

**TAINAN ENTERPRISES CO., LTD. AND  
SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS  
AND INDEPENDENT AUDITORS' REVIEW  
REPORT**

**NINE MONTHS ENDED SEPTEMBER 30, 2025  
AND 2024**

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For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

TAINAN ENTERPRISES CO., LTD. AND SUBSIDIARIES

Consolidated Financial Statements for the Nine Months Ended September 30, 2025 and  
2024, and Independent Auditors' Review Report

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## INDEPENDENT AUDITORS' REVIEW REPORT

(2025) Chia-Shen-Bao-Tzi No. 25002150

To Tainan Enterprises Co., Ltd.

### ***Introduction***

Tainan Enterprises Co., Ltd. and subsidiaries (hereinafter referred to as "the Tainan Group")'s consolidated balance sheets as of September 30, 2025 and 2024, and consolidated statements of comprehensive income, consolidated statements of changes in equity, consolidated statements of cash flows, and notes to the consolidated financial statements (including a summary of significant accounting policies) for the three months and nine months ended September 30, 2025 and 2024, have been reviewed by us. The preparation of consolidated financial statements that present fairly in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard No. 34 "Interim Financial Reporting" as endorsed and issued into effect by the Financial Supervisory Commission is the responsibility of management. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

### ***Scope of Review***

Except for matters described in the basis for qualified conclusion paragraph, we conducted our reviews in accordance with Statement of Auditing Standards No. 2410 "Review of Financial Statements" of the R.O.C. The procedures performed in reviewing the consolidated financial statements included inquiries (primarily of persons responsible for financial and accounting matters), analytical procedures, and other review procedures. The scope of a review is significantly less than the scope of an audit and consequently we might not 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***

The financial statements of certain non-material subsidiaries and investments accounted

for under equity method included in the above consolidated financial statements and the related information disclosed in Note 13 for the third quarters of 2025 and 2024 have not been reviewed by independent auditors. As of September 30, 2025 and 2024, the total assets of these companies (including "investments accounted for under equity method") were NT\$440,640 thousand and NT\$394,808 thousand, respectively, total liabilities were NT\$103,961 thousand and NT\$107,682 thousand, respectively, and the total comprehensive income for the three months and nine months ended September 30, 2025 and 2024 (including "share of profit or loss of associates and joint ventures accounted for using equity method" and "share of other comprehensive income of associates and joint ventures accounted for using equity method") were NT\$9,834 thousand and NT\$20,600 thousand, and NT\$20,600 thousand and NT\$112,695 thousand, respectively, representing 9% and 7% of the Tainan Group's consolidated total assets, 8% and 7% of consolidated total liabilities, and 12%, 1,315%, (20%), and 25% of consolidated total comprehensive income, respectively.

### ***Qualified Conclusion***

Based on our review, except for the potential adjustments and disclosure impacts on the consolidated financial statements that might arise if the financial statements of certain non-material subsidiaries and investments accounted for under equity method described in the basis for qualified conclusion section and the related information disclosed in Note 13 were reviewed by independent auditors, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements are not prepared, in all material respects, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard No. 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission, and do not present fairly the consolidated financial position of the Tainan Group as of September 30, 2025 and 2024, and the consolidated financial performance and consolidated cash flows for the three months and nine months ended September 30, 2025 and 2024.

PricewaterhouseCoopers Taiwan

Tien Chung-Yu

Independent Accountants

Hsu Huei-Yu

Financial Supervisory Commission Approved Audit License

No.: Jing-Guan-Jeng-Sheng-Tzi No. 1070323061

Jing-Guan-Jeng-Sheng-Tzi No. 1120348565

November 7, 2025

TAINAN ENTERPRISES CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
September 30, 2025, December 31, 2024, and September 30, 2024  
(Expressed in thousands of New Taiwan dollars)

			September 30, 2025		December 31, 2024		September 30, 2024				
			Amount	%	Amount	%	Amount	%			
Assets											
Notes											
Current assets											
1100	Cash and cash equivalents	6(1)	\$	828,827	16	\$	804,611	14	\$	972,641	18
1136	Financial assets at amortized cost	6(3)									
	— current			42,880	1		156,558	2		196,747	3
1150	Notes receivable, net	6(4)		386	-		-	-		3	-
1170	Accounts receivable, net	6(4) and 7		1,165,101	23		1,404,501	24		1,323,331	24
1200	Other receivables			49,834	1		54,632	1		56,624	1
1210	Other receivables - related party	6(7) and 7		3,753	-		-	-		6,700	-
1220	Current income tax assets	6(29)		11,845	-		200	-		5,412	-
130X	Inventories	6(5)		549,461	11		1,167,849	20		753,551	14
1410	Prepayments			94,275	2		74,791	1		66,245	1
11XX	Total current assets			2,746,362	54		3,663,142	62		3,381,254	61
Non-current assets											
1510	Financial assets at fair value	6(2)									
	through profit or loss - non-current			86,825	2		86,825	2		86,825	2
1517	Financial assets at fair value	6(6)									
	through other comprehensive income - non-current			814	-		1,239	-		4,605	-
1535	Financial assets at amortized cost - non-current	6(3)		780,438	15		653,229	11		566,277	10
1550	Investments accounted for under equity method	6(7)		80,130	2		96,357	2		97,870	2
1600	Property, plant and equipment	6(8)		936,465	18		990,736	17		979,421	18
1755	Right-of-use assets	6(9)		144,395	3		82,932	2		88,341	2
1760	Investment property, net	6(11)		137,211	3		137,401	2		135,242	3
1780	Intangible assets	6(12)(13)		4,261	-		6,306	-		7,502	-
1840	Deferred income tax assets	6(29)		59,355	1		46,828	1		59,838	1
1915	Prepayments for equipment	6(8)(11)(12)		82,269	2		71,322	1		70,760	1
1920	Guarantee deposits paid			15,080	-		15,748	-		15,090	-
1975	Net defined benefit assets - non-current	6(17)		12,870	-		12,781	-		3,405	-
1990	Other non-current assets - others			13,324	-		15,451	-		15,888	-
15XX	Total non-current assets			2,353,437	46		2,217,155	38		2,131,064	39
1XXX	Total assets		\$	5,099,799	100	\$	5,880,297	100	\$	5,512,318	100

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**TAINAN ENTERPRISES CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
September 30, 2025, December 31, 2024, and September 30, 2024  
(Expressed in thousands of New Taiwan dollars)

Liabilities and equity		Notes	September 30, 2025		December 31, 2024		September 30, 2024	
			Amount	%	Amount	%	Amount	%
Current liabilities								
2100	Short-term borrowings	6(14)	\$ 475,400	9	\$ 500,925	9	\$ 580,075	11
2120	Financial liabilities at fair value through profit or loss - current	6(2)	264	-	-	-	-	-
2130	Contract liabilities - current	6(22)	2,426	-	2,826	-	4,223	-
2150	Notes payable		5,046	-	9,732	-	3,396	-
2170	Accounts payable	7	195,602	4	426,282	7	268,190	5
2200	Other payables	6(15)	346,490	7	499,779	9	398,361	7
2230	Current income tax liabilities	6(29)	37,764	1	65,655	1	67,024	1
2280	Lease liabilities - current		36,269	1	12,067	-	17,972	-
2310	Advance receipts		189	-	14	-	189	-
21XX	Total current liabilities		1,099,450	22	1,517,280	26	1,339,430	24
Non-current liabilities								
2540	Long-term borrowings	6(16)	47,500	1	47,500	1	10,000	-
2570	Deferred income tax liabilities	6(29)	55,510	1	44,963	1	44,431	1
2580	Lease liabilities - non-current		35,685	1	3,853	-	5,593	-
2640	Net defined benefit liabilities - non-current	6(17)	111,800	2	120,023	2	130,094	3
2645	Guarantee deposits received		2,577	-	2,920	-	2,830	-
25XX	Total non-current liabilities		253,072	5	219,259	4	192,948	4
2XXX	Total liabilities		1,352,522	27	1,736,539	30	1,532,378	28
Equity Attributable to Owners of the Parent Company								
Share Capital								
3110	Common stock	6(18)	1,461,535	29	1,461,535	25	1,461,535	27
3200	Capital surplus	6(19)	824,531	15	824,531	14	824,531	14
	Retained earnings	6(20)						
3310	Legal reserve		874,300	17	829,088	14	829,088	15
3320	Special reserve		-	-	28,741	-	28,741	1
3350	Unappropriated retained earnings		663,734	13	860,447	15	780,387	14
3400	Others equity items	6(6)(7)(21)	( 76,823)	( 1)	139,416	2	55,658	1
3XXX	Total equity		3,747,277	73	4,143,758	70	3,979,940	72
	Significant contingent liabilities and unrecognized contract commitments	9						
3X2X	Total liabilities and equity		\$ 5,099,799	100	\$ 5,880,297	100	\$ 5,512,318	100

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

Chairman: Yang Ching-Hon

Manager: Su Chiung-Chung

Head of Accounting: Tsai Chen-Chih

TAINAN ENTERPRISES CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the Nine Months Ended September 30, 2025 and 2024

(Except for earnings/losses per share, which are expressed in New Taiwan Dollars)

Item	Notes	Three Months Ended September 30, 2025		Three Months Ended September 30, 2024		Nine Months Ended September 30, 2025		Nine Months Ended September 30, 2024	
		Amount	%	Amount	%	Amount	%	Amount	%
4000 Operating revenues	6(22) and 7	\$ 1,437,004	100	\$ 1,825,840	100	\$ 5,436,551	100	\$ 5,774,404	100
5000 Operating cost	6(5)(9)(17)	( 1,265,324)	( 88)	( 1,485,189)	( 81)	( 4,559,657)	( 84)	( 4,681,670)	( 81)
5900 Net operating margin	(27)(28) and 7	<u>171,680</u>	<u>12</u>	<u>340,651</u>	<u>19</u>	<u>876,894</u>	<u>16</u>	<u>1,092,734</u>	<u>19</u>
Operating expenses	6(9)(12)(17)								
	(27)(28), 7 and 12								
6100 Selling expenses		( 62,902)	( 4)	( 65,760)	( 4)	( 192,581)	( 3)	( 185,381)	( 3)
6200 General administrative expenses		( 140,898)	( 10)	( 169,184)	( 9)	( 485,327)	( 9)	( 516,874)	( 9)
6300 Research and development expenses		( 22,075)	( 2)	( 19,606)	( 1)	( 61,158)	( 1)	( 56,590)	( 1)
6450 Expected credit gains (losses)		-	-	7,374	-	3,665	-	7,374	-
6000 Total operating expenses		<u>( 225,875)</u>	<u>( 16)</u>	<u>( 247,176)</u>	<u>( 14)</u>	<u>( 735,401)</u>	<u>( 13)</u>	<u>( 751,471)</u>	<u>( 13)</u>
6900 Operating profits (losses)		<u>( 54,195)</u>	<u>( 4)</u>	<u>93,475</u>	<u>5</u>	<u>141,493</u>	<u>3</u>	<u>341,263</u>	<u>6</u>
Non-operating income and expenses									
7100 Interest income	6(3)(23)	12,479	1	13,241	1	41,099	1	39,195	-
7010 Other income	6(10)(11)(24) and 7	12,907	1	2,093	-	18,168	-	13,280	-
7020 Other gains and losses	6(2)(3)(9)(11)(25)(27)	20,535	1	( 25,841)	( 2)	( 35,191)	( 1)	46,259	1
7050 Finance costs	6(9)(26)	( 6,829)	-	( 3,873)	-	( 22,285)	-	( 16,590)	-
7060 Share of profit of associates and joint ventures accounted for under equity method	6(7)	<u>582</u>	<u>-</u>	<u>2,427</u>	<u>-</u>	<u>5,099</u>	<u>-</u>	<u>6,628</u>	<u>-</u>
7000 Total non-operating income and expenses		<u>39,674</u>	<u>3</u>	<u>( 11,953)</u>	<u>( 1)</u>	<u>6,890</u>	<u>-</u>	<u>88,772</u>	<u>1</u>
7900 <b>Income (loss) before income tax</b>		<u>( 14,521)</u>	<u>( 1)</u>	<u>81,522</u>	<u>4</u>	<u>148,383</u>	<u>3</u>	<u>430,035</u>	<u>7</u>
7950 Income tax expense	6(29)	<u>( 6,560)</u>	<u>-</u>	<u>( 9,482)</u>	<u>-</u>	<u>( 36,318)</u>	<u>( 1)</u>	<u>( 57,979)</u>	<u>( 1)</u>
8200 <b>Profit (loss) for the period</b>		<u>(\$ 21,081)</u>	<u>( 1)</u>	<u>\$ 72,040</u>	<u>4</u>	<u>\$ 112,065</u>	<u>2</u>	<u>\$ 372,056</u>	<u>6</u>
<b>Other comprehensive income (loss)</b>									
<b>Components of other comprehensive income (loss) that will not be reclassified to profit or loss</b>									
8316 Unrealized gain/ (loss) on valuation of investments in equity instruments measured at fair value through other comprehensive income or loss	6(6)(21)								
8320 Share of other comprehensive income of associates and joint ventures accounted for using equity method - will not be reclassified to profit or loss	6(7)(21)	(\$ 41)	-	\$ 2,898	-	(\$ 425)	-	\$ 4,060	-
<b>Items that may be reclassified subsequently to profit or loss</b>									
8361 Financial statements translation differences of foreign operations	6(21)	106,535	7	( 62,697)	( 3)	( 198,241)	( 4)	69,016	1
8370 Share of other comprehensive income of associates and joint ventures accounted for under equity method - items that may be reclassified to profit or loss	6(7)(21)	( 2,672)	-	( 10,675)	( 1)	( 17,571)	-	11,326	1
8300 <b>Other comprehensive income (loss)</b>		<u>( 1)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>( 2)</u>	<u>-</u>	<u>( 3)</u>	<u>-</u>
8500 <b>Total comprehensive income</b>		<u>\$ 103,821</u>	<u>7</u>	<u>(\$ 70,474)</u>	<u>( 4)</u>	<u>(\$ 216,239)</u>	<u>( 4)</u>	<u>\$ 84,399</u>	<u>2</u>
Income (loss) attributable to:		<u>\$ 82,740</u>	<u>6</u>	<u>\$ 1,566</u>	<u>-</u>	<u>(\$ 104,174)</u>	<u>( 2)</u>	<u>\$ 456,455</u>	<u>8</u>
8610 Owners of the parent		<u>(\$ 21,081)</u>	<u>( 1)</u>	<u>\$ 72,040</u>	<u>4</u>	<u>\$ 112,065</u>	<u>2</u>	<u>\$ 372,056</u>	<u>6</u>
Comprehensive income attributable to:									
8710 Owners of the parent		<u>\$ 82,740</u>	<u>6</u>	<u>\$ 1,566</u>	<u>-</u>	<u>(\$ 104,174)</u>	<u>( 2)</u>	<u>\$ 456,455</u>	<u>8</u>
Earnings (losses) per share	6(30)								
9750 Basic		<u>(\$ 0.14)</u>		<u>\$ 0.49</u>		<u>\$ 0.77</u>		<u>\$ 2.55</u>	
9850 Diluted		<u>(\$ 0.14)</u>		<u>\$ 0.49</u>		<u>\$ 0.77</u>		<u>\$ 2.54</u>	

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

Chairman: Yang Ching-Hon

Manager: Su Chiung-Chung

Head of Accounting: Tsai Chen-Chih



TAINAN ENTERPRISES CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
For the Nine Months Ended September 30, 2025 and 2024  
(Expressed in thousands of New Taiwan dollars)

		Equity Attributable to Owners of the Parent Company							
		Retained earnings					Others equity items		
								Unrealized gain/ (loss) on valuation of investments in equity instruments measured at fair value through other comprehensive income or loss	
	Notes	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations		Total equity
<u>Nine Months Ended September 30, 2024</u>									
		\$ 1,461,535	\$ 824,531	\$ 798,013	\$ 24,941	\$ 618,590	(\$ 35,776)	\$ 7,035	\$ 3,698,869
		-	-	-	-	372,056	-	-	372,056
	6(21)	-	-	-	-	-	69,013	15,386	84,399
		-	-	-	-	372,056	69,013	15,386	456,455
		-	-	31,075	-	( 31,075)	-	-	-
		-	-	-	3,800	( 3,800)	-	-	-
	6(20)	-	-	-	-	( 175,384)	-	-	( 175,384)
		\$ 1,461,535	\$ 824,531	\$ 829,088	\$ 28,741	\$ 780,387	\$ 33,237	\$ 22,421	\$ 3,979,940
<u>Nine Months Ended September 30, 2025</u>									
		\$ 1,461,535	\$ 824,531	\$ 829,088	\$ 28,741	\$ 860,447	\$ 123,341	\$ 16,075	\$ 4,143,758
		-	-	-	-	112,065	-	-	112,065
	6(21)	-	-	-	-	-	( 198,243)	( 17,996)	( 216,239)
		-	-	-	-	112,065	( 198,243)	( 17,996)	( 104,174)
		-	-	45,212	-	( 45,212)	-	-	-
		-	-	-	( 28,741)	28,741	-	-	-
	6(20)	-	-	-	-	( 292,307)	-	-	( 292,307)
		\$ 1,461,535	\$ 824,531	\$ 874,300	\$ -	\$ 663,734	(\$ 74,902)	(\$ 1,921)	\$ 3,747,277

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

Chairman: Yang Ching-Hon

Manager: Su Chiung-Chung

Head of Accounting: Tsai Chen-Chih

TAINAN ENTERPRISES CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
For the Nine Months Ended September 30, 2025 and 2024  
(Expressed in thousands of New Taiwan dollars)

	Notes	Nine Months Ended September 30, 2025	Nine Months Ended September 30, 2024
<u>Cash flows from operating activities</u>			
Profit before tax		\$ 148,383	\$ 430,035
Adjustments			
Adjustments to reconcile profit (loss)			
Foreign exchange gains		( 1,966 )	( 3,239 )
Net (loss) gain on financial assets and liabilities at fair value through profit or loss	6(25)	264	256
Gains on disposal of investments		-	( 1,997 )
Expected credit gains (losses)	12	( 3,665 )	( 7,374 )
Share of profit of associates and joint ventures accounted for under equity method	6(7)	( 5,099 )	( 6,628 )
Depreciation	6(8)(9)(11)(27)	94,967	95,656
Loss (gains) on disposal of property, plant and equipment	6(25)	( 857 )	561
Gain from lease modification	6(9)(25)	-	( 5 )
Amortization	6(12)(27)	3,626	6,106
Interest income	6(23)	( 41,099 )	( 39,195 )
Interest expense	6(26)	22,285	16,590
Changes in operating assets/liabilities			
Change in operating assets			
Notes receivable		( 386 )	( 3 )
Accounts receivable		243,065	( 129,293 )
Other receivables		( 2,038 )	1,318
Inventories		618,388	450,092
Prepayments		( 19,484 )	12,983
Change in operating liabilities			
Contract liabilities - current		( 400 )	( 668 )
Notes payable		( 4,686 )	( 3,555 )
Accounts payable		( 230,680 )	( 145,339 )
Other payables		( 150,624 )	( 39,220 )
Advance receipts		175	183
Net defined benefit liabilities - non-current		262	( 3,020 )
Cash inflow generated from operations		670,431	634,244
Interest received		42,629	35,849
Income tax collected		394	1,691
Interest paid		( 21,687 )	( 15,920 )
Income tax paid		( 78,541 )	( 29,534 )
Net cash inflow from operating activities		613,226	626,330

(Continued on next page)

TAINAN ENTERPRISES CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
For the Nine Months Ended September 30, 2025 and 2024  
(Expressed in thousands of New Taiwan dollars)

	Notes	Nine Months Ended September 30, 2025	Nine Months Ended September 30, 2024
<u>Cash flows from investing activities</u>			
Increase in financial assets at amortized cost		( \$ 221,750 )	( \$ 259,778 )
Decrease in financial assets at amortized cost		150,301	94,126
Decrease in other receivables		1,624	3,353
Cash paid for acquisition of property, plant and equipment	6(31)	( 59,051 )	( 31,024 )
Proceeds from disposal of property, plant and equipment		1,446	1,079
Acquisition of right-of-use assets		( 8,773 )	-
Cash paid for acquisition of investment property	6(31)	( 1,581 )	( 666 )
Cash paid for acquisition of intangible assets	6(12)	( 1,660 )	( 2,942 )
Increase in prepayments for equipment		( 16,684 )	( 15,745 )
Decrease (increase) in guarantee deposits paid		668	( 608 )
Decrease in other non-current assets		2,127	200
Net cash flows used in investing activities		( 153,333 )	( 212,005 )
<u>Cash flows from financing activities</u>			
Increase in short-term borrowings	6(32)	2,388,494	605,150
Repayments of short-term borrowings	6(32)	( 2,412,229 )	( 632,205 )
Increase in long-term borrowings	6(32)	-	10,000
Repayments of lease liabilities	6(32)	( 28,510 )	( 20,956 )
Increase (decrease) in guarantee deposits paid	6(32)	( 343 )	175
Cash dividends paid	6(20)	( 292,307 )	( 175,384 )
Net cash flows used in financing activities		( 344,895 )	( 213,220 )
Effects of foreign exchange		( 90,782 )	36,168
Net Increase in cash and cash equivalents for the current period		24,216	237,273
Cash and cash equivalents at beginning of period	6(1)	804,611	735,368
Cash and cash equivalents at end of period	6(1)	\$ 828,827	\$ 972,641

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

Chairman: Yang Ching-Hon

Manager: Su Chiung-Chung

Head of Accounting: Tsai Chen-Chih

TAINAN ENTERPRISES CO., LTD. AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

I. HISTORY AND ORGANIZATION

- (I) Tainan Enterprises Co., Ltd. (the “Company”) was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.) and other relevant laws and regulations in August 1961. The Company and its subsidiaries (the “Group”) are primarily engaged in manufacturing, retail and export of various kinds of apparels (including woven and knitted garments).
- (II) As of September 30, 2025, the Group has 9,764 employees.
- (III) The common shares of the Company had been listed on the Taipei Exchange since April 1999, and has been transferred to be listed on the Taiwan Stock Exchange since September 2000.

II. THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

These consolidated financial statements were authorized for issuance by the Board of Directors on November 7, 2025.

III. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

- (I) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS®”) Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

The following table summarizes the newly issued, amended and revised standards and interpretations of International Financial Reporting Standards recognized and endorsed by the FSC and effected for application in 2025:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board (“IASB”)</u>
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025

The Group has assessed that the above standards and interpretations do not have a material impact on the Group's financial position and financial performance.

- (II) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Group

The following table summarizes the newly issued, amended, and revised standards and interpretations of International Financial Reporting Standards applicable in 2026 as recognized by the FSC:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board ("IASB")
Amendments to IFRS 9 and IFRS 7 "Amendments to Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts involving electricity from natural sources"	January 1, 2026
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17 "Insurance Contracts"	January 1, 2023
Amendment to International Financial Reporting Standard No. 17 "Initial Application of International Financial Reporting Standard No. 17 and International Financial Reporting Standard No. 9 - Comparative Information"	January 1, 2023
Annual Improvements to International Financial Reporting Standards - Volume 11	January 1, 2026

The Group has assessed that the above standards and interpretations do not have a material impact on the Group's financial position and financial performance.

(III) Impact of International Financial Reporting Standards issued by the International Accounting Standards Board but not yet endorsed by the FSC

The following table summarizes the newly issued, amended, and revised standards and interpretations of International Financial Reporting Standards that have been issued by the International Accounting Standards Board but have not yet been incorporated into those endorsed by the FSC:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board ("IASB")
Amendments to IFRS 10 and IAS 28 "Sale or Investment of Assets between an Investor and its Associate or Joint Venture"	Pending decision by the International Accounting Standards Board
IFRS No. 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027 (Note)
IFRS No. 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

Note: In the press release dated September 25, 2025, the Financial Supervisory Commission announced that International Financial Reporting Standard 18 (hereinafter referred to as IFRS 18) will be applicable to listed companies starting from 2028. Additionally, enterprises requiring early adoption of IFRS 18 may opt to apply the provisions under IFRS 18 in advance upon endorsement of IFRS 18 by the Financial Supervisory Commission.

Except for those described below that are pending assessment, the aforementioned standards and interpretations have been assessed to have no material impact on the Group's financial position and financial performance.

International Financial Reporting Standard No. 18 "Presentation and Disclosure in Financial Statements":

International Financial Reporting Standard No. 18 replaces International Accounting Standard No. 1 and updates the framework of the statement of comprehensive income, adds disclosures for management performance measures, and enhances the aggregation and disaggregation principles applied to primary financial statements and notes.

#### IV. SUMMARY OF MATERIAL ACCOUNTING POLICY

Significant accounting policies are the same as those described in Note 4 to the consolidated financial statements for 2024, except for the compliance statement, basis of preparation, basis of consolidation, and interim reporting, as described below. Unless otherwise stated, these policies have been applied consistently across all reporting periods.

##### (I) Compliance statement

1. The accompanying consolidated financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34, "Interim Financial Reporting," endorsed and issued into effect by the FSC.
2. This consolidated financial report should be read in conjunction with the consolidated financial report for 2024.

##### (II) Basis of preparation

1. Except for the following significant items, this consolidated financial report is prepared based on historical cost:
  - (1) Financial assets and liabilities measured at fair value through profit or loss (including derivative instruments).
  - (2) Financial assets measured at fair value through other comprehensive income.
  - (3) Defined benefit assets (liabilities) recognized at the net amount of retirement fund assets less the present value of defined benefit obligations.
2. The preparation of consolidated financial reports in compliance with International Financial Reporting Standards, International Accounting Standards, Interpretations and Interpretation Announcements (hereinafter referred to as "IFRSs") approved and issued by the FSC requires the use of certain significant accounting estimates. Management is also required to exercise judgment in applying the Group's accounting policies. Items involving high degrees of judgment or complexity, or items involving significant assumptions and estimates for the consolidated financial reports, are detailed in Note 5, Major Sources of Accounting Judgments, Estimates and

## Assumption Uncertainties.

### (III) Basis of consolidation

#### 1. Principles of Consolidated Financial Report Preparation:

The preparation principles of this consolidated financial report are the same as those of the consolidated financial report for 2024.

#### 2. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiaries	Main business activities	Ownership (%)			Note
			September 30, 2025	December 31, 2024	September 30, 2024	
Tainan Enterprises Co., Ltd.	Tainan Enterprise (BVI) Co., Ltd.	Professional investments	100.00	100.00	100.00	—
Tainan Enterprises Co., Ltd.	PT. Tainan Enterprises Indonesia	Garment processing, production and selling	100.00	100.00	100.00	—
Tainan Enterprises Co., Ltd.	PT. Andalan Mandiri Busana	Garment processing, production and selling	100.00	100.00	100.00	—
Tainan Enterprises Co., Ltd.	Tainan Enterprises (Cambodia) Co., Ltd.	Garment processing, production and selling	100.00	100.00	100.00	—
Tainan Enterprises Co., Ltd.	Tainan Enterprises (Vietnam) Co., Ltd.	Garment processing, production and selling	100.00	100.00	100.00	—
Tainan Enterprises Co., Ltd.	Beyoung Fashion Co., Ltd.	Garment processing, production and selling	100.00	100.00	100.00	(Note 3)
Tainan Enterprises Co., Ltd.	PT Cahaya Indah Global	Garment processing, production and selling	100.00	100.00	100.00	—
Tainan Enterprise (BVI) Co., Ltd.	Yixing Gaoqing Garment Co., Ltd.	Garment processing, production and selling	100.00	100.00	100.00	—
Tainan Enterprise (BVI) Co., Ltd.	T&G Fashion Co., Ltd.	Professional investments	100.00	100.00	100.00	(Note 3)
T&G Fashion Co., Ltd.	Gin-Sovann Fashions (Cambodia) Limited	Garment processing, production and selling	100.00	100.00	100.00	(Note 3)
T&G Fashion Co., Ltd.	Camitex II (Cambodia) MFG Co., Ltd.	Garment processing, production and selling	100.00	100.00	100.00	(Note 2) (Note 3)
T&G Fashion Co., Ltd.	Golden Harbor Garment (Cambodia) Limited	Garment processing, production and selling	—	100.00	100.00	(Note 1)

Note 1: The liquidation was completed in the second quarter of 2025.

Note 2: Operations have ceased, and liquidation procedures are still in progress.

Note 3: As it does not meet the definition of a significant subsidiary, its financial statements and the information disclosed in Note 13 have not been reviewed

by independent auditors.

3. Subsidiaries not included in the consolidated financial statements: None.
4. Adjustments and treatment for subsidiaries with different accounting periods: None.
5. Material restrictions: None.
6. Subsidiaries with non-controlling interests that are material to the Group: None.

(IV) Employee benefits

For interim periods, the defined benefit plan pension cost is calculated using the pension cost rate determined actuarially at the end of the previous accounting year, based on the period from the beginning of the year to the end of the current period. If there are significant market fluctuations and significant curtailments, settlements, or other significant one-time events after that end date, adjustments are made accordingly, and relevant information is disclosed in accordance with the aforementioned policy.

(V) Income tax

For interim periods, income tax expense is calculated by applying the estimated annual average effective tax rate to the pre-tax income or loss for the interim period, and relevant information is disclosed in accordance with the aforementioned policy.

V. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

There were no significant changes for the current period. Please refer to Note 5 of the consolidated financial statements for the year ended December 31, 2024.

VI. DETAILS OF MATERIAL ACCOUNTS

(I) Cash and cash equivalents

	September 30, 2025	December 31, 2024	September 30, 2024
Cash:			
Cash on hand	\$ 2,213	\$ 2,032	\$ 1,782
Checking and demand deposits	622,903	436,807	701,329
	<u>625,116</u>	<u>438,839</u>	<u>703,111</u>
Cash equivalents:			
Time deposits	203,711	365,772	269,530
	<u>\$ 828,827</u>	<u>\$ 804,611</u>	<u>\$ 972,641</u>

1. The Group conducts business with financial institutions of good credit quality and maintains relationships with multiple financial institutions to diversify credit risk, with the expectation that the possibility of default is very low.
2. The Group did not pledge any cash and cash equivalents as of September 30, 2025, December 31, 2024, and September 30, 2024.



(II) Financial assets and liabilities at fair value through profit or loss

<u>Asset items</u>	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Non-current:			
Financial assets mandatorily measured at fair value through profit or loss			
Non-TWSE/TPEX/emerging market listed stocks	<u>\$ 86,825</u>	<u>\$ 86,825</u>	<u>\$ 86,825</u>
<u>Liabilities</u>	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Current:			
Financial liabilities mandatorily measured at fair value through profit or loss			
Derivatives - forward exchange contracts	<u>\$ 264</u>	<u>\$ -</u>	<u>\$ -</u>

1. Details of the above financial assets and liabilities recognized in profit or loss are as follows:

	<u>Three months ended September 2025</u>	<u>Three months ended September 2024</u>
Financial assets and liabilities mandatorily measured at fair value through profit or loss	<u>( \$ 5,936 )</u>	<u>\$ 1,898</u>
	<u>Nine months ended September 2025</u>	<u>Nine months ended September 2024</u>
Financial assets and liabilities mandatorily measured at fair value through profit or loss	<u>( \$ 4,427 )</u>	<u>( \$ 81 )</u>

- Details of derivative asset/liability contracts undertaken that do not conform with hedge accounting:

Item	September 30, 2025	
	Notional principal	Contract duration
Forward sale of foreign currency	USD 1,000 thousand	Sep 2025 - Oct 2025

No such circumstance as of December 31, 2024 and September 30, 2024.

The Group engages in forward exchange transactions primarily to eliminate foreign exchange risks on business activities that arise due to changing exchange rates. However, the Group does not adopt hedge accounting to account for such transactions.

- The Group did not pledge any financial assets measured at fair value through profit or loss as of September 30, 2025, December 31, 2024, and September 30, 2024.

(III) Financial assets at amortized cost

	September 30, 2025	December 31, 2024	September 30, 2024
Current:			
Bonds	\$ 94,273	\$ 211,900	\$ 250,165
Less: Accumulated impairment	( 51,393 )	( 55,342 )	( 53,418 )
	<u>\$ 42,880</u>	<u>\$ 156,558</u>	<u>\$ 196,747</u>
Non-current:			
Bonds	\$ 774,348	\$ 653,229	\$ 566,277
Time deposits over one year	6,090	-	-
	<u>\$ 780,438</u>	<u>\$ 653,229</u>	<u>\$ 566,277</u>

- Details of Financial assets at amortized cost recognized in profit or loss are as follows:

	Three months ended September 2025	Three months ended September 2024
Interest income	<u>\$ 9,833</u>	<u>\$ 9,745</u>
	Nine months ended September 2025	Nine months ended September 2024
Interest income	\$ 29,088	\$ 28,242
Gains on disposal of investments	-	520
	<u>\$ 29,088</u>	<u>\$ 28,762</u>

2. Without considering any collateral held or other credit enhancements, the amounts that best represent the Group's maximum exposure to credit risk for Financial assets at amortized cost as of September 30, 2025, December 31, 2024, and September 30, 2024 approximate their book values.
3. The Group did not pledge any Financial assets at amortized cost as of September 30, 2025, December 31, 2024, and September 30, 2024.
4. For related credit risk information, please refer to Note 12(2) Financial Instruments. The Group's investments in time deposits are with financial institutions of good credit quality, and the possibility of default is expected to be very low.

(IV) Accounts receivable, net

	September 30, 2025	December 31, 2024	September 30, 2024
Notes receivable	\$ 386	\$ -	\$ 3
Accounts receivable	\$ 1,165,101	\$ 1,408,166	\$ 1,324,561
Less: Allowance for uncollectable accounts	-	( 3,665 )	( 1,230 )
	<u>\$ 1,165,101</u>	<u>\$ 1,404,501</u>	<u>\$ 1,323,331</u>

1. Aging analysis of notes and accounts receivable (including related parties) is as follows:

	September 30, 2025		December 31, 2024	
	Notes receivable	Accounts receivable	Notes receivable	Accounts receivable
Not past due	\$ 386	\$ 1,161,792	\$ -	\$ 1,400,192
Up to 30 days	-	2,521	-	258
31 to 90 days	-	-	-	7,711
Over 91 days	-	788	-	5
	<u>\$ 386</u>	<u>\$ 1,165,101</u>	<u>\$ -</u>	<u>\$ 1,408,166</u>

	September 30, 2024	
	Notes receivable	Accounts receivable
Not past due	\$ 3	\$ 1,312,104
Up to 30 days	-	12,106
Over 91 days	-	351
	<u>\$ 3</u>	<u>\$ 1,324,561</u>

The above represents an aging analysis based on the number of days past due.

2. The balances of notes and accounts receivable as of September 30, 2025, December 31, 2024, and September 30, 2024 all arose from customer contracts. The balance of notes and accounts receivable from customer contracts as of January 1, 2024 was \$1,195,268.
3. The Group did not hold any collateral as security for notes and accounts receivable as of September 30, 2025, December 31, 2024, and September 30, 2024.
4. Without considering any collateral held or other credit enhancements, the amounts that best represent the Group's maximum exposure to credit risk for notes and accounts receivable as of September 30, 2025, December 31, 2024, and September 30, 2024 are their book values.
5. For related credit risk information, please refer to Note 12(2) Financial Instruments.

(V) Inventories

September 30, 2025			
	Cost	Allowance for inventory valuation loss	Book value
Raw materials	\$ 263,102	\$ -	\$ 263,102
Work in progress	286,154	-	286,154
Finished goods	205	-	205
	<u>\$ 549,461</u>	<u>\$ -</u>	<u>\$ 549,461</u>
December 31, 2024			
	Cost	Allowance for inventory valuation loss	Book value
Raw materials	\$ 406,091	\$ -	\$ 406,091
Work in process	761,701	-	761,701
Finished goods	57	-	57
	<u>\$ 1,167,849</u>	<u>\$ -</u>	<u>\$ 1,167,849</u>
September 30, 2024			
	Cost	Allowance for inventory valuation loss	Book value
Raw materials	\$ 340,865	\$ -	\$ 340,865
Work in process	412,548	-	412,548
Finished goods	138	-	138
	<u>\$ 753,551</u>	<u>\$ -</u>	<u>\$ 753,551</u>

The Group's inventory costs recognized as expenses for the current period:

	Three months ended September 2025	Three months ended September 2024
Cost of goods sold	\$ 1,267,018	\$ 1,489,792
Income from sale of scraps	( 1,694 )	( 4,603 )
	<u>\$ 1,265,324</u>	<u>\$ 1,485,189</u>
	Nine months ended September 2025	Nine months ended September 2024
Cost of goods sold	\$ 4,566,980	\$ 4,693,766
Income from sale of scraps	( 7,323 )	( 12,096 )
	<u>\$ 4,559,657</u>	<u>\$ 4,681,670</u>

(VI) Financial assets at fair value through other comprehensive income - non-current

Item	September 30, 2025	December 31, 2024	September 30, 2024
Equity instruments			
Listed stocks	\$ 1,452	\$ 1,452	\$ 1,452
Valuation adjustments	( 638 )	( 213 )	3,153
	<u>\$ 814</u>	<u>\$ 1,239</u>	<u>\$ 4,605</u>

1. The Group elected to classify equity investments that are strategic investments as financial assets at fair value through other comprehensive income. The fair values of such investments amounted to \$814, \$1,239, and \$4,605 as of September 30, 2025, December 31, 2024, and September 30, 2024, respectively.
2. Details of financial assets measured at fair value through other comprehensive income recognized in other comprehensive income are as follows:

	Three months ended September 2025	Three months ended September 2024
Fair value changes	( \$ 41 )	\$ 2,898
	Nine months ended September 2025	Nine months ended September 2024
Fair value changes	( \$ 425 )	\$ 4,060

3. Without considering collateral held or other credit enhancements, the maximum exposure to credit risk for the Group's financial assets measured at fair value through other comprehensive income as of September 30, 2025, December 31, 2024, and September 30, 2024 is approximately equal to their book values.

4. The Group did not pledge any financial assets measured at fair value through other comprehensive income as of September 30, 2025, December 31, 2024, and September 30, 2024.

(VII) Investments accounted for under equity method

1. Movements of investments accounted for under equity method:

	Nine months ended September 2025	Nine months ended September 2024
At January 1	\$ 96,357	\$ 86,619
Share of profit of associates and joint ventures accounted for under equity method	5,099	6,628
Earnings distribution from equity-accounted investments	( 3,753 )	( 6,700 )
Changes in other equity - unrealized gains on financial assets measured at fair value through other comprehensive income	( 17,571 )	11,326
Changes in other equity - Financial statements translation differences of foreign operations	( 2 )	( 3 )
At September 30	<u>\$ 80,130</u>	<u>\$ 97,870</u>

2. Details of investments accounted for under equity method are as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Associates	<u>\$ 80,130</u>	<u>\$ 96,357</u>	<u>\$ 97,870</u>

3. Associates:

- (1) The basic information of the Group's major associates is as follows:

Company name	Principal place of business	Shareholding percentage			Nature of relationship	Measurement method
		September 30, 2025	December 31, 2024	September 30, 2024		
Tainan Enterprise (Cayman) Co., Ltd. and subsidiaries	Republic of China (Note)	13.39%	13.39%	13.39%	Strategic investment	Equity method

(Note) Country of incorporation is the Cayman Islands.

- (2) The summarized financial information of the associates that is material to the group is as follows:

Balance sheet

	Tainan Enterprise Co., Ltd. and subsidiaries		
	September 30, 2025	December 31, 2024	September 30, 2024
Current assets	\$ 939,075	\$ 951,019	\$ 963,531
Non-current assets	929,619	1,028,892	1,004,538
Current liabilities	( 967,548 )	( 914,020 )	( 895,468 )
Non-current liabilities	( 226,044 )	( 263,562 )	( 265,956 )
Non-controlling interests	( 79,089 )	( 82,712 )	( 84,486 )
Total net assets	\$ 596,013	\$ 719,617	\$ 722,159
Share in associates' net assets	\$ 79,806	\$ 96,357	\$ 96,697
Carrying of comprehensive associates	\$ 80,130	\$ 96,357	\$ 97,870

### Statements of comprehensive income

Tainan Enterprise (Cayman) Co., Ltd. and subsidiaries		
	Three months ended September 2025	Three months ended September 2024
Revenue	\$ 358,278	\$ 418,619
(Loss) profit after income tax	( \$ 7,351 )	\$ 11,907
Other comprehensive income, net of tax	( 12,207 )	( 84,062 )
Total comprehensive income	( \$ 19,558 )	( \$ 72,155 )

Tainan Enterprise (Cayman) Co., Ltd. and subsidiaries		
	Nine months ended September 2025	Nine months ended September 2024
Revenue	\$ 1,196,845	\$ 1,333,726
Profit after income tax	\$ 24,285	\$ 43,776
Other comprehensive income, net of tax	( 123,480 )	80,248
Total comprehensive income	( \$ 99,195 )	\$ 124,024
Dividends received from associates (Note)	\$ 4,690	\$ 8,933

Note: Includes cash dividends and stock dividends.

- (3) Shares of the Group's significant associate Tainan Enterprise (Cayman) Co., Ltd. are quoted in open market, and the fair value was \$233,446 (NT\$48.80 per share), \$254,195 (NT\$54.20 per share), and \$273,892 (NT\$58.40 per share) as of September 30, 2025, December 31, 2024, and September 30, 2024, respectively.
4. The Group did not pledge any investments accounted for under equity method as of September 30, 2025, December 31, 2024, and September 30, 2024.



(VIII) Property, plant and equipment

	Land	Buildings	Machinery	Utilities equipment	Transportation and office equipment	Leasehold Improvement	Other equipment	Construction in progress and equipment pending inspection	Total
<u>January 1, 2025</u>									
Cost	\$ 316,312	\$ 997,564	\$ 679,895	\$ 194,224	\$ 172,264	\$ 36,439	\$ 17,773	\$ 2,024	\$ 2,416,495
Accumulated depreciation	-	( 542,916)	( 547,489)	( 148,807)	( 145,439)	( 25,469)	( 15,639)	-	( 1,425,759)
	<u>\$ 316,312</u>	<u>\$ 454,648</u>	<u>\$ 132,406</u>	<u>\$ 45,417</u>	<u>\$ 26,825</u>	<u>\$ 10,970</u>	<u>\$ 2,134</u>	<u>\$ 2,024</u>	<u>\$ 990,736</u>
<u>Nine months ended</u>									
<u>September 2025</u>									
At January 1	\$ 316,312	\$ 454,648	\$ 132,406	\$ 45,417	\$ 26,825	\$ 10,970	\$ 2,134	\$ 2,024	\$ 990,736
Additions	-	-	32,386	5,032	6,926	275	16	11,153	55,788
Reclassification from repayments for equipment	-	-	-	314	-	-	-	-	314
Reclassifications - cost	-	-	1,578	-	438	-	-	( 2,016)	-
Depreciation	-	( 19,517)	( 29,284)	( 7,413)	( 7,544)	( 2,583)	( 88)	-	( 66,429)
Disposals - cost	-	-	( 21,652)	-	( 4,773)	-	( 213)	-	( 26,638)
- Accumulated depreciation	-	-	21,113	-	4,752	-	184	-	26,049
Net currency exchange differences	( 4,092)	( 24,778)	( 9,302)	( 3,107)	( 966)	( 726)	( 101)	( 283)	( 43,355)
At September 30	<u>\$ 312,220</u>	<u>\$ 410,353</u>	<u>\$ 127,245</u>	<u>\$ 40,243</u>	<u>\$ 25,658</u>	<u>\$ 7,936</u>	<u>\$ 1,932</u>	<u>\$ 10,878</u>	<u>\$ 936,465</u>
<u>September 30, 2025</u>									
Cost	\$ 312,220	\$ 945,816	\$ 646,286	\$ 185,670	\$ 165,986	\$ 34,107	\$ 16,726	\$ 10,878	\$ 2,317,689
Accumulated depreciation	-	( 535,463)	( 519,041)	( 145,427)	( 140,328)	( 26,171)	( 14,794)	-	( 1,381,224)
	<u>\$ 312,220</u>	<u>\$ 410,353</u>	<u>\$ 127,245</u>	<u>\$ 40,243</u>	<u>\$ 25,658</u>	<u>\$ 7,936</u>	<u>\$ 1,932</u>	<u>\$ 10,878</u>	<u>\$ 936,465</u>

	Land	Buildings	Machinery	Utilities equipment	Transportation and office equipment	Leasehold Improvement	Other equipment	Construction in progress and equipment pending inspection	Total
<u>January 1, 2024</u>									
Cost	\$ 312,675	\$ 1,015,629	\$ 659,045	\$ 177,549	\$ 165,292	\$ 34,127	\$ 17,580	\$ 1,078	\$ 2,382,975
Accumulated depreciation	-	( 553,755 )	( 526,293 )	( 130,823 )	( 136,546 )	( 19,928 )	( 15,351 )	-	( 1,382,696 )
	<u>\$ 312,675</u>	<u>\$ 461,874</u>	<u>\$ 132,752</u>	<u>\$ 46,726</u>	<u>\$ 28,746</u>	<u>\$ 14,199</u>	<u>\$ 2,229</u>	<u>\$ 1,078</u>	<u>\$ 1,000,279</u>
<u>Nine months ended</u>									
<u>September 2024</u>									
At January 1	\$ 312,675	\$ 461,874	\$ 132,752	\$ 46,726	\$ 28,746	\$ 14,199	\$ 2,229	\$ 1,078	\$ 1,000,279
Additions	-	-	19,493	1,600	4,985	-	-	3,356	29,434
Reclassifications - cost	-	-	1,120	-	-	-	-	( 1,120 )	-
Depreciation	-	( 23,422 )	( 26,871 )	( 6,762 )	( 7,911 )	( 3,218 )	( 98 )	-	( 68,282 )
Disposals - cost	-	-	( 45,388 )	-	( 6,962 )	-	( 444 )	-	( 52,794 )
- Accumulated depreciation	-	-	43,842	-	6,915	-	397	-	51,154
Net currency exchange differences	1,644	11,442	4,086	1,487	399	473	97	2	19,630
At September 30	<u>\$ 314,319</u>	<u>\$ 449,894</u>	<u>\$ 129,034</u>	<u>\$ 43,051</u>	<u>\$ 26,172</u>	<u>\$ 11,454</u>	<u>\$ 2,181</u>	<u>\$ 3,316</u>	<u>\$ 979,421</u>
<u>September 30, 2024</u>									
Cost	\$ 314,319	\$ 1,038,646	\$ 654,191	\$ 184,557	\$ 167,415	\$ 35,172	\$ 17,901	\$ 3,316	\$ 2,415,517
Accumulated depreciation	-	( 588,752 )	( 525,157 )	( 141,506 )	( 141,243 )	( 23,718 )	( 15,720 )	-	( 1,436,096 )
	<u>\$ 314,319</u>	<u>\$ 449,894</u>	<u>\$ 129,034</u>	<u>\$ 43,051</u>	<u>\$ 26,172</u>	<u>\$ 11,454</u>	<u>\$ 2,181</u>	<u>\$ 3,316</u>	<u>\$ 979,421</u>

1. The Group's land located in Cambodia, due to restrictions under local Cambodian laws and regulations, is registered under the name of Koche Investment Co., Ltd., with the rights and obligations of both parties specified through a nominee property registration agreement. The substantive owner of such land is the Group.
2. The Group's property, plant and equipment as of September 30, 2025, December 31, 2024, and September 30, 2024 were all assets for self-use.
3. There was no capitalization of borrowing costs for property, plant and equipment for the nine months ended September 30, 2025 and 2024.
4. The Group did not pledge any property, plant and equipment as collateral as of September 30, 2025, December 31, 2024, and September 30, 2024.

(IX) Lease arrangements - Lessee

1. The Group's leased assets include land use rights and buildings, with lease terms typically ranging from 1 to 50 years. Lease contracts are individually negotiated and contain various terms and conditions. Apart from the restriction that leased assets cannot be used as collateral for borrowings, no other restrictions are imposed.
2. Some of the Group's leased plants and offices have lease terms not exceeding 12 months, and the Group also leases low-value assets such as office equipment.
3. Information on the book values of right-of-use assets and depreciation expenses recognized is as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
	Book value	Book value	Book value
Land	\$ 31,962	\$ 28,686	\$ 32,138
Buildings	112,433	54,246	56,203
	<u>\$ 144,395</u>	<u>\$ 82,932</u>	<u>\$ 88,341</u>

	Three months ended September 2025	Three months ended September 2024
	Depreciation	Depreciation
Land	\$ 4,594	\$ 4,448
Buildings	4,532	3,923
	<u>\$ 9,126</u>	<u>\$ 8,371</u>

	Nine months ended September 2025	Nine months ended September 2024
	Depreciation	Depreciation
Land	\$ 14,028	\$ 13,235
Buildings	12,663	12,447
	<u>\$ 26,691</u>	<u>\$ 25,682</u>

4. The Group's additions and remeasurements of right-of-use assets for the three months and nine months ended September 30, 2025 and 2024, were \$59,843, \$-, \$97,100, and \$-, respectively.

5. Information on profit or loss items related to lease contracts is as follows:

	Three months ended September 2025	Three months ended September 2024
<u>Items affecting current period</u> <u>profit or loss</u>		
Interest expense on lease liabilities	\$ 441	\$ 226
Expenses for short-term lease contracts	931	807

	Nine months ended September 2025	Nine months ended September 2024
<u>Items affecting current period</u> <u>profit or loss</u>		
Interest expense on lease liabilities	\$ 1,004	\$ 1,230
Expenses for short-term lease contracts	2,655	2,412
Gain from lease modification	- (	5 )

6. For the three months and nine months ended September 30, 2025 and 2024, the group's total cash outflow on leases were \$14,899 and \$7,479, and \$32,907 and \$24,616, respectively.

(X) Lease arrangements - lessor

1. The Group's leased assets are primarily investment properties, with lease terms typically ranging from 1 to 10 years. Lease contracts are individually negotiated and contain various terms and conditions. To protect the usage of leased assets, lessees are typically required not to lend, sublease, transfer, or allow others to use the leased assets through other disguised methods, or to place rental deposits upon contract signing.

2. The Group recognized rental income of \$723 and \$649, and \$2,145 and \$1,941 from operating lease contracts for the three months and nine months ended September 30, 2025 and 2024, with no variable lease payment provisions.
3. The maturity analysis of the above operating lease contracts is as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Within 1 year	\$ 1,555	\$ 2,617	\$ 1,626
1 to 5 years	2,957	4,325	4,685
Over 5 years	12	120	150
	<u>\$ 4,524</u>	<u>\$ 7,062</u>	<u>\$ 6,461</u>

(XI) Investment property, net

	Land	Buildings	Total
<u>January 1, 2025</u>			
Cost	\$ 95,130	\$ 76,956	\$ 172,086
Accumulated depreciation	-	( 34,685 )	( 34,685 )
	<u>\$ 95,130</u>	<u>\$ 42,271</u>	<u>\$ 137,401</u>

Nine months ended September 2025

At January 1	\$ 95,130	\$ 42,271	\$ 137,401
Additions	-	1,581	1,581
Reclassification from repayments for equipment	-	76	76
Depreciation	-	( 1,847 )	( 1,847 )
At September 30	<u>\$ 95,130</u>	<u>\$ 42,081</u>	<u>\$ 137,211</u>

September 30, 2025

Cost	\$ 95,130	\$ 78,613	\$ 173,743
Accumulated depreciation	-	( 36,532 )	( 36,532 )
	<u>\$ 95,130</u>	<u>\$ 42,081</u>	<u>\$ 137,211</u>

	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
<u>January 1, 2024</u>			
Cost	\$ 95,130	\$ 74,194	\$ 169,324
Accumulated depreciation	<u>-</u>	<u>( 32,390 )</u>	<u>( 32,390 )</u>
	<u>\$ 95,130</u>	<u>\$ 41,804</u>	<u>\$ 136,934</u>
<u>Nine months ended September 2024</u>			
At January 1	\$ 95,130	\$ 41,804	\$ 136,934
Depreciation	<u>-</u>	<u>( 1,692 )</u>	<u>( 1,692 )</u>
At September 30	<u>\$ 95,130</u>	<u>\$ 40,112</u>	<u>\$ 135,242</u>
<u>September 30, 2024</u>			
Cost	\$ 95,130	\$ 74,194	\$ 169,324
Accumulated depreciation	<u>-</u>	<u>( 34,082 )</u>	<u>( 34,082 )</u>
	<u>\$ 95,130</u>	<u>\$ 40,112</u>	<u>\$ 135,242</u>

1. Rental income and direct operating expenses arising from investment property are shown below:

	<u>Three months ended September 2025</u>	<u>Three months ended September 2024</u>
Rental income from investment property (listed as "other income")	<u>\$ 595</u>	<u>\$ 629</u>
Direct operating expenses arising from investment properties that generated rental income during the period	<u>\$ 626</u>	<u>\$ 564</u>
	<u>Nine months ended September 2025</u>	<u>Nine months ended September 2024</u>
Rental income from investment property (listed as "other income")	<u>\$ 1,856</u>	<u>\$ 1,885</u>
Direct operating expenses arising from investment properties that generated rental income during the period	<u>\$ 1,847</u>	<u>\$ 1,692</u>

2. The fair value of investment properties held by the Group as of September 30, 2025, December 31, 2024, and September 30, 2024 was \$502,583, \$502,583, and \$472,473, respectively, which were valued based on announced market prices and actual transaction registration information, representing Level 2 fair value.
3. The group has not capitalized borrowing costs during the nine months ended September 30, 2025 and 2024.
4. The Group had no investment properties pledged to others as of September 30, 2025, December 31, 2024, and September 30, 2024.

(XII) Intangible assets

	Computer software	Goodwill	Total
<u>January 1, 2025</u>			
Cost	\$ 13,199	\$ 82,151	\$ 95,350
Accumulated amortization	( 6,893 )	-	( 6,893 )
Accumulated impairment	-	( 78,081 )	( 78,081 )
Net currency exchange differences	-	( 4,070 )	( 4,070 )
	<u>\$ 6,306</u>	<u>\$ -</u>	<u>\$ 6,306</u>

Nine months ended September 2025

At January 1	\$ 6,306	\$ -	\$ 6,306
Acquired separately	1,660	-	1,660
Amortization	( 3,626 )	-	( 3,626 )
Disposals - cost	( 4,585 )	-	( 4,585 )
- Accumulated amortization	4,585	-	4,585
Net currency exchange differences	( 79 )	-	( 79 )
At September 30	<u>\$ 4,261</u>	<u>\$ -</u>	<u>\$ 4,261</u>

September 30, 2025

Cost	\$ 10,163	\$ 82,151	\$ 92,314
Accumulated amortization	( 5,902 )	-	( 5,902 )
Accumulated impairment	-	( 78,081 )	( 78,081 )
Net currency exchange differences	-	( 4,070 )	( 4,070 )
	<u>\$ 4,261</u>	<u>\$ -</u>	<u>\$ 4,261</u>

	Computer software	Goodwill	Total
<u>January 1, 2024</u>			
Cost	\$ 31,274	\$ 82,151	\$ 113,425
Accumulated amortization	( 21,241 )	-	( 21,241 )
Accumulated impairment	-	( 78,081 )	( 78,081 )
Net currency exchange differences	-	( 4,070 )	( 4,070 )
	<u>\$ 10,033</u>	<u>\$ -</u>	<u>\$ 10,033</u>

Nine months ended September 2024

At January 1	\$ 10,033	\$ -	\$ 10,033
Acquired separately	2,942	-	2,942
Reclassification from repayments for equipment	645	-	645
Amortization	( 6,106 )	-	( 6,106 )
Disposals - cost	( 21,305 )	-	( 21,305 )
- Accumulated amortization	21,305	-	21,305
Net currency exchange differences	( 12 )	-	( 12 )
At September 30	<u>\$ 7,502</u>	<u>\$ -</u>	<u>\$ 7,502</u>

September 30, 2024

Cost	\$ 13,544	\$ 82,151	\$ 95,695
Accumulated amortization	( 6,042 )	-	( 6,042 )
Accumulated impairment	-	( 78,081 )	( 78,081 )
Net currency exchange differences	-	( 4,070 )	( 4,070 )
	<u>\$ 7,502</u>	<u>\$ -</u>	<u>\$ 7,502</u>

1. No borrowing costs were capitalized during the nine months ended September 30, 2025 and 2024.
2. Details of intangible asset amortization expenses are as follows:

	Three months ended September 2025	Three months ended September 2024
Operating expenses	<u>\$ 1,037</u>	<u>\$ 1,662</u>
	Nine months ended September 2025	Nine months ended September 2024
Operating expenses	<u>\$ 3,626</u>	<u>\$ 6,106</u>

3. The Group had no intangible assets pledged as collateral as of September 30, 2025, December 31, 2024, and September 30, 2024.



4. Details of accumulated impairment losses on the Group's goodwill are explained in Note 6(13).

(XIII) Impairment of non-financial assets

1. No such impairment losses were recognized for the nine months ended September 2025 and 2024.
2. As of September 30, 2025, December 31, 2024, and September 30, 2024, the accumulated impairment losses on goodwill (presented as "Intangible Assets") were all \$78,081.

(XIV) Short-term borrowings

<u>Type of borrowings</u>	<u>September 30, 2025</u>	<u>Interest rate</u>	<u>Collateral</u>
Bank borrowings			
Unsecured bank borrowings	<u>\$ 475,400</u>	1.70%~4.85%	None
<u>Type of borrowings</u>	<u>December 31, 2024</u>	<u>Interest rate</u>	<u>Collateral</u>
Bank borrowings			
Unsecured bank borrowings	<u>\$ 500,925</u>	1.72%~5.25%	None
<u>Type of borrowings</u>	<u>September 30, 2024</u>	<u>Interest rate</u>	<u>Collateral</u>
Bank borrowings			
Unsecured bank borrowings	<u>\$ 580,075</u>	1.71%~5.73%	None

The Group's interest expenses recognized in profit or loss for the three months and nine months ended September 2025 and 2024 are detailed in Note 6(26) Finance Costs.

(XV) Other payables

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Accrued salary and bonus	\$ 197,220	\$ 299,637	\$ 235,822
Taxes payable	32,300	32,737	34,990
Accrued pension expense	27,980	35,272	32,305
Accrued processing fees	23,836	55,167	26,552
Employee and director compensation payable	16,360	12,600	10,432
Accrued labor insurance and health insurance fee	9,637	10,875	10,141
Accrued freight charges	7,477	11,727	8,947
Import and export fees payable	7,242	9,995	9,515
Payable for equipment	208	3,471	2,250
Others	24,230	28,298	27,407
	<u>\$ 346,490</u>	<u>\$ 499,779</u>	<u>\$ 398,361</u>

(XVI) Long-term borrowings

Type of borrowings	September 30, 2025	Borrowing period	Interest rate	Collateral
Unsecured bank borrowings	<u>\$ 47,500</u>	December 2, 2024 to October 17, 2029	1.60%	None
Type of borrowings	December 31, 2024	Borrowing period	Interest rate	Collateral
Unsecured bank borrowings	<u>\$ 47,500</u>	December 2, 2024 to October 17, 2029	1.60%	None
Type of borrowings	September 30, 2024	Borrowing period	Interest rate	Collateral
Unsecured bank borrowings	<u>\$ 10,000</u>	September 27, 2024 to September 27, 2029	2.03%	None

The Group's interest expenses recognized in profit or loss for the three months and nine months ended September 2025 and 2024 are detailed in Note 6(26) Finance Costs.

(XVII) Pension

1. The Company has established a defined benefit retirement plan in accordance with the provisions of the R.O.C. "Labor Standards Act," which applies to the service years of all regular employees before the implementation of the R.O.C. "Labor Pension Act" on July 1, 2005, as well as the subsequent service years of employees who chose to continue under the Labor Standards Act after the implementation of the R.O.C. "Labor Pension Act." For employees who meet retirement conditions, pension payments are calculated based on years of service and the average salary of the 6 months prior to retirement. For service years within 15 years (inclusive), 2 base units are granted for each full year of service, and for service years exceeding 15 years, 1 base unit is granted for each full year of service, with a maximum cumulative limit of 45 base units. The Company contributes 7.5% of the total monthly payroll to the retirement fund, which is deposited in a special account under the name of the Labor Retirement Reserve Supervisory Committee at the Bank of Taiwan. Additionally, before the end of each year, the Company estimates the balance of the aforementioned labor retirement reserve account. If the balance is insufficient to pay the retirement benefits calculated as described above for employees who are expected to meet retirement conditions in the following year, the Company will contribute the shortfall in a lump sum by the end of March of the following year. Information disclosure related to the aforementioned defined benefit retirement plan and the defined benefit retirement plans of subsidiaries - P.T. Tainan Enterprises Indonesia and PT. Andalan Mandiri Busana - is as follows:

- (1) For the three months and nine months ended September 30, 2025 and 2024, the amounts of pension cost recognized in accordance with the above policy were

\$10,381 and \$7,187, and \$28,133 and \$21,361, respectively.

(2) The Group expects to contribute NT\$16,734 to the retirement plan in 2026.

2. The Company and its domestic subsidiaries have established a defined contribution retirement plan in accordance with the R.O.C. "Labor Pension Act" since July 1, 2005, which applies to employees with R.O.C. nationality. The Company and its domestic subsidiaries, for employees who choose to apply the labor pension system stipulated in the R.O.C. "Labor Pension Act," contribute 6% of monthly salaries as labor pension to employees' individual accounts at the Bureau of Labor Insurance. The payment of employee pensions is based on the amount in employees' individual pension accounts and accumulated earnings, which can be received as monthly pensions or lump-sum pensions. The Group's overseas subsidiaries voluntarily establish retirement pension reserves and pension insurance systems according to the regulations of local governments in Vietnam, Cambodia, and China, respectively, contributing 7% to 16% of local employees' total monthly salaries as retirement pension reserves and pension insurance funds. Each employee's pension is managed and coordinated by the government. Except for monthly contributions, the Group has no further obligations. For the three months and nine months ended September 30, 2025 and 2024, the amounts of pension cost recognized in accordance with the above policy were \$17,508 and \$16,715, and \$46,971 and \$49,888, respectively.

(XVIII) Common stock

1. The reconciliation of the Company's outstanding common shares at the beginning and end of the period is as follows: (in thousands of shares)

	Nine months ended September 2025	Nine months ended September 2024
Number of shares at beginning and end of period	\$ 146,154	\$ 146,154

2. As of September 30, 2025, the Company's authorized capital was \$2,000,000 (including \$100,000 thousand shares reserved for employee stock options) and the paid-in capital was \$1,461,535, consisting of 146,154 thousand shares of ordinary stock with a par value of NT\$10 (in dollars) per share. All share payments for the Company's issued shares have been fully collected.

(XIX) Capital surplus

1. According to the R.O.C. Company Act, capital surplus derived from premiums on stock issuance in excess of par value and capital contributions received as gifts may be used to offset losses or, when the company has no accumulated losses, distributed to shareholders in proportion to their existing shareholdings through issuance of new shares or cash distributions. Additionally, pursuant to relevant provisions of the R.O.C. Securities and Exchange Act, when the aforementioned capital surplus is used to increase capital, the amount of increase shall not aggregate to more than 10% of paid-in capital each year. The company may not use capital surplus to offset losses unless the surplus reserves are insufficient to cover capital losses.
2. Details of changes in capital surplus are as follows:

Nine months ended September 2025	Share premium	Difference between acquisition or disposal price and carrying amount of subsidiaries	Changes in ownership interests in subsidiaries	Changes in equity value of associates and joint ventures accounted for using equity method	Forfeited employee stock options	Others	Total
Balance at beginning and end of period	\$ 736,435	\$ 20,166	\$ 46,042	\$ 12,809	\$ 5	\$ 9,074	\$ 824,531
Nine months ended September 2024	Share premium	Difference between acquisition or disposal price and carrying amount of subsidiaries	Changes in ownership interests in subsidiaries	Changes in equity value of associates and joint ventures accounted for using equity method	Forfeited employee stock options	Others	Total
Balance at beginning and end of period	\$ 736,435	\$ 20,166	\$ 46,042	\$ 12,809	\$ 5	\$ 9,074	\$ 824,531

(XX) Retained earnings

1. Legal reserves may not be used except to offset company losses and to issue new shares or cash to shareholders in proportion to their original shareholdings; however, when issuing new shares or cash, such distribution is limited to the portion of such reserves exceeding 25% of paid-in capital.
2. According to the provisions of the Company's Articles of Incorporation, if the Company has earnings from its annual financial statements, after paying taxes in accordance with law and offsetting accumulated losses, 10% shall be set aside as legal reserve; however, this shall not apply when the legal reserve has reached the Company's paid-in capital. The remainder shall be appropriated or reversed as special reserve in accordance with legal requirements. Any remaining balance shall be the distributable earnings for the current period. The distributable earnings for the current period plus accumulated undistributed earnings from the previous year constitute

accumulated distributable earnings. The Board of Directors shall prepare earnings distribution proposals and submit them to the shareholders' meeting for resolution on shareholder dividend distribution. The Company's dividend policy takes into consideration current and future development plans, investment environment, capital requirements, domestic and international competitive conditions, and shareholder interests. The annual dividend distribution to shareholders shall not be less than 30% of the distributable earnings for the current period. Shareholder dividends may be distributed in cash or stock, with cash dividends comprising not less than 10% of total dividends.

3. When the Company distributes earnings, it shall appropriate special capital reserve in accordance with legal requirements for the debit balance of other equity items as of the balance sheet date of the current year before distribution. Subsequently, when the debit balance of other equity items is reversed, the reversed amount may be included in distributable earnings.
4. The Company recognized cash dividends of NT\$175,384 (NT\$1.2 per share) for the distribution of 2023 earnings. On May 26, 2025, the shareholders resolved cash dividend distribution of NT\$292,307 (NT\$2 per share) for 2024 earnings.

(XXI) Others equity items

Nine months ended September 2025	Currency translation difference	Financial assets at fair value through other comprehensive income	Total
At January 1	\$ 123,341	\$ 16,075	\$ 139,416
Foreign translation differences			
– The Company	( 198,241 )	-	( 198,241 )
– Associates	( 2 )	-	( 2 )
Unrealized gain (loss) on financial assets measured at fair value through other comprehensive income or loss			
– The Company	-	( 425 )	( 425 )
– Associates	-	( 17,571 )	( 17,571 )
At September 30	<u>( \$ 74,902 )</u>	<u>( \$ 1,921 )</u>	<u>( \$ 76,823 )</u>

Nine months ended September 2024	Currency translation difference	Financial assets at fair value through other comprehensive income	Total
At January 1	( \$ 35,776 )	\$ 7,035	( \$ 28,741 )
Foreign translation differences			
– The Company	70,493	-	70,493
– Associates	( 3 )	-	( 3 )
Reclassification of foreign translation differences on liquidated investees to gain/loss on disposal of investments	( 1,477 )	-	( 1,477 )
Unrealized gain (loss) on financial assets measured at fair value through other comprehensive income or loss			
– The Company	-	4,060	4,060
– Associates	-	11,326	11,326
At September 30	<u>\$ 33,237</u>	<u>\$ 22,421</u>	<u>\$ 55,658</u>

(XXII) Operating revenues

- Revenue from external customers is mainly from the production and sales of garment, the design, development, production, and sales of self-owned brands, and the provision of processing and business consulting services, as well as the agency of other internationally well-known brands. Details of revenue are as follows:

	Three months ended September 2025	Three months ended September 2024
At a point in time:		
Sales revenue	\$ 1,427,170	\$ 1,811,735
Over time:		
Service revenue	9,834	14,105
	<u>\$ 1,437,004</u>	<u>\$ 1,825,840</u>
	Nine months ended September 2025	Nine months ended September 2024
At a point in time:		
Sales revenue	\$ 5,418,276	\$ 5,759,488
Over time:		
Service revenue	18,275	14,916
	<u>\$ 5,436,551</u>	<u>\$ 5,774,404</u>

2. The Group's contract liabilities related to customer contract revenue recognition and recognized revenue amounts are as follows:

	September 30, 2025	December 31, 2024	September 30, 2024	January 1, 2024
Contract liabilities - current	<u>\$ 2,426</u>	<u>\$ 2,826</u>	<u>\$ 4,223</u>	<u>\$ 4,891</u>

	Three months ended September 2025	Three months ended September 2024
Contract liabilities - opening balance, revenue recognized for the current period – receipts in advance	<u>\$ -</u>	<u>\$ -</u>
	Nine months ended September 2025	Nine months ended September 2024
Contract liabilities - opening balance, revenue recognized for the current period – receipts in advance	<u>\$ 1,751</u>	<u>\$ 2,816</u>

(XXIII) Interest income

	Three months ended September 2025	Three months ended September 2024
Bank deposits	\$ 2,622	\$ 3,496
Financial assets at amortized cost	9,833	9,745
Others	24	-
	<u>\$ 12,479</u>	<u>\$ 13,241</u>
	Nine months ended September 2025	Nine months ended September 2024
Bank deposits	\$ 11,940	\$ 10,885
Financial assets at amortized cost	29,088	28,242
Others	71	68
	<u>\$ 41,099</u>	<u>\$ 39,195</u>

(XXIV) Other income

	Three months ended September 2025	Three months ended September 2024
Rental income	\$ 723	\$ 649
Other income	12,184	1,444
	<u>\$ 12,907</u>	<u>\$ 2,093</u>
	Nine months ended September 2025	Nine months ended September 2024
Rental income	\$ 2,145	\$ 1,941
Government grants income	498	390
Other income	15,525	10,949
	<u>\$ 18,168</u>	<u>\$ 13,280</u>

(XXV) Other gains and losses

	Three months ended September 2025	Three months ended September 2024
Net (loss) gain on financial assets and liabilities at fair value through profit or loss	( \$ 1,202 )	\$ 1,210
Net foreign exchange gain (loss)	27,227	( 26,646 )
Net loss on disposal of property, plant and equipment	( 125 )	( 529 )
(Losses) gains on disposal of investments	( 4,734 )	688
Other losses	( 631 )	( 564 )
	<u>\$ 20,535</u>	<u>( \$ 25,841 )</u>
	Nine months ended September 2025	Nine months ended September 2024
Net (loss) gain on financial assets and liabilities at fair value through profit or loss	( \$ 264 )	( \$ 256 )
Net foreign exchange gains (losses)	( 29,753 )	46,711
Net gains (loss) on disposal of property, plant and equipment	857	( 561 )
(Losses) gains on disposal of investments	( 4,163 )	2,172
Gain from lease modification	-	5
Other losses	( 1,868 )	( 1,812 )
	<u>( \$ 35,191 )</u>	<u>\$ 46,259</u>

(XXVI) Finance costs



	Three months ended September 2025	Three months ended September 2024
Interest expense:		
Bank borrowings	\$ 6,388	\$ 3,647
Lease liabilities	441	226
	<u>\$ 6,829</u>	<u>\$ 3,873</u>
	Nine months ended September 2025	Nine months ended September 2024
Interest expense:		
Bank borrowings	\$ 21,281	\$ 15,360
Lease liabilities	1,004	1,230
	<u>\$ 22,285</u>	<u>\$ 16,590</u>

(XXVII) Expenses by nature

	Three months ended September 2025		
	Operating cost	Operating expense	Total
Employee benefits expenses	\$ 296,620	\$ 140,797	\$ 437,417
Depreciation charge on property, plant and equipment	17,013	4,465	21,478
Depreciation charge on right-of- use assets	8,002	1,124	9,126
Depreciation charge on investment property (Note)	-	626	626
Amortization charge on intangible assets	-	1,037	1,037
	<u>\$ 321,635</u>	<u>\$ 148,049</u>	<u>\$ 469,684</u>

	Three months ended September 2024		
	Operating cost	Operating expense	Total
Employee benefits expenses	\$ 356,825	\$ 167,101	\$ 523,926
Depreciation charge on property, plant and equipment	17,975	4,925	22,900
Depreciation charge on right-of- use assets	7,787	584	8,371
Depreciation charge on investment property (Note)	-	564	564
Amortization charge on intangible assets	-	1,662	1,662
	<u>\$ 382,587</u>	<u>\$ 174,836</u>	<u>\$ 557,423</u>

	Nine months ended September 2025		
	Operating cost	Operating expense	Total

Employee benefits expenses	\$ 1,052,283	\$ 475,474	\$ 1,527,757
Depreciation charge on property, plant and equipment	52,689	13,740	66,429
Depreciation charge on right-of- use assets	24,416	2,275	26,691
Depreciation charge on investment property (Note)	-	1,847	1,847
Amortization charge on intangible assets	-	3,626	3,626
	<u>\$ 1,129,388</u>	<u>\$ 496,962</u>	<u>\$ 1,626,350</u>

Nine months ended September 2024			
	Operating cost	Operating expense	Total
Employee benefits expenses	\$ 1,081,090	\$ 492,309	\$ 1,573,399
Depreciation charge on property, plant and equipment	53,550	14,732	68,282
Depreciation charge on right-of- use assets	23,675	2,007	25,682
Depreciation charge on investment property (Note)	-	1,692	1,692
Amortization charge on intangible assets	-	6,106	6,106
	<u>\$ 1,158,315</u>	<u>\$ 516,846</u>	<u>\$ 1,675,161</u>

(Note) Listed as "other gains and losses."

(XXVIII) Employee benefits expenses

Three months ended September 2025			
	Operating cost	Operating expense	Total
Wages and salaries	\$ 259,595	\$ 120,469	\$ 380,064
Labor and health insurance premiums	14,522	7,524	22,046
Pension costs	18,186	9,703	27,889
Other personnel expenses	4,317	3,101	7,418
	<u>\$ 296,620</u>	<u>\$ 140,797</u>	<u>\$ 437,417</u>

	Three months ended September 2024		
	Operating cost	Operating expense	Total
Wages and salaries	\$ 315,625	\$ 145,943	\$ 461,568
Labor and health insurance			
premiums	17,715	7,865	25,580
Pension costs	17,323	6,579	23,902
Other personnel expenses	6,162	6,714	12,876
	<u>\$ 356,825</u>	<u>\$ 167,101</u>	<u>\$ 523,926</u>

	Nine months ended September 2025		
	Operating cost	Operating expense	Total
Wages and salaries	\$ 929,756	\$ 419,540	\$ 1,349,296
Labor and health insurance			
premiums	51,873	25,558	77,431
Pension costs	54,962	20,142	75,104
Other personnel expenses	15,692	10,234	25,926
	<u>\$ 1,052,283</u>	<u>\$ 475,474</u>	<u>\$ 1,527,757</u>

	Nine months ended September 2024		
	Operating cost	Operating expense	Total
Wages and salaries	\$ 957,442	\$ 435,815	\$ 1,393,257
Labor and health insurance			
premiums	53,185	23,511	76,696
Pension costs	52,399	18,850	71,249
Other personnel expenses	18,064	14,133	32,197
	<u>\$ 1,081,090</u>	<u>\$ 492,309</u>	<u>\$ 1,573,399</u>

1. According to the Company's Articles of Incorporation, after deducting accumulated losses from the current year's profit, if there is a remaining balance, the Company shall allocate employee remuneration of no less than 1% and director remuneration of no more than 5%. The sum of employee remuneration above shall have no less than 70% of the amount allocated as remuneration for non-executive employees.
2. The Company's estimated employee remuneration for the three months and nine months ended September 30, 2025 and 2024, were NT\$1,500 and NT\$1,800, and NT\$4,500 and NT\$3,800, respectively; estimated director remuneration were NT\$2,340 and NT\$1,650, and NT\$5,860 and NT\$4,950, respectively, for both periods. On March 7, 2025, the Board of Directors resolved that the actual employee remuneration and director remuneration distributed for 2024 were NT\$6,000 and NT\$8,200, respectively, with employee remuneration distributed in cash. The difference between the amounts of employee remuneration and director remuneration resolved and the amounts previously recognized in the 2024 financial statements was NT\$1,600, mainly due to estimation differences, which has been adjusted in the 2025

income statement.

Information on employee remuneration and director remuneration approved by the Company's Board of Directors is available on the Market Observation Post System.

(XXIX) Income tax

1. Components of income tax expense:

	Three months ended September 2025	Three months ended September 2024
Current income tax:		
Income tax incurred in current year	\$ 5,453	\$ 12,747
Prior year income tax underestimation	586	1,454
	<u>6,039</u>	<u>14,201</u>
Deferred income tax:		
Origination and reversal of temporary differences	( 636 )	( 3,935 )
Net currency exchange differences	1,157	( 784 )
	<u>521</u>	<u>( 4,719 )</u>
Income tax expense	<u>\$ 6,560</u>	<u>\$ 9,482</u>
	Nine months ended September 2025	Nine months ended September 2024
Current income tax:		
Income tax incurred in current year	\$ 30,294	\$ 48,251
Tax on unappropriated earnings	7,167	5,025
Prior year income tax underestimation	2,995	1,627
	<u>40,456</u>	<u>54,903</u>
Deferred income tax:		
Origination and reversal of temporary differences	( 1,980 )	2,134
Net currency exchange differences	( 2,158 )	942
	<u>( 4,138 )</u>	<u>3,076</u>
Income tax expense	<u>\$ 36,318</u>	<u>\$ 57,979</u>

2. The profit-seeking enterprise income tax of the Company and its subsidiaries has been

assessed by the tax authorities up to 2023, and as of November 7, 2025, there were no administrative remedy proceedings.

(XXX) Earnings (losses) per share

	Three months ended September 2025		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Losses per share (in dollars)
<u>Basic and diluted losses per share</u>			
Net loss for the current period attributable to owners of ordinary shares of the parent company	( \$ 21,081 )	146,154	( \$ 0.14 )
	Three months ended September 2024		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 72,040	146,154	\$ 0.49
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 72,040	146,154	
Assumed conversion of all dilutive potential ordinary shares of the parent			
Employees' compensation	-	106	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 72,040	146,260	\$ 0.49

Nine months ended September 2025			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 112,065	146,154	\$ 0.77
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 112,065	146,154	
Assumed conversion of all dilutive potential ordinary shares of the parent			
Employees' compensation	-	227	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 112,065	146,381	\$ 0.77
Nine months ended September 2024			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 372,056	146,154	\$ 2.55
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 372,056	146,154	
Assumed conversion of all dilutive potential ordinary shares of the parent			
Employees' compensation	-	141	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 372,056	146,295	\$ 2.54

(XXXI) Supplemental cash flow information

1. Investing activities with partial cash payments:

	Nine months ended September 2025	Nine months ended September 2024
(1) Acquisition of property, plant and equipment	\$ 55,788	\$ 29,434
Add: Beginning balance of payables for equipment (listed as "Other payables")	3,471	3,840
Less: Ending balance of payables for equipment (listed as "Other payables")	( 208 )	( 2,250 )
Cash paid for acquisition of property, plant and equipment	<u>\$ 59,051</u>	<u>\$ 31,024</u>
(2) Acquisition of investment property	\$ 1,581	\$ -
Add: Beginning balance of payables for equipment (listed as "Other payables")	-	666
Cash paid for acquisition of investment property	<u>\$ 1,581</u>	<u>\$ 666</u>

2. Operation and activities with no cash flow effects:

	Nine months ended September 2025	Nine months ended September 2024
(1) Prepayments transferred to prepayments for equipment	<u>\$ -</u>	<u>\$ 390</u>
(2) Prepayments for equipment transferred to property, plant and equipment	<u>\$ 314</u>	<u>\$ -</u>
(3) Prepayments for equipment transferred to investment property	<u>\$ 76</u>	<u>\$ -</u>
(4) Prepayments for equipment transferred to intangible assets	<u>\$ -</u>	<u>\$ 645</u>
(5) Earnings distribution receivable from equity-accounted investments (presented as "Other receivables - related party")	<u>\$ 3,753</u>	<u>\$ 6,700</u>

(XXXII) Changes in liabilities from financing activities

	Short-term borrowings	Long-term borrowings (including current portion)	Lease liabilities	Guarantee deposits received	Total liabilities from financing activities
At January 1, 2025	\$ 500,925	\$ 47,500	\$ 15,920	\$ 2,920	\$ 567,265
Changes in cash flow from financing activities (	23,735)	-	( 28,510)	( 343)	( 52,588)
Changes in other non- cash items	( 1,790)	-	84,544	-	82,754
September 30, 2025	<u>\$ 475,400</u>	<u>\$ 47,500</u>	<u>\$ 71,954</u>	<u>\$ 2,577</u>	<u>\$ 597,431</u>

	Short-term borrowings	Long-term borrowings (including current portion)	Lease liabilities	Guarantee deposits received	Total liabilities from financing activities
At January 1, 2024	\$ 609,000	\$ -	\$ 47,358	\$ 2,655	\$ 659,013
Changes in cash flow from financing activities (	27,055)	10,000	( 20,956)	175	( 37,836)
Changes in other non- cash items	( 1,870)	-	( 2,837)	-	( 4,707)
September 30, 2024	<u>\$ 580,075</u>	<u>\$ 10,000</u>	<u>\$ 23,565</u>	<u>\$ 2,830</u>	<u>\$ 616,470</u>

VII. RELATED PARTY TRANSACTIONS

(I) Names of related parties and relationships

Name of related parties	Relationship with the Group
Tainan Enterprise (Cayman) Co., Ltd.	Associates
NELSON SPORT CO., LTD.	Other related party

(II) Significant related party transactions

1. Operating revenues

	Three months ended September 2025	Three months ended September 2024
Sale of goods:		
Other related party	<u>\$ 13,547</u>	<u>\$ 4,079</u>
	Nine months ended September 2025	Nine months ended September 2024
Sale of goods:		
Other related party	<u>\$ 27,045</u>	<u>\$ 13,377</u>

The collection period for related parties was 60 days after the end of each month, and for the third parties was 30~90 days after the end of each month. Other terms of sales were the same as the third parties.



2. Purchases

	Nine months ended September 2025	Nine months ended September 2024
Purchase of goods:		
Associates	\$ 207	\$ 68

The terms of purchases and payments (due within 3 months) to related parties were the same as the third party suppliers.

3. Other income

	Three months ended September 2025	Three months ended September 2024
Associates	\$ 161	\$ 155

  

	Nine months ended September 2025	Nine months ended September 2024
Associates	\$ 484	\$ 466

4. Accounts receivable

	September 30, 2025	December 31, 2024	September 30, 2024
Other related party	\$ 9,439	\$ -	\$ 3,512

5. Other receivables

	September 30, 2025	December 31, 2024	September 30, 2024
Dividends receivable:			
Associates	\$ 3,753	\$ -	\$ 6,700

6. Accounts payable

	September 30, 2025	December 31, 2024	September 30, 2024
Associates	\$ -	\$ 291	\$ -

(III) Key management compensation

	Three months ended September 2025	Three months ended September 2024
Salaries and other short-term employee benefits	\$ 7,404	\$ 10,387
Post-employment benefits	1,679	192
	<u>\$ 9,083</u>	<u>\$ 10,579</u>
	Nine months ended September 2025	Nine months ended September 2024
Salaries and other short-term employee benefits	\$ 35,139	\$ 29,208
Post-employment benefits	5,253	641
	<u>\$ 40,392</u>	<u>\$ 29,849</u>

VIII. PLEDGED ASSETS

None.

IX. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

- (I) As of September 30, 2025, December 31, 2024, and September 30, 2024, the remaining balance due for construction in progress was NT\$277,474, NT\$319,510, and NT\$329,672, respectively.
- (II) As of September 30, 2025, December 31, 2024, and September 30, 2024, the unused letters of credit amounted to NT\$202,063, NT\$316,730, and NT\$340,537, respectively.

X. SIGNIFICANT DISASTER LOSS

None.

XI. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

XII. OTHERS

(I) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

(II) Financial instruments

1. Financial instruments by Category

	September 30, 2025	December 31, 2024	September 30, 2024
Financial assets			
Financial assets at fair value through profit or loss			
Financial assets mandatorily measured at fair value through profit or loss	<u>\$ 86,825</u>	<u>\$ 86,825</u>	<u>\$ 86,825</u>
Financial assets at fair value through other comprehensive income			
Designation of equity instruments	<u>\$ 814</u>	<u>\$ 1,239</u>	<u>\$ 4,605</u>
Financial assets at amortized cost			
Cash and cash equivalents	\$ 828,827	\$ 804,611	\$ 972,641
Financial assets at amortized cost	823,318	809,787	763,024
Notes receivable	386	-	3
Accounts receivable	1,165,101	1,404,501	1,323,331
Other receivables (including related parties)	53,587	54,632	63,324
Guarantee deposits paid	<u>15,080</u>	<u>15,748</u>	<u>15,090</u>
	<u>\$ 2,886,299</u>	<u>\$ 3,089,279</u>	<u>\$ 3,137,413</u>

	September 30, 2025	December 31, 2024	September 30, 2024
Financial liabilities			
Financial liabilities at fair value through profit or loss			
Financial liabilities held for trading	\$ 264	\$ -	\$ -
Financial liabilities at amortized cost			
Short-term borrowings	\$ 475,400	\$ 500,925	\$ 580,075
Notes payable	5,046	9,732	3,396
Accounts payable	195,602	426,282	268,190
Other payables	346,490	499,779	398,361
Lease liabilities (including current portion)	71,954	15,920	23,565
Long-term borrowings	47,500	47,500	10,000
Guarantee deposits received	2,577	2,920	2,830
	<u>\$ 1,144,569</u>	<u>\$ 1,503,058</u>	<u>\$ 1,286,417</u>

## 2. Risk management policies

- (1) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and interest rate risk), credit risk and liquidity risk. To minimize any adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts and foreign currency option contracts are used to hedge certain exchange rate risk, and interest rate swaps are used to fix variable future cash flows. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.
- (2) Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.
- (3) Information about derivative financial instruments that are used to hedge certain exchange rate risk are provided in Note 6(2), 'Financial assets and liabilities at fair value through profit or loss'.

3. Significant financial risks and degrees of financial risks

(1) Market risk

Foreign exchange risk

- A. The Group operates internationally and is exposed to foreign exchange risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD and RMB. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities.
- B. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Group treasury. Exchange rate risk is measured through a forecast of highly probable USD and RMB expenditures. Forward foreign exchange contracts are adopted to minimize the volatility of the exchange rate affecting cost of forecast inventory purchases.
- C. The Group hedges foreign exchange rate by using forward exchange contracts. However, the Group does not adopt hedging accounting. Details of financial assets or liabilities at fair value through profit or loss are provided in Note 6(2), 'Financial assets and liabilities at fair value through profit or loss'.
- D. The Group's risk management policy is to hedge the expected future cash flows risk of major currencies (mainly purchase of inventories denominated in USD), so as to reduce the risk exposure of major currencies.
- E. The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through liabilities denominated in the relevant foreign currencies.
- F. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: USD and RMB). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

September 30, 2025			
(Foreign currency: functional currencies)	Foreign currencies amount (in thousands)	Exchange rate	Book value
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 45,868	30.45	\$ 1,396,667
NTD:USD	15,961	0.03	15,961
RMB:NTD	1,308	4.271	5,585
VND:USD	4,875,163	0.000040	5,894
IDR:USD	4,581,144	0.000060	8,363
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	38,173	30.45	1,162,381
IDR:USD	62,004,519	0.000060	113,192
RMB:NTD	22,142	4.271	94,570
VND:USD	18,376,872	0.000040	22,217

  

December 31, 2024			
(Foreign currency: functional currencies)	Foreign currencies amount (in thousands)	Exchange rate	Book value
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 51,708	32.79	\$ 1,695,508
RMB:NTD	9,504	4.478	42,558
IDR:USD	9,273,660	0.000062	18,815
NTD:USD	16,181	0.03	16,181
VND:USD	8,355,261	0.000041	11,217
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	39,656	32.79	1,300,319
IDR:USD	68,114,174	0.000062	138,193
RMB:NTD	23,252	4.478	104,122
VND:USD	29,789,079	0.000041	39,991

September 30, 2024			
(Foreign currency: functional currencies)	Foreign currencies amount (in thousands)	Exchange rate	Book value
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 51,800	31.65	\$ 1,639,480
RMB:NTD	8,753	4.523	39,591
IDR:USD	5,731,101	0.000066	11,982
NTD:USD	16,481	0.03	16,481
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	32,250	31.65	1,020,721
IDR:USD	57,577,525	0.000066	120,381
RMB:NTD	26,442	4.523	119,596
VND:USD	21,865,902	0.000041	28,451

Sensitivity analysis of foreign exchange risk mainly focuses on the foreign currency monetary items at the end of the financial reporting period. If the exchange rate of NTD to all foreign currencies had appreciated or depreciated by 1% with all other variables held constant, post-tax profit would have increased/decreased by NT\$401 and NT\$4,184 for the nine months ended September 30, 2025 and 2024, respectively.

- G. The total exchange gain (loss), including realized and unrealized, arising from significant foreign exchange variation on the monetary items held by the Group, amounted to \$27,227 and (\$26,646) for the three-month periods ended September 30, 2025 and 2024, respectively, and (\$29,753) and \$46,711 for the nine-month periods ended September 30, 2025 and 2024, respectively.

#### Price risk

- A. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.
- B. The Group's investments in equity securities comprise shares issued by the domestic companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables

held constant, post-tax profit would both have increased/decreased by \$868 for the nine months ended September 30, 2025 and 2024 respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by \$8 and \$46 respectively, as a result of other comprehensive income on equity investments classified as at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

- A. The Group's main interest rate risk arises from bank borrowings with variable rates, which expose the Group to cash flow interest rate risk, and part of this risk is offset by cash and cash equivalents held at variable rates. The Group's borrowings issued at floating rates for the nine month periods ended September 30, 2025 and 2024 were mainly denominated in New Taiwan Dollars and US Dollars.
- B. If the borrowing interest rate had increased/decreased by 1% with all other variables held constant, net profit after tax for the nine-month periods ended September 30, 2025 and 2024 would have decreased/increased by \$170 and \$123, respectively. The main factor is that changes in interest expense result from floating rate borrowings.

(2) Credit risk

- A. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of debt instruments stated at amortized cost.
- B. The Group manages its credit risk taking into consideration the entire group's concern. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. According to the Group's credit policy, each local entity in the Group is responsible for managing and analyzing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilization of credit limits is regularly monitored.
- C. The Group adopts management of credit risk, if the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument.



- D. The Group adopts the assumptions under IFRS 9, that is, the default occurs when the contract payments are past due over 90 days.
- E. The Group classifies customers' notes and accounts receivable based on credit ratings and the characteristics of customer types. The Group applies the simplified approach using the provision matrix and the loss rate methodology to estimate expected credit losses, which are adjusted for forward-looking considerations based on historical and current information. The loss rate methodology of the Group as of September 30, 2025, December 31, 2024, and September 30, 2024 is as follows:

	Expected loss rate	Book value	Allowance
<u>At September 30, 2025</u>			
Group A	-%	\$ 1,165,101	\$ -
<u>At December 31, 2024</u>			
Group A	0.09%	\$ 1,405,480	\$ 1,229
Individual A	53.58%	539	289
Individual B	100%	2,147	2,147
Total		<u>\$ 1,408,166</u>	<u>\$ 3,665</u>
<u>At September 30, 2024</u>			
Group A	0.09%	<u>\$ 1,324,561</u>	<u>\$ 1,230</u>

- F. Movements in relation to the Group applying the modified approach to provide loss allowance for accounts receivable are as follows:

	Nine months ended September 2025	Nine months ended September 2024
At January 1	\$ 3,665	\$ 8,604
Expected credit gains (losses)	( 3,665 )	( 7,374 )
At September 30	<u>\$ -</u>	<u>\$ 1,230</u>

- G. The Group used the forecast ability to adjust historical and timely information to assess the default possibility of debt instrument on September 30, 2025, December 31, 2024, and September 30, 2024, and used collaterals or other credit enhancement held by the Group to estimate expected credit loss.

- H. Movements in loss allowance for investments in debt instruments carried at amortized cost are as follows:

	Nine months ended September 2025		Nine months ended September 2024	
	Lifetime		Lifetime	
	Significant increase in credit risk	Impairment of credit	Significant increase in credit risk	Impairment of credit
At January 1	\$ -	\$ 55,342	\$ -	\$ 51,831
Effects of foreign exchange	-	( 3,949)	-	1,587
At September 30	\$ -	\$ 51,393	\$ -	\$ 53,418

(3) Liquidity risk

- A. Cash flow forecasting is performed in the operating entities of the Group and aggregated by the Group Finance Department. Group's Finance Department monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.
- B. Surplus cash held by the operating entities over and above the balance required for working capital management are transferred to the Group's Finance Department. Group's Finance Department invests surplus cash in interest bearing current accounts, time deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the abovementioned forecasts.
- C. The Group has the following undrawn borrowing facilities:

	September 30, 2025	December 31, 2024	September 30, 2024
Floating rate			
Expiring within one year	\$ 4,354,007	\$ 4,494,621	\$ 4,110,357
Expiring over one year	-	-	290,000
	<u>\$ 4,354,007</u>	<u>\$ 4,494,621</u>	<u>\$ 4,400,357</u>

- D. The table below groups the Group's non-derivative financial liabilities and net-settled derivative financial liabilities by relevant maturity date. Non-derivative financial liabilities are analyzed based on the remaining period at the balance sheet date to the contractual maturity date. Derivative financial liabilities are analyzed based on the remaining period at the balance sheet date to the expected maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows:

<u>September 30, 2025</u>	<u>Less than 1 year</u>	<u>Between 1 and 3 years</u>	<u>Between 3 and 5 years</u>	<u>Over 5 years</u>
Non-derivative financial liabilities:				
Short-term borrowings	\$ 479,002	\$ -	\$ -	\$ -
Notes payable	5,046	-	-	-
Accounts payable	195,602	-	-	-
Other payables	346,490	-	-	-
Lease liabilities	38,762	24,566	14,117	-
Long-term borrowings	759	30,958	17,807	-
Guarantee deposits received	-	2,577	-	-
Derivative financial liabilities:				
Forward exchange contract	264	-	-	-
<u>December 31, 2024</u>	<u>Less than 1 year</u>	<u>Between 1 and 3 years</u>	<u>Between 3 and 5 years</u>	<u>Over 5 years</u>
Non-derivative financial liabilities:				
Short-term borrowings	\$ 504,578	\$ -	\$ -	\$ -
Notes payable	9,732	-	-	-
Accounts payable	426,282	-	-	-
Other payables	499,779	-	-	-
Lease liabilities	12,537	4,027	-	-
Long-term borrowings	757	19,020	30,315	-
Guarantee deposits received	-	2,920	-	-

<u>September 30, 2024</u>	<u>Less than 1 year</u>	<u>Between 1 and 3 years</u>	<u>Between 3 and 5 years</u>	<u>Over 5 years</u>
Non-derivative financial liabilities:				
Short-term borrowings	\$ 583,205	\$ -	\$ -	\$ -
Notes payable	3,396	-	-	-
Accounts payable	268,190	-	-	-
Other payables	398,361	-	-	-
Lease liabilities	18,666	5,926	-	-
Long-term borrowings	203	3,738	7,072	-
Guarantee deposits received	-	2,830	-	-

- E. The Group does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(III) Fair value information

- The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:
  - Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks is included in Level 1.
  - Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in forward exchange contract is included in Level 2.
  - Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in equity investment without active market is included in Level 3.
- Fair value information of investment property at cost is provided in Note 6(11), 'Investment property - net'.

3. The carrying amount of the Group's financial instruments not measured at fair value including cash and cash equivalents, Financial assets at amortized cost, notes receivable, accounts receivable, other receivables (including related parties), guarantee deposits paid, short-term borrowings, notes payable, accounts payable, other payables, long-term borrowings, and guarantee deposits received are approximate to their fair values.
4. The related information on financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities are as follows:

- (1) The related information on the nature of the assets and liabilities is as follows:

<u>September 30, 2025</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets				
<u>Recurring fair value</u>				
<u>measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ -	\$ -	\$ 86,825	\$ 86,825
Financial assets at fair value through other comprehensive income				
Equity securities	814	-	-	814
	<u>\$ 814</u>	<u>\$ -</u>	<u>\$ 86,825</u>	<u>\$ 87,639</u>
Financial liabilities				
<u>Recurring fair value</u>				
<u>measurements</u>				
Financial liabilities at fair value through profit or loss				
Forward exchange contract	\$ -	\$ 264	\$ -	\$ 264

<u>December 31, 2024</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Equity securities	\$ -	\$ -	\$ 86,825	\$ 86,825
Financial assets at fair value through other comprehensive income				
Equity securities	1,239	-	-	1,239
	<u>\$ 1,239</u>	<u>\$ -</u>	<u>\$ 86,825</u>	<u>\$ 88,064</u>
 <u>September 30, 2024</u>	 <u>Level 1</u>	 <u>Level 2</u>	 <u>Level 3</u>	 <u>Total</u>
Financial assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Equity securities	\$ -	\$ -	\$ 86,825	\$ 86,825
Financial assets at fair value through other comprehensive income				
Equity securities	4,605	-	-	4,605
	<u>\$ 4,605</u>	<u>\$ -</u>	<u>\$ 86,825</u>	<u>\$ 91,430</u>

- (2) The methods and assumptions the Group used to measure fair value as follows:
- A. The instruments the Group used market quoted prices (closing price of listed shares) as their fair values (that is, Level 1).
  - B. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date.
  - C. The market approach (Price-to-Book Ratio, P/B ratio) and asset approach (net book value adjustment) are used by the Group to measure its certain

equity investment without active market, which is calculating the ratio of recent identical or similar transaction price to book as an observable input to project the fair value of the disposal group.

- (3) For the nine months ended September 30, 2025 and 2024, there was no transfer between Level 1 and Level 2, and there was no transfer into or out from Level 3.
- (4) The following chart is the movement of Level 3 for the nine months ended September 30, 2025 and 2024:

	Equity securities (Note)	
	Nine months ended September 2025	Nine months ended September 2024
Balance at beginning and end of period	\$ 86,825	\$ 86,825

(Note) Considering that the fair value changes of Level 3 equity securities for the nine months ended September 30, 2025 and 2024 were not material, no adjustments were made.

- (5) The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at September 30, 2025	Valuation technique	Significant unobservable inputs	Range (weighted average)	Relationship of inputs to fair value
Non- derivative equity instruments:					
Unlisted shares	\$ 86,067	The market approach (Price-to-Book Ratio)/Asset method (net book value adjustment )	Discount for lack of marketability /Discount for lack of control	30%	The higher the discount for lack of marketability, the lower the fair value, and the higher the minority interest discount, the lower the fair value.

	Fair value at December 31, 2024	Valuation technique	Significant unobservable inputs	Range (weighted average)	Relationship of inputs to fair value
Non- derivative equity instruments:					
Unlisted shares	\$ 96,549	The market approach (Price-to-Book Ratio)/Asset method (net book value adjustment )	Discount for lack of marketability /Discount for lack of control	30%	The higher the discount for lack of marketability, the lower the fair value, and the higher the minority interest discount, the lower the fair value.

	Fair value at September 30, 2024	Valuation technique	Significant unobservable inputs	Range (weighted average)	Relationship of inputs to fair value
Non- derivative equity instruments:					
Unlisted shares	\$ 95,167	The market approach (Price-to-Book Ratio)/Asset method (net book value adjustment )	Discount for lack of marketability /Discount for lack of control	30%	The higher the discount for lack of marketability, the lower the fair value, and the higher the minority interest discount, the lower the fair value.

- (6) The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect on profit or loss or on other comprehensive income from financial assets categorized within Level 3 if the inputs used to valuation models have changed:

		September 30, 2025				
			Changes	Recognized in profit or loss		Recognized in other comprehensive income
				Favorable changes	Unfavorable changes	Favorable changes      Unfavorable changes
Financial assets	Input					
Equity instruments	Discount for lack of marketability and discount for lack of control	±10%		\$ 12,295	(\$ 12,295)	\$ -      \$ -



			December 31, 2024			
			Recognized in profit or loss		Recognized in other comprehensive income	
			Favorable changes	Unfavorable changes	Favorable changes	Unfavorable changes
Financial assets	Input	Changes				
Equity instruments	Discount for lack of marketability and discount for lack of control	±10%	\$ 13,793	(\$ 13,793)	\$ -	\$ -

  

			September 30, 2024			
			Recognized in profit or loss		Recognized in other comprehensive income	
			Favorable changes	Unfavorable changes	Favorable changes	Unfavorable changes
Financial assets	Input	Changes				
Equity instruments	Discount for lack of marketability and discount for lack of control	±10%	\$ 13,595	(\$ 13,595)	\$ -	\$ -

### XIII. SUPPLEMENT DISCLOSURES

According to the current regulatory requirements, the Group is only required to disclose the information for January to September 2025 is disclosed.

#### (I) Significant transactions information

- Loans to others: Refer to table 1.
- Provision of endorsements and guarantees to others: None.
- Holding of marketable securities at the end of the period (excluding subsidiaries, associates and joint ventures): Refer to table 2.
- Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Refer to table 3.
- Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Refer to table 4.
- Significant inter-company transactions during the reporting periods: Refer to table 5.

#### (II) Information on investees

Names, locations and other information of investee companies (excluding investees in Mainland China) : Refer to table 6.

(III) Information on investment in Mainland China

1. Basic information: Refer to table 7.
2. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Refer to table 8.

XIV. SEGMENT INFORMATION

(I) General information

The management of the Group has identified the reportable operating segments based on information provided to the Group's chief operating decision-maker in order to make strategic decisions. The Group's chief operating decision-maker manages the business from an entity's perspective. The Group's chief operating decision maker manages the business from a company perspective.

(II) Information on departmental profit or loss, assets and liabilities

The segment information provided to the Chief operating decision-maker for the reportable segments is as follows:

	Nine months ended September 2025		
	Garment production	Investment	Total
Segment revenue	\$ 8,531,968	\$ -	\$ 8,531,968
Internal segment revenue	( 3,095,417)	-	( 3,095,417)
Revenue from external customers	5,436,551	-	5,436,551
Interest income	-	41,099	41,099
Depreciation and amortization	98,593	-	98,593
Finance costs	11,672	10,613	22,285
Segment income before tax	114,621	33,762	148,383
Segment assets	3,894,861	1,204,938	5,099,799
Segment liabilities	857,556	494,966	1,352,522

	Nine months ended September 2024		
	Garment production	Investment	Total
Segment revenue	\$ 9,083,698	\$ -	\$ 9,083,698
Internal segment revenue	( 3,309,294)	-	( 3,309,294)
Revenue from external customers	5,774,404	-	5,774,404
Interest income	-	39,195	39,195
Depreciation and amortization	101,762	-	101,762
Finance costs	8,912	7,678	16,590
Segment income before tax	396,281	33,754	430,035
Segment assets	4,309,778	1,202,540	5,512,318
Segment liabilities	987,115	545,263	1,532,378

(III) Reconciliation for segment income (loss), assets and liabilities

Sales between segments are carried out at arm's length. The revenue from external customers reported to the chief operating decision-maker is measured in a manner consistent with that in the statement of comprehensive income, and the divisional income amounts provided to the chief operating decision maker are measured in accordance with the Group's consolidated financial statements and therefore do not require reconciliation.

Tainan Enterprises Co., Ltd. and Subsidiaries

Loans to others

Nine Months Ended September 30, 2025

Table 1

(Expressed in thousands of New Taiwan dollars)

No.	Name	Name of counterparty	Account	Related parties	Maximum balance	Balance at September 30, 2025	Actual amount drawn down	Interest rate	Nature of financial activity	Total transaction amounts	Reason for short-term financing	Allowance for doubtful accounts	Assets pledged		Loan limit per entity (Note 2)	Maximum amount available for loan (Note 2)	Note
1	Tainan Enterprises Co., Ltd.	PT. Andalan Mandiri Busana	Other receivables	Y	\$ 91,350	\$ 91,350	\$ -	—	(Note 1)	-	Financing use	-	—	-	\$ 1,124,183	\$ 1,124,183	—
2	Tainan Enterprise (BVI) Co., Ltd.	PT. Andalan Mandiri Busana	Other receivables	Y	60,900	60,900	-	—	(Note 1)	-	Financing use	-	—	-	1,304,064	1,304,064	—
		Tainan Enterprises (Vietnam) Co., Ltd.	Other receivables	Y	152,250	152,250	109,620	—	(Note 1)	-	Financing use	-	—	-	1,304,064	1,304,064	—
		Yong Jeng International Co., Ltd.	Other receivables	N	45,675	45,675	37,133	4%	(Note 1)	-	Financing use	-	—	-	489,024	489,024	—

Note 1: Nature of loans to others is filled for short-term financing.

Note 2: In accordance with the provisions of the operating procedures for loaning to others, the calculation of the capital loan limit of individual objects and the total limit of capital loan is as follows:

1. Loan total limit: 40% of the net worth in the most recent financial report, but only if financing is necessary, 30% of the net worth in the most recent financial report.
2. Limit for a single company
  - (1) Trading partner: each company does not exceed the amount of business transactions.
  - (2) Short-term financing: each company does not exceed 30% net worth of its most recent financial report.
  - (3) Capital loans to foreign companies of the Republic of China that directly or indirectly hold 100% of the voting shares by the same parent company shall not exceed 80% of the net worth of the company's most recent financial report.
  - (4) In the case of (1) and (2) above, the limit shall be calculated in combination, but shall not exceed the total limit of loans.

Note 3: The numbers in the table that involve foreign currencies are expressed in New Taiwan dollars according to the exchange rates on the date of the financial statements (USD: NTD 1:30.45; RMB: USD 1:0.1403).

Tainan Enterprises Co., Ltd. and Subsidiaries

Holding of marketable securities at the end of the period (excluding subsidiaries, associates and joint ventures)

September 30, 2025

Table 2

(Expressed in thousands of New Taiwan dollars)

Investor	Type and name of securities	Relationship with the securities issuer	General ledger account (Note 1)	Ending balance				
				Number of shares (in thousands)	Book value	Ownership (%)	Fair value	Note
Tainan Enterprises Co., Ltd.	Stocks:							
	Koche Development Co., Ltd.	Substantive related party	3	5,792	\$ 60,939	13.58%	\$ 61,960	—
	Koche Global Co., Ltd.	Substantive related party	3	4,350	25,886	10.73%	24,107	—
	Deltamac (Taiwan) Co., Ltd.	—	4	40	814	0.11%	814	—
Tainan Enterprise (BVI) Co., Ltd.	Bonds:							
	Barclays, 5.2%	—	1	-	42,880	-	42,880	—
	Bonds DUE 12 MAY 2026							
	Anheuser-Busch, 4.7%	—	2	-	774,348	-	774,348	—
	Bonds DUE 1 FEB 2036							
	Stocks:							
	NETSOL TECH-NOLOGIES INC.	—	3	44	-	0.27%	-	—

Note 1: There are four types of account items as follows:

1. Financial assets at amortized cost — current
2. Financial assets at amortized cost - non-current
3. Financial assets at fair value through profit or loss - non-current
4. Financial assets at fair value through other comprehensive income - non-current

Note 2: The numbers in the table that involve foreign currencies are expressed in New Taiwan dollars according to the exchange rates on the date of the financial statements (USD: NTD 1:30.45; RMB: USD 1:0.1403).

Tainan Enterprises Co., Ltd. and Subsidiaries

Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more

Nine Months Ended September 30, 2025

Table 3

(Expressed in thousands of New Taiwan dollars)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit terms	Unit price	Credit terms	Balance	Percentage of total notes/accounts receivable (payable)	Note
Tainan Enterprises Co., Ltd.	PT. Tainan Enterprises Indonesia	Subsidiary	Purchases	\$ 1,274,563	45%	(Note 1)	\$ -	—	(\$ 241,285)	(61%)	—
PT. Tainan Enterprises Indonesia	Tainan Enterprises Co., Ltd.	The Company	(Sales)	( 1,274,563)	(99%)	(Note 1)	-	—	241,285	99%	—

Note 1: Receipt and payment terms for purchases and sales to related parties is closes its accounts in 3 months.

Note 2: The numbers in the table that involves foreign currencies are expressed in New Taiwan dollars according to the exchange rate posted on the date of the financial statements (USD: NTD 1:30.45).

Tainan Enterprises Co., Ltd. and Subsidiaries

Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital

September 30, 2025

Table 4

(Expressed in thousands of New Taiwan dollars)

Company name	Counterparty	Relationship	Receivables from related party			Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
			Items	Amount	Turnover rate	Amount	Action taken		
PT. Tainan Enterprises Indonesia	Tainan Enterprises Co., Ltd.	The Company	Accounts receivable	\$ 241,285	5.92	\$ -	—	\$ 99,759	\$ -
Tainan Enterprises (Cambodia) Co., Ltd.	Tainan Enterprises Co., Ltd.	The Company	Accounts receivable	139,438	5.09	-	—	68,817	-
Gin-Sovann Fashions (Cambodia) Limited	Tainan Enterprises Co., Ltd.	The Company	Accounts receivable	106,889	3.07	-	—	42,935	-
Tainan Enterprise (BVI) Co., Ltd.	Tainan Enterprises (Vietnam) Co., Ltd.	Subsidiary	Other receivables	109,620	—	-	—	-	-

Note 1: The numbers in the table that involve foreign currencies are expressed in New Taiwan dollars according to the exchange rates on the date of the financial statements (USD: NTD 1:30.45; RMB: USD 1:0.1403).

Tainan Enterprises Co., Ltd. and Subsidiaries  
Significant inter-company transactions during the reporting period  
Nine Months Ended September 30, 2025

Table 5

(Expressed in thousands of New Taiwan dollars)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Intercompany Transactions			Percentage of consolidated total operating revenues or total assets (Note 3)
				Item	Amount	Terms	
0	Tainan Enterprises Co., Ltd.	PT. Tainan Enterprises Indonesia	1	Purchases	\$ 1,274,563	Closes its accounts 3 months after the end of each transaction	23%
			1	Accounts payable	241,285	—	5%
			1	Service revenue	56,143	—	1%
		PT. Andalan Mandiri Busana	1	External process cost	511,756	—	9%
			1	Service revenue	51,429	—	1%
			1	Other payables	83,971	—	2%
		Tainan Enterprises (Cambodia) Co., Ltd.	1	External process cost	613,414	—	11%
			1	Service revenue	54,564	—	1%
			1	Other payables	139,438	—	3%
		Tainan Enterprises (Vietnam) Co., Ltd.	1	External process cost	236,849	—	4%
			1	Service revenue	21,064	—	—
			1	Prepayments	12,847	—	—
		Yixing Gaoqing Garment Co., Ltd.	1	External process cost	112,273	—	2%
			1	Other payables	94,591	—	2%
		Gin-Sovann Fashions (Cambodia) Limited	1	External process cost	234,543	—	4%
			1	Service revenue	21,090	—	—
			1	Other payables	106,889	—	2%
1	Tainan Enterprise (BVI) Co., Ltd.	Tainan Enterprises (Vietnam) Co., Ltd.	3	Other receivables	109,620	—	2%
2	Tainan Enterprises (Cambodia) Co., Ltd.	Gin-Sovann Fashions (Cambodia) Limited	3	External process cost	41,165	—	1%
3	Beyoung Fashion Co., Ltd.	Gin-Sovann Fashions (Cambodia) Limited	3	External process cost	63,843	—	1%
			3	Other payables	73,820	—	1%

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

1. The company is '0'.
2. The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories:

1. The company to subsidiary.
2. Subsidiary to the company.
3. Subsidiary to subsidiary.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

Note 4: Significant inter-company transactions during the reporting periods are not disclosed since these were corresponding transactions.

Note 5: The disclosure standard for important transactions is more than NT\$10 million.

Note 6: The numbers in the table that involve foreign currencies are expressed in New Taiwan dollars according to the exchange rates on the date of the financial statements (USD: NTD 1:30.45; RMB: USD 1:0.1403).



Tainan Enterprises Co., Ltd. and Subsidiaries  
Names, locations and other information of investee companies (excluding investees in Mainland China)  
Nine Months Ended September 30, 2025

Table 6

(Expressed in thousands of New Taiwan dollars)

Investor	Investee	Location	Main businesses	Original investment amount		Shares held as at September 30, 2025			Net income (loss) of the investee	Investment income (loss) recognized by the Company	Note
				Balance as at September 30, 2025	Balance as at December 31, 2024	Number of shares	Ownership (%)	Book value			
Tainan Enterprises Co., Ltd.	Tainan Enterprise (BVI) Co., Ltd.	British Virgin Islands (BVI)	Professional investments	\$ 517,058	\$ 517,058	170,000	100.00	\$ 1,630,080	\$ 64,593	\$ 63,731	Subsidiary
	PT. Tainan Enterprises Indonesia	Indonesia	Garment processing, production and selling	64,446	64,446	2,400,000	100.00	433,467	14,131	14,455	Subsidiary
	PT. Andalan Mandiri Busana	Indonesia	Garment processing, production and selling	182,024	182,024	6,000	100.00	237,751	34,217	34,217	Subsidiary
	PT Cahaya Indah Global	Indonesia	Garment processing, production and selling	83,175	74,069	2,650,000	100.00	80,459	( 173)	( 173)	Subsidiary
	Tainan Enterprises (Cambodia) Co., Ltd.	Cambodia	Garment processing, production and selling	29,585	29,585	1,000	100.00	265,674	37,124	37,124	Subsidiary
	Tainan Enterprises (Vietnam) Co., Ltd.	Vietnam	Garment processing, production and selling	319,090	319,090	-	100.00	161,242	( 3,471)	( 3,471)	Subsidiary
	Beyoung Fashion Co., Ltd.	Taiwan	Garment processing, production and selling	141,742	141,742	5,050,000	100.00	43,124	5,894	5,894	Subsidiary
Tainan Enterprise (BVI) Co., Ltd.	T&G Fashion Co., Ltd.	Seychelles	Professional investments	119,358	119,358	3,300,000	100.00	247,039	26,507	-	Subsidiary (Note 1)
	Tainan Enterprise (Cayman) Co., Ltd.	Cayman Islands	Professional investments	214,100	214,100	4,783,738	13.39	80,130	29,410	-	(Note 1)
T&G Fashion Co., Ltd.	Gin-Sovann Fashions (Cambodia) Limited	Cambodia	Garment processing, production and selling	30,450	30,450	-	100.00	209,220	25,887	-	Subsidiary (Note 1)
	Camitex II (Cambodia) MFG Co., Ltd.	Cambodia	Garment processing, production and selling	18,669	18,669	100	100.00	79	-	-	Subsidiary (Note 2)
T&G Fashion Co., Ltd.	Golden Harbor Garment (Cambodia) Limited	Cambodia	Garment processing, production and selling	-	-	-	100.00	-	-	-	Subsidiary (Note 3)

Note 1: According to regulations, the amount of investment (loss) recognized in the current period may be exempted from disclosure.

Note 2: The subsidiary has ceased business and was pending for liquidation process.

Note 3: The liquidation was completed in the second quarter of 2025.

Note 4: The numbers in the table that involve foreign currencies are expressed in New Taiwan dollars according to the exchange rates on the date of the financial statements (USD: NTD 1:30.45; RMB: USD 1:0.1403).

Tainan Enterprises Co., Ltd. and Subsidiaries  
Information on investments in Mainland China—Basic information  
Nine Months Ended September 30, 2025

Table 7

(Expressed in thousands of New Taiwan dollars)

Investee in Mainland China	Main business	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2025	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the nine months ended September 30, 2025		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2025	Net income of investee	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company (Note 2)	Book value of investments in Mainland China as of September 30, 2025	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2025	Note
					Remitted to Mainland China	Remitted back to Taiwan							
Yixing Gaoqing Garment Co., Ltd.	Garment processing, production and selling	\$ 137,025	(Note 1)	\$ 91,350	\$ -	\$ -	\$ 91,350	(\$ 4,324)	100.00	(\$ 4,324)	\$ 121,253	\$ -	(Note 3)

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2025	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
Tainan Enterprises Co., Ltd.	\$ 293,876	\$ 1,184,464	(Note 4)

Note 1: Indirect investment in Mainland China through a company set up in a third region, Tainan Enterprises (BVI) Co., Limited.

Note 2: Investment gains or losses were recognized based on audited financial statements.

Note 3: Among them, \$45,675 (USD 1,500 thousand dollars) was indirect investment in Mainland China through a company set up in a third region, Tainan Enterprises (BVI) Co., Limited.

Note 4: Enterprises that have been approved by the Ministry of Economic Affairs to operate their headquarters are not subject to monetary or proportional limits.

Note 5: The numbers in the table that involve foreign currencies are expressed in New Taiwan dollars according to the exchange rates on the date of the financial statements (USD: NTD 1:30.45; RMB: USD 1:0.1403).

Tainan Enterprises Co., Ltd. and Subsidiaries

Significant transactions conducted with investees in Mainland China directly or indirectly through other companies in the third areas

Nine Months Ended September 30, 2025

Table 8

(Expressed in thousands of New Taiwan dollars)

Investee in Mainland China	Sales (purchase)		Property transaction		Accounts receivable (payable)		Provision of endorsements/guarantees or collaterals		Financing				
	Amount	%	Amount	%	Balance	%	Balance at September 30, 2025	Purpose	Maximum balance during the nine months ended September, 2025	Balance at September 30, 2025	Interest rate	Interest during the nine months ended September, 2025	Others
Yixing Gaoqing Garment Co., Ltd.	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ -	-	\$ -	- External process cost
													\$ 112,273
													Other payables
													\$ 94,591

Note 1: The numbers in the table that involve foreign currencies are expressed in New Taiwan dollars according to the exchange rates on the date of the financial statements (USD: NTD 1:30.45; RMB: USD 1:0.1403).