Stock Code: 1476

ECLAT TEXTILE CO., LTD.
AND SUBSIDIARIES

Consolidated Financial Statements

With Independent Auditors' Review Report
For the Three Months Ended March 31, 2026 and 2025

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

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Independent Auditors' Review Report

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

Introduction

We have reviewed the accompanying consolidated balance sheets of Eclat Textile Co., Ltd. (the "Company") and its subsidiaries (together referred to as the "Group") as of March 31, 2026 and 2025, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 2026 and 2025, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standards ("IASs") 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with the Standard on Review Engagements 2410, " Review of Financial Information Performed by the Independent Auditor of the Entity"of the Republic of China. A review of the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing of the Republic of China and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As stated in note 4(b), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect total assets amounting to $1,165,973 thousand and $1,207,555 thousand, constituting 3.16% and 3.23% of the total consolidated assets as of March 31, 2026 and 2025, respectively, total liabilities amounting to $451,937 thousand and $529,471 thousand, constituting 4.83% and 4.67% of the total consolidated liabilities as of March 31, 2026 and 2025, respectively. Also, the total comprehensive loss amounting to $383,269 thousand and $420,720 thousand, constituting (19.34)% and (23.97)% of the total consolidated comprehensive income for the three months ended March 31, 2026 and 2025, respectively.

Qualified Conclusion

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2026 and 2025, and of its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2026 and 2025 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the review resulting in this independent auditors' review report are Hsin-Yi Kuo and Jhao-Wun Jhang.

KPMG

Taipei, Taiwan (Republic of China)
May 7, 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 review such consolidated financial statements are those generally accepted and applied in the Republic of China.

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

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

ECLAT TEXTILE CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

March 31, 2026, December 31, 2025, and March 31, 2025

(Expressed in Thousands of New Taiwan Dollars)

		March 31, 2026		December 31, 2025		March 31, 2025	
	Assets	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current assets:						
1100	Cash and cash equivalents (note 6(a))	$ 2,958,067	8	3,409,474	10	3,032,203	8
1150	Notes receivable (note 6(b))	12,837	-	17,518	-	13,641	-
1170	Accounts receivable, net (note 6(b))	3,493,729	9	3,079,117	9	6,512,715	18
1200	Other receivables (note 6(c))	784,158	2	1,667,279	5	145,022	-
1220	Current tax assets	191	-	24	-	-	-
1310	Inventories, net (note 6(d))	6,203,632	17	5,931,258	17	6,024,920	16
1470	Other current assets (notes 6(g) and 8)	9,796,585	27	7,262,405	20	7,278,733	20
	Total current assets	23,249,199	63	21,367,075	61	23,007,234	62
	Non-current assets:						
1550	Investments accounted for using equity method	-	-	-	-	-	-
1600	Property, plant and equipment (notes 6(e) and 7)	12,270,758	33	12,323,370	35	12,921,619	35
1755	Right-of-use assets	67,598	-	68,178	-	66,852	-
1760	Investment property, net (note 6(f))	740,838	2	743,211	2	750,323	2
1780	Intangible assets	23,277	-	20,016	-	31,380	-
1840	Deferred tax assets	14,235	-	14,235	-	13,222	-
1975	Net defined benefit asset, non-current	177,998	1	176,607	1	165,319	-
1990	Other non-current assets, others (note 6(g))	320,746	1	324,221	1	389,640	1
	Total non-current assets	13,615,450	37	13,669,838	39	14,338,355	38
	Total assets	**$ 36,864,649**	**100**	**35,036,913**	**100**	**37,345,589**	**100**

		March 31, 2026		December 31, 2025		March 31, 2025	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current liabilities:						
2100	Current borrowings (notes 6(h) and (p))	$ 280,436	1	547,353	2	1,537,890	4
2150	Notes payable (note 6(p))	119,604	-	118,726	-	122,724	-
2170	Accounts payable (note 6(p))	2,202,704	6	1,984,638	6	2,285,136	6
2200	Other payables (notes 6(i) and (n))	5,076,843	14	1,506,043	4	5,609,131	15
2230	Current tax liabilities	1,210,215	3	778,947	2	1,229,707	4
2280	Current lease liabilities (note (p))	17,983	-	15,689	-	12,975	-
2399	Other current liabilities, others	306,854	1	311,469	1	356,816	1
	Total current liabilities	9,214,639	25	5,262,865	15	11,154,379	30
	Non-current liabilities:						
2570	Deferred tax liabilities	59,202	-	58,304	-	103,112	-
2580	Non-current lease liabilities (note (p))	55,259	-	56,190	-	57,747	-
2640	Net defined benefit liability, non-current	17,728	-	15,975	-	10,936	-
2645	Guarantee deposits received	14,159	-	6,442	-	6,477	-
	Total non-current liabilities	146,348	-	136,911	-	178,272	-
	Total liabilities	9,360,987	25	5,399,776	15	11,332,651	30
	Equity (note 6(k))						
3110	Ordinary shares	2,743,671	8	2,743,671	8	2,743,671	8
3200	Capital surplus	3,769,803	10	3,769,803	11	3,769,803	10
	Retained earnings:						
3310	Legal reserve	5,993,685	16	5,993,685	17	5,326,981	14
3350	Unappropriated retained earnings	14,662,366	40	16,943,357	48	13,769,084	37
	Total retained earnings	20,656,051	56	22,937,042	65	19,096,065	51
3490	Other equity, others	334,137	1	186,621	1	403,399	1
	Total equity	27,503,662	75	29,637,137	85	26,012,938	70
	Total liabilities and equity	**$ 36,864,649**	**100**	**35,036,913**	**100**	**37,345,589**	**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 Three Months Ended March 31, 2026 and 2025

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

		2026		2025	
		Amount	%	Amount	%
4000	**Operating revenue (note 6(m))**	$ 9,621,070	100	9,374,606	100
5000	**Operating costs (notes 6(d), (e), (i), (n) and 12)**	6,526,334	68	6,543,209	70
	Gross profit from operations	3,094,736	32	2,831,397	30
	Operating expenses (notes 6(e), (f), (i), (n), 7 and 12):				
6100	Selling expenses	446,573	5	418,534	5
6200	Administrative expenses	408,828	4	398,913	4
6300	Research and development expenses	44,422	-	38,592	-
	Total operating expenses	899,823	9	856,039	9
	Net operating income	2,194,913	23	1,975,358	21
	Non-operating income and expenses (notes 6(e), (o), 7 and 12):				
7010	Other income	8,148	-	8,106	-
7020	Other gains and losses, net	66,632	1	107,029	1
7050	Finance costs	(19,771)	-	(26,384)	-
7100	Interest income	40,767	-	22,979	-
	Total non-operating income and expenses	95,776	1	111,730	1
7900	**Profit before income tax**	2,290,689	24	2,087,088	22
7950	**Less: Income tax expenses (note 6(j))**	456,173	5	407,699	4
8200	**Profit**	1,834,516	19	1,679,389	18
8300	**Other comprehensive income:**				
8360	**Items that may be reclassified subsequently to profit or loss:**				
8361	Exchange differences on translation	147,516	2	76,129	1
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Total items that will be reclassified to profit or loss (note 6(k))	147,516	2	76,129	1
8300	**Other comprehensive income (after tax)**	147,516	2	76,129	1
8500	**Total comprehensive income**	**$ 1,982,032**	**21**	**1,755,518**	**19**
	Earnings per share (in dollars) (note 6(l))				
9750	**Basic earnings per share**	**$ 6.69**		**6.12**	
9850	**Diluted earnings per share**	**$ 6.68**		**6.12**	

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 Three Months Ended March 31, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollars)

	Ordinary share	Capital surplus	Retained Earnings			Other Equity	Total equity
			Legal reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	
Balance at January 1, 2025	$ 2,743,671	3,769,803	5,326,981	16,753,936	22,080,917	327,270	28,921,661
Profit	-	-	-	1,679,389	1,679,389	-	1,679,389
Other comprehensive income (loss)	-	-	-	-	-	76,129	76,129
Total comprehensive income (loss)	-	-	-	1,679,389	1,679,389	76,129	1,755,518
Appropriation and distribution of retained earnings:							
Cash dividends of ordinary share	-	-	-	(4,664,241)	(4,664,241)	-	(4,664,241)
Balance at March 31, 2025	**$ 2,743,671**	**3,769,803**	**5,326,981**	**13,769,084**	**19,096,065**	**403,399**	**26,012,938**
Balance at January 1, 2026	$ 2,743,671	3,769,803	5,993,685	16,943,357	22,937,042	186,621	29,637,137
Profit	-	-	-	1,834,516	1,834,516	-	1,834,516
Other comprehensive income (loss)	-	-	-	-	-	147,516	147,516
Total comprehensive income (loss)	-	-	-	1,834,516	1,834,516	147,516	1,982,032
Appropriation and distribution of retained earnings:							
Cash dividends of ordinary share	-	-	-	(4,115,507)	(4,115,507)	-	(4,115,507)
Balance at March 31, 2026	**$ 2,743,671**	**3,769,803**	**5,993,685**	**14,662,366**	**20,656,051**	**334,137**	**27,503,662**

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 Three Months Ended March 31, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollars)

	For the three months ended March 31	
	2026	2025
Cash flows from (used in) operating activities:		
Profit before income tax	$ 2,290,689	2,087,088
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	205,233	210,290
Amortization expense	6,800	7,303
Interest expense	19,771	26,384
Interest income	(40,767)	(22,979)
Loss (gain) on disposal of property, plant and equipment	49	-
Property, plant and equipment transferred to expenses	258	-
Total adjustments to reconcile profit	191,344	220,998
Changes in operating assets and liabilities:		
Decrease (increase) in notes receivable	4,681	3,810
Decrease (increase) in accounts receivable	(414,612)	23,082
Decrease (increase) in other receivables	903,104	(104,589)
Decrease (increase) in inventories	(272,513)	(503,137)
Decrease (increase) in other current assets	(26,734)	31,089
Decrease (increase) in other operating assets	(1,391)	(1,389)
Increase (decrease) in notes payable	878	22,631
Increase (decrease) in accounts payable	218,066	122,082
Increase (decrease) in other payables	(547,763)	(565,141)
Increase (decrease) in other current liabilities	(4,615)	43,111
Increase (decrease) in net defined benefit liability	1,753	1,508
Total changes in operating assets and liabilities	(139,146)	(926,943)
Total adjustments	52,198	(705,945)
Cash inflow generated from operations	2,342,887	1,381,143
Interest received	20,784	13,854
Interest paid	(15,516)	(32,499)
Income taxes paid	(25,072)	(33,641)
Net cash flows from (used in) operating activities	2,323,083	1,328,857
Cash flows from (used in) investing activities:		
Acquisition of property, plant and equipment	(57,042)	(68,685)
Increase in refundable deposits	(38)	(58)
Acquisition of intangible assets	(7,126)	(8,817)
Increase in other financial assets	(2,504,923)	(1,519,794)
Increase in other non-current assets	-	(50,041)
Decrease in other non-current assets	3,723	-
Net cash flows from (used in) investing activities	(2,565,406)	(1,647,395)
Cash flows from (used in) financing activities:		
Increase in current borrowings	279,926	2,462,191
Decrease in current borrowings	(552,125)	(2,749,035)
Increase in guarantee deposits received	7,717	8
Payment of lease liabilities	(3,449)	(4,994)
Net cash flows from (used in) financing activities	(267,931)	(291,830)
Effect of exchange rate changes on cash and cash equivalents	58,847	24,392
Net increase (decrease) in cash and cash equivalents	(451,407)	(585,976)
Cash and cash equivalents at beginning of period	3,409,474	3,618,179
Cash and cash equivalents at end of period	**$ 2,958,067**	**3,032,203**

See accompanying notes to consolidated financial statements.

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

ECLAT TEXTILE CO., LTD. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

For the three months ended March 31, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

(1) Company history

Eclat Textile Co., Ltd. (the "Company") was incorporated on November 28, 1977. The Company has established the Hsi-Chou Plant and Da-Shan Plant in Miaoli, and Da-Yuan Plant in Taoyuan. The Company and its subsidiaries (the " Group") have mainly been involved in the manufacturing and marketing of knitwear. Please refer to note 4(b) for more details about the operation of the Group.

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

The consolidated financial statements were approved by the Board of Directors and issued on May 7, 2026.

(3) New standards, amendments and interpretations adopted

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

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2026:

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

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

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

Standards or Interpretations	Content of amendment	Effective date issued by IASB
IFRS 18 "Presentation and Disclosure in Financial Statements"	The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities.	January 1, 2027 (Note)

ECLAT TEXTILE CO., LTD AND SUBSIDIARIES
Notes to Consolidated Financial Statements

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

Note: On September 25, 2025, the FSC issued a press release announcing that Taiwan will adopt IFRS 18 beginning in 2028. Entities that need to adopt the new standard earlier may do with the endorsement of the FSC.

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

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

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"

- IFRS 19 "Subsidiaries without Public Accountability: Disclosures" and amendments to IFRS 19 "Subsidiaries without Public Accountability: Disclosures"

- Amendments to IAS 21 "Translation to a Hyperinflationary Presentation Currency"

ECLAT TEXTILE CO., LTD AND SUBSIDIARIES
Notes to Consolidated Financial Statements

(4) Summary of material accounting policies

(a) Statement of compliance

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

Except the following accounting policies mentioned below, the material accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2025. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2025.

(b) Basis of consolidation

(i) The subsidiaries in the consolidated financial statements

			Shareholding Ratio			
Investor	**Name of Subsidiary**	**Primary Business**	**March 31, 2026**	**December 31, 2025**	**March 31, 2025**	**Note**
The Company	Grand Elite Holdings Inc. (Grand Elite)	Investments in securities, real estate, and manufacturing industry	100.00 %	100.00 %	100.00 %	Note 2
The Company	Eclat Cayman Islands Holdings (Eclat Cayman)	Investments in securities, real estate, and manufacturing industry	100.00 %	100.00 %	100.00 %	-
The Company	PT Eclat Textile International (Eclat Textile (ID))	Design, manufacture, processing and sale of clothing	100.00 %	100.00 %	100.00 %	Note 1
Grand Elite	Eclat Textile (Cambodia) Co., Ltd. (Eclat Textile (Cambodia))	Design, manufacture, processing and sale of clothing	100.00 %	100.00 %	100.00 %	Note 2
Eclat Cayman	Eclat Textile Co., Ltd. (Vietnam) (Eclat Textile (VN))	Design, manufacture, processing and sale of clothing	100.00 %	100.00 %	100.00 %	-
Eclat Cayman	Eclat Fabrics (Vietnam) Co., Ltd. (Fabrics)	Knit fabrics mill, printing, dyeing and finishing mill	100.00 %	100.00 %	100.00 %	-
Eclat Cayman	E-TOP (Vietnam) Co., Ltd. (E-TOP (VN))	Design, manufacture, processing and sale of clothing	100.00 %	100.00 %	100.00 %	-
Eclat Cayman	Colltex Garment Mfy Co., Ltd. (VN) (Colltex)	Design, manufacture, processing and sale of clothing	100.00 %	100.00 %	100.00 %	Note 2
Eclat Cayman	Eclat Enterprise Ltd. (Eclat Enterprise)	Investments in securities, real estate, and manufacturing industry	100.00 %	100.00 %	100.00 %	Note 2
Eclat Cayman	Tai-Yuan Garments Co., Ltd. (Tai-Yuan (VN))	Design, manufacture, processing and sale of clothing	100.00 %	100.00 %	100.00 %	Note 2
Eclat Cayman	PT Eclat Textile International (Eclat Textile (ID))	Design, manufacture, processing and sale of clothing	- %	- %	- %	Note 1

Note 1: Eclat Textile (ID) was mutually set up by the Company and Eclat Cayman. The shareholding ratio of the

ECLAT TEXTILE CO., LTD AND SUBSIDIARIES
Notes to Consolidated Financial Statements

Company and Eclat Cayman are 99.9996% and 0.0004%, respectively.

Note 2: One of the non-significant subsidiaries whose financial reports for the three months ended March 31, 2026 and 2025 were not reviewed.

(ii) The subsidiaries are not included in the consolidated financial statements: None.

(c) Employee benefits

The pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant onetime events.

(d) Income taxes

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of IAS 34 “Interim Financial Reporting”.

Income tax expenses for the period are measured by multiplying together the pre-tax income for the interim reporting period and the management’s best estimate of effective annual tax rate. This should be recognized fully as tax expense for the current period.

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

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

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

Preparing consolidated financial statements, judgments and key sources of estimation uncertainty used by management in the application of critical accounting policies are expected to be consistent with those in note 5 of the consolidated financial statements for the year ended December 31, 2025.

(6) Explanation of significant accounts

Except for the following disclosures, there were no material differences in the disclosures of significant accounts between the interim consolidated financial statements for the current period and the 2025 consolidated financial statements. Please refer to note 6 to the 2025 annual consolidated financial statements.

(a) Cash and cash equivalents

	March 31, 2026	December 31, 2025	March 31, 2025
Cash	$ 4,512	4,022	5,725
Bank deposits	2,325,070	2,790,237	2,499,636
Term deposits	628,485	615,215	526,842
Cash and cash equivalents	**$ 2,958,067**	**3,409,474**	**3,032,203**

(b) Notes receivable and accounts receivable

	March 31, 2026	December 31, 2025	March 31, 2025
Notes receivable	$ 12,837	17,518	13,641
Accounts receivable	3,517,815	3,103,203	6,536,801
Less: allowance for doubtful accounts	(24,086)	(24,086)	(24,086)
Total	$ 3,506,566	3,096,635	6,526,356

The Group applies the simplified approach to provide for its expected credit losses, which means applying a lifetime expected loss provision for all receivables. To measure the expected credit losses, notes and accounts receivable have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information, including the macroeconomic and related industrial information.

The loss allowance provisions for the notes and accounts receivable of the Group were determined as follows:

	March 31, 2026		
	Gross carrying amount	Weighted-average credit loss rate	Expected credit loss
Current	$ 3,291,040	0%~2.9%	8,813
Within 30 days past due	215,285	0.4%~2.9%	1,132
31 to 120 days past due	19,334	0.4%~100%	9,148
Over 121 days past due	4,993	100%	4,993
	$ 3,530,652		24,086

	December 31, 2025		
	Gross carrying amount	Weighted-average credit loss rate	Expected credit loss
Current	$ 2,869,287	0%~2.1%	15,378
Within 30 days past due	220,842	0.5%~2.1%	1,709
31 to 120 days past due	29,249	0.5%~100%	5,656
Over 121 days past due	1,343	100%	1,343
	$ 3,120,721		24,086

	March 31, 2025		
	Gross carrying amount	Weighted-average credit loss rate	Expected credit loss
Current	$ 5,986,586	0%~2.8%	19,429
Within 30 days past due	519,744	0.4%~2.8%	3,091
31 to 120 days past due	43,676	0.4%~100%	1,130
Over 121 days past due	436	100%	436
	$ 6,550,442		24,086

None of notes receivable and accounts receivable held by the Group needed to increase provision for losses due to an increase in overdue credit risk for the three months ended March 31, 2026 and 2025.

None of notes receivable and accounts receivable held by the Group were pledged or collateralized as of March 31, 2026, December 31, and March 31, 2025.

Accounts receivable of the Group had been insured accounts receivable credit risk. The insured amounts were $3,190,241 thousand as of March 31, 2025. Guaranteed fraction was 90% of reviewed credit of policyholder, the recoverable amount of the insurance was considered when deciding impairment amount of accounts receivable. None of the accounts receivable were insured against credit risk as of March 31, 2026 and December 31, 2025.

The Group has signed accounts receivable factoring contracts without recourse with financial institutions. As stated in the contract, the Group does not have to bear the risks of uncollectable accounts receivables but the loss incurred due to commercial arguments, and hence meets the criteria of derecognition of financial assets. Factored accounts receivables which were not due as of the report date were as follows:

March 31, 2026

Factoring financial institution	Factoring credit limit	Amount Derecognized	Acceptable advances	Amount collected in advance	Transferred to other receivables (Note)	Interest rate	Pledged items
E.Sun Bank	$ 6,588,975	1,622,698	272,937	1,118,886	503,812	4.2%	None
CTBC Bank	$ 4,263,334	842,612	122,259	647,114	195,498	4.08-4.22%	None

December 31, 2025

Factoring financial institution	Factoring credit limit	Amount Derecognized	Acceptable advances	Amount collected in advance	Transferred to other receivables (Note)	Interest rate	Pledged items
E.Sun Bank	$ 6,473,150	1,889,909	1,214,942	295,136	1,594,773	4.02%	None
CTBC Bank	$ 4,470,918	1,089,250	1,033	1,079,419	9,831	4.15-4.22%	None

March 31, 2025

Factoring financial institution	Factoring credit limit	Amount Derecognized	Acceptable advances	Amount collected in advance	Transferred to other receivables	Interest rate	Pledged items
E.Sun Bank	$ 5,020,596	-	5,020,596	-	-	-	None
CTBC Bank	$ 3,952,225	-	3,952,225	-	-	-	None

Note: According to the accounts receivable purchase agreements or the approval letters issued by the factoring financial institutions, the accounts receivable were factored without recourse. The funds are transferred to the appointed reserve accounts or directly to the factoring financial institutions.

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(c) Other receivables

	March 31, 2026	December 31, 2025	March 31, 2025
Other receivables — factoring of accounts receivable	$ 699,310	1,604,604	-
Other receivables — interest income	41,174	21,191	16,907
Others	43,674	41,484	128,115
	$ 784,158	**1,667,279**	**145,022**

None of other receivables held by the Group were past due or impaired as of March 31, 2026, December 31, and March 31, 2025.

(d) Inventories

	March 31, 2026	December 31, 2025	March 31, 2025
Raw materials (including raw materials in transit)	$ 3,394,629	3,223,986	3,320,862
Supplies	869,232	820,554	813,710
Work in progress	1,739,679	1,585,787	1,657,993
Finished goods	200,092	300,931	232,355
	$ 6,203,632	**5,931,258**	**6,024,920**

For the three months ended March 31, 2026 and 2025, the Group recognized inventory costs as part of cost of goods sold and expenses amounting to $6,526,334 thousand and $6,543,209 thousand, respectively. These amounts include inventory gain from value recovery resulting from changes in inventory prices.

The details were as follows:

	For the three months ended March 31	
	2026	**2025**
Gain from value recovery	**$ 1,349**	**3,219**

None of inventories held by the Group were pledged as of March 31, 2026, December 31, and March 31, 2025.

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(e) Property, plant and equipment

The cost and depreciation of the property, plant and equipment of the Group were as follows:

	Land	Buildings	Machinery and equipment	Transportation equipment	Office equipment	Miscellaneous equipment	Construction in progress	Total
Cost:								
Balance at January 1, 2026	$ 4,916,306	9,085,344	6,153,108	115,611	396,424	1,826,736	4,688	22,498,217
Additions	-	7,758	33,265	1,400	524	14,095	-	57,042
Disposals	-	-	(13,413)	(1,435)	(162)	(901)	-	(15,911)
Reclassification	-	173	-	-	-	-	(431)	(258)
Effect of exchange rate changes	14,093	87,972	73,953	1,348	3,169	28,749	79	209,363
Balance at March 31, 2026	**$ 4,930,399**	**9,181,247**	**6,246,913**	**116,924**	**399,955**	**1,868,679**	**4,336**	**22,748,453**
Balance at January 1, 2025	$ 4,950,105	9,247,598	6,156,167	113,737	370,108	1,781,077	11,338	22,630,130
Additions	-	16,484	35,642	4,109	4,373	6,313	1,764	68,685
Disposals	-	-	(1,973)	(1,381)	(900)	(253)	-	(4,507)
Reclassification	-	5,191	-	-	-	-	(10,602)	(5,411)
Effect of exchange rate changes	10,476	65,078	52,973	957	2,034	19,894	61	151,473
Balance at March 31, 2025	**$ 4,960,581**	**9,334,351**	**6,242,809**	**117,422**	**375,615**	**1,807,031**	**2,561**	**22,840,370**
Depreciation:								
Balance at January 1, 2026	$ -	3,085,579	5,177,281	92,442	257,272	1,562,273	-	10,174,847
Depreciation	-	98,669	61,540	1,522	7,809	28,435	-	197,975
Disposals	-	-	(13,364)	(1,435)	(162)	(901)	-	(15,862)
Effect of exchange rate changes	-	32,931	59,626	1,156	2,239	24,783	-	120,735
Balance at March 31, 2026	**$ -**	**3,217,179**	**5,285,083**	**93,685**	**267,158**	**1,614,590**	**-**	**10,477,695**
Balance at January 1, 2025	$ -	2,760,999	5,057,204	91,098	233,771	1,493,448	-	9,636,520
Depreciation	-	100,759	71,646	1,668	7,053	22,173	-	203,299
Disposals	-	-	(1,973)	(1,381)	(900)	(253)	-	(4,507)
Effect of exchange rate changes	-	21,993	42,161	850	1,528	16,907	-	83,439
Balance at March 31, 2025	**$ -**	**2,883,751**	**5,169,038**	**92,235**	**241,452**	**1,532,275**	**-**	**9,918,751**
Carrying amounts:								
Balance at March 31, 2026	**$ 4,930,399**	**5,964,068**	**961,830**	**23,239**	**132,797**	**254,089**	**4,336**	**12,270,758**
Balance at January 1, 2026	**$ 4,916,306**	**5,999,765**	**975,827**	**23,169**	**139,152**	**264,463**	**4,688**	**12,323,370**
Balance at March 31, 2025	**$ 4,960,581**	**6,450,600**	**1,073,771**	**25,187**	**134,163**	**274,756**	**2,561**	**12,921,619**

The property, plant and equipment of the Group were not pledged or mortgaged as collateral for loans as of March 31, 2026, December 31, and March 31, 2025.

When the properties held by the Group are leased out to third parties under operating leases, such properties are reclassified as investment properties at their carrying amounts at the date of change in use, please refer to note 6(f) for further details.

(f) Investment property

Investment property comprises office buildings that are leased to third parties under operating leases which owned by the Group.

The details of the changes were as follows:

	Land	Buildings	Total
Cost:			
Balance at January 1, 2026 (Same as ending balance)	$ **636,494**	**237,521**	**874,015**
Balance at January 1, 2025 (Same as ending balance)	$ **636,494**	**237,521**	**874,015**
Depreciation:			
Balance at January 1, 2026	$ -	130,804	130,804
Depreciation	-	2,373	2,373
Balance at March 31, 2026	$ **-**	**133,177**	**133,177**
Balance at January 1, 2025	$ -	121,321	121,321
Depreciation	-	2,371	2,371
Balance at March 31, 2025	$ **-**	**123,692**	**123,692**
Carrying amounts:			
March 31, 2026	$ **636,494**	**104,344**	**740,838**
January 1, 2026	$ **636,494**	**106,717**	**743,211**
March 31, 2025	$ **636,494**	**113,829**	**750,323**

The fair value of investment property was not significantly different from those disclosed in note 6(g) of the consolidated financial statements for the year ended December 31, 2025.

None of the investment property of the Group were pledged or mortgaged as collateral for loans as of March 31, 2026, December 31, and March 31, 2025.

(g) Other current or non-current assets

Current:

	March 31, 2026	December 31, 2025	March 31, 2025
Tax refund receivables	$ 38,192	52,715	195,610
Payment in advance	48,657	66,824	63,157
Prepaid expense	50,668	32,868	54,899
Prepaid value-added tax	292,535	248,711	80,953
Other financial assets — term deposits	9,344,012	6,839,089	6,861,100
Refundable deposits	2,996	2,905	4,529
Others	19,525	19,293	18,485
	$ **9,796,585**	**7,262,405**	**7,278,733**

The Group's assets were pledged as collaterals to secure natural gas, solar energy and electricity as of March 31, 2026, December 31, and March 31, 2025, please refer to note 8.

Non-current:

	March 31, 2026	December 31, 2025	March 31, 2025
Prepayments for business facilities	$ 28,640	34,609	80,592
Long-term prepaid expense	281,718	279,472	303,903
Refundable deposits	10,388	10,140	5,145
	$ 320,746	**324,221**	**389,640**

(h) Current borrowings

Details of current borrowings of the Group were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Unsecured bank loans	**$ 280,436**	**547,353**	**1,537,890**
Unused quota	**$ 6,782,431**	**6,800,934**	**4,675,754**
Range of interest rates	**3.98%~4.60%**	**4.10%~5.21%**	**4.66%~5.34%**

The changes in current borrowings of the Group were as follows:

	For the three months ended March 31	
	2026	2025
Beginning balance	$ 547,353	1,804,322
Increase in current borrowings	279,926	2,462,191
Repayment of current borrowings	(552,125)	(2,749,035)
Effect of exchange rate changes	5,282	20,412
Ending balance	**$ 280,436**	**1,537,890**
Range of interest rates	**3.98%~4.35%**	**4.54%~4.80%**

None of the Group's assets were pledged as collaterals to secure current borrowings as of March 31, 2026, December 31, and March 31, 2025.

(i) Employee benefits

(i) Defined benefit plans

Management believes that there was no material volatility of the market, no material reimbursement and settlement or other material one time events since prior fiscal year. As a result, the pension cost in the accompanying interim period was measured and disclosed according to the actuarial report as of December 31, 2025 and 2024.

The expenses (benefit) recognized for the Group were as follows:

	For the three months ended March 31	
	2026	**2025**
Operating costs	(223)	(217)
Selling expense	(220)	(253)
Administrative expense	(248)	(291)
	$ (691)	(761)

The Group's employee benefit liabilities were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Compensated absences liability	$ 75,898	73,770	65,418

(ii) Defined contribution plans

The pension costs that were contributed to Bureau of Labor Insurance or local relevant authorities were as follows:

	For the three months ended March 31	
	2026	**2025**
Operating costs	$ 9,215	7,473
Selling expense	6,983	6,038
Administrative expense	5,516	4,789
R&D expense	644	589
	$ 22,358	18,889

(j) Income taxes

(i) The details of the Group's income tax expense were as follows:

	For the three months ended March 31	
	2026	**2025**
Current tax expense		
Current period	$ 450,451	402,775
Adjustment for prior periods	5,722	4,924
	456,173	407,699
Deferred tax expense		
The occurrence and reversal of temporary differences	-	-
Income tax expense	$ 456,173	407,699

(ii) The Company's income tax returns through 2024 have been examined by the R.O.C. tax authority.

(iii) Global minimum top-up tax

The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

(k) Capital and other equity

Except for the following disclosure, there were no significant change for capital and other equity for the three months ended March 31, 2026 and 2025. For the related information, please refer to note 6 (n) of the consolidated financial statements for the year ended December 31, 2025.

(i) Retained earnings

According to the Company's Articles of Incorporation, 10% of annual net earnings (net of income taxes), after deducting accumulated deficits, must be set aside as legal reserve. The remaining portion is to be distributed upon a proposal by the Board of Directors.

In accordance with the Article 240, paragraph 5 of the Company Act and the Company's Articles of Incorporation, Articles 37-1, the Company authorizes the Board of Directors, with the presence of more than two-thirds of the directors and the approval of a majority of the directors, to distribute all or part of the dividends and bonuses payable by way of cash, and to report to the shareholders' meeting. For the issuance of new shares, the proposal should be resolved during the shareholders' meeting.

The Company is now in the growth stage and has a plan to expand the product line. Due to the need for capital to fulfill the plan, the policy for dividend distribution should reflect factors such as investment planning, financial structure, future fund requirements, and status of earnings. In a normal consideration, the percentage of earnings distribution shall not be less than 50% of the net earnings of the current year after compensating for accumulated deficits, if any. The ratio for distributing cash dividends shall not be lower than 20% of the total distribution.

Earnings distributions for 2025 and 2024 were resolved by the Board of Directors held on March 5, 2026 and February 27, 2025, respectively. The relevant dividend distributions to shareholders were as follows:

	For the years ended December 31			
	2025		2024	
	Per share (in dollars)	Amount	Per share (in dollars)	Amount
Dividends distributed to ordinary shareholders:				
Cash dividends	$ 15.00	**4,115,507**	17.00	**4,664,241**

Relevant information can be obtained through the Market Observation Post System or other public information channels.

(ii) Other equity (net of income tax)

	Financial statements translation differences from foreign operations
Balance at January 1, 2026	$ 186,621
Exchange differences on translation of foreign financial statements	147,516
Balance at March 31, 2026	**$ 334,137**
Balance at January 1, 2025	$ 327,270
Exchange differences on translation of foreign financial statements	76,129
Balance at March 31, 2025	**$ 403,399**

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(l) Earnings per share

The basic and diluted earnings per share were calculated as follows:

	For the three months ended March 31	
	2026	2025
Basic earnings per share		
Profit attributable to ordinary shareholders of the Company	$ 1,834,516	1,679,389
Weighted average number of ordinary shares outstanding (in thousands)	274,367	274,367
Basic earnings per share (in dollars)	$ 6.69	6.12
Diluted earnings per share		
Profit attributable to ordinary shareholders of the Company	$ 1,834,516	1,679,389
Weighted average number of ordinary shares outstanding (basic) (in thousands)	274,367	274,367
Effect on employee's profit-sharing bonus (in thousands)	96	10
Weighted average number of ordinary shares outstanding (diluted) (in thousands)	274,463	274,377
Diluted earnings per share (in dollars)	$ 6.68	6.12

(m) Revenue from contracts with customers

	For the three months ended March 31, 2026		For the three months ended March 31, 2025	
	Knitted fabrics	Garments	Knitted fabrics	Garments
Main market:				
Americas	$ 214,897	4,749,180	196,585	4,812,442
Asia	2,440,504	802,871	2,487,210	591,062
Europe	2,821	1,066,406	3,816	880,349
the Middle East	218,189	20,056	272,144	26,312
ANZ	4,672	70,501	1,558	62,080
Africa	21,253	9,720	30,277	10,771
	$ 2,902,336	6,718,734	2,991,590	6,383,016

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Main product:		
Knitted fabrics	$ 2,902,336	2,991,590
Garments	6,718,734	6,383,016
	$ 9,621,070	9,374,606

(n) Employee's profit-sharing bonus

The Company resolved to amend its Articles of Incorporation at the shareholders’ meeting on June 13, 2025. According to the amended Articles, where the Company has a profit 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 the 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.

Before the amendment, the Articles of Incorporation stipulated that, where the Company has a profit in the current year, if there is surplus after covering the accumulated loss, no less than 0.1% shall be appropriated for the employee’s compensation for the distribution according to the resolution of the Board of Directors, and be reported to the shareholders’ meeting. The distribution of employee’s compensation may be made in the form of shares or cash.

For the three months ended March 31, 2026, the estimated employee’s profit-sharing bonuses amounted to $22,697 thousand. Which were calculated based on the Company’s profit excluding tax as well as employee’s profit-sharing bonuses, and were reported under cost of goods sold and operating expenses in the current period. If there are any subsequent adjustments to the actual remuneration amounts, the adjustments will be regarded as changes in accounting estimates and will be reflected in profit or loss in the following year.

For the three months ended March 31, 2025, the employee’s profit-sharing bonuses were calculated based on the Company’s profit excluding tax as well as employee’s profit-sharing bonuses, and an earnings allocation of a minimum of 0.1% as stated under the Company's Articles of Incorporation. We did not estimate the liabilities due to the minor estimated expense in the current period. If there are any subsequent adjustments to the actual remuneration amounts, the adjustments will be regarded as changes in accounting estimates and will be reflected in profit or loss in the following year.

The estimated employee’s profit-sharing bonuses amounted to $70,000 thousand and $9,000 thousand for 2025 and 2024, respectively. There were no differences between the estimated and the distributed employee’s profit-sharing bonuses, and the related information can be obtained from the Market Observation Post System website of the Taiwan Stock Exchange.

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(o) Non-operating income and expenses

(i) Interest income

The Group's interest income were as follows:

	For the three months ended March 31	
	2026	2025
Interest income from bank deposits	$ 40,767	22,979

(ii) Other income

The Group's other income were as follows:

	For the three months ended March 31	
	2026	2025
Rental income	$ 8,148	8,106

(iii) Other gains and losses, net

The Group's other gains and losses were as follows:

	For the three months ended March 31	
	2026	2025
Loss on disposal of property, plant and equipment	$ (49)	-
Foreign exchange gain	64,334	112,961
Others	2,347	(5,932)
	$ 66,632	107,029

(iv) Finance costs

The Group’s finance costs were as follows:

	For the three months ended March 31	
	2026	2025
Bank borrowings interest	$ 3,921	25,926
Lease liabilities interest	413	458
Factoring of accounts receivable	15,437	-
	$ 19,771	26,384

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(p) Financial instruments

There were no material changes of financial instruments for the three months ended March 31, 2026 and 2025, except for followings. Please refer to note 6(s) of the consolidated financial report of 2025 for further information.

(i) Liquidity risks

The following were the contractual maturities of financial liabilities, including the impact of estimated interest.

	Carrying amount	Contractual cash flows	Less than 12 months	1 to 2 years	2 to 5 years	More than 5 years
March 31, 2026						
Non-derivative financial liabilities						
Short-term borrowings	$ 280,436	281,712	281,712	-	-	-
Accounts and notes payable	2,322,308	2,322,308	2,322,308	-	-	-
Lease liabilities	73,242	84,149	18,205	11,700	11,063	43,181
	$ 2,675,986	**2,688,169**	**2,622,225**	**11,700**	**11,063**	**43,181**
December 31, 2025						
Non-derivative financial liabilities						
short-term borrowings	$ 547,353	550,089	550,089	-	-	-
Accounts and notes payable	2,103,364	2,103,364	2,103,364	-	-	-
Lease liabilities	71,879	88,783	17,223	12,758	11,151	47,651
	$ 2,722,596	**2,742,236**	**2,670,676**	**12,758**	**11,151**	**47,651**
March 31, 2025						
Non-derivative financial liabilities						
Short-term borrowings	$ 1,537,890	1,614,785	1,614,785	-	-	-
Accounts and notes payable	2,407,860	2,407,860	2,407,860	-	-	-
Lease liabilities	70,722	90,850	14,992	11,122	11,468	53,268
	$ 4,016,472	**4,113,495**	**4,037,637**	**11,122**	**11,468**	**53,268**

The Group doesn't expect that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

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(ii) Market risks

1) Foreign currency risk

The Group’s significant exposure to foreign currency risk was as follows:

	March 31, 2026			December 31, 2025			March 31, 2025		
	Foreign currency (thousands)	Exchange rate	NTD	Foreign currency (thousands)	Exchange rate	NTD	Foreign currency (thousands)	Exchange rate	NTD
Financial assets									
Monetary items									
USD	$ 209,847	31.995	6,714,055	225,119	31.430	7,075,490	250,808	33.205	8,328,080
VND	389,509,300	0.0012	474,630	368,381,013	0.0012	443,661	525,688,483	0.0013	687,224
IDR	7,702,340	0.0019	14,502	6,839,840	0.0019	12,810	5,301,798	0.0020	10,627
Financial liabilities									
Monetary items									
USD	$ 47,311	31.995	1,513,715	53,662	31.430	1,686,597	89,938	33.205	2,986,391
VND	517,019,117	0.0012	630,004	546,473,245	0.0012	658,147	581,200,310	0.0013	759,794
IDR	46,107,883	0.0019	86,813	52,496,976	0.0019	98,318	41,093,663	0.0020	82,368

2) Sensitivity analysis

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts receivable, other receivables, other current assets, current borrowings, accounts payable and other payables, etc. A 1% depreciation or appreciation of the NTD against the USD, VND and IDR as of March 31, 2026 and 2025 would have increased or decreased the net income after tax by $39,781 thousand and $41,579 thousand, respectively. The analysis assumes that all other variables remain constant. The analysis was based on the same basis.

3) Foreign exchange gain and loss on monetary items

Since the Group has many kinds of functional currency, the information on foreign exchange gain (loss) on monetary items is disclosed by total amount. For the three months ended March 31, 2026 and 2025, the foreign exchange gain (loss) (including realized and unrealized portions), were as follows:

	For the three months ended March 31			
	2026		2025	
	Exchange (loss) gain	Average rate	Exchange (loss) gain	Average rate
USD	$ 64,334	31.630	112,961	32.895

(iii) Interest rate risk

For floating rate liabilities, the analysis assumes that the balances of outstanding liabilities on the reporting date have been outstanding for the whole period, and their rational change intervals are being estimated. If the interest rate increases/decreases by 1%, representing the reasonable interest rates changes made by management.

If the interest rate increases/decreases by 1%, the Group's net income will decrease/increase by $2,804 thousand and $15,379 thousand for the three months ended March 31, 2026 and 2025, respectively, with all other variable factors that remain constant. This was mainly due to the Group's borrowings in variable rates.

(iv) Fair value

The Group’s management considers its financial assets and financial liabilities measured at amortized cost to be the approximation of the fair value.

(q) Financial risk management

The objectives and the policies of the financial risk management are consistent with those disclosed in note 6(t) of the consolidated financial statements for the year ended December 31, 2025.

(r) Capital management

The objectives, policies, and procedures of the Group’s capital management are the same as those stated in the consolidated financial statements for the year ended December 31, 2025. There was no material change on quantitative data of the capital management. For relevant information, please refer to note 6(u) of the consolidated statements for the year ended December 31, 2025.

(7) Related-party transactions

(a) Names and relationship of related parties

The Group had transactions with related parties during the periods covered in the consolidated financial statements, as follows:

Name of related parties	Relationship with the Group
Eclat Education Foundation (Eclat Foundation)	Founded by donation of the Company.

(b) Significant transactions with related parties: None

(c) Key management personnel transactions

Key management personnel compensation comprised:

	For the three months ended March 31	
	2026	2025
Short-term employee benefits	$ 124,688	121,967

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Cars provided to key management personnel were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Cost	$ 20,227	20,227	20,227
Quantities	7	7	7
Book value	$ 8,000	8,592	10,366

(8) Assets pledged as security

The Group's pledged assets were as follows:

Pledged assets	Pledged to secure	March 31, 2026	December 31, 2025	March 31, 2025
Other financial assets - current	Natural gas, solar energy and electricity security deposit	$ 958	935	1,216

(9) Commitments and contingencies

(a) The balances of unused letters of credit of the Group were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Unused letters of credit	$ 323	533	16,336

(b) Unrecognized commitments of the Group were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Acquisition of property, plant and equipment	$ 45,597	45,171	57,982

(c) The balances of issued promissory notes of the Group were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Issued promissory notes	$ 20,000	20,000	20,000

(10) Losses due to major disasters: None.

(11) Subsequent events: None.

(12) Other

(a) The Group's employee benefits, depreciation and amortization expenses, categorized by function, were as follows:

By function / By item	For the three months ended March 31, 2026				For the three months ended March 31, 2025			
	Operating costs	Operating expenses	Non-Operating expenses	Total	Operating costs	Operating expenses	Non-Operating expenses	Total
Employee benefits								
Salary	851,260	446,920	-	1,298,180	883,105	406,037	-	1,289,142
Labor and health insurance	83,828	46,544	-	130,372	82,602	43,766	-	126,368
Pension	8,992	12,675	-	21,667	7,256	10,872	-	18,128
Director's remuneration	-	3,189	-	3,189	-	3,271	-	3,271
Others	41,762	22,016	-	63,778	45,301	21,932	-	67,233
Depreciation	136,907	67,995	331	205,233	145,147	64,812	331	210,290
Amortization	2,785	4,015	-	6,800	2,725	4,578	-	7,303

(b) Seasonality of operations

The operation of the Group was not materially influenced by seasonality or cyclicality factors.

(13) Other disclosures

(a) Information on significant transactions

The followings were the disclosures on significant transactions required under the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the Group:

(i) Loans to other parties: None.

(ii) Guarantees and endorsements for other parties: None.

(iii) Material securities held as of March 31, 2026 (excluding investment in subsidiaries, associates and joint ventures): None.

(iv) Related-party transactions for purchases and sales with amounts exceeding the lower of NTD 100 million or 20% of the capital stock:

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchases/ (sales)	Amount	Percentage of total purchases/ sales	Payment terms (days)	Unit price	Payment terms	Ending balance	Percentage of total notes/ accounts receivable (payable)	
The Company	Eclat Textile (VN)	Indirectly held subsidiaries	processing	458,789	16.09 %	30	(Note 3)	(Note 3)	Accounts payable (83,248)	(3.35)%	(Note 1) (Note 2)
Eclat Textile (VN)	The Company	Parent company	(sales)	(458,789)	(100.00)%	30	(Note 3)	(Note 3)	Accounts receivable 83,248	100.00 %	(Note 2)
The Company	Fabrics	Indirectly held subsidiaries	purchasing	381,801	10.03 %	30	(Note 3)	(Note 3)	Accounts payable (118,983)	(4.79)%	(Note 2)
Fabrics	The Company	Parent company	(sales)	(381,801)	(87.26)%	30	(Note 3)	(Note 3)	Accounts receivable 118,983	80.88 %	(Note 2)
The Company	E-TOP (VN)	Indirectly held subsidiaries	processing	315,340	11.06 %	30	(Note 3)	(Note 3)	Accounts payable (74,450)	(3.00)%	(Note 1) (Note 2)

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Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchases/ (sales)	Amount	Percentage of total purchases/ sales	Payment terms (days)	Unit price	Payment terms	Ending balance	Percentage of total notes/ accounts receivable (payable)	
E-TOP (VN)	The Company	Parent company	(sales)	(315,340)	(99.20)%	30	(Note 3)	(Note 3)	Accounts receivable 74,450	97.99 %	(Note 2)
The Company	Colltex	Indirectly held subsidiaries	processing	221,609	7.77 %	30	(Note 3)	(Note 3)	Accounts payable (44,503)	(1.79)%	(Note 1) (Note 2)
Colltex	The Company	Parent company	(sales)	(221,609)	(100.00)%	30	(Note 3)	(Note 3)	Accounts receivable 44,503	99.64 %	(Note 2)
The Company	Eclat Textile (Cambodia)	Indirectly held subsidiaries	processing	143,704	5.04 %	30	(Note 3)	(Note 3)	Accounts payable (35,280)	(1.42)%	(Note 1) (Note 2)
Eclat Textile (Cambodia)	The Company	Parent company	(sales)	(143,704)	(100.00)%	30	(Note 3)	(Note 3)	Accounts receivable 35,280	100.00 %	(Note 2)
The Company	Eclat Textile (ID)	Subsidiaries	processing	316,913	11.12 %	30	(Note 3)	(Note 3)	Accounts payable (22,982)	(0.93)%	(Note 1) (Note 2)
Eclat Textile (ID)	The Company	Parent company	(sales)	(316,913)	(100.00)%	30	(Note 3)	(Note 3)	Accounts receivable 22,982	100.00 %	(Note 2)

Note 1: Percentage on processing expense
Note 2: Transaction listed above has been eliminated during preparing consolidated financial statements.
Note 3: The same as general processing/purchasing/sales

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

(In thousands of NTD/USD)

Name of Company	Name of counterparty	Nature of relationship	Ending balance	Turnover	Overdue		Amounts received in subsequent period	Allowance for bad debts	Note
					Amount	Action taken			
Fabrics	The Company	Indirectly held subsidiaries	118,983 (USD3,719)	14.17	-	-	118,983 (USD3,719)	-	(Note1) (Note2)

Note 1: Transaction listed above has been eliminated during preparing consolidated financial statements.
Note 2: The rate as of March 31, 2026 was USD 1 to NTD 31.995.

(vi) Business relationships and significant intercompany transactions:

No. (Note 1)	Company name	Counter-party	Nature of relationship (Note 2)	Intercompany transactions			
				Financial statements item (Note 3)(Note 4)	Amount	Terms	Percentage of the consolidated net revenue or total assets
1	Fabrics	The Company	2	Sales	381,801	The same as general sales	3.97 %
1	Fabrics	The Company	2	Accounts receivable	118,983	The same as general sales	0.32 %
2	Eclat Textile (VN)	The Company	2	Processing revenue	458,789	The same as general processing	4.77 %
3	Colltex	The Company	2	Processing revenue	221,609	The same as general processing	2.30 %
4	E -TOP (VN)	The Company	2	Processing revenue	315,340	The same as general processing	3.28 %
5	Eclat Textile (Cambodia)	The Company	2	Processing revenue	143,704	The same as general processing	1.49 %

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No. (Note 1)	Company name	Counter-party	Nature of relationship (Note 2)	Intercompany transactions			
				Financial statements item (Note 3)(Note 4)	Amount	Terms	Percentage of the consolidated net revenue or total assets
6	Eclat Textile (ID)	The Company	2	Processing revenue	316,913	The same as general processing	3.29 %

Note 1: Numbers are filled in as follows:
1. 0 represents the parent company.
2. Subsidiaries are numbered from 1.

Note 2: Classification of relation with counterparty is listed as follows:
1. Parent to subsidiary.
2. Subsidiary to parent.
3. Between subsidiaries.

Note 3: Only disclosed the amount of important transactions over NT$100 million, no need to disclosed corresponding transactions.

Note 4: Transaction listed above has been eliminated during preparing consolidated financial statements.

(b) Information on investees:

The following were the information on investment for the three months ended March 31, 2026 (excluding information on investee in Mainland China):

(In thousands of NTD/USD)

Investor company	Investee company	Location	Main businesses and products	Original investment amount		Balance as of March 31, 2026			Net income (losses) of the investee	Share of profits/losses of investee	Note
				March 31, 2026	December 31, 2025	Shares (thousands)	Percentage of ownership	Carrying value (Note 4)			
The Company	Grand Elite	British Virgin Islands	Investments in securities, real estate, and manufacturing industry	272,597 (USD 8,520)	272,597 (USD 8,520)	21	100.00 %	204,211	23,947	23,947	Subsidiaries (Note 1)(Note 2)
The Company	Eclat Cayman	Cayman Islands	Investments in securities, real estate, and manufacturing industry	4,012,365 (USD 125,406)	4,012,365 (USD 125,406)	121,080	100.00 %	4,585,788	46,860	46,860	Subsidiaries (Note 1)(Note 2)
The Company	Eclat Textile (ID)	Indonesia	Design, manufacture, processing and sale of clothing	3,839,400 (USD 120,000)	3,839,400 (USD 120,000)	12,000	100.00 %	3,599,168	40,207	40,207	Subsidiaries (Note 1)(Note 2) (Note 3)
Grand Elite	Eclat Textile (Cambodia)	Cambodia	Design, manufacture, processing and sale of clothing	255,960 (USD 8,000)	255,960 (USD 8,000)	8,000	100.00 %	185,190	23,793	23,793	Subsidiaries of Grand Elite (Note 1)(Note 2)
Eclat Cayman	Colltex	Vietnam	Design, manufacture, processing and sale of clothing	510,480 (USD 15,955)	510,480 (USD 15,955)	16,800	100.00 %	600,543	3,351	3,090	Subsidiaries of Eclat Cayman (Note 1)(Note 2)
Eclat Cayman	E-TOP (VN)	Vietnam	Design, manufacture, processing and sale of clothing	1,151,820 (USD 36,000)	1,151,820 (USD 36,000)	36,000	100.00 %	1,338,755	39,068	39,068	Subsidiaries of Eclat Cayman (Note 1)(Note 2)
Eclat Cayman	Eclat Enterprise	Cambodia	Investments in securities, real estate, and manufacturing industry	32 (USD 1)	32 (USD 1)	1	100.00 %	(1,417)	106	106	Subsidiaries of Eclat Cayman (Note 1)(Note 2)
Eclat Cayman	Eclat Textile (VN)	Vietnam	Design, manufacture, processing and sale of clothing	677,366 (USD 21,171)	677,366 (USD 21,171)	22,000	100.00 %	785,785	2,556	2,556	Subsidiaries of Eclat Cayman (Note 1)(Note 2)

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				Original investment amount		Balance as of March 31, 2026					
Investor company	Investee company	Location	Main businesses and products	March 31, 2026	December 31, 2025	Shares (thousands)	Percentage of ownership	Carrying value (Note 4)	Net income (losses) of the investee	Share of profits/losses of investee	Note
Eclat Cayman	Fabrics	Vietnam	Knit fabric mills, printing, dyeing and finishing mill	1,279,800 (USD 40,000)	1,279,800 (USD 40,000)	40,000	100.00 %	1,838,252	(1,273)	5,826	Subsidiaries of Eclat Cayman (Note 1)(Note 2)
Eclat Cayman	Tai - Yuan (VN)	Vietnam	Design, manufacture, processing and sale of clothing	221,245 (USD 6,915)	221,245 (USD 6,915)	6,800	100.00 %	(2,537)	(3,602)	(3,675)	Subsidiaries of Eclat Cayman (Note 1)(Note 2)
Eclat Cayman	E&I Printing	Vietnam	Design, printing, dyeing and finishing mill	31,995 (USD 1,000)	31,995 (USD 1,000)	1,000	40.00 %	-	-	-	Invested company under equity method (Note 1)
Eclat Cayman	Eclat Textile (ID)	Indonesia	Design, manufacture, processing and sale of clothing	15 (USD 0.48)	15 (USD 0.48)	0.05	- %	14	40,207	-	Subsidiaries (Note 1)(Note 2) (Note 3)

Note 1: The rate as of March 31, 2026 was USD 1 to NTD 31.995.
Note 2: Transaction listed above has been eliminated during preparing consolidated financial statements.
Note 3: Eclat Textile (ID) was mutually set up by the Company and Eclat Cayman. The shareholding ratios are 99.9996% and 0.0004%, respectively.
Note 4: Accumulated translation is included.

(c) Information on investment in Mainland China: None.

(14) Segment information

The reconciliation of operating segments of the Group were as follows:

	For the three months ended March 31, 2026			
	Fabrics	Garments	Adjustments and write off	Total
Revenue				
From external clients	$ 2,902,336	6,718,734	-	9,621,070
Inter-segments	1,806,153	1,499,615	(3,305,768)	-
Total revenue	**$ 4,708,489**	**8,218,349**	**(3,305,768)**	**9,621,070**
Profit or loss from reportable segment	**$ 1,035,235**	**1,366,467**	**(111,013)**	**2,290,689**

	For the three months ended March 31, 2025			
	Fabrics	Garments	Adjustments and write off	Total
Revenue				
From external clients	$ 2,991,590	6,383,016	-	9,374,606
Inter-segments	1,639,010	1,502,604	(3,141,614)	-
Total revenue	**$ 4,630,600**	**7,885,620**	**(3,141,614)**	**9,374,606**
Profit or loss from reportable segment	**$ 993,600**	**1,185,219**	**(91,731)**	**2,087,088**