

KWONG LUNG ENTERPRISE CO., LTD.
2026 Annual Shareholders' Meeting Minutes
(Translation)

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)

Convening Means: Physical shareholders meeting

Attendance: Shareholders holding a total of 128,591,231 common shares were present, including 27,390,382 shares represented through electronic voting, accounting for 85.91% of the Company's total issued common shares of 149,665,646 shares (after deducting 662,000 non-voting shares). As the statutory quorum was met, the shareholders' meeting was duly convened.

Directors present : Ou Li Investment Company Limited representative : Ho-Po Chan 、Chao-Fu Lee 、 Yueh Sheng Investment Company Limited representative: Fu-Ru Chan 、Whalen's Company representative : Cheng-Yun Chang

Independent Directors present : Hsien-Yeh Chen 、Chia-Te Hsu 、Tsui-Ting Ko

Attendees : Lawyer : Hsiao-Wen Lin 、CPA : Ming-Hsien Liu

Chairman: Ho-Po Chan, the Chairman of the Board of Directors

Recorder: Judy Lee

- I. Call to Order (The total number of shares present in person and by proxy has reached the statutory number of shares)
- II. Chairperson's Remarks (omitted)
- III. Reports
 1. 2025 Business Report
Explanation : Please refer to Attachment 1.
 2. Audit Committee's Review Report
Explanation : Please refer to Attachment 2.
 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.

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 |
|---|--|--|
| 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 | 1,784,000 common shares |
| Total Amount Repurchased | NT\$78,558,989 | NT\$84,740,486 |
| Percentage of Shares Repurchased to Planned Amount (%) | 39.8% | 89.2% |
| Number of Shares Cancelled or Transferred | 1,592,000 common shares | 0 common shares |
| Cumulative Shares Held by the Company | 0 shares | 1,784,000 common shares |
| Percentage of Cumulative Shares Held to Total Issued Shares (%) | 0% | 1.19% |

IV. Acknowledgements

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

Explanation :

- (1) 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.

(2)The 2025 Business Report, the Independent Auditors' Report, and the above-mentioned financial statements are hereby submitted for adoption. Please refer to Attachment 1 and Attachment 4.

Voting Results :

The number in favor of the right to exceed the legal amount, the case was passed by resolution.

Shares represented at the time of voting: 128,780,231, 99.49% of the total represented share present

| Voting Results |
|--|
| Votes in favor: 128,135,952votes (including votes casted electronically 26,928,103 votes) |
| Votes against:35,593 votes (including votes casted electronically 35,593 votes) |
| Votes invalid: 0 vote |
| Votes abstained: 608,686 votes (including votes casted electronically 426,686 votes) |

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

Explanation :

(1)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.

(2)For the 2025 Earnings Distribution Table, please refer to Attachment 5.

Voting Results :

The number in favor of the right to exceed the legal amount, the case was passed by resolution.

Shares represented at the time of voting: 128,780,231, 99.54% of the total represented share present

| Voting Results |
|--|
| Votes in favor: 128,196,937votes (including votes casted electronically 26,989,088 votes) |
| Votes against:35,608 votes (including votes casted electronically 35,608 votes) |
| Votes invalid: 0 vote |
| Votes abstained: 547,686 votes (including votes casted electronically 365,686 votes) |

V. Discussion Items

Amendments to the Company's Articles of Incorporation (Proposed by the Board of Directors)

Explanation :

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

Voting Results :

The number in favor of the right to exceed the legal amount, the case was passed by resolution.

Shares represented at the time of voting: 128,780,231, 99.35% of the total represented share present

| Voting Results |
|--|
| Votes in favor: 127,950,542votes (including votes casted electronically 26,742,693 votes) |

| |
|--|
| Votes against:42,858 votes (including votes casted electronically 42,858 votes) |
| Votes invalid: 0 vote |
| Votes abstained: 786,831 votes (including votes casted electronically 604,831 votes) |

VI. Questions and Motions
Summary Note:

Shareholder Question (Account No. 60513):

At the investor conference, the Company mentioned its dividend payout target. Has there been any adjustment to the dividend policy?

Chairman's Response:

There has been no change to the current dividend policy.

Shareholder Question (Account No. 60276):

Has the Company considered distributing dividends earlier this year, allowing shareholders to reinvest the proceeds in the Company's shares?

Chairman's Response:

Historically, dividends have been distributed in August. Your suggestion is a good one, and we will consider whether alternative arrangements may be feasible in future years. However, the Company's established dividend policy will remain unchanged.

VII. Adjournment: 9:16 A.M. on May 29,2026

(The minutes of this general meeting of shareholders only record the main points of the meeting and the results of the votes on the proposals; the content, procedures and speeches of shareholders shall still be subject to the video recording of the meeting.)

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 |
|------|------|
|------|------|

| | |
|---|--------|
| 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

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 |
|----------------------|--------------|-------|-------|---|---|-------|-------|----|----|----------------|----------------|---|---|---|---|---|---|---|---|----------------|----------------|------|

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.

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.

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 | | | | |
| | <u>17,865</u> | <u>-</u> | <u>143,062</u> | <u>1</u> |
| 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. <u>The 45th amendment was made on May 29, 2026.</u></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 |