilities (notes 6(j) and (s))	15,689	-	13,358	-
2399	Other current liabilities, others	311,469	1	313,705	1
	Total current liabilities	5,262,865	15	6,766,856	19
	Non-current liabilities:				
2570	Deferred tax liabilities (note 6(m))	58,304	-	103,078	-
2580	Non-current lease liabilities (notes 6(j) and (s))	56,190	-	57,628	-
2640	Net defined benefit liability, non-current (note 6(l))	15,975	-	9,428	-
2645	Guarantee deposits received	6,442	-	6,469	-
	Total non-current liabilities	136,911	-	176,603	-
	Total liabilities	5,399,776	15	6,943,459	19
	Equity (notes 6(n) and (u))				
3110	Ordinary shares	2,743,671	8	2,743,671	8
3200	Capital surplus	3,769,803	11	3,769,803	11
	Retained earnings:				
3310	Legal reserve	5,993,685	17	5,326,981	15
3350	Unappropriated retained earnings	16,943,357	48	16,753,936	46
	Total retained earnings	22,937,042	65	22,080,917	61
3490	Other equity, others	186,621	1	327,270	1
	Total equity	29,637,137	85	28,921,661	81
	Total liabilities and equity	**$ 35,036,913**	**100**	**35,865,120**	**100**

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 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)**	27,108,151	71	25,459,513	69
	Gross profit from operations	10,881,600	29	11,368,986	31
	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	175,775	1	171,460	1
	Total operating expenses	3,789,680	10	3,613,561	10
	Net operating income	7,091,920	19	7,755,425	21
	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	163,860	-	116,756	-
	Total non-operating income and expenses	(126,350)	(1)	595,503	2
7900	**Profit before income tax**	6,965,570	18	8,350,928	23
7950	**Less: Income tax expenses (note 6(m))**	1,450,633	3	1,710,076	5
8200	**Profit (note 6(u))**	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	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	-	-	-	-
	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(m))	(36,102)	-	71,936	-
	Total items that will be reclassified to profit or loss (note 6(n))	(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 (in dollars) (note 6(o))				
9750	**Basic earnings per share**	**$ 20.10**		**24.20**	
9850	**Diluted earnings per share**	**$ 20.09**		**24.20**	

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)

	Ordinary share	Capital surplus	Retained Earnings			Other Equity	
			Legal reserve	Unappropriated retained earnings	Total 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	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
Profit	-	-	-	5,514,937	5,514,937	-	5,514,937
Other comprehensive income (loss)	-	-	-	5,429	5,429	(140,649)	(135,220)
Total comprehensive income (loss)	-	-	-	5,520,366	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)	-	(4,664,241)
Balance at December 31, 2025	**$ 2,743,671**	**3,769,803**	**5,993,685**	**16,943,357**	**22,937,042**	**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.

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