



2026 Annual Shareholders' Meeting

Meeting Handbook (Translation)

Date: May 29, 2026 (Friday) at 9:00 a.m.

Meeting Type: Physical Shareholders' Meeting

Venue: 5F, No. 285, Sec. 4, Zhongxiao E. Rd., Da'an Dist., Taipei City (Global Town Business Center)

Note to Readers:

If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language version shall prevail.

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KWONG LUNG ENTERPRISE CO., LTD.

2026 Annual Shareholders' Meeting

Meeting Agenda

Date: May 29, 2026 (Friday) at 9:00 a.m.

Venue: 5F, No. 285, Sec. 4, Zhongxiao E. Rd., Da'an Dist., Taipei City (Global Town Business Center)

- I. Call to Order (Report on the Number of Shares Represented by Shareholders Present)
- II. Chairperson's Remarks
- III. Reports
 - (1) 2025 Business Report
 - (2) Audit Committee's Review Report
 - (3) Report on the Distribution of Cash Dividends from 2025 Earnings and Capital Surplus
 - (4) Report on the Distribution of Employees' and Directors' Remuneration for 2025
 - (5) 2025 Directors' Remuneration Report
 - (6) Status of Share Repurchase Execution
- IV. Acknowledgements
 - (1) Adoption of the 2025 Business Report and Financial Statements
 - (2) Adoption of the Proposal for Distribution of 2025 Earnings
- V. Discussion Items
Amendments to the Company's Articles of Incorporation
- VI. Questions and Motions
- VII. Adjournment

【Reports】

1. 2025 Business Report

Explanation :

The 2025 Business Report has been prepared. Please refer to Attachment 1 on Pages 5–8 of this handbook

2. Audit Committee's Review Report

Explanation :

Please refer to the Audit Committee's Review Report in Attachment 2 on Page 9 of this handbook.

3. Report on the Distribution of Cash Dividends from 2025 Earnings and Capital Surplus

Explanation :

(1) In accordance with Article 20 of the Company's Articles of Incorporation and the resolution of the Board of Directors on March 9, 2026.

(2) The proposed earnings distribution for 2025 is as follows:

Cash dividends for common shares: NT\$375,708,773 (NT\$2.5 per share).

Cash dividends for preferred shares: NT\$678,606 (NT\$2.65140411 per share).

In addition, cash dividends of NT\$75,141,755 from capital surplus (NT\$0.5 per share) will be distributed to common shareholders.

(3) In the event that the number of outstanding common shares changes and thus affects the dividend distribution ratio, the Chairperson is authorized by the Board of Directors to make adjustments accordingly.

4. Report on the Distribution of Employees' and Directors' Remuneration for 2025

Explanation :

(1) In accordance with Article 19 of the Company's Articles of Incorporation and the resolution of the Board of Directors on March 9, 2026.

(2) An amount of NT\$22,130,000 is allocated for employees' remuneration, of which NT\$11,542,283 is allocated to non-managerial employees. In addition, NT\$14,000,000 is allocated for directors' remuneration. All amounts will be paid in cash. The above allocation is consistent with the amount previously estimated for 2025, with no difference.

5. 2025 Directors' Remuneration Report

Explanation :

(1) In accordance with the Articles of Incorporation, the remuneration of directors is authorized to be determined by the Board of Directors based on their participation in the Company's operations and the value of their contributions, provided that such remuneration does not exceed the highest prescribed level in the Company's remuneration policy.

(2) Pursuant to the Company's Regulations Governing the Remuneration of Directors and Supervisors, directors are entitled to fixed remuneration and meeting allowances for performing their duties, regardless of whether the Company operates at a profit or loss. If the Company generates profits, directors' remuneration of no more than 5% of such profits shall be allocated in accordance with the Articles of Incorporation and distributed with reference to the results of the Board performance evaluation.

(3) Directors' remuneration is determined with reference to prevailing industry standards, taking into account the Company's operating performance, the extent of directors' participation (including attendance rate, communication frequency, and professional advice provided), their contributions to the Company's performance, as well as future industry risks and development trends, in order to ensure reasonable remuneration.

- (4) Details of directors' remuneration for 2025 are provided. Please refer to Attachment 3 on Pages 10–11 of this handbook

6. Status of Share Repurchase Execution

Explanation :

The status of the Company's share repurchase is as follows:

Repurchase Program	Sixth Repurchase Program	Seventh Repurchase Program (as of March 31, 2026)
Purpose of Repurchase	To maintain the Company's credit and protect shareholders' interests	To maintain the Company's credit and protect shareholders' interests
Repurchase Period	August 8, 2025 – October 7, 2025	Mar. 10, 2026 – May 8, 2026
Repurchase Price Range	NT\$35–NT\$50 per share The Company will continue to repurchase its shares if the market price falls below the lower limit of the prescribed price range.	NT\$35–NT\$49 per share The Company will continue to repurchase its shares if the market price falls below the lower limit of the prescribed price range.
Type and Number of Shares Repurchased	1,592,000 common shares	747,000 common shares
Total Amount Repurchased	NT\$78,558,989	NT\$35,403,364
Percentage of Shares Repurchased to Planned Amount (%)	39.8%	37.4%
Number of Shares Cancelled or Transferred	1,592,000 common shares	Not applicable (repurchase period not yet expired)
Cumulative Shares Held by the Company	0 shares	747,000 common shares
Percentage of Cumulative Shares Held to Total Issued Shares (%)	0%	0.5%

【Acknowledgements】

- Adoption of the 2025 Business Report and Financial Statements (Proposed by the Board of Directors)

Explanation :

- The Company's 2025 parent company only financial statements and consolidated financial statements have been audited and certified by CPAs Ming-Hsien Liu and Yung-Hsiang Chao of Deloitte & Touche.
- The 2025 Business Report, the Independent Auditors' Report, and the above-mentioned financial statements are hereby submitted for adoption. Please refer to Attachment 1 on Pages 5–8 and Attachment 4 on Pages 12–30 of this handbook.

Resolution :

- Adoption of the Proposal for Distribution of 2025 Earnings (Proposed by the Board of Directors)

Explanation :

- The Company's proposal for the distribution of 2025 earnings was approved by the Board of Directors on March 9, 2026. The proposed cash dividends are NT\$2.50 per share for common shares and NT\$2.65140411 per share for Class A preferred shares.
- For the 2025 Earnings Distribution Table, please refer to Attachment 5 on Page 31 of this handbook.

Resolution :

【 Discussion Items 】

(Proposed by the Board of Directors)

Amendments to the Company's Articles of Incorporation

Explanation :

To meet operational needs, certain provisions of the Company's Articles of Incorporation are proposed to be amended. Please refer to Attachment 6 on Page 32 of this handbook.

Resolution:

【 Questions and Motions 】

【 Adjournment 】

KWONG LUNG ENTERPRISE CO., LTD.

2025 Business Report

In 2025, the Company faced various challenges, including adjustments to U.S. tariff policies and exchange rate fluctuations. Although profitability was affected, the Company maintained stable overall operations. Excluding the impact of exchange rate fluctuations and calculated in U.S. dollars, the Garment Division, Down Materials Division, and Home Textile Division all achieved positive revenue growth, demonstrating the Company's operational resilience and the continuing benefits of product portfolio optimization.

The Garment Division remained the primary driver of the Company's operating performance. Among the three major business segments, it accounted for nearly 60% of total revenue and continued to progress toward the 70% target. Orders from both existing and new customers continued to expand. Notably, a customer acquired within the past three years has already become one of the top ten garment customers, demonstrating strong customer confidence and loyalty toward the Company.

The Down Materials Division benefited from a significant correction in raw material prices during the first half of 2025, following a period of elevated market prices. This drove strong recovery orders and became the primary growth driver of the Company's performance for the year. In the Home Textile Division, revenue was mainly supported by a leading Japanese home brand customer. In addition, orders from Japan's second-largest home brand customer and a European global home brand customer continued to increase, contributing to the Company's overall annual growth.

Budget execution

For 2025, the Company projected operating revenue of NT\$8.66 billion and achieved actual operating revenue of NT\$8.538 billion, representing an achievement rate of 99%. Actual net profit after tax for the year amounted to NT\$377 million.

Operating Results for 2025

1. Financial results

The main financial indicators are as follows:

Unit : NT\$ thousand

Item		2024	2025	Increase (Decrease) Ratio %	
Financial receipts and expenditures	Operating Revenue	7,892,963	8,537,575	8.2	
	Gross Profit	1,365,396	1,309,768	(4.1)	
	Net Profit for the Year	606,402	377,129	(37.8)	
Profitability analysis	Return on Assets (%)	6.96	4.13	(40.7)	
	Return on Equity (%)	10.66	6.73	(36.9)	
	Ratio of Paid-up capital (%)	Operating Margin	38.09	31.51	(17.3)
		Pre-tax Profit Margin	48.99	33.69	(31.2)
	Net Profit Margin (%)	7.68	4.42	(42.4)	
	Earnings Per Share (EPS), After Tax	4.04	2.50	(38.1)	

2. Research and development results:

Unit : NT\$ thousand

Item	2025
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R&D Expenses	55,616
R&D Expenses as a Percentage of Operating Revenue	0.65%

Completed R&D achievements are as follows:

1).Garment Division

- A. An Engineering Department was established to develop guide templates, reducing reliance on skilled technicians while ensuring consistent quality and minimizing manual alignment and chalk-marking operations.
- B. Improved sewing methods through development process optimization. For special patterns, garments, and bedding products, 360-degree rotating guide templates were adopted to enhance production efficiency and expand order capacity.
- C. Developed specialized multifunctional outdoor workwear certified by BTTG (UK) and compliant with EU regulations, obtaining CE certification. The garments meet EN343 rain protection and EN17353 enhanced visibility standards.
- D. Enhanced seam-taping product quality by implementing a staged cooling and pressure-setting process using residual heat from the base and supplementary pressure blocks during thermal bonding.
- E. Developed uniforms for athletes at the 2026 Milan Winter Olympics, featuring 3D pattern design and a two-piece jacket system consisting of a long Gore outer shell and an inner structural down jacket.
- F. Implemented SSP cloud-based automated marker layout, reducing material waste, improving layout efficiency, enabling precise procurement, and optimizing inventory management.
- G. Introduced a production and sales progress tracking system that consolidates timelines from order receipt, procurement, material export, scheduling, production, to finished goods shipment, with four milestone alerts to facilitate overall operational monitoring.
- H. Applied AI technology to automatically translate production orders, sample orders, and tech packs from Chinese into English and Vietnamese.
- I. Developed an RPA (Robotic Process Automation) system to automatically read supplier responses to purchase orders—including delivery dates, quantities, and unit prices—and update the ERP system accordingly.

2).Down Materials Division

- A. Bio-based Down: Adopted environmentally friendly bio-based cleaning agents certified by the U.S. Department of Agriculture (USDA) to replace conventional chemical detergents, supporting sustainability and circular economy goals.
- B. Graphene Water-Repellent Composite Down: By integrating water-repellent down with the advanced material graphene, a new-generation composite down has been developed that provides both water resistance and thermal insulation.
- C. Recycled Down: In response to sustainability trends and the increasing use of recycled materials by brands in recent years, recycled down has faced challenges related to excessive APEO levels due to the absence of previous restrictions. The Company successfully developed an APEO removal process to enable safe, non-toxic recycling and reuse.
- D. Flame-Retardant Down: Developed flame-retardant down with high wash durability to meet the growing demand in home textile and outdoor applications.
- E. Feather Keratin Peptide Solution: Successfully developed pilot-scale production of hydrolyzed feather keratin peptide solution for applications in textiles and cosmetic products.
- F. Feather Keratin Peptide Nylon: By combining feather keratin peptides—whose structure is similar to human skin and rich in amino acids—with nylon through composite processing, a new skin-friendly yarn has been developed featuring high hydrophilicity, high moisture regain, and excellent abrasion resistance.

2026 Operational Overview and Future Development Strategy

1. Future Development Strategy: The Company will continue to focus on the garment business as its primary growth driver, with the goal of increasing its contribution to total revenue to 70%. Under a light-asset model, the Company will pursue a diversified production base and product portfolio strategy to achieve stable and sustainable growth while enhancing profitability and operational efficiency.
2. 2026 Operating Guidelines:
 - 1). Continue developing new customers.
 - 2). Strengthen production lines and capacity in Vietnam, Indonesia, and Bangladesh.
 - 3). Continue asset optimization to enhance capital efficiency.
 - 4). Utilize AI technologies to improve process automation.

Corporate Social Responsibility

Guided by the principle of “From society, for society,” Kwong Lung has long been committed to giving back to the community. In 2025, the Company invested in various domestic and international social service initiatives and assistance programs for disadvantaged groups, with total expenditures reaching NT\$16.65 million. More than 24,078 beneficiaries were supported, with 204 volunteers contributing a total of 1,054 service hours. These efforts demonstrate the Company’s commitment to its corporate values and its role as an internationally influential enterprise contributing positively to society.

Outlook for 2026

Looking ahead to 2026, although economic uncertainties such as geopolitical conflicts remain, positive factors—including the stabilization of U.S. tariff policies toward various countries and the normalization of customer inventory levels—are expected to support stronger order momentum. For the year, the Company remains cautiously optimistic and has set a baseline target of double-digit revenue growth for the garment division, continuing on a path of healthy and sustainable growth.

To achieve continued growth, the Company’s key operational priorities for this year are as follows:

1. Steady Development of New Customers

In 2025, the garment division benefited from order transfers driven by customers diversifying production risks away from mainland China or consolidating their supplier base, demonstrating a positive development trend. In 2026, the Company will continue to expand orders from existing customers while simultaneously increasing revenue contributions from new customers.

In recent years, the garment division has successfully onboarded more than ten new brand customers. The Company plans to introduce at least three additional new customers this year. Orders from new customers accounted for approximately 5–10% of total garment revenue in 2025, and with continued order expansion and additional new customers, the contribution is expected to increase to 10–15% in 2026.

For the home textile division, the focus will be on deepening relationships with two keys newly acquired European and Japanese customers, gradually expanding cooperation. The Company aims to establish these customers, together with a leading Japanese customer, as the three major pillars of home textile revenue in the future.

2. Continued Expansion of Production Capacity

Vietnam, Indonesia, and Bangladesh serve as the Company’s key global production bases, forming a comprehensive “three-location manufacturing strategy.” Vietnam provides mid- to high-end production capacity, Indonesia supports mid- to low-priced market demand, and Bangladesh offers scale and cost advantages through strategic partner factories.

In Vietnam, the Company currently operates 55 in-house production lines and 66 outsourced

production lines, with an additional five outsourced lines added during peak seasons. The Indonesia production base currently operates six in-house production lines. In Bangladesh, the Company has signed cooperation agreements with six partner factories and is actively negotiating with three additional factories. Through the continued expansion of its Bangladesh partner network, the Company has officially entered the knitwear segment of the garment industry, with initial shipments commencing in 2026.

3. Leveraging AI Technologies to Improve Manufacturing Processes

The Company has established a global cloud-based marker center, digitalizing the pattern-making expertise accumulated by master technicians over decades. This enables even less-experienced pattern makers to efficiently produce samples and replicate designs.

The Company will continue to expand AI applications across its factories, utilizing large language models (LLMs) to build a knowledge management system for garment pattern rooms. Initial objectives include partial process automation, establishment of product traceability systems, and the development of equipment anomaly detection and early warning systems. Ultimately, the Company aims to achieve intelligent order scheduling and develop a world-class smart garment manufacturing operation.

Finally, the Company continues to promote asset optimization. Assets held in Taiwan and Japan generate stable rental income and gains from real estate sales, helping to smooth the seasonal fluctuations of the core business. This year, the Taichung and Huashan development projects are expected to enter the property handover phase, with sales revenue contributing to non-operating income and providing strong support for stable dividend distribution.

The management team will spare no effort to maintain growth momentum this year while delivering solid profitability, thereby enhancing value for both the Company and its shareholders. On behalf of the management team, I would like to extend our sincere gratitude to all shareholders for your continued support.

Chairman and Chief Executive Officer: Ho-Po Chan
Accounting Officer: Chia-I Sung

Attachment 2

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2025 Business Report, Financial Statements (including the consolidated and parent company only financial statements), and the proposal for distribution of earnings. The Financial Statements have been audited by Deloitte & Touche, who issued an independent auditors' report.

The Audit Committee has reviewed the aforementioned Business Report, Financial Statements, and proposal for distribution of earnings and found no discrepancies. Accordingly, this report is prepared in accordance with the Securities and Exchange Act and the Company Act for your review.

Kwong Lung Enterprise Co., Ltd.

Convener of the Audit Committee: Hsun-Hsiung Tsai

March 13, 2026

Attachment 3

Details of directors' remuneration for 2025

Remuneration for Directors and Independent Directors

Unit : NT\$ thousand

Title	Name	Director's Remuneration								Total remuneration and ratio of total remuneration(A+B+C+D) to net income(%) (Note 8)		Remuneration paid to part-time employees								Total remuneration and ratio of total remuneration (A+B+C+D+E+F+G) to net income(%) (Note 8)		Compensation Received from an Invested Company Other than the Company's Subsidiary or parent company (Note 9)
		Base Compensation (A) (Note 2)		Pension (B)		Compensation to Directors (C) (Note 3)		Allowances (D) (Note 4)				Salary, Bonuses and Allowances (E) (Note 5)		Pension (F)		Employees pay (G) (Note 6)						
		The Company	All companies in the consolidated financial statements (Note 7)	The Company	All companies in the consolidated financial statements (Note 7)	The Company	All companies in the consolidated financial statements (Note 7)	The Company	All companies in the consolidated financial statements (Note 7)	The Company	All companies in the consolidated financial statements (Note 7)	The Company	All companies in the consolidated financial statements (Note 7)	The Company	All companies in the consolidated financial statements (Note 7)	The Company		All companies in the consolidated financial statements (Note 7)		The Company	All companies in the consolidated financial statements (Note 7)	
															Cash	Stock	Cash	Stock				
Chairman	Ho-Po Chan (note11)	417	417	0	0	1,356	1,356	2,015	2,015	3,788 1.00%	3,788 1.00%	7,093	9,941	0	0	444	0	444	0	11,325 3.00%	14,173 3.76%	none
Chairman	Ou Li Investment Co., Ltd. Representative: Ho-Po Chan (note11)	583	583	0	0	1,900	1,900	2,815	2,815	5,298 1.40%	5,298 1.40%	8,069	12,031	0	0	622	0	622	0	13,989 3.71%	17,951 4.76%	none
Vice Chairman	Ou Li Investment Co., Ltd. Representative: Chao-Fu Lee (note11)	1,652	1,652	0	0	904	904	715	715	3,271 0.87%	3,271 0.87%	35	35	0	0	0	0	0	0	3,306 0.88%	3,306 0.88%	none
Vice Chairman	Chao-Fu Lee (note11)	2,312	2,312	0	0	1,267	1,267	995	995	4,574 1.21%	4,574 1.21%	48	48	0	0	0	0	0	0	4,622 1.22%	4,622 1.22%	none
Director	Whalen's Company Representative: Cheng-Yun Chang	1,000	1,000	0	0	1,085	1,085	30	30	2,115 0.56%	2,115 0.56%	0	0	0	0	0	0	0	0	2,115 0.56%	2,115 0.56%	none
Director	Yueh Sheng Investment Co., Ltd. Representative: Fu-Ju Chan	1,000	1,000	0	0	1,954	1,954	30	30	2,984 0.79%	2,984 0.79%	0	1,438	0	0	0	0	0	0	2,984 0.79%	4,422 1.17%	none
Independent Director	Hsun-Hsiung Tsai	1,000	1,000	0	0	1,302	1,302	30	30	2,332 0.62%	2,332 0.62%	0	0	0	0	0	0	0	0	2,332 0.62%	2,332 0.62%	none
Independent Director	Hsien-Yeh Chen	1,000	1,000	0	0	1,302	1,302	30	30	2,332 0.62%	2,332 0.62%	0	0	0	0	0	0	0	0	2,332 0.62%	2,332 0.62%	none
Independent Director	Chia-Te Hsu	1,000	1,000	0	0	1,628	1,628	30	30	2,658 0.70%	2,658 0.70%	0	0	0	0	0	0	0	0	2,658 0.70%	2,658 0.70%	none

Independent Director	Tsui-Ting Ko	1,000	1,000	0	0	1,302	1,302	30	30	2,332 0.62%	2,332 0.62%	0	0	0	0	0	0	0	0	2,332 0.62%	2,332 0.62%	none
<p>1. Please describe the policy, system, standard, and structure of remuneration to independent directors, and the correlation between duties, risk, and time input with the amount of remuneration: The compensation for the Company's independent directors consists of fixed remuneration paid on a quarterly basis. In addition, if the Company generates profits, a maximum of 5% of such profits shall be allocated as directors' compensation in accordance with the Company's Articles of Incorporation and distributed with reference to the results of the Board performance evaluation.</p> <p>2. Other than disclosure in the above table, Director's remunerations received by providing services (e.g. serving as a consultant for non-employees of the parent company/financial report of all companies/reinvested businesses, etc.) in the latest fiscal year: Independent Directors Hsun-Hsiung Tsai, Hsien-Yeh Chen and Chia-Te Hsu also serve as members of the Compensation and Nomination Committee. Each committee member receives NT\$1,020 thousand in remuneration and meeting attendance fees.</p>																						

Note 1: The names of the directors shall be separately listed (For the corporate shareholder, the name of corporate shareholder and the representative shall be listed separately).

Note 2: It refers to the directors' remuneration (including directors' salary, duty allowance, severance payment, bonuses, incentives, etc.) in the latest year.

Note 3: It should be the amount of directors' remuneration distributed by the resolution of the Board of Directors in the latest year.

Note 4: It refers to the related business execution expenses (including travelling expenses, special expenses, allowances, and the in-kind provision of apartments, vehicles, etc.) of the Directors in the latest year. If apartments, vehicles and other transport instruments are provided or there are exclusive individual expenses, the nature and cost of assets provided, the actual rent, fuel expenses and other payments or measured at fair market prices should be disclosed. If a chauffeur is provided, the relevant remuneration paid by the Company to the chauffeur should be noted, but it is not included in the remuneration.

Note 5: It refers to the salary, duty allowance, severance payment, bonuses, incentives, travelling expenses, special expenses, allowances, and in-kind provisions of apartments, vehicles, etc., paid to the directors concurrently serving as employees (including General Managers, Vice General Managers, other managerial officers, and employees) in the latest year. If apartments, vehicles and other transport instruments are provided or there are exclusive individual expenses, the nature and cost of assets provided, the actual rent, fuel expenses and other payments or measured at fair market prices should be disclosed. If a chauffeur is provided, the relevant remuneration paid by the Company to the chauffeur should be noted, but it is not included in the remuneration. The salary expenses recognized in accordance with IFRS 2 "Share-based payment," including the acquisition of employee stock warrants, new restricted stock award shares issued to employees and participation in cash increase subscription shares, shall also be included in the remuneration.

Note 6: It refers that when the directors concurrently serving as employees (including the General Manager, Vice General Manager, other managerial officer and employees) who obtain employee compensation (including stocks and cash) in the latest year, the employee remuneration amount distributed by the resolution of the Board of Directors in the latest year should be disclosed. If it is unable to estimate the amount, the proposed distribution amount in this year will be calculated pro rata to the actual distribution amount last year.

Note 7: It shall disclose the total amount of remuneration paid to the Company's Directors by all companies (including the Company) in the consolidated financial report.

Note 8: After-tax net profit refers to the net profit after tax in the standalone or individual financial reports in the latest year.

Note 9: a. In this column, the amount of remuneration the Company's Director received from the re-investment business other than the subsidiaries, or the parent company should be filled out. (If there is none, please fill in "None").

b. The remuneration refers to the relevant remuneration to the Company's Directors, such as remuneration of serving as a director, supervisor or managerial officer, compensation (including employee, director or supervisor compensation), or remuneration from professional practice received from the re-investment other than the subsidiary or the parent company.

* The remuneration disclosed in this table is different from the income concept of the Income Tax Act. Therefore, the purpose of this table is for information disclosure, for taxing purpose.

Note 10: None of the Company's directors (including institutional directors and their representatives) received or were allocated any pension in 2025. Institutional directors' representatives who also served as employees did not receive or were allocated any pension.

Note 11: Re-elected on May 27, 2025.

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Kwong Lung Enterprise Co., Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Kwong Lung Enterprise Co., Ltd. and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements").

In our opinion, based on our audits and the reports of other auditors, as described in the other matters section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the reports of the other independent auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter identified in the Group's consolidated financial statements for the year ended December 31, 2025 is described as follows:

Occurrence of Sales Revenue

The Group's revenue mainly comes from the production and sale of ready-made garments, down materials and home textile products. Sales revenue is one of the evaluation criteria to measure the operating performance of the Group's segment, and the occurrence of sales revenue is the main significant risk of the Group. Therefore, we identified the occurrence of revenue as a key audit matter.

In response to this key audit matter, we performed the following audit procedures:

1. We obtained an understanding and evaluated the appropriateness of the accounting policies on revenue recognition.

2. We obtained an understanding and evaluated the effectiveness of its internal control on revenue recognition to confirm the occurrence of sales.
3. We selected samples and tested the sales transactions of the current year and checked the relevant internal and external vouchers to support the facts of the shipments; we checked the sales target and the recipients of the payments and the post-receipt collections for any major abnormalities; we checked the general ledger of sales revenue for any significant debit amount; and we checked the sales returns and allowances ledger for any significant sales return and discounts to confirm that sales transactions did occur.

Other Matter

The financial statements of PT. TACTICAL GARMENT GARUT, an associate accounted for using the equity method, have not been audited by us, but have been audited by other auditors. Therefore, our opinion, insofar as it relates to the amounts included for PT. TACTICAL GARMENT GARUT, is based solely on the report of other auditors. As of December 31, 2025, the balance of investments accounted for using the equity method was \$137,913 thousand, accounting for 1% of the consolidated total assets, for the year ended December 31, 2025, the share of total comprehensive loss of the investee was \$(42,367) thousand, accounting for (26%) of the consolidated total comprehensive income.

We have also audited the parent company only financial statements of Kwong Lung Enterprise Co., Ltd. as of and for the years ended December 31, 2025 and 2024, for which we have issued an unmodified opinion with other matter paragraph and an unmodified opinion, respectively.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit

evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Ming-Hsien Liu and Yung-Hsiang Chao.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 13, 2026

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

KWONG LUNG ENTERPRISE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

ASSETS	2025		2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Note 6)	\$ 850,588	9	\$ 629,085	6
Financial assets at fair value through profit or loss - current (Note 7)	8,040	-	9,700	-
Financial assets at amortized cost - current (Note 9)	453,763	4	437,284	4
Notes receivable (Note 10)	70,430	1	45,694	1
Trade receivables (Notes 10 and 33)	644,622	6	757,314	7
Other receivables (Notes 10 and 33)	193,376	2	316,767	3
Inventories (Note 12)	1,637,699	17	2,448,635	24
Other current assets (Notes 11 and 19)	<u>192,610</u>	<u>2</u>	<u>266,471</u>	<u>3</u>
Total current assets	<u>4,051,128</u>	<u>41</u>	<u>4,910,950</u>	<u>48</u>
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Note 8)	583,661	6	752,970	7
Investments accounted for using the equity method (Notes 14 and 33)	308,408	3	367,290	4
Property, plant and equipment (Note 15)	1,380,990	14	2,306,983	22
Right-of-use assets (Notes 16 and 33)	119,036	1	141,932	1
Investment properties, net (Note 17)	3,076,145	32	1,604,624	16
Intangible assets (Note 18)	24,235	-	25,021	-
Deferred tax assets (Note 26)	70,085	1	55,067	1
Other non-current assets (Notes 11 and 19)	<u>181,751</u>	<u>2</u>	<u>111,155</u>	<u>1</u>
Total non-current assets	<u>5,744,311</u>	<u>59</u>	<u>5,365,042</u>	<u>52</u>
TOTAL	<u>\$ 9,795,439</u>	<u>100</u>	<u>\$ 10,275,992</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 20)	\$ 1,980,962	20	\$ 1,204,039	12
Short-term bills payable (Note 20)	105,861	1	145,424	2
Financial liabilities at fair value through profit or loss - current (Note 7)	170	-	4,552	-
Contract liabilities - current (Note 24)	45,312	-	202,314	2
Notes payable	5,169	-	12,330	-
Trade payables	633,586	7	1,037,242	10
Other payables (Notes 21 and 33)	398,297	4	386,931	4
Current tax liabilities (Note 26)	91,091	1	56,187	1
Lease liabilities - current (Notes 16 and 33)	33,236	-	30,739	-
Current portion of long-term liabilities (Notes 20 and 34)	75,194	1	238,274	2
Other current liabilities	<u>65,602</u>	<u>1</u>	<u>29,617</u>	<u>-</u>
Total current liabilities	<u>3,434,480</u>	<u>35</u>	<u>3,347,649</u>	<u>33</u>
NON-CURRENT LIABILITIES				
Long-term borrowings (Notes 20 and 34)	753,856	8	731,360	7
Deferred tax liabilities (Note 26)	115,331	1	118,628	1
Lease liabilities - non-current (Notes 16 and 33)	48,575	1	69,781	1
Net defined benefit liabilities - non-current (Note 22)	2,968	-	4,681	-
Other non-current liabilities	<u>43,242</u>	<u>-</u>	<u>31,929</u>	<u>-</u>
Total non-current liabilities	<u>963,972</u>	<u>10</u>	<u>956,379</u>	<u>9</u>
Total liabilities	<u>4,398,452</u>	<u>45</u>	<u>4,304,028</u>	<u>42</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 23, 28 and 30)				
Share capital				
Ordinary shares	1,501,965	15	1,511,202	15
Preference shares	2,569	-	2,801	-
Advance receipts for ordinary shares	1,891	-	22	-
Total share capital	<u>1,506,425</u>	<u>15</u>	<u>1,514,025</u>	<u>15</u>
Capital surplus	<u>2,234,409</u>	<u>23</u>	<u>2,254,850</u>	<u>22</u>
Retained earnings				
Legal reserve	790,899	8	726,885	7
Special reserve	-	-	94,005	1
Unappropriated earnings	1,124,303	12	1,229,453	12
Total retained earnings	<u>1,915,202</u>	<u>20</u>	<u>2,050,343</u>	<u>20</u>
Other equity interests				
Exchange differences on translation of the financial statements of foreign operations	(304,991)	(3)	(120,331)	(1)
Unrealized valuation gain on financial assets at fair value through other comprehensive income	28,077	-	130,015	1
Total other equity interests	<u>(276,914)</u>	<u>(3)</u>	<u>9,684</u>	<u>-</u>
Total equity attributable to owners of the Company	5,379,122	55	5,828,902	57
NON-CONTROLLING INTERESTS				
Total equity	<u>5,396,987</u>	<u>55</u>	<u>5,971,964</u>	<u>58</u>
TOTAL	<u>\$ 9,795,439</u>	<u>100</u>	<u>\$ 10,275,992</u>	<u>100</u>

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

(With Deloitte & Touche audits' report dated March 13, 2026)

KWONG LUNG ENTERPRISE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 24 and 33)				
Sales revenue	\$ 8,537,575	100	\$ 7,892,963	100
OPERATING COSTS (Notes 12, 25 and 33)				
Cost of goods sold	<u>(7,227,807)</u>	<u>(84)</u>	<u>(6,527,567)</u>	<u>(83)</u>
GROSS PROFIT	<u>1,309,768</u>	<u>16</u>	<u>1,365,396</u>	<u>17</u>
OPERATING EXPENSES (Notes 10, 25 and 33)				
Selling and marketing expenses	(352,403)	(4)	(330,935)	(4)
General and administrative expenses	(393,325)	(5)	(396,149)	(5)
Research and development expenses	(55,616)	(1)	(50,985)	(1)
Expected credit loss	<u>(33,816)</u>	<u>-</u>	<u>(10,686)</u>	<u>-</u>
Total operating expenses	<u>(835,160)</u>	<u>(10)</u>	<u>(788,755)</u>	<u>(10)</u>
PROFIT FROM OPERATIONS	<u>474,608</u>	<u>6</u>	<u>576,641</u>	<u>7</u>
NON-OPERATING INCOME AND EXPENSES (Notes 25 and 33)				
Interest income	46,798	1	52,496	1
Other income	19,410	-	15,992	-
Other gains and losses	37,734	-	146,012	2
Finance costs	(50,416)	(1)	(35,574)	(1)
Share of profit of associates accounted for using the equity method	<u>(20,661)</u>	<u>-</u>	<u>(13,785)</u>	<u>-</u>
Total non-operating income and expenses	<u>32,865</u>	<u>-</u>	<u>165,141</u>	<u>2</u>
PROFIT BEFORE INCOME TAX	507,473	6	741,782	9
INCOME TAX EXPENSE (Note 26)	<u>(130,344)</u>	<u>(2)</u>	<u>(135,380)</u>	<u>(2)</u>
NET PROFIT FOR THE YEAR	<u>377,129</u>	<u>4</u>	<u>606,402</u>	<u>7</u>
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	756	-	4,742	-
Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income	(21,866)	-	2,320	-

(Continued)

KWONG LUNG ENTERPRISE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
Unrealized (loss) gain on investments in equity instruments of associates at fair value through other comprehensive income	\$ (15,157)	-	\$ 3,929	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	<u>(151)</u>	<u>-</u>	<u>(948)</u>	<u>-</u>
	<u>(36,418)</u>	<u>-</u>	<u>10,043</u>	<u>-</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	(184,617)	(2)	114,097	2
Unrealized gain on investments in debt instrument at fair value through other comprehensive income	<u>8,719</u>	<u>-</u>	<u>10,455</u>	<u>-</u>
	<u>(175,898)</u>	<u>(2)</u>	<u>124,552</u>	<u>2</u>
Other comprehensive (loss) income for the year, net of income tax	<u>(212,316)</u>	<u>(2)</u>	<u>134,595</u>	<u>2</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 164,813</u>	<u>2</u>	<u>\$ 740,997</u>	<u>9</u>
NET PROFIT (LOSS) ATTRIBUTABLE TO:				
Owners of the Company	\$ 377,337	4	\$ 609,288	8
Non-controlling interests	<u>(208)</u>	<u>-</u>	<u>(2,886)</u>	<u>-</u>
	<u>\$ 377,129</u>	<u>4</u>	<u>\$ 606,402</u>	<u>8</u>
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the Company	\$ 164,978	2	\$ 743,944	9
Non-controlling interests	<u>(165)</u>	<u>-</u>	<u>(2,947)</u>	<u>-</u>
	<u>\$ 164,813</u>	<u>2</u>	<u>\$ 740,997</u>	<u>9</u>
EARNINGS PER SHARE (Note 27)				
From continuing operations				
Basic	<u>\$ 2.50</u>		<u>\$ 4.04</u>	
Diluted	<u>\$ 2.47</u>		<u>\$ 4.00</u>	

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

(With Deloitte & Touche audits' report dated March 13, 2026)

(Concluded)

KWONG LUNG ENTERPRISE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Parent Company								Other Equity Interests			Non-controlling Interests	Total Equity	
	Share Capital				Capital Surplus	Retained Earnings			Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Treasury Shares			Total
	Ordinary Shares	Preference Shares	Advance Receipts for Ordinary Shares	Subtotal		Legal Reserve	Special Reserve	Unappropriated Earnings						
BALANCE ON JANUARY 1, 2024	\$ 1,501,139	\$ 6,954	\$ -	\$ 1,508,093	\$ 2,233,250	\$ 668,803	\$ 95,491	\$ 1,187,483	\$ (234,489)	\$ 140,484	\$ -	\$ 5,599,115	\$ 1,385	\$ 5,600,500
Appropriation of the 2023 earnings														
Legal reserve	-	-	-	-	-	58,082	-	(58,082)	-	-	-	-	-	-
Special reserve	-	-	-	-	-	-	(1,486)	1,486	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	-	-	(540,704)	-	-	-	(540,704)	-	(540,704)
Cash dividends of preference shares	-	-	-	-	-	-	-	(871)	-	-	-	(871)	-	(871)
Changes in capital surplus from investments in associates accounted for using the equity method	-	-	-	-	1,166	-	-	-	-	-	-	1,166	-	1,166
Net profit (loss) for the year ended December 31, 2024	-	-	-	-	-	-	-	609,288	-	-	-	609,288	(2,886)	606,402
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	-	-	-	3,794	114,158	16,704	-	134,656	(61)	134,595
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	-	-	613,082	114,158	16,704	-	743,944	(2,947)	740,997
Convertible preference shares converted	4,153	(4,153)	-	-	-	-	-	-	-	-	-	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired	-	-	-	-	-	-	-	(114)	-	-	-	(114)	(1,208)	(1,322)
Issuance of ordinary shares under employee share options	5,910	-	22	5,932	20,434	-	-	-	-	-	-	26,366	-	26,366
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	-	-	27,173	-	(27,173)	-	-	-	-
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	145,832	145,832
BALANCE ON DECEMBER 31, 2024	1,511,202	2,801	22	1,514,025	2,254,850	726,885	94,005	1,229,453	(120,331)	130,015	-	5,828,902	143,062	5,971,964
Appropriation of the 2024 earnings														
Legal reserve	-	-	-	-	-	64,014	-	(64,014)	-	-	-	-	-	-
Reversal of special reserve	-	-	-	-	-	-	(94,005)	94,005	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	-	-	(544,057)	-	-	-	(544,057)	-	(544,057)
Cash dividends of preference shares	-	-	-	-	-	-	-	(728)	-	-	-	(728)	-	(728)
Net profit (loss) for the year ended December 31, 2025	-	-	-	-	-	-	-	377,337	-	-	-	377,337	(208)	377,129
Other comprehensive income (loss) for the year ended December 31, 2025, net of income tax	-	-	-	-	-	-	-	605	(184,660)	(28,304)	-	(212,359)	43	(212,316)
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	-	-	-	377,942	(184,660)	(28,304)	-	164,978	(165)	164,813
Convertible preference shares converted	232	(232)	-	-	-	-	-	-	-	-	-	-	-	-
Buy-back of ordinary shares	-	-	-	-	-	-	-	-	-	-	(78,559)	(78,559)	-	(78,559)
Cancellation of treasury shares	(15,920)	-	-	(15,920)	(38,135)	-	-	(24,504)	-	-	78,559	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired	-	-	-	-	-	-	-	(17,428)	-	-	-	(17,428)	(143,062)	(160,490)
Issuance of ordinary shares under employee share options	6,451	-	1,869	8,320	17,694	-	-	-	-	-	-	26,014	-	26,014
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	18,030	18,030
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	-	-	73,634	-	(73,634)	-	-	-	-
BALANCE ON DECEMBER 31, 2025	\$ 1,501,965	\$ 2,569	\$ 1,891	\$ 1,506,425	\$ 2,234,409	\$ 790,899	\$ -	\$ 1,124,303	\$ (304,991)	\$ 28,077	\$ -	\$ 5,379,122	\$ 17,865	\$ 5,396,987

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

(With Deloitte & Touche audits' report dated March 13, 2026)

KWONG LUNG ENTERPRISE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 507,473	\$ 741,782
Adjustments for:		
Depreciation expense	169,785	154,264
Amortization expense	995	3,016
Expected credit loss	33,816	10,686
Net gain on fair value changes of financial assets and liabilities at fair value through profit or loss	(7,870)	(5,148)
Finance costs	50,416	35,574
Interest income	(46,798)	(52,496)
Dividend income	(2,160)	(5,231)
Compensation costs of employee share options	1,348	4,210
Share of profit of associates accounted for using the equity method	20,661	13,785
(Gain) loss on disposal of property, plant and equipment	(10,787)	66
Gain on disposal of investment properties	(48,932)	-
Gain on disposal of associates accounted for using the equity method	(801)	(83,401)
Write-downs of inventories	14,284	5,816
Net loss (gain) on foreign currency exchange	29,481	(40,864)
Other gains and losses	-	1,899
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	9,700	6,019
Notes receivable	(24,736)	(45,694)
Trade receivables	103,139	(176,782)
Other receivables	114,566	(82,090)
Inventories	803,714	(513,420)
Other current assets	46,671	(42,151)
Financial liabilities held for trading	(4,552)	(3,561)
Notes payable	(7,161)	1,424
Trade payables	(403,028)	359,800
Contract liabilities	(157,002)	31,548
Other payables	18,115	(44,393)
Other current liabilities	35,985	21,818
Net defined benefit liabilities	(957)	(2,040)
Cash generated from operations	1,245,365	294,436
Interest received	53,504	56,198
Interest paid	(50,095)	(34,375)
Income tax paid	(113,906)	(209,864)
Net cash generated from operating activities	<u>1,134,868</u>	<u>106,395</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through profit or loss	(5,854)	(342,841)
Proceeds from disposal of financial assets at fair value through other comprehensive income	153,035	-
Acquisition of financial assets at amortized cost	(146,947)	(149,925)
Proceeds from disposal of financial assets at amortized cost	115,722	317,938
Acquisition of investments accounted for using the equity method	-	(72,383)
Net cash inflow on disposal of associates	5,378	210,811
Net cash outflow on acquisition of subsidiaries (Note 29)	-	(215,659)
Acquisition of property, plant and equipment	(204,746)	(357,177)

(Continued)

KWONG LUNG ENTERPRISE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
Proceeds from disposal of property, plant and equipment	11,655	1,096
Acquisition of intangible assets	(210)	(945)
Acquisition of investment properties	(602,728)	(296,783)
Proceeds from disposal of investment properties	124,000	-
Increase in other non-current assets	(77,212)	(4,467)
Dividends received	2,160	5,231
Dividends received from associates	<u>5,984</u>	<u>6,242</u>
Net cash used in investing activities	<u>(619,763)</u>	<u>(898,862)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	776,923	655,342
Repayments of short-term bills payable	(39,563)	(26,676)
Proceeds from long-term borrowings	1,054,201	611,888
Repayments of long-term borrowings	(1,192,159)	(300,000)
Repayment of the principal portion of lease liabilities	(33,626)	(35,052)
Increase in other non-current liabilities	11,313	2,743
Cash dividends paid	(544,785)	(541,575)
Proceeds from share options exercised	24,666	22,156
Payments for buy-back of ordinary shares	(78,559)	-
Acquisition of additional interests in subsidiaries	(160,490)	-
Changes in non-controlling interests	<u>18,030</u>	<u>(1,322)</u>
Net cash (used in) generated from financing activities	<u>(164,049)</u>	<u>387,504</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>(129,553)</u>	<u>110,967</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	221,503	(293,996)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>629,085</u>	<u>923,081</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 850,588</u>	<u>\$ 629,085</u>

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

(With Deloitte & Touche audits' report dated March 13, 2026)

(Concluded)

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Kwong Lung Enterprise Co., Ltd.

Opinion

We have audited the accompanying parent company only financial statements of Kwong Lung Enterprise Co., Ltd. (the "Company"), which comprise the parent company only balance sheets as of December 31, 2025 and 2024, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent company only financial statements, including material accounting policy information (collectively referred to as the "parent company only financial statements").

In our opinion, based on our audits and the reports of other auditors, as described in the other matters section of our report, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as of December 31, 2025 and 2024, and its parent company only financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the reports of the other independent auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters identified in the Company's parent company only financial statements for the year ended December 31, 2025 is stated as follows:

Occurrence of Sales Revenue

The Company's revenue mainly comes from the production and sale of ready-made garments, down materials and home textile products. Sales revenue is one of the evaluation criteria to measure the operating performance of the Company's segment, and the occurrence of sales revenue is the main significant risk of the Company. Therefore, we identified the occurrence of revenue as a key audit matter.

In response to this key audit matter, we performed the following audit procedures:

1. We obtained an understanding and evaluated the appropriateness of the accounting policies on revenue recognition.
2. We obtained an understanding and evaluated the effectiveness of its internal control on revenue recognition to confirm the occurrence of sales.
3. We selected samples and tested the sales transactions of the current year and checked the relevant internal

and external vouchers to support the facts of the shipments; we checked the sales target and the recipients of the payments and the post-receipt collections for any major abnormalities; we checked the general ledger of sales revenue for any significant debit amount; and we checked the sales returns and allowances ledger for any significant sales return and discounts to confirm that sales transactions did occur.

Other Matters

In 2025, the financial statements of PT. TACTICAL GARMENT GARUT, an associate accounted for using the equity method, have not been audited by us, but have been audited by other auditors. Therefore, our opinion, insofar as it relates to the amounts included for PT. TACTICAL GARMENT GARUT, is based solely on the report of other auditors. As of December 31, 2025, the balance of investments accounted for using the equity method was \$137,913 thousand, accounting for 1% of the total assets of the parent company only, for the year ended December 31, 2025, the share of total comprehensive loss of the investee was \$(42,367) thousand, accounting for (26%) of the total comprehensive income of the parent company only.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including the audit committee, are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors’ report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors’ report are Ming-Hsien Liu and Yung-Hsiang Chao.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 13, 2026

Notice to Readers

The accompanying financial statements are intended only to present the financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent 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. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors’ report and financial statements shall prevail.

KWONG LUNG ENTERPRISE CO., LTD.
BALANCE SHEETS
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

ASSETS	2025		2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Note 6)	\$ 445,514	4	\$ 246,025	2
Financial assets at fair value through profit or loss - current (Note 7)	29	-	6,629	-
Financial assets at amortized cost - current (Note 9)	50,277	-	-	-
Trade receivables (Note 10)	498,076	5	652,122	7
Trade receivables from related parties (Notes 10 and 29)	82,413	1	82,940	1
Other receivables (Note 10)	131,882	1	236,280	2
Other receivables from related parties (Note 29)	368,708	4	479,066	5
Inventories (Note 11)	165,854	2	195,753	2
Other current assets (Note 17)	47,563	-	65,406	1
Total current assets	<u>1,790,316</u>	<u>17</u>	<u>1,964,221</u>	<u>20</u>
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Note 8)	4,820	-	175,500	2
Financial assets at amortized cost - non-current (Note 9)	50,000	-	50,000	-
Investments accounted for using the equity method (Notes 12 and 29)	5,341,141	52	5,430,704	54
Property, plant and equipment (Note 13)	743,425	7	1,602,589	16
Right-of-use assets (Notes 14 and 29)	87,215	1	69,559	1
Investment properties (Note 15)	2,051,484	20	527,985	5
Other intangible assets (Note 16)	1,150	-	1,789	-
Deferred tax assets (Note 23)	70,085	1	55,067	1
Other non-current assets (Note 17)	174,924	2	100,116	1
Total non-current assets	<u>8,524,244</u>	<u>83</u>	<u>8,013,309</u>	<u>80</u>
TOTAL	<u>\$ 10,314,560</u>	<u>100</u>	<u>\$ 9,977,530</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 18)	\$ 1,890,000	18	\$ 970,000	10
Financial liabilities at fair value through profit or loss - current (Note 7)	168	-	4,521	-
Notes payable	1,068	-	7,951	-
Trade payables	251,022	2	391,576	4
Trade payables from related parties (Note 29)	1,509,056	15	1,596,735	16
Other payables (Note 19)	187,855	2	209,852	2
Other payables from related parties (Note 29)	12,130	-	27,657	-
Current tax liabilities (Note 23)	65,905	1	51,157	1
Lease liabilities - current (Notes 14 and 29)	26,351	-	28,120	-
Current portion of long-term liabilities (Note 18)	63,250	1	-	-
Other current liabilities	63,974	1	51,398	1
Total current liabilities	<u>4,070,779</u>	<u>40</u>	<u>3,338,967</u>	<u>34</u>
NON-CURRENT LIABILITIES				
Long-term borrowings (Note 18)	678,750	6	642,000	7
Deferred tax liabilities (Note 23)	115,331	1	118,628	1
Lease liabilities - non-current (Notes 14 and 29)	62,063	1	42,208	-
Net defined benefit liabilities - non-current (Note 20)	2,968	-	4,681	-
Guarantee deposits received	5,547	-	2,144	-
Total non-current liabilities	<u>864,659</u>	<u>8</u>	<u>809,661</u>	<u>8</u>
Total liabilities	<u>4,935,438</u>	<u>48</u>	<u>4,148,628</u>	<u>42</u>
EQUITY (Notes 21 and 25)				
Share capital				
Ordinary shares	1,501,965	15	1,511,202	15
Preference shares	2,569	-	2,801	-
Advance receipts for ordinary shares	1,891	-	22	-
Total share capital	<u>1,506,425</u>	<u>15</u>	<u>1,514,025</u>	<u>15</u>
Capital surplus	2,234,409	22	2,254,850	23
Retained earnings				
Legal reserve	790,899	7	726,885	7
Special reserve	-	-	94,005	1
Unappropriated earnings	1,124,303	11	1,229,453	12
Total retained earnings	<u>1,915,202</u>	<u>18</u>	<u>2,050,343</u>	<u>20</u>
Other equity interests				
Exchange differences on translation of the financial statements of foreign operations	(304,991)	(3)	(120,331)	(1)
Unrealized valuation gain on financial assets at fair value through other comprehensive income	28,077	-	130,015	1
Total other equity interests	<u>(276,914)</u>	<u>(3)</u>	<u>9,684</u>	<u>-</u>
Total equity	<u>5,379,122</u>	<u>52</u>	<u>5,828,902</u>	<u>58</u>
TOTAL	<u>\$ 10,314,560</u>	<u>100</u>	<u>\$ 9,977,530</u>	<u>100</u>

The accompanying notes are an integral part of the parent company only financial statements.

(With Deloitte & Touche audits' report dated March 13, 2026)

KWONG LUNG ENTERPRISE CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Note 29)				
Sales revenue	\$ 6,654,564	100	\$ 6,915,062	100
OPERATING COSTS				
Cost of goods sold (Notes 11, 22 and 29)	<u>(5,688,592)</u>	<u>(86)</u>	<u>(6,020,232)</u>	<u>(87)</u>
GROSS PROFIT	965,972	14	894,830	13
UNREALIZED GAIN ON THE TRANSACTIONS WITH SUBSIDIARIES AND ASSOCIATES	(3,967)	-	(3,159)	-
REALIZED GAIN ON THE TRANSACTIONS WITH SUBSIDIARIES AND ASSOCIATES	<u>3,159</u>	<u>-</u>	<u>7,023</u>	<u>-</u>
REALIZED GROSS PROFIT	<u>965,164</u>	<u>14</u>	<u>898,694</u>	<u>13</u>
OPERATING EXPENSES (Notes 22 and 29)				
Selling and marketing expenses	(200,418)	(3)	(207,443)	(3)
General and administrative expenses	(268,371)	(4)	(293,579)	(4)
Research and development expenses	(55,616)	(1)	(51,055)	(1)
Expected credit loss	<u>(4,431)</u>	<u>-</u>	<u>(6,812)</u>	<u>-</u>
Total operating expenses	<u>(528,836)</u>	<u>(8)</u>	<u>(558,889)</u>	<u>(8)</u>
PROFIT FROM OPERATIONS	<u>436,328</u>	<u>6</u>	<u>339,805</u>	<u>5</u>
NON-OPERATING INCOME AND EXPENSES (Notes 22 and 29)				
Interest income	6,383	-	4,386	-
Other income	17,589	-	15,215	-
Other gains and losses	(4,315)	-	78,423	1
Finance costs	(42,598)	(1)	(27,786)	-
Share of profit of subsidiaries and associates	<u>35,198</u>	<u>1</u>	<u>276,420</u>	<u>4</u>
Total non-operating income and expenses	<u>12,257</u>	<u>-</u>	<u>346,658</u>	<u>5</u>
PROFIT BEFORE INCOME TAX	448,585	6	686,463	10
INCOME TAX EXPENSE (Note 23)	<u>(71,248)</u>	<u>(1)</u>	<u>(77,175)</u>	<u>(1)</u>
NET PROFIT FOR THE YEAR	<u>377,337</u>	<u>5</u>	<u>609,288</u>	<u>9</u>

(Continued)

KWONG LUNG ENTERPRISE CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
OTHER COMPREHENSIVE (LOSS) INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	\$ 756	-	\$ 4,742	-
Unrealized loss on investments in equity instruments at fair value through other comprehensive income	(22,108)	-	(6,300)	-
Unrealized (loss) gain on investments in equity instrument of subsidiaries and associates at fair value through other comprehensive income	(14,915)	-	12,549	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	<u>(151)</u>	<u>-</u>	<u>(948)</u>	<u>-</u>
	<u>(36,418)</u>	<u>-</u>	<u>10,043</u>	<u>-</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	(184,660)	(3)	114,158	2
Unrealized gain on investments in debt instrument of subsidiaries at fair value through other comprehensive income	<u>8,719</u>	<u>-</u>	<u>10,455</u>	<u>-</u>
	<u>(175,941)</u>	<u>(3)</u>	<u>124,613</u>	<u>2</u>
Other comprehensive income for the year, net of income tax	<u>(212,359)</u>	<u>(3)</u>	<u>134,656</u>	<u>2</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 164,978</u>	<u>2</u>	<u>\$ 743,944</u>	<u>11</u>
EARNINGS PER SHARE (Note 24)				
From continuing operations				
Basic	<u>\$ 2.50</u>		<u>\$ 4.04</u>	
Diluted	<u>\$ 2.47</u>		<u>\$ 4.00</u>	

The accompanying notes are an integral part of the parent company only financial statements.

(With Deloitte & Touche audits' report dated March 13, 2026)

(Concluded)

KWONG LUNG ENTERPRISE CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	Share Capital				Capital Surplus	Retained Earnings			Other Equity Interest		Treasury Shares	Total Equity
	Ordinary Shares	Preference Shares	Advance Receipts for Ordinary Shares	Subtotal		Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income		
BALANCE ON JANUARY 1, 2024	\$ 1,501,139	\$ 6,954	\$ -	\$ 1,508,093	\$ 2,233,250	\$ 668,803	\$ 95,491	\$ 1,187,483	\$ (234,489)	\$ 140,484	\$ -	\$ 5,599,115
Appropriation of the 2023 earnings												
Legal reserve	-	-	-	-	-	58,082	-	(58,082)	-	-	-	-
Special reserve	-	-	-	-	-	-	(1,486)	1,486	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	-	-	(540,704)	-	-	-	(540,704)
Cash dividends of preference shares distributed by the Company	-	-	-	-	-	-	-	(871)	-	-	-	(871)
Changes in capital surplus from investments in associates accounted for using the equity method	-	-	-	-	1,166	-	-	-	-	-	-	1,166
Net profit for the year ended December 31, 2024	-	-	-	-	-	-	-	609,288	-	-	-	609,288
Other comprehensive income for the year ended December 31, 2024, net of income tax	-	-	-	-	-	-	-	3,794	114,158	16,704	-	134,656
Total comprehensive income for the year ended December 31, 2024	-	-	-	-	-	-	-	613,082	114,158	16,704	-	743,944
Convertible preference shares converted	4,153	(4,153)	-	-	-	-	-	-	-	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired	-	-	-	-	-	-	-	(114)	-	-	-	(114)
Issuance of ordinary shares under employee share options	5,910	-	22	5,932	20,434	-	-	-	-	-	-	26,366
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	-	-	27,173	-	(27,173)	-	-
BALANCE ON DECEMBER 31, 2024	1,511,202	2,801	22	1,514,025	2,254,850	726,885	94,005	1,229,453	(120,331)	130,015	-	5,828,902
Appropriation of the 2024 earnings												
Legal reserve	-	-	-	-	-	64,014	-	(64,014)	-	-	-	-
Special reserve	-	-	-	-	-	-	(94,005)	94,005	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	-	-	(544,057)	-	-	-	(544,057)
Cash dividends of preference shares distributed by the Company	-	-	-	-	-	-	-	(728)	-	-	-	(728)
Net profit for the year ended December 31, 2025	-	-	-	-	-	-	-	377,337	-	-	-	377,337
Other comprehensive income (loss) for the year ended December 31, 2025, net of income tax	-	-	-	-	-	-	-	605	(184,660)	(28,304)	-	(212,359)
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	-	-	-	377,942	(184,660)	(28,304)	-	164,978
Convertible preference shares converted	232	(232)	-	-	-	-	-	-	-	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired	-	-	-	-	-	-	-	(17,428)	-	-	-	(17,428)
Buy-back of ordinary shares	-	-	-	-	-	-	-	-	-	-	(78,559)	(78,559)
Cancellation of treasury shares	(15,920)	-	-	(15,920)	(38,135)	-	-	(24,504)	-	-	78,559	-
Issuance of ordinary shares under employee share options	6,451	-	1,869	8,320	17,694	-	-	-	-	-	-	26,014
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	-	-	73,634	-	(73,634)	-	-
BALANCE ON DECEMBER 31, 2025	\$ 1,501,965	\$ 2,569	\$ 1,891	\$ 1,506,425	\$ 2,234,409	\$ 790,899	\$ -	\$ 1,124,303	\$ (304,991)	\$ 28,077	\$ -	\$ 5,379,122

The accompanying notes are an integral part of the parent company only financial statements.

(With Deloitte & Touche audits' report dated March 13, 2026)

KWONG LUNG ENTERPRISE CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 448,585	\$ 686,463
Adjustments for:		
Depreciation expense	73,654	64,658
Amortization expense	849	2,866
Expected credit loss	4,431	6,812
Net loss (gain) on fair value changes of financial assets and liabilities designated as at fair value through profit or loss	139	(2,108)
Finance costs	42,598	27,786
Interest income	(6,383)	(4,386)
Dividend income	-	(4,500)
Compensation costs of employee share options	1,292	4,068
Share of profit of subsidiaries and associates	(35,198)	(276,420)
Gain on disposal of associates accounted for using the equity method	(801)	(83,401)
Unrealized loss (gain) on transactions with subsidiaries and associates	808	(3,864)
Net loss on foreign currency exchange	20,632	31,715
Other gains and losses	267	2,343
Changes in operating assets and liabilities		
Financial assets mandatorily measured at fair value through profit or loss	6,629	2,011
Trade receivables	144,612	(270,154)
Trade receivables from related parties	117	18,723
Other receivables	102,806	(60,987)
Other receivables from related parties	110,485	(101,076)
Inventories	29,899	(104,602)
Other current assets	17,842	(9,722)
Financial liabilities held for trading	(4,521)	(2,370)
Notes payables	(6,882)	7,822
Trade payables	(137,923)	74,738
Trade payables from related parties	(104,349)	273,669
Other payables	(29,672)	24,931
Other payables from related parties	(16,080)	25,409
Other current liabilities	13,166	28,203
Net defined benefit liabilities	(957)	(2,040)
Cash generated from operations	676,045	356,587
Interest received	6,385	4,904
Interest paid	(41,957)	(26,925)
Income tax paid	(74,966)	(128,598)
Net cash generated from operating activities	<u>565,507</u>	<u>205,968</u>

CASH FLOWS FROM INVESTING ACTIVITIES

(Continued)

KWONG LUNG ENTERPRISE CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
Acquisition of financial assets at amortized cost	(50,277)	-
Acquisition of financial assets at fair value through profit or loss	(4,463)	-
Proceeds from disposal of financial assets at fair value through profit or loss	153,035	-
Acquisition of investments accounted for using the equity method	(160,000)	(309,482)
Net cash inflow on disposal of associates	5,378	210,811
Acquisition of property, plant and equipment	(149,621)	(203,442)
Increase in other receivables from related parties	12,000	-
Decrease in other receivables from related parties	(12,000)	-
Acquisition of intangible assets	(210)	(945)
Acquisition of investment properties	(544,316)	(94,983)
Increase in other non-current assets	(82,281)	(7,559)
Dividends received	-	4,500
Dividends received from associates	<u>70,881</u>	<u>59,774</u>
Net cash used in investing activities	<u>(761,874)</u>	<u>(341,326)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	920,000	570,000
Proceeds from long-term borrowings	1,000,000	457,000
Repayments of long-term borrowings	(900,000)	(300,000)
Proceeds from guarantee deposits received	3,403	190
Repayment of the principal portion of lease liabilities	(28,869)	(30,332)
Cash dividends paid	(544,785)	(541,575)
Payments for buy-back of ordinary shares	(78,559)	-
Proceeds from share options exercised	<u>24,666</u>	<u>22,156</u>
Net cash generated from financing activities	<u>395,856</u>	<u>177,439</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	199,489	42,081
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>246,025</u>	<u>203,944</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 445,514</u>	<u>\$ 246,025</u>

The accompanying notes are an integral part of the parent company only financial statements.

(With Deloitte & Touche audits' report dated March 13, 2026)

(Concluded)

KWONG LUNG ENTERPRISE CO., LTD.

2025 Earnings Distribution Table

Unit: NT\$

Item	Amount	Remarks
Beginning balance of unappropriated earnings	714,642,490	
Add: Unappropriated earnings from Class A preferred shares	17,099	
Adjusted unappropriated earnings	714,659,589	
Adjustment to retained earnings from equity-method investments	(17,428,441)	
Disposal through other comprehensive income	73,633,785	
Cancellation of treasury shares	(24,503,555)	
Remeasurement gain (loss) recognized in retained earnings	604,466	
Net income after tax for the year	377,337,182	
Add: Net income after tax for the year and other adjustments to unappropriated earnings	409,643,437	
Less: 10% Legal reserve	(40,964,344)	Note 6
Less: Special reserve	(276,914,169)	
Total distributable earnings	806,424,513	
Distribution items:		
Cash dividends – Class A preferred shares	(678,606)	(NT\$2.65140411 per share)
Cash dividends – Common shares	(375,708,773)	(NT\$2.5 per share)
Ending balance of unappropriated earnings	430,037,134	

Note 1: The dividend for Class A preferred shares is calculated based on 255,942 outstanding shares as of January 31, 2026. Based on the issue price of NT\$50 per share, the preferred share dividend rate was 5.415% per annum from January 1, 2025 to December 21, 2025 (355 days), and 1.32% per annum from December 22, 2025 to December 31, 2025 (10 days). The dividend per share is calculated as follows:
 $(50 \times 5.415\% \times 355 / 365) + (50 \times 1.32\% \times 10 / 365) = 2.65140411$

Note 2: The cash dividend per common share is calculated based on 150,283,509 outstanding common shares as of January 31, 2026.

Note 3: The total amount of dividends distributed to each shareholder for preferred share dividends and common share cash dividends shall be rounded down to the nearest New Taiwan dollar. Any fractional amount less than NT\$1 will be aggregated and recognized as other income of the Company.

Note 4: In accordance with the Company's Articles of Incorporation, the distribution shall be made after approval by the Board of Directors. The Chairperson is authorized to determine the ex-dividend record date and the payment date.

Note 5: If the number of outstanding shares changes due to the repurchase of the Company's shares, transfer or cancellation of treasury shares, conversion of convertible bonds, exercise of employee stock options, or conversion of preferred shares into common shares, and the dividend distribution ratio is therefore affected, the Chairperson is authorized to handle and adjust the matter accordingly.

Note 6. According to the Ministry of Economic Affairs letter No. 10802432410

Attachment 6

KWONG LUNG ENTERPRISE CO., LTD.
Comparison table of revisions to the "Articles of Incorporation"

After the Revision	Before the Revision	Notes
<p>Article 5 The total authorized capital of the Company shall be <u>NT\$2,000,000,000</u>, divided into <u>200,000,000</u> shares with a par value of NT\$10 each. The Board is authorized to issue common shares and preferred shares by installments. A total of 20,000,000 shares among the above total capital stock should be reserved for issuing employee stock option certificates, preferred shares with warrants or corporate bond with warrant, and the Board is authorized to issue such shares by installments subject to practical need.</p>	<p>Article 5 The total authorized capital of the Company shall be <u>NT\$1.8 billion</u>, divided into <u>180 million</u> shares with a par value of NT\$10 each. The Board is authorized to issue common shares and preferred shares by installments. A total of 20,000,000 shares among the above total capital stock should be reserved for issuing employee stock option certificates, preferred shares with warrants or corporate bond with warrant, and the Board is authorized to issue such shares by installments subject to practical need.</p>	To meet operational needs, the authorized capital of the Company is proposed to be increased.
<p>Article 19 If the Company has profits in a fiscal year, the Company shall set aside not less than 1% of the profits as employee bonuses, of which no less than <u>35%</u> shall be reserved for the remuneration of entry-level employees and not more than 5% of the profits as director compensation. However, that the Company shall have reserved a sufficient amount to offset its accumulated losses. Employee's, director's compensation and the employee's compensation in the form of stocks or cash shall be resolved by a majority vote at a Board of Directors meeting attended by two-thirds of the total number of directors and shall be reported to the shareholders' meeting. Qualification requirements of employees for distributing employees to compensation, issuing restricted stock for employees, issuing employee stock option certificates, issuing new shares, and the shares bought back by the issuing company transferred to its employees, including the employees of parents or subsidiaries of the company meeting certain specific requirements, entitled to receive compensation.</p>	<p>Article 19 If the Company has profits in a fiscal year, the Company shall set aside not less than 1% of the profits as employee bonuses, of which no less than <u>50%</u> shall be reserved for the remuneration of entry-level employees and not more than 5% of the profits as director compensation. However, that the Company shall have reserved a sufficient amount to offset its accumulated losses. Employee's, director's compensation and the employee's compensation in the form of stocks or cash shall be resolved by a majority vote at a Board of Directors meeting attended by two-thirds of the total number of directors and shall be reported to the shareholders' meeting. Qualification requirements of employees for distributing employees to compensation, issuing restricted stock for employees, issuing employee stock option certificates, issuing new shares, and the shares bought back by the issuing company transferred to its employees, including the employees of parents or subsidiaries of the company meeting certain specific requirements, entitled to receive compensation.</p>	To align with the Company's revised definition of entry-level employees, the ratio for employee compensation is amended accordingly.
<p>Article 22 The Articles of Incorporation was set on February 17, 1966. (omitted) The 44th amendment was made on May 27, 2025. The 45th amendment was made on May 29, 2026.</p>	<p>Article 22 The Articles of Incorporation was set on February 17, 1966. (omitted) The 44th amendment was made on May 27, 2025.</p>	Add the revision dates

KWONG LUNG ENTERPRISE CO., LTD.

Articles of Incorporation

Chapter 1. General Provisions

- Article 1 The Company is duly incorporated under the provisions set forth in the Company Law, and its name shall be 光隆實業股份有限公司 in the Chinese language, and Kwong Lung Enterprise Company Limited in the English language.
- Article 2 The Company operates the following Businesses :
1. All Kinds of Feathers and Feather Garment Processing Refining Business
 2. All kinds of Feathers and Feather Processing of Refined Leather Accessories Business
 3. Sales of All kinds of Feather Pattern Bedding Sewing Products Processing
 4. CJ01010 Hat Manufacturing
 5. C306010 Wearing Apparel
 6. F401030 Manufacture Export
 7. F104040 Wholesale of Luggage and Bag
 8. F104060 Wholesale of Bedding
 9. F204040 Retail Sale of Luggage and Bag
 10. F204060 Retail Sale of Bedding
 11. ZZ99999 the Company may, other than those businesses subject to special permission (franchise), engage in all businesses except those banned or restricted by the laws.
- Article 2-1 The Company may provide guarantee to other companies to meet in business needs.
- Article 2-2 The total amount of the Company's investments in other companies may exceed forty percent of the Company's paid-up capital.
- Article 3 The head office of the Company shall be in Taipei, when deemed necessary, the Company may set branch offices within or outside the Republic of China by resolutions of the Board of Directors.
- Article 4 (Deleted)

Chapter 2. Shares

- Article 5 The total authorized capital of the Company shall be NT\$1.8 billion, divided into 180 million shares with a par value of NT\$10 each. The Board is authorized to issue common shares and preferred shares by installments
- A total of 20,000,000 shares among the above total capital stock should be reserved for issuing employee stock option certificates, preferred shares with warrants or corporate bond with warrant, and the Board is authorized to issue such shares by installments subject to practical need.
- Article 6 The rights and other important issuance terms of the Company's preferred shares are as follows:
1. The Company shall pay the taxes first, and recover prior years' losses, then contribute to legal reserve, or to special reserve by the Articles of Incorporation when there are positive earnings. The remaining, if any, may be distributed first to preferred shares as the current year's dividend.
 2. The preferred shares yield is capped at 8% on the issue price each year. Annual dividend could be paid by cash once a year. The Board will arrange the date to distribute the payable preferred share dividends for the previous year. In the year of issuance and redemption, the actual number of payable dividends shall be calculated based on the days that the preferred shares remained outstanding in that year.
 3. The Company has sole discretion on the distribution of preferred share dividends. If there is no earning or insufficient earning for distributing dividends of preferred shares after audited, the Company may decide not to distribute dividends to preferred shares. Preferred shareholders shall not have objection. If the preferred shares are issued as non-cumulative type, the undistributed or insufficient payment in dividends distribution shall not be cumulated to the years afterwards.
 4. Except for the dividend prescribed in subparagraph 2 of this Article 6, the non-participating preferred shares holders, are not entitled to participate in the distribution of cash or stock dividends with regard of the common shares derived from earnings or capital surplus.
 5. When the Company issues new shares for capital raising, preferred shareholders shall be entitled equivalent preemptive rights on common shareholders.
 6. The distribution priority of preferred shareholders on right of claim the residual property of the Company is higher than the right of common shareholders. All kinds of preferred shareholders have the same priority to claim the compensation which is lower than the priority of general creditors. However, the distribution shall not exceed the amount of outstanding preferred shares which is calculated by the issuance price.
 7. The preferred shareholders have no rights to vote for motions and for election of directors but are capable to be elected as directors. Preferred shareholders have mandatory rights to vote for the motions that are about preferred shareholders rights and obligations or vote in Preferred Shareholders' meetings and in Shareholders' meetings.
 8. The convertible preferred shares issued by the Company are forbidden to converted within 1 year

after the date of issuance. The Board is authorized to arrange the convertible period in the actual issuance terms. Holders of convertible preferred shares may, pursuant to the issuance terms, apply for conversion of its shareholding (in whole or in part) to common shares pursuant to the conversion ratio set out in the issuance terms (ratio is 1:1). Upon conversion, the converted shares shall have the same rights and obligations as common shares. Dividend distribution at the year of conversion shall be calculated based on the ratio between the actual issuance days and total days of the conversion year, provided, however, that when the shares are converted prior to the ex-dividend date of any given year, the shareholder may not participate in the preferred share dividend distribution of that year and the dividend distribution of the year after, but such shareholder may participate in the distribution of profit and capital surplus to holders of common shares.

9. Preferred shares have no maturity, holders of preferred shares have no right to request redemption of their shares by the Company. But the Company may pursuant to the relevant issuance terms, redeem the shares by issuance price at any time after the next day after five years in cash or compulsorily convert such shares into newly issued shares, or redeem all or partial such shares in other manners permissible by law. Unredeemed preferred shares shall continue to enjoy the rights and obligations of issuance terms prescribed in this Article. In the year of redeeming preferred shares, the dividends payable should be distributed in accordance with the actual issuance days of that year until the redemption date if the shareholders' meeting of the Company decides to distribute dividends.

10. The Board is authorized to deal with the TPEX-listed matters of the preferred shares and converted common shares based on the situations of the company and the market.

The Board is authorized to determine the name, the issuance date, terms and other related matters of the preferred shares in accordance with market conditions and investors' expectation, according to the Articles of Incorporation and applicable laws and regulations.

Article 7 The share certificates of the Company shall all be name-bearing share certificates and signed or sealed by the director representing the company. The share certificates shall be issued after being certified by authority concerned or its approved certificate organizations. The Company may not print share certificates. Registers of share certificates shall contact the share certificates' depository and clearing organizations.

Article 8 Registration for transfer of shares shall be suspended sixty days before the date of regular meeting of shareholders, and thirty days before the date of any special meeting of shareholders, or within five days before the day on which dividend, bonus, or any other benefit is scheduled to be paid by the Company.

Chapter 3. Shareholders' Meetings

Article 9 Shareholders' meetings are of two types as regular meetings and special meetings. Regular meetings shall be convened by the Board of Directors within six months after the close of each fiscal year. Special meetings shall be convened in accordance with the relevant laws and regulations. The Preferred Shareholders' meeting may be convened in accordance with applicable laws and regulations if necessary.

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

Article 10 A shareholder who is unavailable to attend a shareholders' meeting may duly issue a power of attorney expressly bearing the scope of the authorized power to appoint a proxy to attend the meeting on behalf.

Article 11 Unless otherwise specified in laws and regulations, each share of stock shall be entitled to one vote.

Article 12 Except as provided in the Company Act, resolution of shareholders' meeting shall be adopted by more than one half of the total attended shareholders at a meeting with the concurrence of more than one half of the votes held by shareholders presenting at the meeting. Shareholders may also vote via an electronic voting system, and those who do so shall be regarded as attending the shareholders' meeting in person; electronic voting shall be conducted in accordance with the relevant laws and regulations.

Chapter 4. Directors

Article 13 The Company shall have seven to thirteen directors whose term of office are all three years. The directors are eligible for re-election. The Company may, for directors during the term of office within the scope of business, take out liability insurance in terms of the responsibility they should bear according to the law. Total shares owned by all directors shall not be less than the percentage promulgated by the competent authority.

Article 13-1 Directors prescribed in Article 13 hereof, the number of independent directors wherein shall not be less than 3 and not less than one fifth of directors.

A candidate's nomination system is adopted for directors (including independent directors) elected by the Shareholders' meeting from among the candidates. Relevant qualification requirements, shareholding, concurrent serving restrictions, means of nomination and election and other matters to be complied shall be handled in accordance with the provisions of the securities regulatory authority.

The Company's Board of Directors may install other functional committees, and the organizational rules shall be defined by the Board of Directors.

The Company duly establishes the Audit Committee in accordance with Article 14-4 of the Securities and Exchange Law which shall be duly organized by independent directors in full.

The Audit Committee or the members of Audit Committee shall be responsible for those responsibilities of Supervisors specified under Company Law, Securities and Exchange Act and other relevant laws and

- regulations.
- Article 14 The Board of Directors shall be organized by Directors, and shall elect a chairman of the Board of Directors from among the directors by a majority vote at a meeting attended by over two-thirds of the directors. And may also elect in the same manner a vice chairman of the board. The chairman shall represent the company. In calling a meeting of the Board of Directors, a notice setting forth therein the subject(s) to be discussed at the meeting shall be given to each director no later than 7 days prior to the scheduled meeting date. However, in the case of emergency, the meeting may be convened at any time.
The notices to a board of directors meeting may be served in writing, by FAX or e-mail.
- Article 15 The meeting of the Board of Directors shall be presided over by the Chairman. In case the Chairman of the Board of Directors is on leave or absent or cannot exercise his authority for any reasons, the Chairman shall designate one of the directors to act on his behalf. In the absence of such a designation, the directors shall select a person among themselves to act for the Chairman of the Board of Directors. All matters not otherwise provided for herein shall be subject to the related provisions of Article 208 of the Company Act. The case that a Director appoints another director to attend a meeting of the Board of Directors on his/her behalf shall be handled in accordance with provisions of Article 205 of the Company Act.
- Article 16 In the case that the Directors of the Company perform duties, regardless of the Company's operating profit or loss, the Company shall authorize the Board of Directors to pay remuneration according to their degree of participation in the Company's operations and the value of their contribution, and which shall not exceed the salary standard of the highest rank based on the Company's Regulations for Compensation.
- Chapter 5. Managerial Officers
- Article 17 The Company may create a certain number of management positions by the resolution of the Board of Directors, the procedures of appointment and discharge and the package of compensation will be conducted in accordance with Article 29 of the Company Act.
- Chapter 6. Accounting
- Article 18 At the close of the Company's each fiscal year, the Board of Directors shall prepare the following reports: (1) the Business Report (2) the Financial Statements (3) Proposals of Surplus Earning Distribution for appropriation of profit or covering of Loss, etc., and shall submit to the regular meeting of shareholders for an admission.
- Article 19 If the Company has profits in a fiscal year, the Company shall set aside not less than 1% of the profits as employee bonuses, of which no less than 50% shall be reserved for the remuneration of entry-level employees and not more than 5% of the profits as director compensation. However, that the Company shall have reserved a sufficient amount to offset its accumulated losses.
Employee's, director's compensation and the employee's compensation in the form of stocks or cash shall be resolved by a majority vote at a Board of Directors meeting attended by two-thirds of the total number of directors and shall be reported to the shareholders' meeting.
Qualification requirements of employees for distributing compensation, issuing restricted stock for employees, issuing employee stock option certificates, issuing new shares, and the shares bought back by the issuing company transferred to its employees, including the employees of parents or subsidiaries of the company meeting certain specific requirements, entitled to receive compensation .
- Article 20 The Company shall, after the year-end closing and its losses have been covered and all taxes and dues have been paid pursuant to laws and at the time of allocating surplus profits, first set aside ten percent of such profits as a legal reserve. However when the legal reserve amounts to the authorized capital, this shall not apply. The remainder shall be appropriated or reversed as a special reserve pursuant to laws and regulations. The residual earnings, if any, may be distributed first to preferred shares holders as current year's dividend; in case of any surplus, together with the accumulated unappropriated surplus shall be proposed by the board of directors to the shareholders' meeting and allocated by its resolution.
Pursuant to Article 240 of the Company Act, the Company authorizes the Board of Directors to distribute a portion or all of dividends, bonuses or legal reserve and capital surplus in accordance with Article 241 of the Company Act in cash by resolution adopted by a majority in a meeting attended by two-thirds or more of the Directors, and the distribution shall then be reported to the shareholders' meeting, instead of being submitted to the shareholders' meeting for approval.
In consideration of operating plans, budgets and capital requirements of future years, the Dividend Policy of the Company is the distribution to shareholders with the appropriation of the amount which shall be no less than 50% of the net profit after income tax under the circumstance that there is no cumulated loss in prior years. The distribution may be executed in cash dividend and/or share dividend, and the cash dividend shall be no less than 30% of total distributed dividends.
In case there are no earnings for distribution in a certain year, or the earnings of a certain year are significantly less than the earnings actually distributed by the Company in the previous year, or considering the financial, business or operational factors of the Company, the Company may allocate a portion or all of its reserves for distribution in accordance with relevant laws or regulations or the orders of the authorities in charge.
- Chapter 7. Endnote
- Article 21 All matters not otherwise provided for herein shall be subject to the related provisions of the Company

Act.
Article 22 The Articles of Incorporation was set on February 17, 1966.
The 1st amendment was made on July 7, 1967.
The 2nd amendment was made on October 1, 1969.
The 3rd amendment was made on October 12, 1973.
The 4th amendment was made on December 20, 1973.
The 5th amendment was made on November 1, 1979.
The 6th amendment was made on October 21, 1981.
The 7th amendment was made on October 30, 1982.
The 8th amendment was made on April 14, 1983.
The 9th amendment was made on May 12, 1983.
The 10th amendment was made on June 2, 1983.
The 11th amendment was made on June 20, 1983.
The 12th amendment was made on December 2, 1983.
The 13th amendment was made on September 20, 1984.
The 14th amendment was made on June 11, 1985.
The 15th amendment was made on November 10, 1991.
The 16th amendment was made on July 25, 1995.
The 17th amendment was made on August 14, 1995.
The 18th amendment was made on January 10, 1996.
The 19th amendment was made on May 8, 1996.
The 20th amendment was made on June 20, 1996.
The 21st amendment was made on June 15, 1997.
The 22nd amendment was made on June 6, 1998.
The 23rd amendment was made on June 16, 1999.
The 24th amendment was made on April 15, 2000.
The 25th amendment was made on May 17, 2001.
The 26th amendment was made on May 17, 2002.
The 27th amendment was made on June 27, 2003.
The 28th amendment was made on June 11, 2004.
The 29th amendment was made on June 24, 2005.
The 30th amendment was made on June 23, 2006.
The 31st amendment was made on June 15, 2007.
The 32nd amendment was made on May 30, 2008.
The 33rd amendment was made on June 19, 2009.
The 34th amendment was made on June 11, 2010.
The 35th amendment was made on June 28, 2012.
The 36th amendment was made on June 20, 2013.
The 37th amendment was made on June 17, 2014.
The 38th amendment was made on June 9, 2015.
The 39th amendment was made on June 21, 2016.
The 40th amendment was made on June 22, 2018.
The 41st amendment was made on May 30, 2019.
The 42nd amendment was made on July 30, 2021.
The 43rd amendment was made on May 31, 2022.
The 44th amendment was made on May 27, 2025.

KWONG LUNG ENTERPRISE CO., LTD.

Rules of Procedures for Shareholders' meetings

Article 1 To establish a strong governance system and sound supervisory capabilities for the Company's shareholders' meetings, and to strengthen management capabilities, these Rules are adopted pursuant to the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies. The rules of procedures for the Company's shareholders' meetings, except as otherwise provided by law, regulation, or Articles of Incorporation, shall be as provided in these Rules.

Article 2 Unless otherwise provided by law or regulation, the Company's shareholders' meetings shall be convened by the Board of Directors.

The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders' meeting or before 15 days before the date of a special shareholders' meeting. The Company shall prepare electronic versions of the shareholders' meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders' meeting or before 15 days before the date of the special shareholders' meeting. In addition, before 15 days before the date of the shareholders' meeting, the Company shall also have prepared the shareholders' meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby as well as being distributed on-site at the meeting place.

The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

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

Where re-election of all directors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders' meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding 1 percent or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders' meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda. A shareholder may propose a recommendation for urging the corporation to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.

Prior to the date on which share transfer registration before a regular shareholders' meeting is held, the Company shall publicly announce that it will receive shareholder proposals, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

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

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

Article 3 For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting, and shall deliver the proxy form to the Company before 5 days before the date of the shareholders' meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in

person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Any matters not provided in the rules shall be subject to the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies.

Article 4 The venue for a shareholders' meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

Article 5 The Company shall specify in its shareholders' meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.

Shareholders and their proxies (collectively, "shareholders") shall hand in a sign-in card in lieu of signing in.

Shareholders shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders' meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

Article 6 If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman. When the Chairman is on leave or for any reason unable to exercise the powers of the Chairman, the vice chairman shall act in place of the Chairman; if there is no vice chairman or the vice chairman also is on leave or for any reason unable to exercise the powers of the vice chairman, the Chairman shall appoint one of the directors to act as chair. Where the Chairman does not make such a designation, the directors shall select from among themselves one person to serve as chair.

When a director serves as chair, as referred to in the preceding paragraph, the director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chair. If a shareholders' meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders' meeting in a non-voting capacity.

Article 7 Proceedings of the shareholders' meeting shall be recorded in audio and video, and the recording materials shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 8 Attendance at shareholders' meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.

The Chairman shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the Chairman may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the Chairman shall declare the meeting adjourned.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act. The implementation of the tentative resolution shall be governed by the relevant provisions of the Company Law.

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

Article 9 If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. The meeting shall proceed in the order set by the agenda, which may not be changed

without a resolution of the shareholders' meeting.

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

The Chairman may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders' meeting. If the Chairman declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

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

Article 10 Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the Chairman.

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

Except with the consent of the Chairman, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the Chairman may terminate the speech.

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

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

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

Article 11 Voting at a shareholders' meeting shall be calculated based the number of shares.

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

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

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

Article 12 A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

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

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

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

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

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

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the Chairman, provided that all monitoring personnel shall be shareholders of the Company.

Vote counting for shareholders' meeting proposals or elections shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

Article 13 The election of directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected.

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

Article 14 Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the Chairman of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

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

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the Chairman's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results, and shall be retained for the duration of the existence of the Company.

Article 15 On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders' meeting.

If matters put to a resolution at a shareholders' meeting constitute material information under applicable laws or regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 16 The Chairman may direct the proctors or security personnel to help maintain order at the meeting place. At the place of a shareholders' meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the Chairman may prevent the shareholder from so doing.

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

Article 17 When a meeting is in progress, the Chairman may announce a break based on time considerations. If a force majeure event occurs, the Chairman may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

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

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

Article 18 These Rules and any amendments hereto shall be implemented after adoption by shareholders' meetings.

These Rules was set on June 20, 2013.

The 1st amendment was made on June 22, 2018

The 2nd amendment was made on May 31, 2022

Appendix 3

The Impact of Stock Dividend Issuance on Business Performance, EPS, and Shareholder Return Rate : The Company did not allot stock dividend this year, it does not apply.

Appendix 4

Shareholding of Directors

Base Day : March 31, 2026

Position	Name	Shareholdings in the shareholders roster within the share transfer prohibition period
Chairman	Ou Li Investment Co., Ltd. Representative : Ho-Po Chan	12,700,000
Vice Chairman	Chao-Fu Lee	359,000
Director	Whalen's Company Representative : Cheng-Yun Chang	10,000
Director	Yueh Sheng Investment Co., Ltd Representative : Fu-Ru Chan	4,013,000
Independent Director	Hsun-Hsiung Tsai	424,577
Independent Director	Chen Hsien-Yeh	0
Independent Director	Chia-Te Hsu	95,000
Independent Director	Tsui-Ting Ko	0
Total for Directors'		17,601,577

Note 1: The minimum required combined shareholding of all directors by law: 9,034,749 shares;
As of March 31, 2026, the total shareholding of all directors was 17,082,000 shares. (not including the shareholding of Independent Directors)

Note 2: The Company has established an Audit Committee; the requirements for shareholding by supervisors are not applicable.