



KWONG LUNG ENTERPRISE
(8916 TT/TW)

Investor Presentation

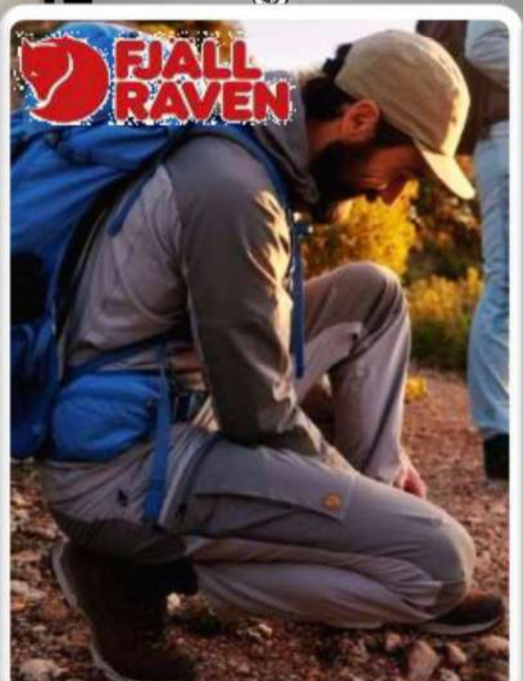
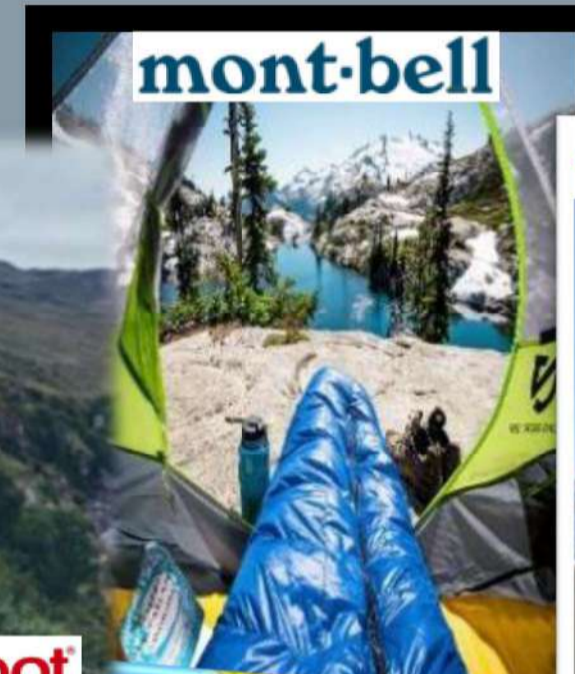
March 2026

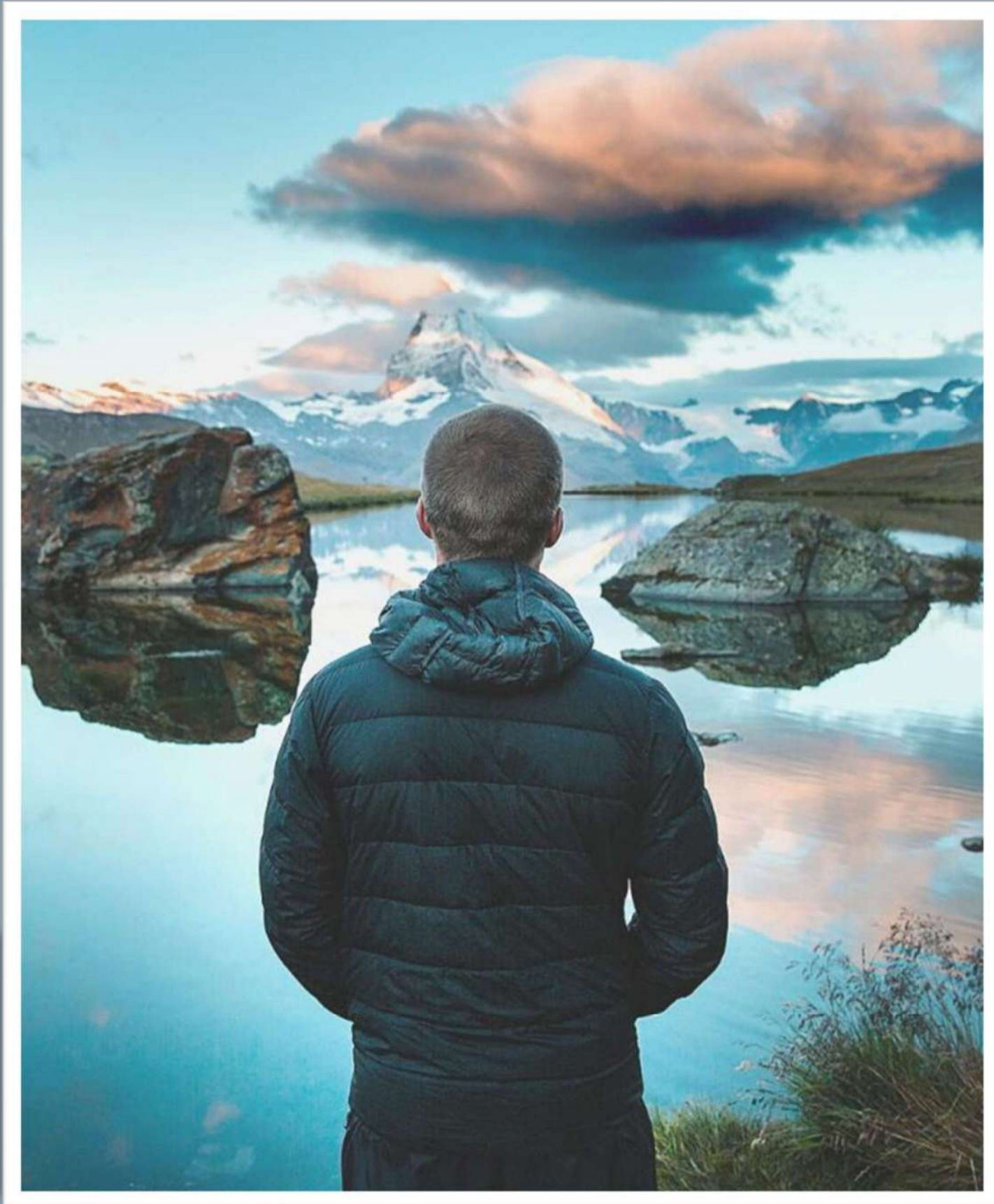
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Our Clients Portfolio

We work with leading outerwear brands in the world by fulfilling their utmost functionality and sustainability requirements.





“I always envisioned Kwong Lung to become a world-class outdoor apparel company that brings warmth to the world.”

HEBERT CHAN, CHAIRMAN & CEO

Our Products portfolio

PROVIDE ONE-STOP SERVICES FOR ALL RANGE OF FUNCTIONAL OUTERWEAR

GARMENT

OTHER CATEGORIES

GORETEX
OUTERWEAR

SEAM-SEALED
GARMENTS

DOWN
JACKETS

SYNTHETIC
INSULATION

SLEEPING
BAGS

Tent

KNITTED WEAR

DOWN
MATERIALS

HOME
TEXTILE



EXTREME

ENDURING

FUNDAMENTAL

VERSATILE

LIGHTWEIGHT

-30°C & Below
-25°F & Below

-15°C / -25°C
5°F / -15°F

-10°C / -20°C
15°F / -5°F

0°C / -15°C
30°F / 5°F

5°C / -5°C
40°F / 25°F

60% OF CONSOLIDATED REVENUE; 70% OF OPERATING PROFIT IN 2025

GARMENT GROSS MARGIN: 18% ~ 20%

LEGACY BUSINESSES

Down materials are our legacy business while home textile are fillers of capacities during low season

DOWN MATERIALS

HOME TEXTILE

GROSS MARGIN:
10% ~ 15%

GROSS MARGIN:
14% ~ 20%

*Gross margin range is based on the past four years (2022-2025).

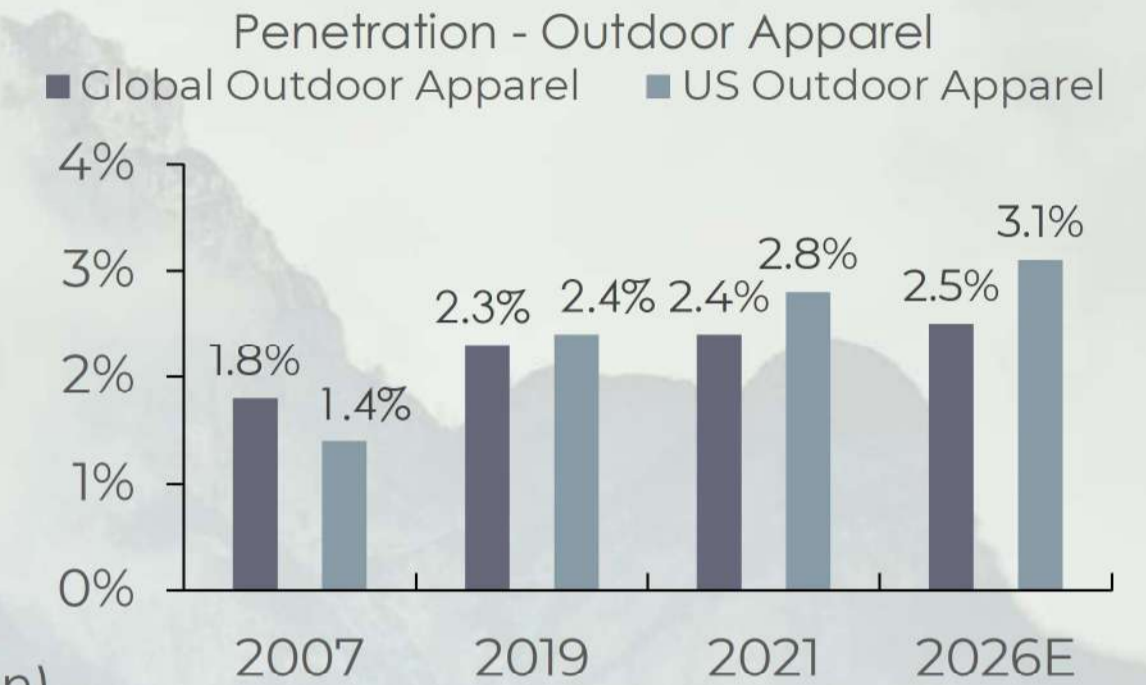
Why invest in Kwong Lung?

1. Outdoor Apparel Entering a Global Growth Supercycle

Health-conscious lifestyles and demand for functional, sustainable performance wear are driving outdoor apparel from niche to mainstream. As one of the fastest-growing categories in activewear, outdoor apparel is becoming part of daily life. Kwong Lung is well-positioned at the heart of this secular trend.

OUTERWEAR THE NEXT SPOTLIGHT IN APPAREL

The 10 year CAGR (2025-35e) of the global outdoor wear market, at 6.3%, is expected to outpace the pre-Covid 5 year CAGR (2014-19) of global outdoor wear market, at 1.6%.



Global Outdoor Apparel Market (US\$ mn)



Source: Euromonitor, Statista, OIA, Company Data

Our upside is limitless

Outdoor apparel ODM market remains fragmented, so even a one percent increase of our market share suggests over 60% growth of our garment ODM revenue

KWONG LUNG'S GLOBAL MARKET SHARE IN OUTDOOR APPAREL ODM (2024)

2024 GLOBAL OUTDOOR APPAREL MARKET (US\$MN)	41,044
2024 GLOBAL OUTDOOR APPAREL ODM MARKET (US\$MN)	9,121
2024 KWONG LUNG GARMENT ODM REVENUE (US\$MN) (US\$1 : NT\$32)	147.8
2024 KWONG LUNG GLOBAL MARKET SHARE (2023 KWONG LUNG GLOBAL MARKET SHARE: 1.60%)	1.62%

KWONG LUNG'S GLOBAL MARKET SHARE SENSITIVITY ANALYSIS

MARKET SHARE (%)	2.0%	2.5%	3.0%	3.5%	4.0%	4.5%	5.0%
SUGGESTED ODM REVENUE (US\$MN)	182	228	274	316	365	410	456
UPSIDE TO KWONG LUNG'S GARMENT REVENUE	23%	54%	85%	116%	147%	178%	208%

Source: Euromonitor, Statista, OIA, Company data

Note: Calculation based on 2024 market size

Why invest in Kwong Lung?

2. Trusted Execution Partner to Leading Global Brands

With a focus on small-batch, high-complexity outdoor and functional apparel, Kwong Lung has built long-standing partnerships with global outerwear brands. Our supply chain reliability and technical expertise make us an irreplaceable strategic partner with strong order visibility and operational resilience.

We Have a Niche Market Position in Garment OEM/ODM

Trendy/Fashion

High Price

**Outdoor
Kwong Lung**

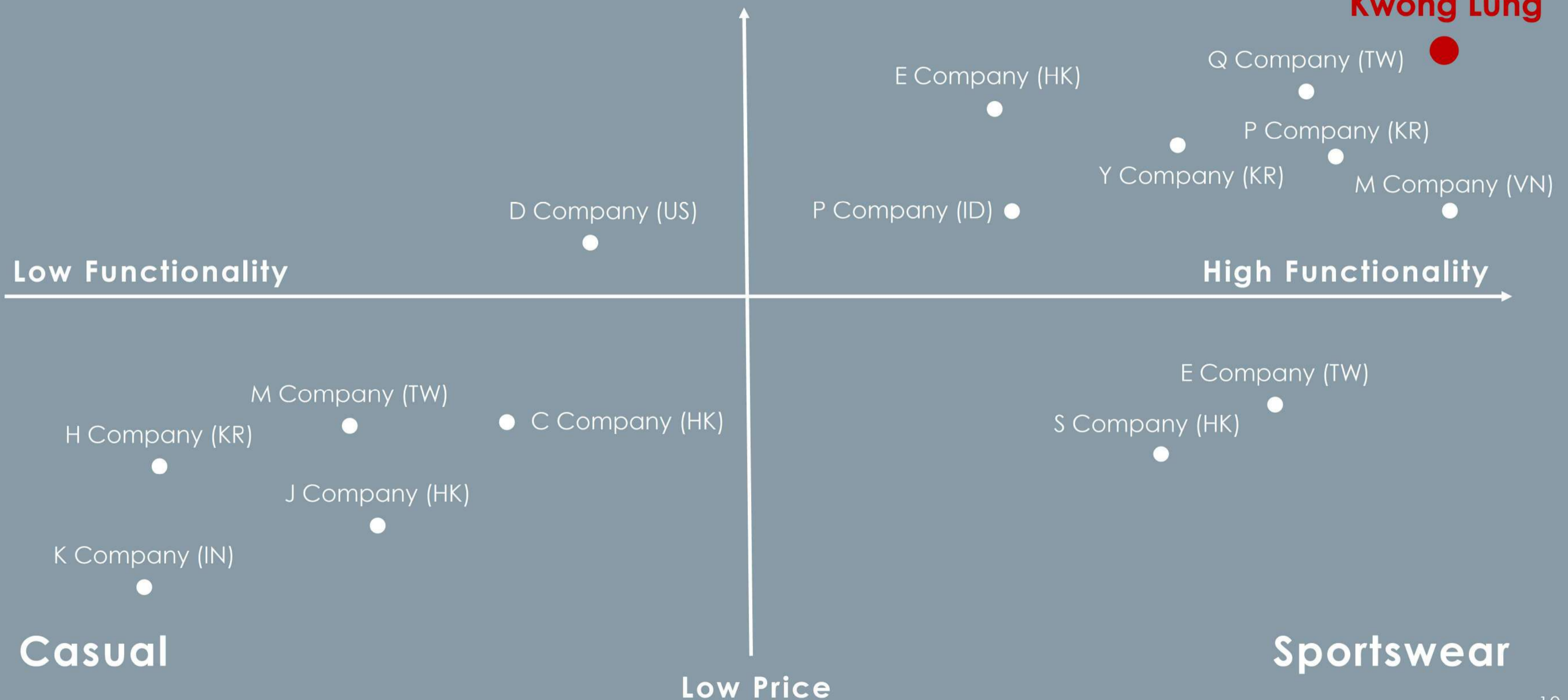
Low Functionality

High Functionality

Casual

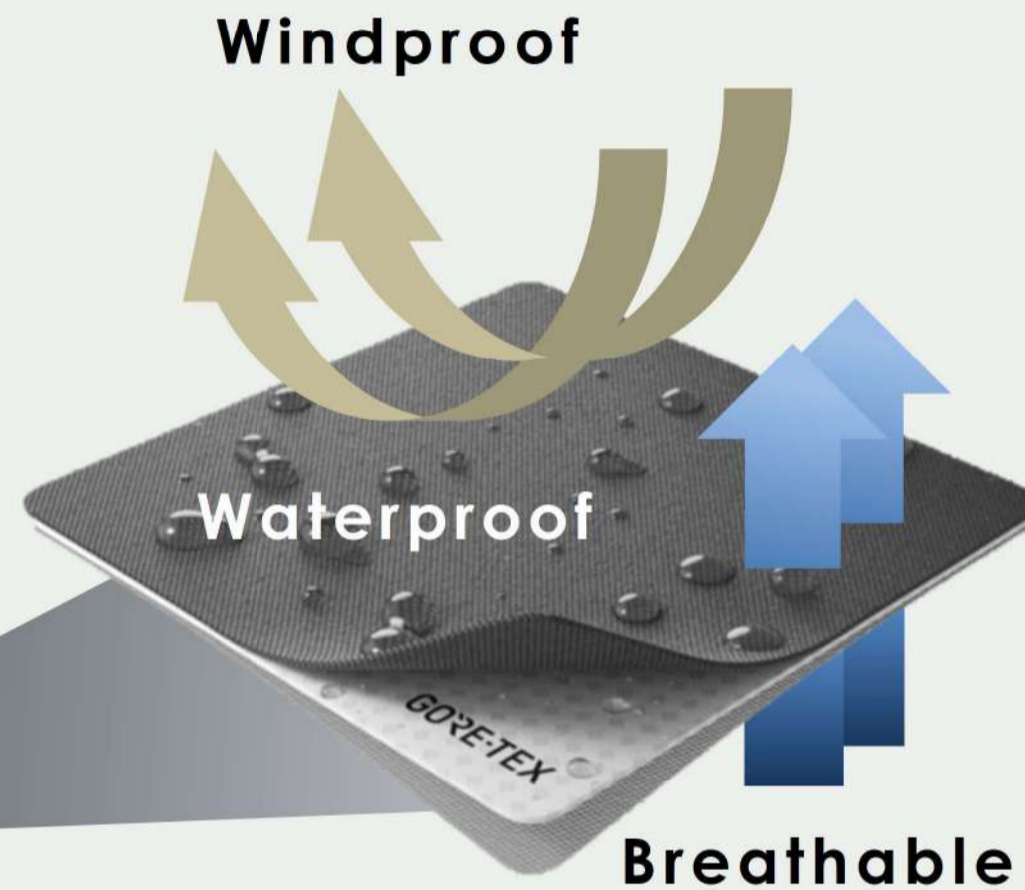
Sportswear

Low Price



Features of GORETEX Outerwear

Kwong Lung's production plants are certified by GORE to produce GORETEX garments for high-end outdoor functional apparel brands.



Waterproof

Each square inch of GORETEX membrane has over 9 billion pores. These pores are too small for water droplets to pass through, thus achieving a waterproof effect.

Windproof

The small pores of the GORETEX membrane are extremely small and irregularly arranged, preventing cold wind from entering the body. The warmth retention of GORETEX outerwear is 40% higher than that of regular outerwear.

Breathable

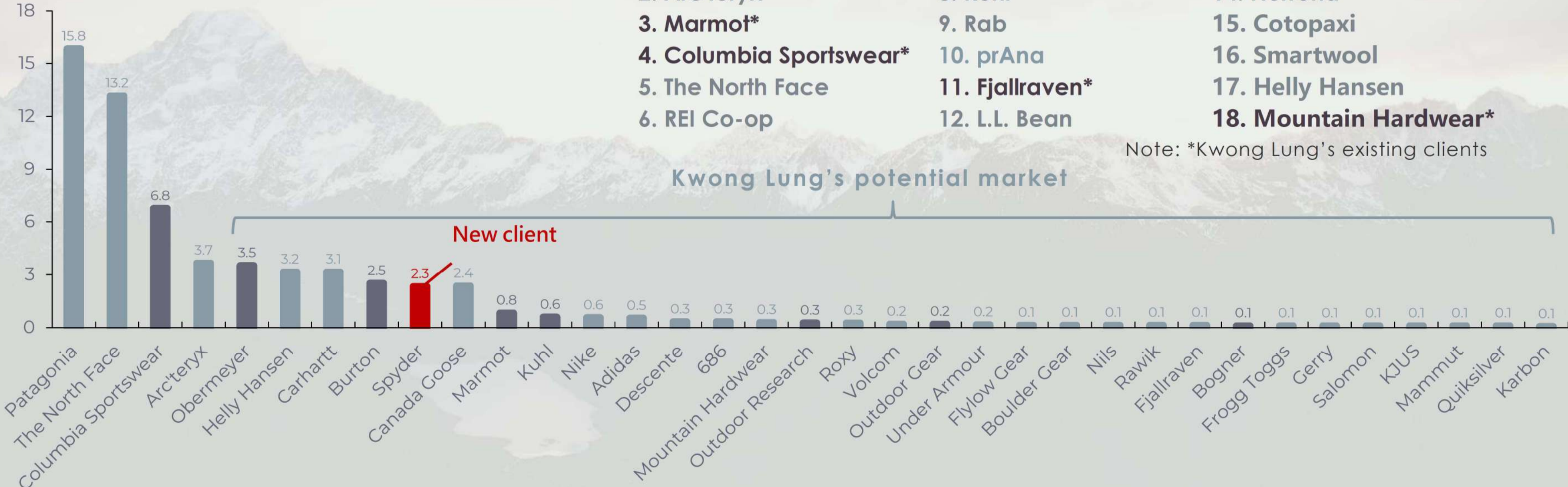
Each one of those billions of pores is also 700 times bigger than a water vapor molecule, allowing human sweat to easily pass through the membrane and evaporate, keeping the body dry and comfortable.

Kwong Lung's Perfect Fit with Smaller Brands

The long tail theory applies to the functional outerwear industry as newly emerged or boutique brands tend to have higher growth

GLOBAL OUTERWEAR BRANDS

MARKET SHARE 2023 (%)



BEST OUTDOOR CLOTHING BRANDS OF 2024

- | | | |
|-------------------------|---------------------|-----------------------------|
| 1. Patagonia | 7. Outdoor Research | 13. Black Diamond Equipment |
| 2. Arc'teryx | 8. Kuhl | 14. Norrona |
| 3. Marmot* | 9. Rab | 15. Cotopaxi |
| 4. Columbia Sportswear* | 10. prAna | 16. Smartwool |
| 5. The North Face | 11. Fjallraven* | 17. Helly Hansen |
| 6. REI Co-op | 12. L.L. Bean | 18. Mountain Hardwear* |

Note: *Kwong Lung's existing clients

Kwong Lung's potential market

Source: Euromonitor, Switch Back Travel, Company data
 Note: Dark grey color are Kwong Lung's existing clients

Kwong Lung is the Best-Fit for Local Famous Outdoor Brands



Our Competitive Advantages

Our production model has the flexibility to take on smaller order vs. most other outerwear manufacturers while keeping profitability intact



	KWONG LUNG	OTHER OUTERWEAR MAKERS
PRODUCTION MODEL	Toyota Production System <i>U-shaped production line</i>	Hanger System
ADVANTAGE	With more production flexibility <i>Able to reach economies of scale even with small order volume (1,600-1,800 pcs)</i>	With less production flexibility <i>Requires higher order volume to reach economies of scale</i>
PRODUCTS	All range of products <i>Down jackets, snowboard jackets, sleeping bags, seamless taped jackets (mainly for outdoor)</i>	Mostly single item product
TARGET CUSTOMERS	Focus on high-end, high-performance outdoor brands	Focus on the largest brands of customers
BUSINESS MODEL	Multiple items/ Smaller batch volume	Single item / large batch volume

Production Model Differences

Toyota Production System



Hanger System

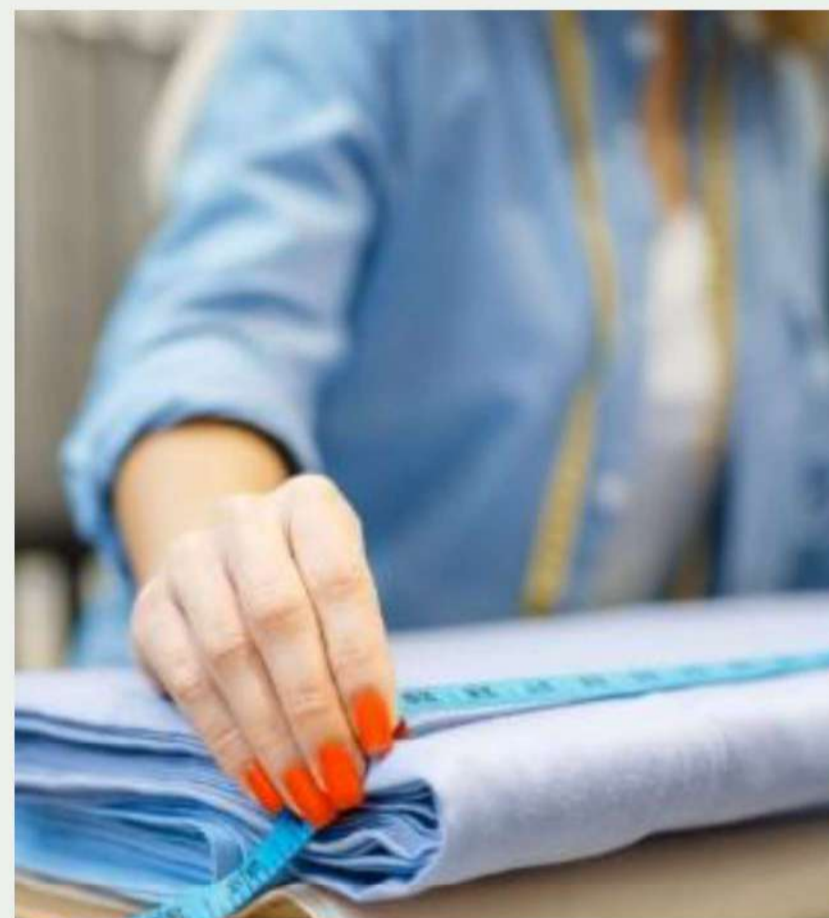


One Partner, Full Solution

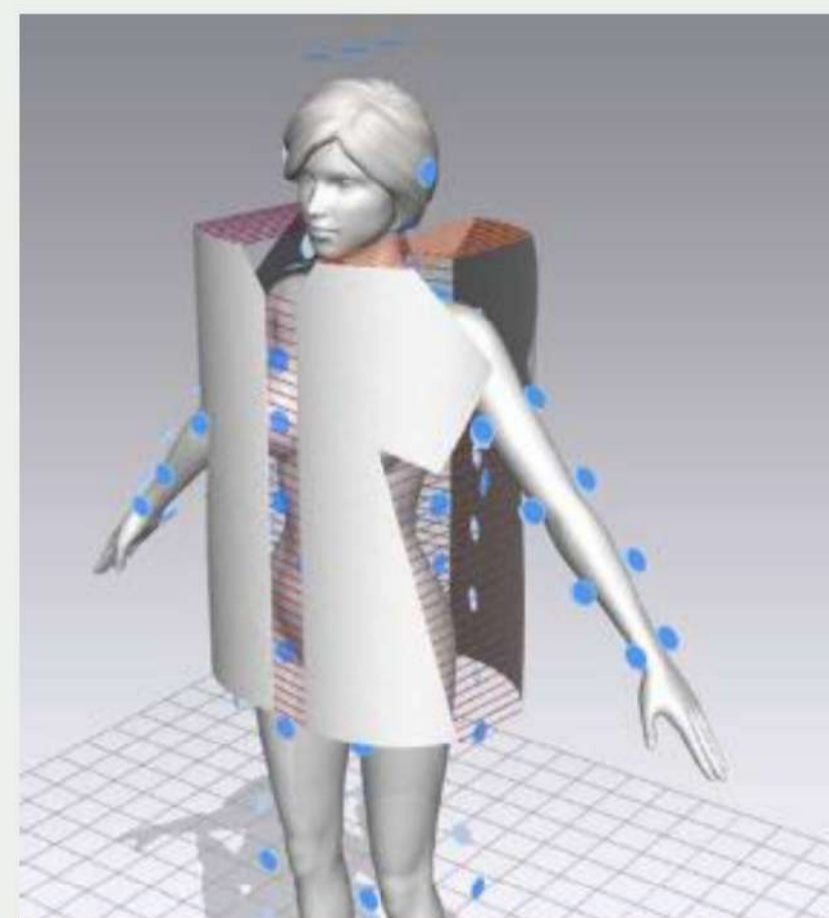
From concept to finished product – Kwong Lung delivers design, sourcing, development and production – all under one roof.



DESIGN



FABRIC SOURCING



PRODUCT DEVELOPMENT



PRODUCTION MANAGEMENT

Our Development Capabilities Help Customers Win International Awards



Marmot
Parka



Sleeping Bag

Exceptional warmth-to-weight ratio, compressibility, ease of portability without compromising warmth and resistance



FJÄLL RÄVEN
Trousers



We work with well-known brand customers to develop new products and help them to win the ISPO Awards.

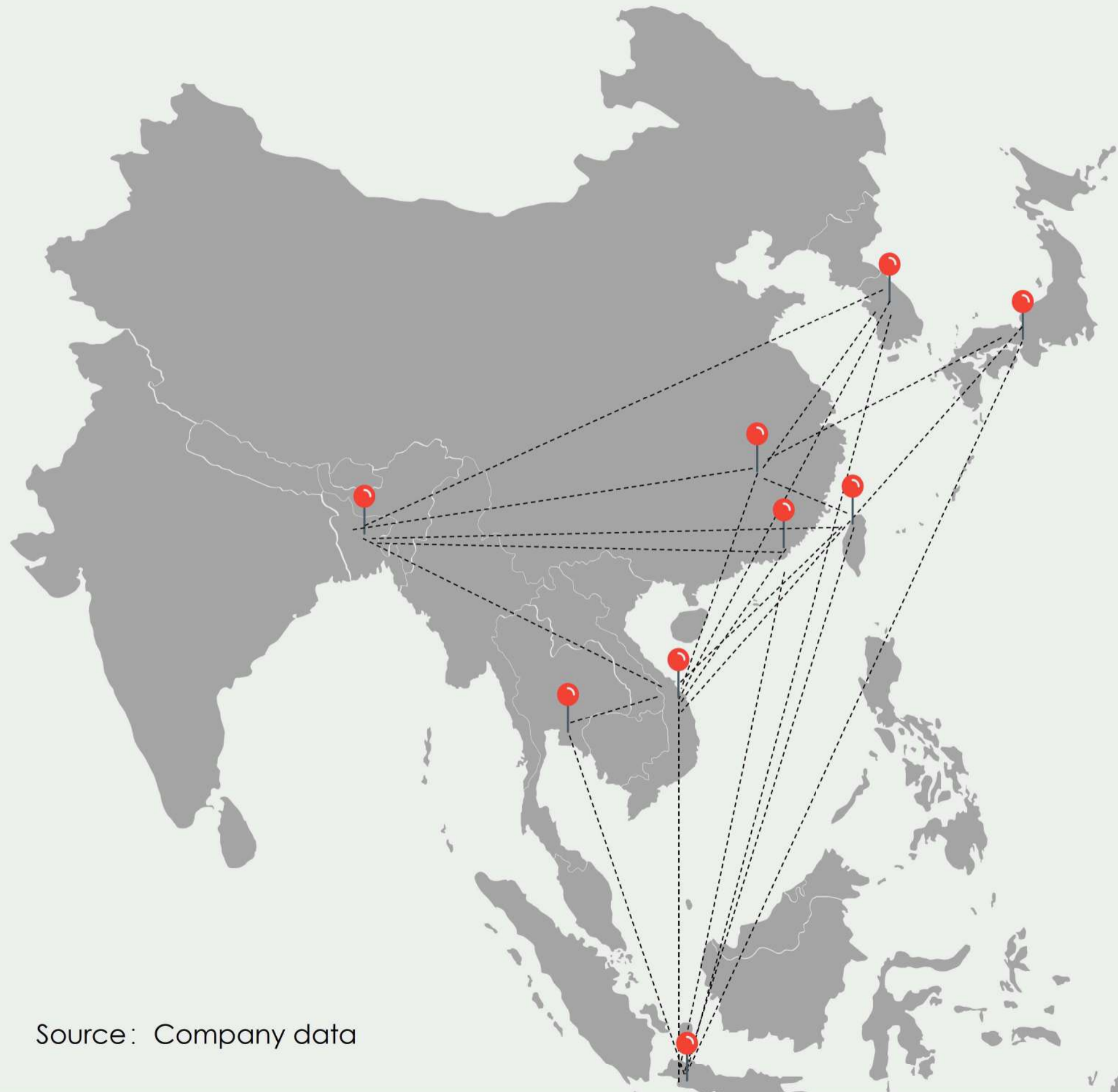


The vest attached to the waistband with the pants for one to stay dry, warm, and maintain a versatile look.



SPYDER
3-in-1 Ski Pants

Leveraging Strong Supply Chain Links to Deliver One-Stop Services



Source: Company data

1. Leading Exporters of Apparel (2024)



- **China:** USD 159.1 billion (30% global share).
- **Vietnam:** USD 44.0 billion, (8%).
- **Bangladesh:** USD 40.8 billion, (7.7%).
- With deep engagement in these core markets, Kwong Lung has developed a strong and diversified global sourcing network.



2. Raw Material Supply Is Highly Concentrated

- **Functional fabrics:** China, Korea, Taiwan lead globally; Taiwan alone supplies ~70% of waterproof-breathable textiles.
- **Zippers & trims:** Japan's YKK dominates; China, Taiwan, HK together contribute 40%+ of global exports.
- **Synthetics:** China, Korea, and Thailand have scale and quality.
- Long-term partnerships with top suppliers in Taiwan, Korea, and China ensure stable, high-quality material supply.

3. Cost & Scale Advantage



- **Low labor cost:** Bangladesh avg. wage ~USD 140/month.
- **Skilled manufacturing:** Southeast Asia offers scale, trained workforce, and flexibility.
- **Trade access:** FTAs with the U.S., EU, Japan support export competitiveness.
- Kwong Lung excels at coordinating with factories across multiple countries, enabling brand clients to enjoy stable and consistent multi-site production and delivery services.

Ongoing Production Diversification



Strategic Rationale for Bangladesh Expansion: Navigating Global Tariff



Risks & Cost Advantages

Country	Tariff	Population (mn)	Avg. Monthly Wage USD	Product Strengths
China	34%	1,400	~450	High-tech functional apparel
Vietnam	20%	100	~350	Mid/high-tier functional apparel
Indonesia	19%	280	~188	Mid/low-tier active & casual wear
Bangladesh	20%	170	~140	Basic knits, tees, hoodies, mass markets

Bangladesh Deployment Timeline

- Phase I (2H25)** Office set-up, start subcontracting
- Phase II (2026~)** Inspecting First factory investment/acquisition
- Phase III (2027~)** Inspecting Second factory/own greenfield build

Actual Progress

- 2025/06: Office set up
- 2025/07: Established 4 subcontracting partners
- 2026/11: Subcontracting partners increased to 6
- 2026/03: Subcontracting partner increased to 9, and SKUs extended to outdoor bags

1. Broaden Product Range & Price Spectrum

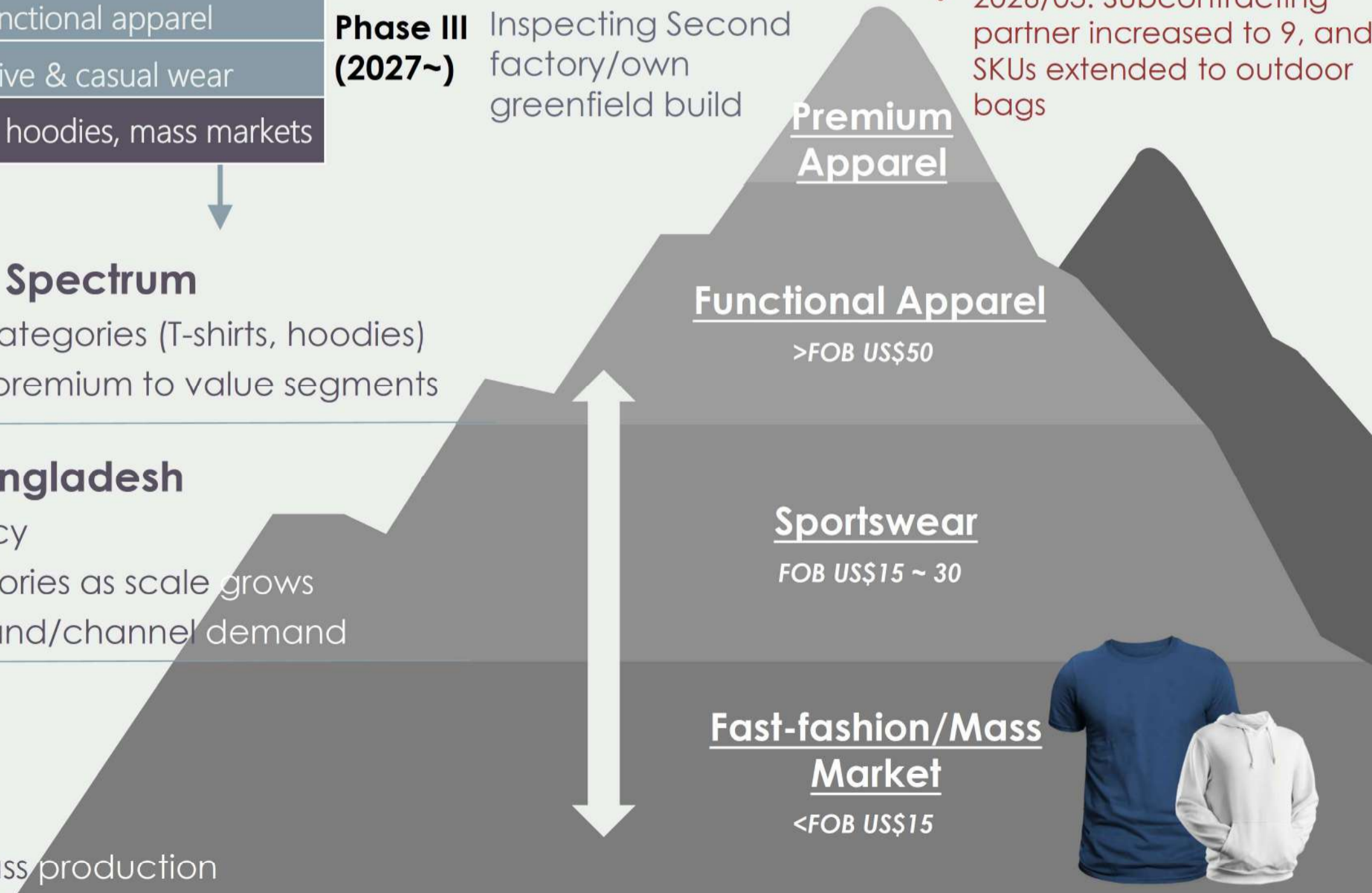
- Extend from high-end to mass-market categories (T-shirts, hoodies)
- Deliver true one-stop service, covering premium to value segments

2. Build a New Production Hub in Bangladesh

- Leverage large labor pool & cost efficiency
- Start with outsourcing; invest/acquire factories as scale grows
- Support China + 1 shift and meet dual-brand/channel demand

3. Multi-Country Production Strategy

- Maintain Vietnam for high-end items
- Use Indonesia for shirts & tech collaborations
- Expand Bangladesh to scale up low-priced mass production



Kwong Lung Growth Strategy

Future



Improve production efficiency by digitalization

- Attract big brand customers by sufficient production capacity and years of experience in functional clothing

Current



Specialize in functional clothing and scale up capacity

- Attract fast-growing small and medium-sized brands and bigger brands that want to develop functional clothing

Past



Provide one-stop services

- Become the main ODM partners with existing ski and outdoor brands through proprietary know-how

Big brand customers

Fast-growing small and medium-sized brands
Medium and large-sized brands want to develop functional clothing

Existing Ski and Outdoor Brands

Customer Type

Why invest in Kwong Lung?

3. Scaling Core Apparel Business to Drive Profitability and Payout

Kwong Lung aims to grow the apparel division's revenue contribution from 60% to 70% over the next three years. This shift to higher-margin, asset-efficient growth will enhance cash flow and support consistent cash dividend payouts.

Dividend Payout and Capex



	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
PAYOUT RATIO (%)	43	52	62	58	63	74	73	85	N/A	59	73	132	83	58	92	89	120
DIVIDEND YIELD (%)	4.0	4.7	5.2	3.7	5.5	8.4	6.0	7.8	5.7	7.1	6.8	7.0	6.6	6.9	5.8	6.9	6.3
CAPEX (NT\$ MN)	236	206	138	81	103	110	312	143	626	265	140	495	305	276	270	357	205
CAPEX TO SALES (%)	5.3	3.6	1.8	1.0	1.1	1.2	3.5	1.7	7.4	2.6	1.4	5.8	3.8	2.7	3.5	4.5	2.4

1. Cash yield for 2009-2024 is calculated based on Kwong Lung's market cap on the day before ex-dividends.
 2. 2025 cash yield is based on Kwong Lung's market capitalization as of market close on 10 March 2026.

Redefining Growth: A Predictable 20% Annualized Return

- Core Philosophy

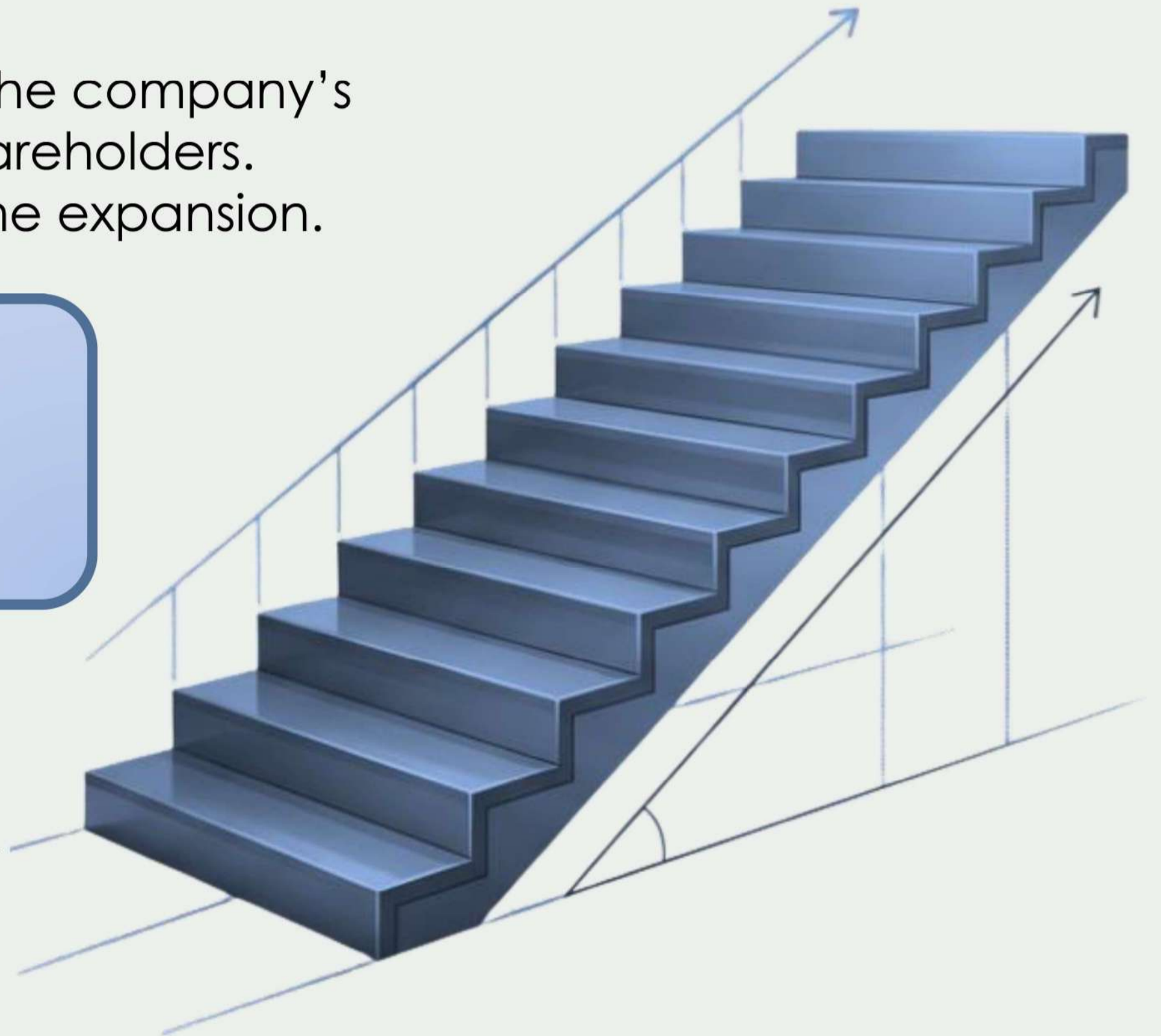
Kwong Lung's strategic core is to translate the company's success into **predictable cash returns** for shareholders. What we pursue is **quality growth**, not volume expansion.

- The Goal

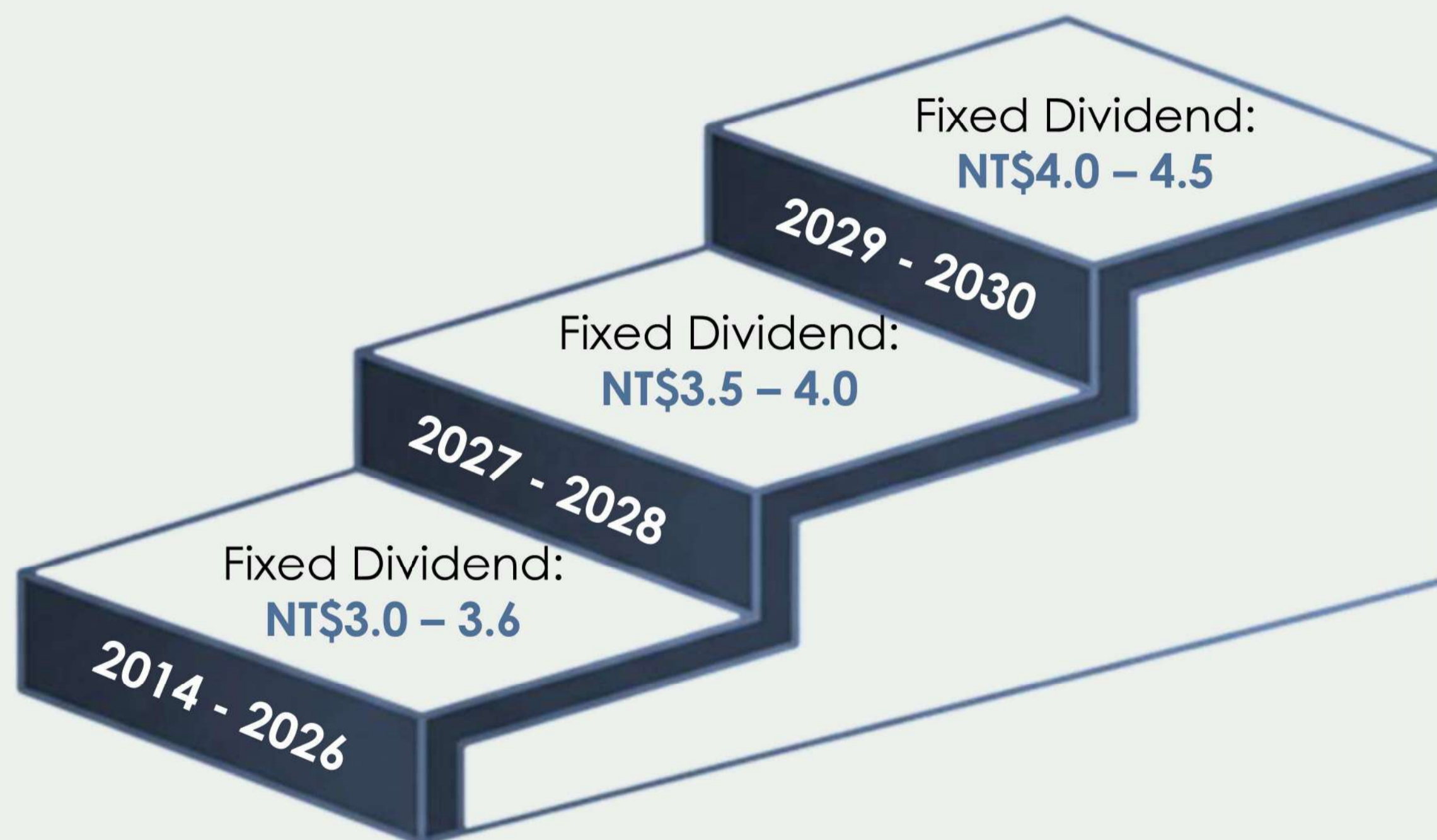
Goal: Achieve a 20% annualized shareholder return

- The Mechanism

Method: Establishing a “step-up fixed dividend growth model” to provide a clear and predictable pathway for long-term value creation.



First Four-Year Plan: A Clear and Visible Shareholder Return Blueprint



The Growth Engine Rule

Every two years,
dividends step up by
NT\$0.5/share

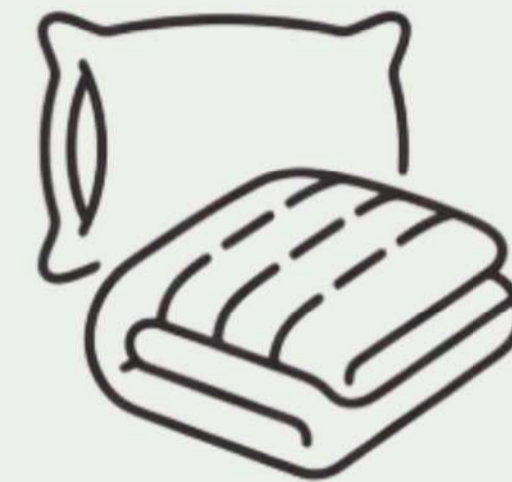
(Equivalent to an additional
NT\$70-80mn in cash
distribution every two years)

Foundation of Dividend Growth (1): High-Efficiency Core Business Segments



Apparel Division

Goal: Double-digit annual revenue growth
Gross Margin: **18-20%**
Operating Margin: **9-10%**



Home Textiles

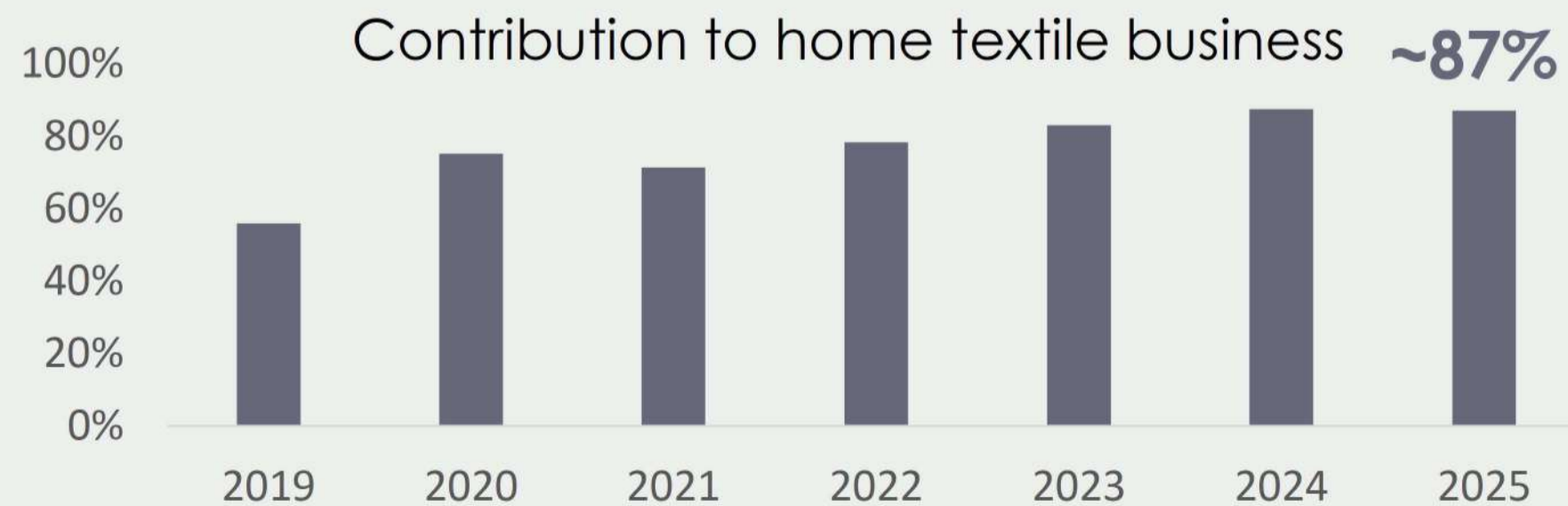
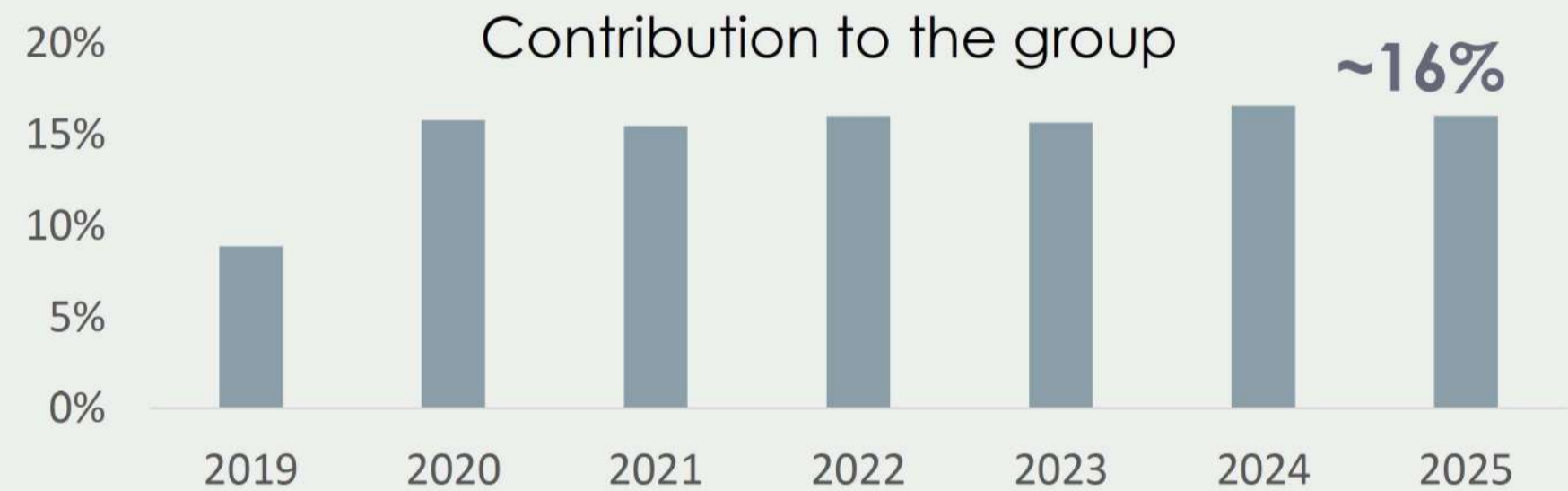
Goal: **5-10%** annual revenue growth
Key Customer: NITORI

(Also: Europe's leading home-goods brand, Japanese private-label customer)

Nitori is an Important Customer for Kwong Lung in the Home Textile Business

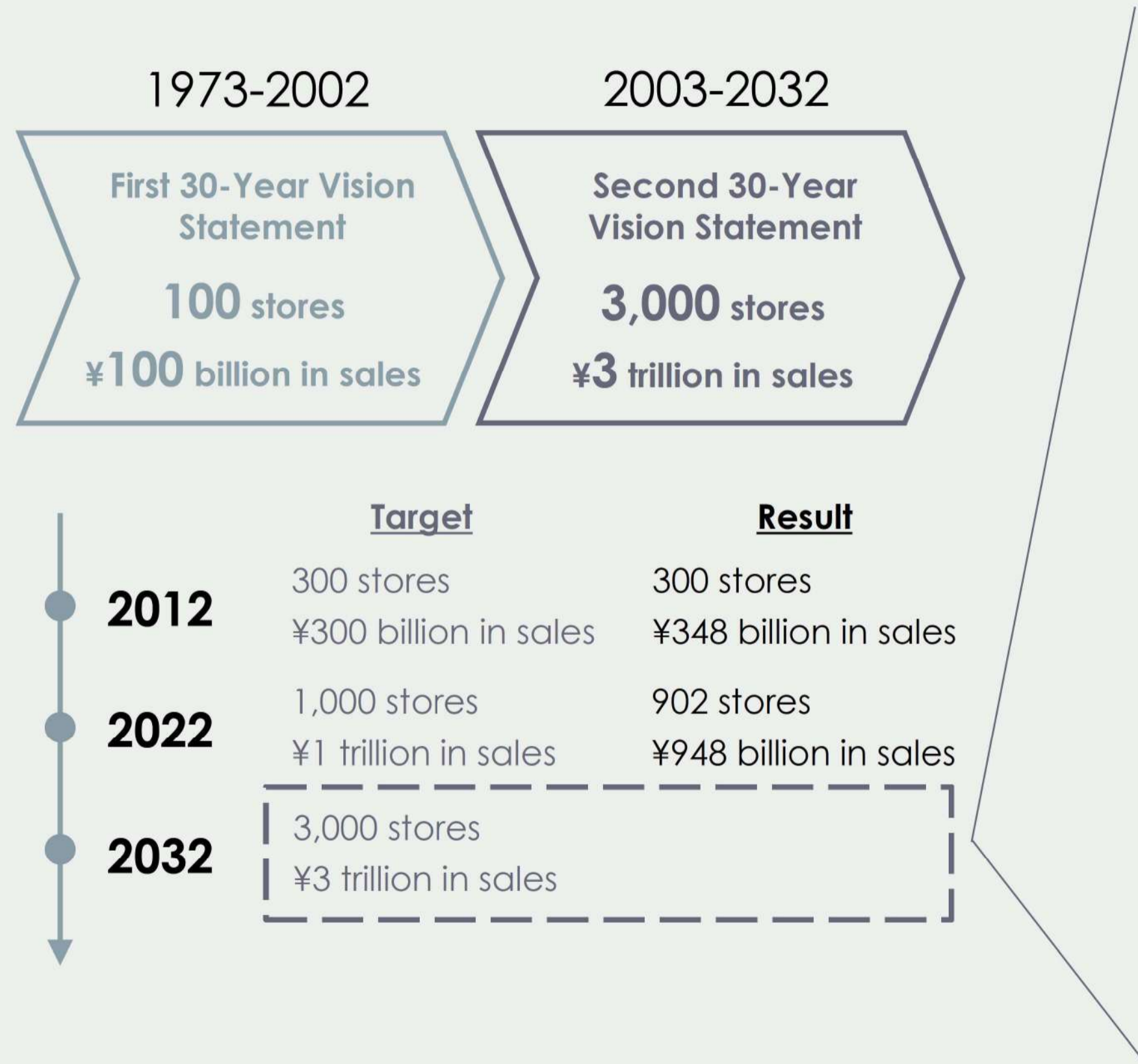


From 2019-2025, Nitori contributed to Kwong Lung's sales with a CAGR of **6.2%**



Source: Nitori official website

Nitori's Expansion will Fuel Growth for Kwong Lung



Nitori is accelerating its store expansion in Asia



Home Textiles Embrace Two Key Strategic Clients

European Home Furnishing Brand

- **400+ Stores** Worldwide
- **€25+ Billion** Annual Revenue
- This customer has grown over decades from a small local company into a globally renowned home furnishings brand, offering **beautifully designed, functional, durable, affordable, and eco-friendly furniture** to customers worldwide.

Customer Development Progress

- ✓ **Factory audits and new supplier registration completed**
- ✓ **Evaluating Spring/Summer 2025 product projects**
- ✓ **First order placed, with on-going shipments**
- ✓ **Mass production to begin in 2026**

Japanese Daily Essentials Brand

- **1,000+ Stores** Worldwide
- **¥500+ Billion** Annual Revenue
- A renowned Japanese brand with a growing global presence, offering a comprehensive range of daily essentials. The brand is committed to three core principles: **selecting high-quality materials, streamlining processes, and embracing minimalist packaging.**

Customer Development Progress

- ✓ **Factory evaluation completed**
- ✓ **Samples approved by the customer**
- ✓ **First order placed, with shipments already completed**
- ✓ **Mass production to begin in 2026**

Navigating K-Shaped Consumption: Comprehensive Coverage of High-End and Scalable Markets



High-End Professional (Top of the K)

- Inflation Resistant
- Strategy: Deepen technical leadership and maintain high margins
- Target Clients: Top-tier outdoor brands

 R&D / Production: Taiwan / Vietnam

Mass Market Scale (Bottom of the K)

- Focus on High Price Performance Value)
- Strategy: Capacity scalability and cost efficiency
- Target Clients: Large-scale retail chains

 New Production Lines: Indonesia / Bangladesh

Maximizing TAM (Total Addressable Market) for Apparel

Rising Global Defense Spending: Strategic Equipment Enters a Long-Wave Growth Cycle



Strong Demand:

Significant growth in defense budgets across the US, Europe, Japan, and Taiwan



Equipment Modernization:

Focus on lightweight, functional, and protective features (high overlap with outdoor apparel technology).



Supply Chain Restructuring:

Localization: Strengthening supply chain resilience: meets Western security and diversification requirements



Defense spending is unaffected by economic recession, providing high budget certainty.

Validation of Technical Prowess: Bridging "Outdoor Technology" to "Military Standards"



Key Client: Long-term strategic partnership with global tactical leader (e.g., 5.11)

Core Concept: Leveraging existing technologies to create a differentiated advantage.

Quality Assurance: Rigorous quality control systems ensuring long-term stability in the field.

Strategic Goals for the Defense Procurement Market



TAM: NT\$1.5-2.0 Billion / Year

in apparel and tactical gear procurement by the Ministry of National Defense



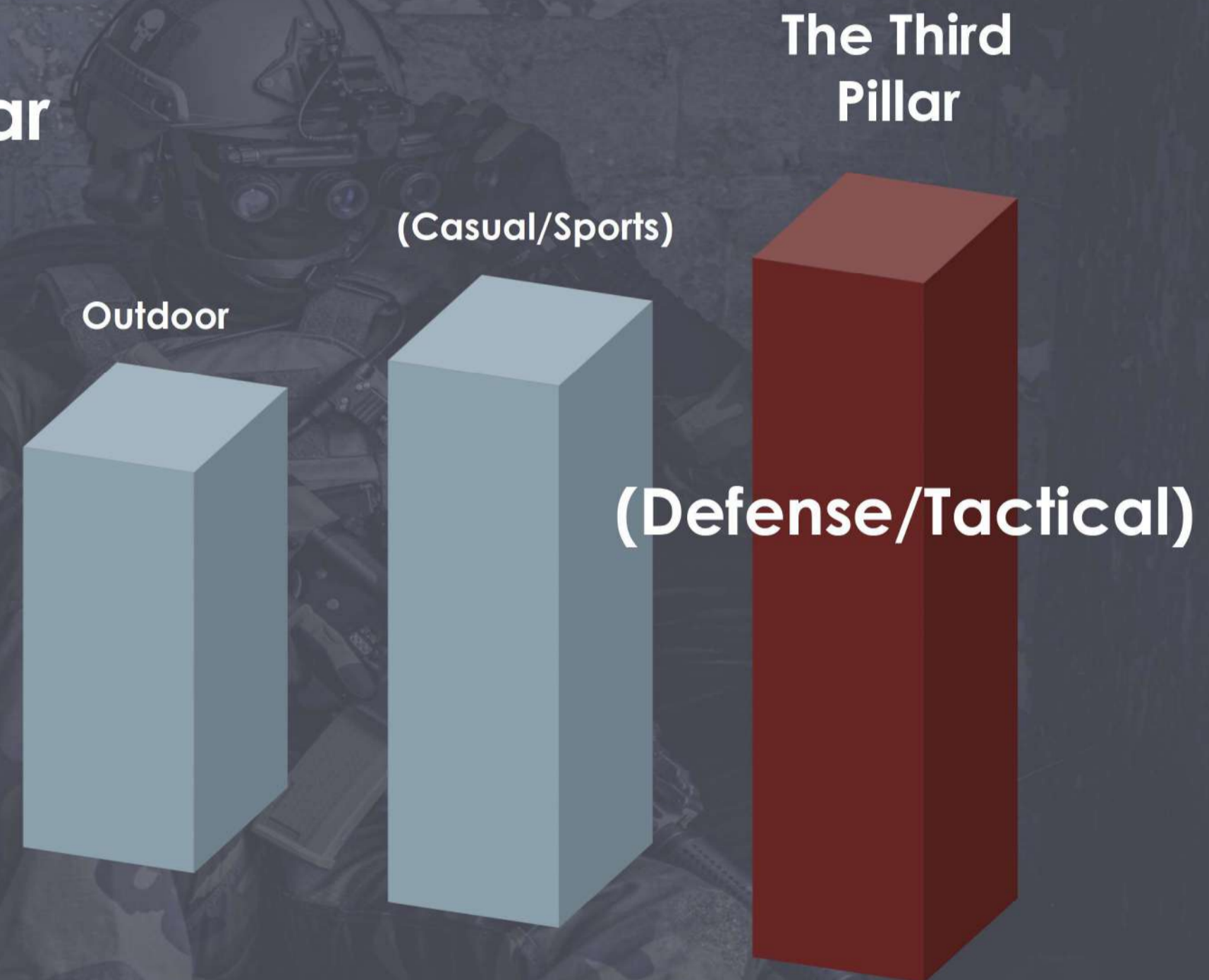
2026: Secured "Entry Ticket" to the Defense Supply Chain]

Successfully won bids for apparel and individual tactical gear; currently entering the production validation phase.



Target: Over NT\$ 500 Million

In subsequent procurement projects this fiscal year



Foundation of Dividend Growth (2): Stable Cash Flow from Commercial Real Estate

Transforming land development projects into long-term income sources – the second pillar of sustainable dividend growth

Goal:

Increase annual commercial property income by NT\$100mn per year

2027 Milestone:

Annual commercial property income reaches NT\$70mn



A Dual-Engine Strategy of Asset Activation & Capital Recovery



- **Retained Lower Floor:** Used as retail and office space to generate stable long-term income.
- **Sold Upper Floors:** Designed as residential units for one-time capital recovery to reinvest in the next project.

Key concept: Residential sales revenue is treated as one-time capital, not counted a long-term income – ensuring predictability and stability of recurring earnings.

4Q25 Income Statement

NT\$MM	4Q25	4Q24	YoY (%)
Revenue	2,274	1,646	38.1
Gross Profit	264	256	3.1
Gross Margin (%)	11.6	15.5	-3.9 pts
Operating Expenses	(248)	(205)	20.9
Operating Profit	16	51	(68.6)
Operating Margin (%)	0.7	3.1	-2.4 pts
Non Operating Income/(Loss)	10	26	(61.5)
Net Income	14	74	(81.1)
Net Income to Parent	14	75	(81.3)
Net Margin (%)	0.6	4.6	-4.0 pts
Basic EPS (NT\$)	0.10	0.51	(80.4)

The 2025 Financial Report includes two one-time (non-recurring) losses:

1.Impairment of Accounts Receivable in the Trading Department: Due to market impacts on certain clients, the company has recognized an impairment loss on accounts receivable. Any future recovery of these payments will be recorded as non-operating income.

2.Full Write-off of Equity Investment in Joint Development: Although the "Qing-Zhe" (青喆) real estate project was fully sold out during the pre-sale phase, rising construction costs in recent years have eroded all projected profits. Consequently, the company has recognized a full impairment loss on this equity investment. However, for this year's projects—"Huashan Art Mansion" (華山藝邸) and "Taichung ONE PARK"—the company has adopted a "build-first, sell-later" strategy to ensure profitability.

2025 Income Statement

NT\$MM	2025	2024	YoY (%)
Revenue	8,538	7,893	8.2
Gross Profit	1,310	1,365	(4.1)
Gross Margin (%)	15.3	17.3	-2.0 pts
Operating Expenses	(835)	(789)	5.9
Operating Profit	475	577	(17.7)
Operating Margin (%)	5.6	7.3	-1.7 pts
Non Operating Income/(Loss)	33	165	(80.1)
Net Income	377	606	(38.1)
Net Income to Parent	377	609	(38.1)
Net Margin (%)	4.4	7.7	-3.3 pts
Basic EPS (NT\$)	2.50	4.02	(38.1)

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2025 Balance Sheet

NT\$MM	2025-12-31		2024-12-31	
	Amount	%	Amount	%
Cash and Cash Equivalents	851	8.7	629	6.1
AR & NR	715	7.3	803	7.8
Inventories	1,638	16.7	2,449	23.8
PP&E	1,381	14.1	2,307	22.5
Total Assets	9,795	100.0	10,276	100.0
Current Liabilities	3,435	35.1	3,348	32.6
Interest-bearing Liabilities	2,916	28.8	2,319	22.6
Total Liabilities	4,398	44.9	4,304	41.9
Total Equity	5,397	55.1	5,972	58.1
Key Financial Ratios				
A/R Days	32		31	
Inventory Days	102		111	
A/P Days	42		47	
Cash Conversion Days	92		97	
Net Debt / Equity (%)	38.3		28.3	
Debt Ratio (%)	44.9		41.9	

2025 Cash Flow

NT\$MM	2025	2024
Beginning Balance	629	923
Operating Cash Flow	1,135	106
Capital Expenditures	(205)	(357)
Investments and Others	(415)	(542)
Financing Cash Flow	(164)	388
Effects of Exchange Rate Changes on the Balance of Cash and Cash Equivalents Held in Foreign Currencies	(130)	111
Ending Balance	851	629

Income Statement Summary

NT\$MM	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	10,154	10,224	8,499	8,061	10,304	7,708	7,893	8,538
Gross Profit	1,352	1,427	1,172	989	1,763	1,382	1,365	1,310
Operating Expenses	(1,003)	(843)	(791)	(801)	(809)	(785)	(789)	(835)
Operating Profit	349	585	380	188	954	597	577	475
Non Operating Income/(Loss)	379	26	37	423	177	149	165	33
Pretax Income	728	611	417	611	1,131	746	742	507
Tax Expenses	(96)	(112)	(103)	(121)	(214)	(169)	(135)	(130)
Net Income to Parent	618	488	344	515	919	578	609	377
Basic EPS (NT\$)	5.7	4.1	2.3	3.6	6.5	3.9	4.0	2.5

Key Financial Ratios (%)

Gross Margin	13.3	14.0	13.8	12.3	17.1	17.9	17.3	15.3
Operating Expense Ratio	9.9	8.2	9.3	9.9	7.9	10.2	10.0	9.8
Operating Margin	3.4	5.7	4.5	2.3	9.3	7.7	7.3	5.6
Effect Tax Rate	13.2	18.4	24.7	19.9	18.9	22.7	18.3	25.7
Net Margin	6.1	4.8	4.1	6.4	8.9	7.5	7.7	4.4

YoY Growth (%)

Revenue	19.3	0.7	(16.9)	(5.2)	27.8	(25.2)	2.4	8.2
Gross Profit	9.3	5.6	(17.9)	(15.6)	78.3	(21.6)	(1.2)	(4.1)
Operating Profit	(2.2)	67.3	(34.9)	(50.6)	407.7	(37.4)	(3.4)	(17.7)
Net Income to Parent	-	(21.1)	(29.4)	49.6	78.4	(37.1)	5.5	(38.1)
Basic EPS	-	(28.6)	(44.4)	57.0	82.7	(39.9)	2.8	(38.1)

1. 2020-2021: Operations were impacted by the global COVID-19 pandemic.

2. 2022: The Apparel Department saw a significant revenue growth of 57.3%, accounting for more than half of the total group revenue. The Down Department's gross margin rose from 5% to 13%, successfully turning an operating loss into a profit. Non-operating income included a foreign exchange gain of NT\$ 130 million (for comparison, 2021 non-operating income reached NT\$ 500 million, primarily from the disposal of equity and real estate).

3. 2025: The company recognized two one-time (non-recurring) losses: 1) impairment loss on accounts receivable due to market impacts on specific clients in the Trading Department. 2) Full impairment loss on equity investment in a joint development project

Balance Sheet Summary

NT\$m	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	7,031	7,571	7,512	8,294	8,567	7,978	10,276	9,795
Cash and Cash Equivalents	794	881	1,070	1,311	1,530	923	629	851
AR & NR	1,048	858	924	957	978	566	803	715
Inventories	2,619	2,373	1,725	2,396	2,118	1,579	2,449	1,638
PP&E	1,574	1,505	1,877	1,557	1,632	1,831	2,307	1,381
Total Liabilities	2,931	2,479	2,575	3,312	2,995	2,378	4,304	4,398
AP & NP	788	548	693	847	850	644	1,050	639
Total Equity	4,100	5,092	4,938	4,982	5,572	5,601	5,972	5,397
YoY Growth (%)								
Total Assets	6.3	7.7	(0.8)	10.4	3.3	(6.9)	28.8	(4.7)
Cash and Cash Equivalents	55.8	11.0	21.4	22.5	16.7	(39.7)	(31.8)	35.2
AR & NR	1.4	(18.2)	7.8	3.5	2.2	(42.2)	42.0	(11.0)
Inventories	16.3	(9.4)	(27.3)	38.9	(11.6)	(25.4)	55.0	(33.1)
PP&E	(1.0)	(4.3)	24.7	(17.0)	4.8	12.2	26.0	(40.1)
Total Liabilities	(22.0)	(15.4)	3.9	28.6	(9.6)	(20.6)	81.0	2.2
AP & NP	(1.3)	(30.5)	26.6	22.2	0.3	(24.2)	63.0	(39.1)
Total Equity	43.5	24.2	(3.0)	0.9	11.8	0.5	6.6	(9.6)
Key Financial Ratios (%)								
A/R Days	37	34	38	42	34	36	32	32
Inventory Days	100	102	101	105	95	105	113	102
A/P Days	32	27	30	39	36	43	47	42
Cash Conversion Days	104	108	108	108	93	99	97	92
ROE (%)	18.0	10.7	6.9	10.4	17.5	10.3	10.2	6.6
ROA (%)	9.1	6.7	4.6	6.5	10.9	7.0	5.9	3.8
Net Debt (Net Cash) to Equity ratio (%)	14.4	6.7	1.9	8.2	(4.9)	2.0	28.3	38.3
Debt ratio (%)	41.7	32.7	34.3	39.9	35.0	29.8	41.9	44.9



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Projected Property Project Handover Schedule

Unit: NTD Ten thousand

Project	Units	Total Sales Value	2026-Q1	2026-Q2	2026-Q3	2026-Q4	合計
Huashan	12	48,742	17,539	26,812	7,107	-	51,458 (Actual sales could be higher than 48,742)
Taichung	16	56,425	-	13,260	9,945	6,630	29,835
Total			17,539	40,072	17,052	6,630	81,293

Huasan Project

- Units Sold: 9 units
- Total Sales Value: Approx. NT\$ 487 Million
- Current Sales Amount: Approx. NT\$ 357 Million
- Sales Completion Rate: Approx. 73%
- Handover Schedule: 5 units in March; 4 units in April.

Taichung Project

- Public Launch: Scheduled for March 29.
- Estimated Sales (9 units):
- Q2: 4 units
- Q3: 3 units
- Q4: 2 units

Our Corporate History



1966 - 1993

Build the regional foundation

- 1966** The company was established
- 1980** The first company in Taiwan to standardize down products
- 1984** The company's first down factory commenced operation in Taiwan
- 1988** Vietnam plant was established

1994 - 2012

Expand and accelerate business growth

- 1994** Kwong Lung Hong Kong was established
- 1996** Our second plant in Vietnam was established
- 1999** Publicly listed on Taipei Exchange
- 2000** Diversified our business and set up garment division
- 2005** Kwong Lung Japan was established
- 2009** Down material R&D Center was established
- 2011** Our third plant in Vietnam was established

2013 - 2021

Expand Garment Business and strengthen corporate governance

- 2013** Mr. Hebert Chan became the chairman of the company
- 2014** Our first CSR report published
- 2015** Revenue of garment division has begun to exceed down division
- 2016** Ranked as top 20% in Corporate Governance Evaluation
- 2018** Reached NTD 10 bn annual sales
- 2019** Ranked as top 5% in Corporate Governance Evaluation

2022 – Future

To become the global leading manufacturer in functional outerwear

- 2022** Keep on improving productivity to meet our clients' demand
- 2023** Continue to look for new opportunities in outdoor functional outerwear segment
- 2024** Achieved B Corps™ Certification
- 2025** New Bangladesh capacity to further enhance ability to capture new orders

ESG is an Integral Part of Our Operations

WATER WITHDRAWAL & INTENSITY



CORPORATE GOVERNANCE

- 2024 Ranked as top 5% in TW Corporate Governance Evaluation
- 2020 appointed CG Officer
- 2014 started to publish ESG report



TOTAL ENERGY CONSUMPTION

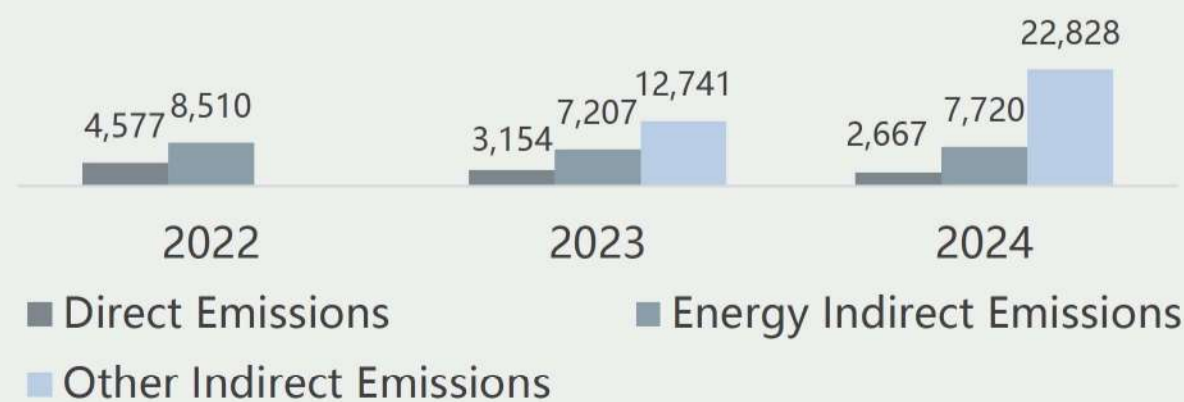


WASTE RECYCLING

	2022	2023	2024
Group - Water Withdraw Intensity (mn litre/NT\$mn revenue)	0.113	0.089	0.089
Compared with 2021 baseline reduction percentage	28.9%	44.0%	44.0%
Down Materials Division - Recycling Rate (%)	51.8%	54.1%	58.2%
Compared with 2021 baseline increase	21.4%	23.7%	27.8%

TOTAL CARBON EMISSION

(ton CO2e/yr)



SOCIAL SERVICES

- Winter Warm Wear Program:
Provide care to vulnerable populations
- Vietnam Child Care Program:
Provide school lunch to necessities
 - Industry-Academy Cooperation:
Lead internship program to cultivate employees

SUSTAINABLE PRODUCTION

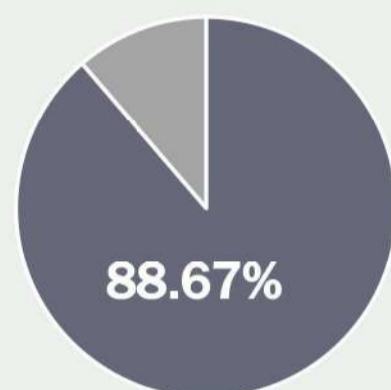


Note: 1. Statistics of the whole Kwong Lung Group 45

Carbon Inventory Progress and Future Plans

2022

Scope 1 and Scope 2 carbon footprint verification has covered 88.67% of consolidated revenue.



Taiwan operating base (Headquarters, Zhongli Plant, Yi-Lan Development Center) has obtained ISO 14064-1 certification



2023

Scope 1 and Scope 2 carbon footprint verification for overseas locations (Vietnam, China, Japan, Korea) have been completed. Additionally, **Scope 3** GHG inventories has initiated.

2024

Kwong Lung Global operating base have obtained ISO 14064-1 certification, covering **100%** of consolidated revenue.

2027

A 30% reduction by 2027 (short-term) compared with the 2023 baseline carbon emissions (10,361 tons CO₂e)

2035

A 50% reduction by 2035 (mid-term) compared with the 2023 baseline carbon emissions (10,361 tons CO₂e)

2050

Net-zero emissions by 2050 (long-term).