

**LAI YIH FOOTWEAR CO., LTD. AND
SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
SEPTEMBER 30, 2025 AND 2024**

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

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES
SEPTEMBER 30, 2025 AND 2024 CONSOLIDATED FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REVIEW REPORT
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INDEPENDENT AUDITORS' REVIEW REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of LAI YIH FOOTWEAR CO., LTD.

PWC25002294

Introduction

We have reviewed the accompanying consolidated balance sheets of LAI YIH FOOTWEAR CO., LTD. and subsidiaries (the "Group") as at September 30, 2025 and 2024, and the related consolidated statements of comprehensive income for the three months and nine months then ended, as well as the consolidated statements of changes in equity and of cash flows for the nine months then ended, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" that came into effect as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

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

Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at September 30, 2025 and 2024, and of its consolidated financial performance for the three months and nine months then ended and its consolidated cash flows for the nine months then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" that came into effect as endorsed by the Financial Supervisory Commission.

Lai, Chih-Wei

Wu, Sung-Yuan

For and on behalf of PricewaterhouseCoopers, Taiwan

November 11, 2025

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2025, DECEMBER 31, 2024 AND SEPTEMBER 30, 2024
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	September 30, 2025		December 31, 2024		September 30, 2024		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 4,295,469	14	\$ 3,966,034	12	\$ 3,496,637	11
1136	Current financial assets at amortised cost	6(2) and 8	4,343	-	3,746	-	4,944	-
1170	Accounts receivable, net	6(3)	5,259,747	17	7,426,297	22	5,368,661	18
1200	Other receivables		8,842	-	21,911	-	20,894	-
1220	Current tax assets		-	-	1,394	-	-	-
130X	Inventories	6(4)	6,198,905	20	5,999,729	17	5,955,584	19
1479	Other current assets, others	6(5)	2,546,196	8	2,392,946	7	2,489,020	8
11XX	Current assets		<u>18,313,502</u>	<u>59</u>	<u>19,812,057</u>	<u>58</u>	<u>17,335,740</u>	<u>56</u>
Non-current assets								
1535	Non-current financial assets at amortised cost	6(2) and 8	14,626	-	15,306	-	14,704	-
1550	Investments accounted for under equity method		427,904	1	458,869	1	455,678	2
1600	Property, plant and equipment	6(6) and 8	11,264,993	36	12,298,149	36	11,655,362	38
1755	Right-of-use assets	6(7), 7(2) and 8	1,064,662	4	1,200,421	4	1,216,815	4
1780	Intangible assets		18,382	-	11,843	-	11,947	-
1840	Deferred income tax assets		73,965	-	73,397	-	77,873	-
1990	Other non-current assets, others		84,078	-	227,051	1	98,345	-
15XX	Non-current assets		<u>12,948,610</u>	<u>41</u>	<u>14,285,036</u>	<u>42</u>	<u>13,530,724</u>	<u>44</u>
1XXX	Total Assets		<u>\$ 31,262,112</u>	<u>100</u>	<u>\$ 34,097,093</u>	<u>100</u>	<u>\$ 30,866,464</u>	<u>100</u>

(Continued)

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2025, DECEMBER 31, 2024 AND SEPTEMBER 30, 2024
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	September 30, 2025		December 31, 2024		September 30, 2024		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
Current liabilities								
2100	Short-term borrowings	6(8)	\$ 3,326,931	11	\$ 3,311,796	10	\$ 2,283,544	8
2130	Current contract liabilities	6(15)	51,162	-	109,061	-	47,418	-
2150	Notes payable		11	-	6	-	7	-
2170	Accounts payable		2,286,929	7	2,129,655	6	2,046,998	7
2180	Accounts payable-related parties	7(2)	7,579	-	8,868	-	7,637	-
2200	Other payables	6(9)	1,647,546	5	1,945,970	6	1,538,520	5
2230	Income tax payable		220,238	1	599,952	2	382,119	1
2280	Current lease liabilities	6(7) and 7(2)	43,785	-	43,773	-	44,199	-
2399	Other current liabilities, others		11,013	-	16,019	-	5,490	-
21XX	Current liabilities		<u>7,595,194</u>	<u>24</u>	<u>8,165,100</u>	<u>24</u>	<u>6,355,932</u>	<u>21</u>
Non-current liabilities								
2570	Deferred income tax liabilities		204,660	1	201,552	1	185,370	1
2580	Non-current lease liabilities	6(7) and 7(2)	<u>357,415</u>	<u>1</u>	<u>401,165</u>	<u>1</u>	<u>409,448</u>	<u>1</u>
25XX	Non-current liabilities		<u>562,075</u>	<u>2</u>	<u>602,717</u>	<u>2</u>	<u>594,818</u>	<u>2</u>
2XXX	Total Liabilities		<u>8,157,269</u>	<u>26</u>	<u>8,767,817</u>	<u>26</u>	<u>6,950,750</u>	<u>23</u>
Equity								
Equity attributable to owners of parent								
Share capital								
3110	Share capital-common stock	6(12)	2,494,000	8	2,494,000	7	2,494,000	8
Capital surplus								
3200	Capital surplus	6(13)	15,322,535	49	15,322,516	45	15,322,516	50
Retained earnings								
3310	Legal reserve	6(14)	381,832	1	-	-	-	-
3350	Unappropriated retained earnings		5,697,309	18	6,044,030	18	4,837,145	16
Other equity interest								
3400	Other equity interest		(1,713,794)	(5)	539,590	1	426,097	1
31XX	Equity attributable to owners of parent		<u>22,181,882</u>	<u>71</u>	<u>24,400,136</u>	<u>71</u>	<u>23,079,758</u>	<u>75</u>
36XX	Non-controlling interests	4(3)	<u>922,961</u>	<u>3</u>	<u>929,140</u>	<u>3</u>	<u>835,956</u>	<u>2</u>
3XXX	Total Equity		<u>23,104,843</u>	<u>74</u>	<u>25,329,276</u>	<u>74</u>	<u>23,915,714</u>	<u>77</u>
Significant contingent liabilities and unrecognised contract commitments								
Significant events after the balance sheet date								
3X2X	Total Liabilities and Equity		<u>\$ 31,262,112</u>	<u>100</u>	<u>\$ 34,097,093</u>	<u>100</u>	<u>\$ 30,866,464</u>	<u>100</u>

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

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

Items	Notes	Three months ended September 30				Nine months ended September 30				
		2025		2024		2025		2024		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	
4000	Operating revenue	6(15)	\$ 8,024,813	100	\$ 9,300,959	100	\$ 29,027,393	100	\$ 26,838,277	100
5000	Operating costs	6(4)(19)	(6,855,816)	(85)	(7,393,494)	(80)	(24,347,925)	(84)	(21,394,998)	(80)
5900	Gross profit from operations		<u>1,168,997</u>	<u>15</u>	<u>1,907,465</u>	<u>20</u>	<u>4,679,468</u>	<u>16</u>	<u>5,443,279</u>	<u>20</u>
	Operating expenses	6(19)								
6100	Selling expenses		(86,536)	(1)	(140,309)	(1)	(451,361)	(2)	(394,059)	(1)
6200	Administrative expenses		(313,295)	(4)	(341,047)	(4)	(969,219)	(3)	(1,144,315)	(4)
6300	Research and development expenses		(177,252)	(2)	(177,274)	(2)	(536,073)	(2)	(489,291)	(2)
6450	Expected credit impairment gain (loss)	12(2)	1,076	-	(4,484)	-	16,596	-	(4,064)	-
6000	Total operating expenses		<u>(576,007)</u>	<u>(7)</u>	<u>(663,114)</u>	<u>(7)</u>	<u>(1,940,057)</u>	<u>(7)</u>	<u>(2,031,729)</u>	<u>(7)</u>
6900	Net operating income		<u>592,990</u>	<u>8</u>	<u>1,244,351</u>	<u>13</u>	<u>2,739,411</u>	<u>9</u>	<u>3,411,550</u>	<u>13</u>
	Total non-operating income and expenses									
7100	Interest income	6(16)	12,318	-	21,637	-	47,023	-	82,434	-
7010	Other income		8,659	-	9,512	-	26,094	-	52,736	-
7020	Other gains and losses	6(17)	109,479	1	(22,937)	-	331,605	1	283,764	1
7050	Finance costs	6(18)	(33,738)	-	(34,892)	-	(119,848)	-	(143,589)	-
7060	Share of loss of associates and joint ventures accounted for using equity method		<u>(3,906)</u>	<u>-</u>	<u>(3,880)</u>	<u>-</u>	<u>(7,556)</u>	<u>-</u>	<u>(3,880)</u>	<u>-</u>
7000	Non-operating income and expenses		<u>92,812</u>	<u>1</u>	<u>(30,560)</u>	<u>-</u>	<u>277,318</u>	<u>1</u>	<u>271,465</u>	<u>1</u>
7900	Profit before income tax		<u>685,802</u>	<u>9</u>	<u>1,213,791</u>	<u>13</u>	<u>3,016,729</u>	<u>10</u>	<u>3,683,015</u>	<u>14</u>
7950	Income tax expense	6(20)	(133,049)	(2)	(268,484)	(3)	(605,124)	(2)	(781,522)	(3)
8200	Profit		<u>\$ 552,753</u>	<u>7</u>	<u>\$ 945,307</u>	<u>10</u>	<u>\$ 2,411,605</u>	<u>8</u>	<u>\$ 2,901,493</u>	<u>11</u>
	Other comprehensive income									
	Total components of other comprehensive income that will be reclassified to profit or loss									
8361	Financial statements translation differences of foreign operations		\$ 656,926	8	\$ 101,603	1	(\$ 2,391,457)	(8)	\$ 397,775	1
8300	Other comprehensive income (loss)		<u>\$ 656,926</u>	<u>8</u>	<u>\$ 101,603</u>	<u>1</u>	<u>(\$ 2,391,457)</u>	<u>(8)</u>	<u>\$ 397,775</u>	<u>1</u>
8500	Total comprehensive income		<u>\$ 1,209,679</u>	<u>15</u>	<u>\$ 1,046,910</u>	<u>11</u>	<u>\$ 20,148</u>	<u>-</u>	<u>\$ 3,299,268</u>	<u>12</u>
	Profit, attributable to:									
8610	Owners of parent		\$ 509,420	6	\$ 797,950	8	\$ 2,284,430	8	\$ 2,611,433	10
8620	Non-controlling interests		\$ 43,333	1	\$ 147,357	2	\$ 127,175	-	\$ 290,060	1
	Comprehensive income (loss) attributable to:									
8710	Owners of parent		\$ 1,139,555	14	\$ 888,907	9	\$ 31,046	-	\$ 3,039,810	11
8720	Non-controlling interests		\$ 70,124	1	\$ 158,003	2	(\$ 10,898)	-	\$ 259,458	1
	Basic earnings per share	6(21)								
9750	Basic earnings per share		<u>\$ 2.04</u>		<u>\$ 3.20</u>		<u>\$ 9.16</u>		<u>\$ 11.23</u>	
	Diluted earnings per share	6(21)								
9850	Diluted earnings per share		<u>\$ 2.04</u>		<u>\$ 3.20</u>		<u>\$ 9.15</u>		<u>\$ 11.23</u>	

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

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Equity attributable to owners of the parent					Total	Non-controlling interests	Total equity
		Ordinary share	Capital surplus, additional paid-in capital	Legal reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements			
<u>2024</u>									
Balance at January 1, 2024		\$ 2,200,000	\$ 12,661,753	\$ -	\$ 2,885,712	(\$ 2,280)	\$ 17,745,185	\$ 981,390	\$ 18,726,575
Profit for the period		-	-	-	2,611,433	-	2,611,433	290,060	2,901,493
Other comprehensive income (loss) for the period		-	-	-	-	428,377	428,377	(30,602)	397,775
Total comprehensive income		-	-	-	2,611,433	428,377	3,039,810	259,458	3,299,268
Appropriation and distribution of 2023 earnings:	6(13)(14)								
Cash dividends of ordinary share		-	-	-	(660,000)	-	(660,000)	-	(660,000)
Cash dividends from capital surplus		-	(440,000)	-	-	-	(440,000)	-	(440,000)
Cash capital increase	6(12)	294,000	3,010,726	-	-	-	3,304,726	-	3,304,726
Share-based payments	6(11)	-	90,037	-	-	-	90,037	-	90,037
Non-controlling interests decrease	4(3)	-	-	-	-	-	-	(404,892)	(404,892)
Balance at September 30, 2024		\$ 2,494,000	\$ 15,322,516	\$ -	\$ 4,837,145	\$ 426,097	\$ 23,079,758	\$ 835,956	\$ 23,915,714
<u>2025</u>									
Balance at January 1, 2025		\$ 2,494,000	\$ 15,322,516	\$ -	\$ 6,044,030	\$ 539,590	\$ 24,400,136	\$ 929,140	\$ 25,329,276
Profit for the period		-	-	-	2,284,430	-	2,284,430	127,175	2,411,605
Other comprehensive loss for the period		-	-	-	-	(2,253,384)	(2,253,384)	(138,073)	(2,391,457)
Total comprehensive income (loss)		-	-	-	2,284,430	(2,253,384)	31,046	(10,898)	20,148
Appropriation and distribution of 2024 earnings:	6(14)								
Legal reserve		-	-	381,832	(381,832)	-	-	-	-
Cash dividends of ordinary share		-	-	-	(2,244,600)	-	(2,244,600)	-	(2,244,600)
Other changes in capital surplus									
Claim from disgorgement		-	19	-	-	-	19	-	19
Changes in percentage of ownership interests in subsidiaries	4(3)	-	-	-	(4,719)	-	(4,719)	4,719	-
Balance at September 30, 2025		\$ 2,494,000	\$ 15,322,535	\$ 381,832	\$ 5,697,309	(\$ 1,713,794)	\$ 22,181,882	\$ 922,961	\$ 23,104,843

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

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Nine months ended September 30	
		2025	2024
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 3,016,729	\$ 3,683,015
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense	6(19)	994,991	1,037,341
Amortisation expense	6(19)	7,230	4,654
Expected credit impairment gain	12(2)	(16,596)	4,064
Finance costs	6(18)	119,848	143,589
Interest income	6(16)	(47,023)	(82,434)
Share-based payments	6(11)	-	90,037
Share of gain of associates accounted for using the equity method		7,556	3,880
Loss (gain) on disposal of property, plant and equipment	6(17)	17,324	(1,602)
Property, plant and equipment transferred to expense	6(22)	-	26
Unrealised foreign exchange gain		(825,302)	(709,001)
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable, net		2,182,758	(1,886,176)
Other receivables		11,814	72,815
Inventories		(727,001)	(1,799,995)
Other current assets		(408,731)	(465,965)
Changes in operating liabilities			
Contract liabilities		(57,899)	(12,171)
Notes payable		5	(14)
Accounts payable		305,209	366,188
Accounts payable-related parties		(1,289)	(12,361)
Other payables		(88,483)	(58,398)
Other payables-related parties		-	(204)
Other current liabilities		(3,785)	(6,207)
Cash inflow generated from operations		4,487,355	371,081
Interest received		47,023	82,434
Interest paid		(120,299)	(143,589)
Income taxes paid		(965,649)	(512,268)
Net cash flows from (used in) operating activities		<u>3,448,430</u>	<u>(202,342)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at amortised cost		(1,254)	(90,887)
Acquisition of property, plant and equipment	6(22)	(1,059,832)	(1,585,399)
Proceeds from disposal of property, plant and equipment		58,882	126,466
Acquisition of intangible assets	6(22)	(5,490)	(8,103)
Acquisition of right-of-use assets		(105)	(377)
Decrease in guarantee deposits paid		2,383	228
Increase in other non-current assets		(2,919)	(1,516)
Consolidated cash impact of individual changes		-	(536,594)
Net cash flows used in investing activities		<u>(1,008,335)</u>	<u>(2,096,182)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(23)	16,416,100	8,711,208
Decrease in short-term borrowings	6(23)	(16,130,763)	(10,294,920)
Payments of lease liabilities	6(23)	(41,563)	(34,817)
Decrease in guarantee deposits received	6(23)	-	(22)
Cash dividend	6(14)(23)	(2,244,600)	(1,100,000)
Cash capital increase	6(12)	-	3,304,726
Claim from disorgement		19	-
Net cash flows (used in) from financing activities		<u>(2,000,807)</u>	<u>586,175</u>
Effect of exchange rate changes on cash and cash equivalents		<u>109,853</u>	<u>790,067</u>
Net increase (decrease) in cash and cash equivalents		329,435	(922,282)
Cash and cash equivalents at beginning of period		3,966,034	4,418,919
Cash and cash equivalents at end of period		<u>\$ 4,295,469</u>	<u>\$ 3,496,637</u>

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

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024

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

1. History and Organisation

LAI YIH FOOTWEAR CO., LTD. (the “Company”) was incorporated in the Cayman Islands on June 16, 2021. The Company and its subsidiaries (collectively referred herein as the “Group”) are an investment holding company established as part of an organisational restructuring as a result of applying for listing on the Taiwan Stock Exchange. The Company issued new shares on June 16, 2021 to acquire 100% equity interest in LAI YIH FOOTWEAR CO., LTD. and became the holding company of all consolidated entities after completing the reorganisation. The Group is primarily engaged in the production and sales of sports and leisure shoes. The Company was listed on the Taiwan Stock Exchange starting from June 12, 2024.

2. The Date of Authorisation for Issuance of the Financial Statements and Procedures for Authorisation

These consolidated financial statements were authorised for issuance by the Board of Directors on November 11, 2025.

3. Application of New Standards, Amendments and Interpretations

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

New standards, interpretations and amendments endorsed by the FSC and became effective from 2025 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Specific provisions of Amendments to IFRS 9 and IFRS 7, ‘Amendments to the classification and measurement of financial instruments’	January 1, 2026
Amendments to IAS 21, ‘Lack of exchangeability’	January 1, 2025

The above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

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

New standards, interpretations and amendments endorsed by the FSC effective from 2026 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Specific provisions of Amendments to IFRS 9 and IFRS 7, ‘Amendments to the classification and measurement of financial instruments’	January 1, 2026
Amendments to IFRS 9 and IFRS 7, ‘Contracts referencing nature-dependent electricity’	January 1, 2026
IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendments to IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendment to IFRS 17, ‘Initial application of IFRS 17 and IFRS 9 – comparative information’	January 1, 2023
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

The above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

(3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, ‘Sale or contribution of assets between an investor and its associate or joint venture’	To be determined by International Accounting Standards Board
IFRS 18, ‘Presentation and disclosure in financial statements’	January 1, 2027(Note)
IFRS 19, ‘Subsidiaries without public accountability: disclosures’	January 1, 2027

Note : The FSC has announced in a press release on September 25, 2025 that public companies will apply IFRS 18 starting from the fiscal year 2028. Additionally, entities can choose to adopt IFRS 18 earlier based on their requirements after the FSC endorses IFRS 18.

Except for the following, the above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment. The quantitative impact will be disclosed when the assessment is complete.

IFRS 18, 'Presentation and disclosure in financial statements'

IFRS 18, 'Presentation and disclosure in financial statements' replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

4. Summary of Material Accounting Policies

The principal accounting policies adopted are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 2024, except for the compliance statement, basis of preparation, basis of consolidation and additional policies as set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

- A. The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Accounting Standard 34, 'Interim financial reporting' that came into effect as endorsed by the FSC.
- B. These consolidated financial statements are to be read in conjunction with the consolidated financial statements for the year ended December 31, 2024.

(2) Basis of preparation

- A. The consolidated financial statements have been prepared under the historical cost convention.
- B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC[®] Interpretations, and SIC[®] Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

- A. Basis for preparation of consolidated financial statements:
The basis for preparation of consolidated financial statements is same as the consolidated financial statements for the year ended December 31, 2024.

B. Subsidiaries and second-tier subsidiaries included in the consolidated financial statements and movements for the periods are as follows:

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2025	December 31, 2024	September 30, 2024	
The Company	LAI YIH FOOTWEAR CO., LTD. (LAI YIH SAMOA)	Holding company	100%	100%	100%	
LAI YIH SAMOA	FLOURISH THRIVE DEVELOPMENTS LIMITED (FLOURISH THRIVE)	Import and export trade	100%	100%	100%	
LAI YIH SAMOA	CHEER ACCESS LTD. (CHEER ACCESS)	Investment holding and import and export trade	100%	100%	100%	
LAI YIH SAMOA	BILLION STAR INTERNATIONAL CO., LTD. (BILLION STAR)	Investment holding and import and export trade	100%	100%	100%	
LAI YIH SAMOA	PORTRICH TRADING LIMITED (PORTRICH)	Holding company	100%	100%	100%	
LAI YIH SAMOA	OVERSEA FAITH CO., LTD. (OVERSEA)	Holding company	100%	100%	100%	
LAI YIH SAMOA	MEGA RIVER INVESTMENT CO., LTD. (MEGA RIVER)	Holding company	100%	100%	100%	
LAI YIH SAMOA	KING GLOBAL DEVELOPMENT CORP (KING GLOBAL)	Holding company	100%	100%	100%	
LAI YIH SAMOA	THRIVE FOISON LIMITED (THRIVE FOISON)	Holding company	100%	100%	100%	
LAI YIH SAMOA	BRILLIANT METERO LIMITED (BRILLIANT)	Holding company	-	100%	100%	Note 3

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2025	December 31, 2024	September 30, 2024	
LAI YIH SAMOA	POLO INTERNATIONAL HOLDING LTD. (POLO)	Investment holding and production and sales of sports and leisure shoes	100%	100%	100%	
LAI YIH SAMOA	EVERYIELD CO., LTD. (EVERYIELD)	Holding company	100%	100%	100%	
LAI YIH SAMOA	LAC TY COMPANY LIMITED (LAC TY)	Production and sales of sports and leisure shoes	50%	50%	50%	Note 1
PORTRICH	LAC TY II COMPANY LIMITED (LAC TY II)	Production and sales of sports and leisure shoes	100%	100%	100%	
OVERSEA	VINH LONG FOOTWEAR CO., LTD (TY XUAN)	Production and sales of sports and leisure shoes	85%	85%	85%	
KING GLOBAL	YIH SHUO FOOTWEAR CO., LTD (TY THAC)	Production and sales of sports and leisure shoes	85%	85%	85%	
MEGA RIVER	YIH SHUO FOOTWEAR CO., LTD (TY THAC)	Production and sales of sports and leisure shoes	15%	15%	15%	
THRIVE FOISON	TY BACH COMPANY LIMITED (TY BACH)	Production and sales of sports and leisure shoes	100%	100%	100%	
THRIVE FOISON	GRAND WISDOM COMPANY LIMITED (GRAND WISDOM)	Production and sales of sports and leisure shoes	100%	100%	100%	
POLO	TSANG YIH COMPAMY LIMITED (TSANG YIH)	Production and sales of sports and leisure shoes	73%	73%	73%	
EVERYIELD	TSANG YIH COMPAMY LIMITED (TSANG YIH)	Production and sales of sports and leisure shoes	27%	27%	27%	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2025	December 31, 2024	September 30, 2024	
MEGA RIVER	PT. YIH QUAN FOOTWEAR INDONESIA (YIH QUAN)	Production and sales of sports and leisure shoes	50%	50%	50%	
THRIVE FOISON	PT. YIH QUAN FOOTWEAR INDONESIA (YIH QUAN)	Production and sales of sports and leisure shoes	50%	50%	50%	
OVERSEA	PT. YIHFULL FOOTWEAR INDONESIA (YIHFULL)	Production and sales of sports and leisure shoes	50%	50%	50%	
PORTRICH	PT. YIHFULL FOOTWEAR INDONESIA (YIHFULL)	Production and sales of sports and leisure shoes	50%	50%	50%	
OVERSEA	PT. YIHXIN FOOTWEAR INDONESIA (YIHXIN)	Production and sales of sports and leisure shoes	50%	50%	50%	
KING GLOBAL	PT. YIHXIN FOOTWEAR INDONESIA (YIHXIN)	Production and sales of sports and leisure shoes	50%	50%	50%	
EVERYIELD	PT ALNU SPORTING GOODS INDONESIA (ALNU)	Production and sales of sports and leisure shoes	66.21%	51%	51%	Note 4
OVERSEA	PT. YIH YOU FOOTWEAR INDONESIA(YIH YOU)	Production and sales of sports and leisure shoes	60%	60%	-	Note 2
PORTRICH	PT. YIH YOU FOOTWEAR INDONESIA(YIH YOU)	Production and sales of sports and leisure shoes	40%	40%	-	Note 2

Note 1: LAC TY was included as a consolidated subsidiary as its directors were the same as the Company, key management personnel were all assigned by the Group and brand key technical services were all controlled by the Group.

Note 2: PORTRICH TRADING LIMITED and OVERSEA FAITH CO., LTD. jointly held 100% of share in PT. YIH YOU FOOTWEAR INDONESIA.

Note 3: In order to meet the Group's long-term development plans and to continuously integrate the resources, the Company liquidated BRILLIANT METERO LIMITED in accordance with the relevant local regulations on July 4, 2025.

Note 4: In May 2025, EVERYIELD CO., LTD. increased its capital in PT ALNU SPORTING GOODS INDONESIA. EVERYIELD CO., LTD. held 66.21% of share in PT ALNU SPORTING GOODS INDONESIA after the capital increase.

Note 5: JUMBO POWER was included as a consolidated subsidiary as its executives of its main business activities, investment holding and sales of sports and leisure shoes, were all assigned by the Group and brand key technical services were all controlled by the Group. However, since September 2024, Jumbo Power has changed its main business activities to investment holding and non-residential premises lease. As the Group was no longer in charge of the relevant business activities, the Group lost control over Jumbo Power. Therefore, Jumbo Power was no longer included in the consolidated financial statements and was transferred to investments accounted for using equity method from the date when the control was lost.

- C. Subsidiaries not included in the consolidated financial statements: None.
- D. Adjustments for subsidiaries with different balance sheet dates: None.
- E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group:

As of September 30, 2025, December 31, 2024 and September 30, 2024, the non-controlling interest amounted to \$922,961, \$929,140 and \$835,956, respectively. The information of non-controlling interest and respective subsidiaries is as follows:

Name of subsidiary	Principal place of business	Non-controlling interest			
		September 30, 2025		December 31, 2024	
		Amount	Ownership (%)	Amount	Ownership (%)
VINH LONG FOOTWEAR CO., LTD	Vietnam	\$ 697,775	15%	\$ 777,526	15%

Name of subsidiary	Principal place of business	Non-controlling interest	
		September 30, 2024	
		Amount	Ownership (%)
VINH LONG FOOTWEAR CO., LTD	Vietnam	\$ 736,717	15%

Summarised financial information of the subsidiaries:

Balance sheets

	VINH LONG FOOTWEAR CO., LTD		
	September 30, 2025	December 31, 2024	September 30, 2024
Current assets	\$ 3,991,893	\$ 4,348,799	\$ 3,997,367
Non-current assets	1,613,108	1,928,710	1,957,898
Current liabilities	(928,095)	(1,061,108)	(1,011,009)
Non-current liabilities	(25,072)	(32,897)	(32,809)
Total net assets	\$ 4,651,834	\$ 5,183,504	\$ 4,911,447

Statements of comprehensive income

	VINH LONG FOOTWEAR CO., LTD	
	Three months ended September 30	
	2025	2024
Revenue	\$ 2,512,649	\$ 3,446,884
Profit before income tax	186,562	249,200
Income tax expense	(32,144)	(53,475)
Profit for the period	154,418	195,725
Total comprehensive income for the period	\$ 154,418	\$ 195,725
Comprehensive income attributable to non-controlling interest	\$ 23,163	\$ 29,358

VINH LONG FOOTWEAR CO., LTD		
Nine months ended September 30		
	2025	2024
Revenue	\$ 8,347,605	\$ 9,954,670
Profit before income tax	392,093	1,166,407
Income tax expense	(86,881)	(238,118)
Profit for the period	305,212	928,289
Total comprehensive income for the period	\$ 305,212	\$ 928,289
Comprehensive income attributable to non-controlling interest	\$ 45,782	\$ 139,243

Statements of cash flows

VINH LONG FOOTWEAR CO., LTD		
Nine months ended September 30		
	2025	2024
Net cash provided by operating activities	\$ 440,776	\$ 662,694
Net cash used in investing activities	(127,906)	(167,004)
Net cash used in financing activities	(305,296)	(490,772)
Effect of exchange rates on cash and cash equivalents	(1,167)	62
Increase in cash and cash equivalents	6,407	4,980
Cash and cash equivalents, beginning of period	8,444	3,132
Cash and cash equivalents, end of period	\$ 14,851	\$ 8,112

(4) Classification of current and non-current items

- A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
- (a) Assets that are expected to be realised, or are intended to be sold or consumed in the normal operating cycle;
 - (b) Assets that are held primarily for the purpose of trading;
 - (c) Assets that are expected to be realised within twelve months after the reporting period;
 - (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities for at least twelve months after the reporting period.
- B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
- (a) Liabilities that are expected to be settled in the normal operating cycle;
 - (b) Liabilities that are held primarily for the purpose of trading ;
 - (c) Liabilities that are due to be settled within twelve months after the reporting period;

(d) It does not have the right at the end of the reporting period to defer settlement of the liability at least twelve months after the reporting period.

(5) Leasing arrangements (lessee) – right-of-use assets/ lease liabilities

For lease modifications that decrease the scope of the lease, the lessee shall decrease the carrying amount of the right-of-use asset and remeasure the lease liability to reflect the partial or full termination of the lease, and recognise the difference in profit or loss. For all other lease modifications, the lessee shall remeasure the lease liability and adjust the right-of-use asset, correspondingly.

(6) Income tax

- A. The interim period income tax expense is recognized based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.
- B. If a change in tax rate is enacted or substantively enacted in an interim period, the Group recognized the effect of the change immediately in the interim period in which the change occurs. The effect of the change on items recognized outside profit or loss is recognized in other comprehensive income or equity while the effect of the change on items recognized in profit or loss is recognized in profit or loss.

5. Critical Accounting Judgements, Estimates and Key Sources of Assumption Uncertainty

There have been no significant changes as of September 30, 2025. Please refer to Note 5 in the consolidated financial statements for the year ended December 31, 2024.

6. Details of Significant Accounts

(1) Cash and cash equivalents

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Cash on hand and revolving funds	\$ 4,812	\$ 5,354	\$ 7,413
Checking accounts and demand deposits	4,290,657	3,671,185	3,489,224
Time deposits	-	289,495	-
	<u>\$ 4,295,469</u>	<u>\$ 3,966,034</u>	<u>\$ 3,496,637</u>

- A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.
- B. The Group classified the time deposits with maturity over three months that did not meet short-term cash commitments and be pledged to others as collateral amounting to \$18,969, \$19,052 and \$19,648 on September 30, 2025, December 31, 2024 and September 30, 2024, respectively, as financial assets at amortised cost.

(2) Financial assets at amortised cost

Items	September 30, 2025	December 31, 2024	September 30, 2024
Current items:			
Restricted time deposits	\$ 2,278	\$ 1,443	\$ 2,650
Time deposits with maturity over three months	2,065	2,303	2,294
	\$ 4,343	\$ 3,746	\$ 4,944
Non-current items:			
Restricted time deposits	\$ 14,626	\$ 15,306	\$ 14,704
Time deposits with maturity over one year	-	-	-
	\$ 14,626	\$ 15,306	\$ 14,704

A. Amounts recognised in profit or loss in relation to financial assets at amortised cost are listed below:

	Three months ended September 30	
	2025	2024
Interest income	\$ 123	\$ 544

	Nine months ended September 30	
	2025	2024
Interest income	\$ 355	\$ 1,454

B. As at September 30, 2025, December 31, 2024 and September 30, 2024, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortised cost held by the Group was the carrying amount of financial assets at amortised cost.

C. Details of the Group's financial assets at amortised cost pledged to others as collateral are provided in Note 8.

D. Information relating to credit risk of financial assets at amortised cost is provided in Note 12(2). The counterparties of the Group's investments in certificates of deposit are financial institutions with high credit quality, so the Group expects that the probability of counterparty default is remote.

(3) Notes and accounts receivable

	September 30, 2025	December 31, 2024	September 30, 2024
Accounts receivable	\$ 5,261,370	\$ 7,444,516	\$ 5,373,948
Less: Allowance for uncollectible accounts	(1,623)	(18,219)	(5,287)
	\$ 5,259,747	\$ 7,426,297	\$ 5,368,661

A. The ageing analysis of accounts receivable that were past due but not impaired is as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Not past due	\$ 5,243,771	\$ 7,380,017	\$ 5,340,344
Up to 30 days	16,879	54,335	31,154
31 to 90 days	4	8,458	654
Over 91 days	716	1,706	1,796
	<u>\$ 5,261,370</u>	<u>\$ 7,444,516</u>	<u>\$ 5,373,948</u>

The above ageing analysis was based on past due date.

B. As of September 30, 2025, December 31, 2024 and September 30, 2024, accounts receivable were all from contracts with customers. And as of January 1, 2024, the balance of receivables from contracts with customers amounted to \$3,483,993.

C. As at September 30, 2025, December 31, 2024 and September 30, 2024, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's accounts receivable was the carrying amount of the accounts receivable.

D. Information relating to credit risk of accounts receivable is provided in Note 12(2).

(4) Inventories

	September 30, 2025		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 1,329,865	(\$ 58,761)	\$ 1,271,104
Work in progress	1,767,166	-	1,767,166
Finished goods	3,054,496	(22,106)	3,032,390
Inventory in transit	128,245	-	128,245
	<u>\$ 6,279,772</u>	<u>(\$ 80,867)</u>	<u>\$ 6,198,905</u>
	December 31, 2024		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 1,395,408	(\$ 37,451)	\$ 1,357,957
Work in progress	1,655,620	-	1,655,620
Finished goods	2,939,171	(37,420)	2,901,751
Inventory in transit	84,401	-	84,401
	<u>\$ 6,074,600</u>	<u>(\$ 74,871)</u>	<u>\$ 5,999,729</u>

	September 30, 2024		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 1,449,192	(\$ 67,532)	\$ 1,381,660
Work in progress	1,758,672	-	1,758,672
Finished goods	2,743,618	(38,866)	2,704,752
Inventory in transit	110,500	-	110,500
	<u>\$ 6,061,982</u>	<u>(\$ 106,398)</u>	<u>\$ 5,955,584</u>

The cost of inventories recognised as expense for the period:

	Three months ended September 30	
	2025	2024
Cost of goods sold	\$ 6,840,966	\$ 7,396,006
Loss on decline in market value	14,789	322
Loss on scrapping inventories	3,343	193
Revenue from sale of scraps	(3,282)	(3,027)
	<u>\$ 6,855,816</u>	<u>\$ 7,393,494</u>
	Nine months ended September 30	
	2025	2024
Cost of goods sold	\$ 24,334,606	\$ 21,427,308
Loss on (gain on reversal of) decline in market value	13,956	(40,157)
Loss on scrapping inventories	10,626	17,189
Revenue from sale of scraps	(11,263)	(9,342)
	<u>\$ 24,347,925</u>	<u>\$ 21,394,998</u>

The gain on reversal of decline in market value was because of the increase in the net realisable value of certain inventories, which had been written down due to loss of valuation inventories, that were sold and accounted for as reductions of cost of goods sold.

(5) Other current assets

	September 30, 2025	December 31, 2024	September 30, 2024
Excess business tax paid (or Net Input VAT)	\$ 2,158,151	\$ 2,093,478	\$ 2,168,498
Prepaid expenses	231,682	248,613	212,051
Prepayments to suppliers	97,107	6,879	45,549
Others	59,256	43,976	62,922
	<u>\$ 2,546,196</u>	<u>\$ 2,392,946</u>	<u>\$ 2,489,020</u>

(6) Property, plant and equipment

Nine months ended September 30, 2025

Cost	Beginning balance	Addition	Decrease	Transfer	Net exchange differences	Ending balance
Lands	\$ -	\$ 268,281	\$ -	\$ -	(\$ 7,537)	\$ 260,744
Buildings and structures	11,307,566	39,316	(105,768)	211,196	(1,052,550)	10,399,760
Machinery and equipment	7,263,776	302,195	(57,293)	136,217	(741,077)	6,903,818
Transportation equipment	98,687	9,217	(217)	95	(10,229)	97,553
Office equipment	168,315	11,481	(1,490)	(7,329)	(17,142)	153,835
Miscellaneous equipment	1,076,146	109,344	(245,791)	12,720	(94,460)	857,959
Unfinished construction and equipment under acceptance	609,501	319,564	(4,047)	(281,803)	(62,325)	580,890
	20,523,991	\$ 1,059,398	(\$ 414,606)	\$ 71,096	(\$ 1,985,320)	19,254,559
<u>Accumulated depreciation</u>						
Buildings and structures	(\$ 2,504,680)	(\$ 313,077)	\$ 39,265	\$ -	\$ 245,062	(\$ 2,533,430)
Machinery and equipment	(4,841,756)	(450,445)	52,191	(34)	502,521	(4,737,523)
Transportation equipment	(57,393)	(7,302)	217	-	6,083	(58,395)
Office equipment	(110,467)	(12,745)	936	966	11,733	(109,577)
Miscellaneous equipment	(711,546)	(150,577)	245,791	2,191	63,500	(550,641)
	(8,225,842)	(\$ 934,146)	\$ 338,400	\$ 3,123	\$ 828,899	(7,989,566)
Book value	\$ 12,298,149					\$ 11,264,993

Nine months ended September 30, 2024

Cost	Beginning balance	Addition	Decrease	Transfer	Net exchange differences	Effect from changes of consolidated entities	Ending balance
Buildings and structures	\$ 8,843,696	\$ 21,408	(\$ 9,983)	\$ 52,131	\$ 192,800	(\$ 422,130)	\$ 8,677,922
Machinery and equipment	6,722,065	565,970	(418,848)	101,052	141,533	(26,691)	7,085,081
Transportation equipment	86,544	9,323	(3,539)	-	1,691	-	94,019
Office equipment	142,569	15,112	(725)	616	2,997	-	160,569
Miscellaneous equipment	1,074,366	136,450	(241,961)	90,373	21,352	(1,811)	1,078,769
Unfinished construction and equipment under acceptance	2,126,301	793,203	-	(244,268)	125,298	-	2,800,534
	<u>18,995,541</u>	<u>\$ 1,541,466</u>	<u>(\$ 675,056)</u>	<u>(\$ 96)</u>	<u>\$ 485,671</u>	<u>(\$ 450,632)</u>	<u>19,896,894</u>
<u>Accumulated depreciation</u>							
Buildings and structures	(\$ 2,368,089)	(\$ 277,264)	\$ 9,983	\$ -	(\$ 55,416)	\$ 306,736	(\$ 2,384,050)
Machinery and equipment	(4,730,929)	(484,852)	298,167	-	(86,436)	24,022	(4,980,028)
Transportation equipment	(49,649)	(7,012)	2,796	-	(880)	-	(54,745)
Office equipment	(89,193)	(14,539)	645	1	(1,543)	-	(104,629)
Miscellaneous equipment	(757,526)	(186,444)	238,601	13	(14,025)	1,301	(718,080)
	<u>(7,995,386)</u>	<u>(\$ 970,111)</u>	<u>\$ 550,192</u>	<u>\$ 14</u>	<u>(\$ 158,300)</u>	<u>\$ 332,059</u>	<u>(8,241,532)</u>
Book value	<u>\$ 11,000,155</u>						<u>\$ 11,655,362</u>

- A. The significant components of buildings include fire safety equipment, building decoration and electrical & plumbing equipment, which are depreciated over 6 years, 7 years and 8 years, respectively.
- B. Information about the property, plant and equipment that were pledged to others as collaterals is provided in Note 8.
- C. Property, plant and equipment mentioned above are all for self-use.

(7) Lease transactions - lessee

- A. The Group leases various assets including land, buildings and transportation equipment. Rental contracts are typically made for periods of 3 to 50 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.
- B. The underlying assets of short-term leases leased by the group are employee dormitories and factory building. Low-value assets comprise printers.
- C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>	<u>Carrying amount</u>
Land	\$ 811,109	\$ 910,065	\$ 911,104
Buildings	250,035	284,526	298,350
Transportation equipment	3,518	5,830	7,361
	<u>\$ 1,064,662</u>	<u>\$ 1,200,421</u>	<u>\$ 1,216,815</u>

	<u>Three months ended September 30</u>	
	<u>2025</u>	<u>2024</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 4,820	\$ 5,672
Buildings	11,413	16,588
Transportation equipment	1,391	1,531
	<u>\$ 17,624</u>	<u>\$ 23,791</u>

	<u>Nine months ended September 30</u>	
	<u>2025</u>	<u>2024</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 15,241	\$ 17,169
Buildings	41,150	45,058
Transportation equipment	4,454	5,003
	<u>\$ 60,845</u>	<u>\$ 67,230</u>

- D. For the nine months ended September 30, 2025 and 2024, the additions to right-of-use assets were \$34,638 and \$53,975, respectively.

E. The information on profit and loss accounts relating to lease contracts is as follows:

	Three months ended September 30	
	2025	2024
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 2,269	\$ 3,609
Expense on short-term lease contracts	\$ 971	\$ 4,385
<u>Nine months ended September 30</u>		
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 6,945	\$ 7,955
Expense on short-term lease contracts	\$ 4,188	\$ 9,257

F. For the nine months ended September 30, 2025 and 2024, the Group's total cash outflow for leases were \$52,696 and \$52,029, respectively.

G. Information about the right-of-use assets that were pledged to others as collaterals is provided in Note 8.

(8) Short-term borrowings

Type of borrowings	September 30, 2025	Interest rate range	Collateral
Bank borrowings			
Secured borrowings	\$ 221,541	4.90%	Land use right and property, plant and equipment
Unsecured borrowings	3,105,390	4.54%~4.82%	None
	<u>\$ 3,326,931</u>		
Type of borrowings	December 31, 2024	Interest rate range	Collateral
Bank borrowings			
Secured borrowings	\$ 1,123,853	5.30%~5.55%	Land use right and property, plant and equipment
Unsecured borrowings	2,187,943	4.43%~5.53%	None
	<u>\$ 3,311,796</u>		
Type of borrowings	September 30, 2024	Interest rate range	Collateral
Bank borrowings			
Secured borrowings	\$ 790,120	5.05%~5.90%	Land use right and property, plant and equipment
Unsecured borrowings	1,493,424	4.50%~5.95%	None
	<u>\$ 2,283,544</u>		

Interest expense recognised in profit or loss amounted to \$31,469, \$31,283, \$112,903 and \$135,634, for the three months and nine months ended September 30, 2025 and 2024, respectively.

(9) Other payables

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Payable on wages, salaries and bonuses	\$ 1,083,611	\$ 1,161,805	\$ 1,004,028
Payable on professional service fees	75,296	122,593	88,983
Payable on machinery and equipment	89,081	154,978	39,125
Payable on employees' compensation	59,490	99,438	68,009
Payable on directors' remuneration	35,694	59,663	40,805
Others	304,374	347,493	297,570
	<u>\$ 1,647,546</u>	<u>\$ 1,945,970</u>	<u>\$ 1,538,520</u>

(10) Pensions

- A. Effective July 1, 2005, the Group has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Group contributes monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The pension costs under defined contribution pension plans of the Group for the three months and nine months ended September 30, 2025 and 2024, were \$2,541, \$2,192, \$7,264 and \$6,418, respectively.
- B. The mainland China subsidiaries, BAOYI and ZHONGSHAN YIBO (transferred to investments accounted for using equity method since September 2024), have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People's Republic of China (PRC) are based on certain percentage of employees' monthly salaries and wages. Other than the monthly contributions, the Group has no further obligations. The amount that the Group contributed to the competent authority designated by the Government for the three months and nine months ended September 30, 2024 were \$96 and \$3,212, respectively, there was no such transaction for the three months and nine months ended September 30, 2025.
- C. The Group's subsidiaries, LAC TY, LAC TY II, TY XUAN, TY THAC, TY BACH and GRAND WISDOM, are subject to relevant regulations in Vietnam and contribute labor pension fund based on certain percentage of employees' monthly salaries and wages to relevant competent authority monthly according to the regulations in Vietnam. Other than the monthly contributions, the Group has no further obligations. The pension costs under defined contribution pension plans of the Group for the three months and nine months ended September 30, 2025 and 2024, were \$193,361, \$203,591, \$615,666 and \$559,050, respectively.

D. The Group's subsidiaries, YIH QUAN, YIHFULL, ALNU and YIH YOU, are subject to relevant regulations in Indonesia and contribute labor pension fund based on certain percentage of employees' monthly salaries and wages to relevant competent authority monthly according to the regulations in Indonesia. Other than the monthly contributions, the Group has no further obligations. The pension costs under defined contribution pension plans of the Group for the three months and nine months ended September 30, 2025 and 2024, were \$6,390, \$3,529, \$21,220 and \$6,677, respectively.

(11) Share-based payment

A. For the nine months ended September 30, 2024, the share-based payment arrangements of the Group's subsidiaries were as follows:

<u>Type of arrangement</u>	<u>Grant date</u>	<u>Quantity granted</u>	<u>Contract period</u>	<u>Vesting conditions</u>
Cash capital increase reserved for employee preemption	May 28, 2024	3,590 thousand shares	NA	Vested immediately

The above share-based payment arrangements are settled by equity.

B. The fair value of stock options granted on grant date is measured using the Black-Scholes option-pricing model. Relevant information is as follows:

<u>Type of arrangement</u>	<u>Grant date</u>	<u>Stock price</u>	<u>Exercise price</u>	<u>Expected price volatility (Note)</u>	<u>Expected option life</u>	<u>Risk-free interest rate</u>	<u>Fair value per unit</u>
Cash capital increase reserved for employee preemption	May 28, 2024	110.05	85	25.21%	0.0247 year	1.28%	25.08

Note: Expected price volatility rate was estimated by using the average of the annualised standard deviation by using the stock prices of comparable companies in the same industry during a certain period in previous year.

C. Expenses incurred on share-based payment transactions are shown below:

	<u>Nine months ended September 30</u>
	<u>2024</u>
Equity-settled	<u>\$ 90,037</u>

For the nine months ended September 30, 2025: None.

(12) Share capital

A. As of September 30, 2025, the Company's authorised capital was \$8,000,000, consisting of 800,000 thousand shares of ordinary stock, and the paid-in capital was \$2,494,000 with a par value of NT\$10 (in dollars) per share. All proceeds from shares issued have been collected.

	2025	2024
At January 1	249,400	220,000
Cash capital increase	-	29,400
At September 30	249,400	249,400

B. The Board of Directors during its meeting on March 12, 2024 adopted a resolution to increase the Company's capital by issuing 29,400 thousand ordinary shares with a par value of \$10 (in dollars) per share with the effective date set on June 7, 2024.

(13) Capital surplus

A. Unless otherwise provided in the Companies Law of the Cayman Islands, listed companies' regulations, and the Company's Articles of Incorporation, neither the legal reserve nor the capital surplus shall be used except for offsetting the losses of the Company. The Company shall not use the capital surplus to offset its capital losses unless the legal reserve and special reserve set aside for purposes of loss offset is insufficient to offset such losses.

B. Subject to the Companies Law of the Cayman Islands, where the Company incurs no loss, it may, by a special resolution, distribute its statutory reserve, the share premium account and/or the income from endowments received by the Company, which are in the capital surplus which are available for distribution, in whole or in part, by issuing new, fully paid shares and/or by cash to its shareholders.

C. The shareholders resolved the appropriation of 2023 earnings on May 30, 2024. Cash dividends from capital surplus amounted to \$440,000 at \$2 (in dollars) per share. However, the Company increased its capital before selling the shares in the market on June 7, 2024. As a result, the outstanding amount of the Company's ordinary stocks increased and the distributed amount was adjusted to \$1.76 (in dollars) per share.

(14) Retained earnings

A. When the Company's shares are traded on any Taiwan Stock Exchange, under the Company's Articles of Incorporation, if there is current year's earnings, before distribution, the Company shall:

- (a) Pay all taxes;
- (b) Offset prior years' operating losses;
- (c) Set aside 10% of the remaining amount as legal reserve until the legal reserve equals the paid-in capital;
- (d) Set aside special reserve according to the regulations of the competent authority. The remainder is the distributable earnings for the period.

Dividends can be distributed from the distributable earnings for the period or the unappropriated retained earnings for the prior period.

- B. All directors are entitled to obtain year-end remuneration not higher than 2% of ‘profit of the current year’ only in the form of cash every year. All employees of the Company and its subsidiaries are entitled to obtain year-end compensation not lower than 2% of ‘profit of the current year’ in the form of cash, stocks or any combination of the two every year.
- C. The shareholders resolved the appropriation of 2024 and 2023 earnings on May 27, 2025 and May 30, 2024, respectively. Details are as follows :

	Year ended December 31			
	2024		2023	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	\$ 381,832		\$ -	
Cash dividends	2,244,600	\$ 9.00	660,000	\$ 3.00
	<u>\$ 2,626,432</u>		<u>\$ 660,000</u>	

However, the Company increased its capital before selling the shares in the market on June 7, 2024. As a result, the outstanding amount of the Company’s ordinary stocks increased and the distributed amount of 2023 was adjusted to \$2.65 (in dollars) per share.

(15) Operating revenue

	Three months ended September 30	
	2025	2024
Revenue from contracts with customers	<u>\$ 8,024,813</u>	<u>\$ 9,300,959</u>
	Nine months ended September 30	
	2025	2024
Revenue from contracts with customers	<u>\$ 29,027,393</u>	<u>\$ 26,838,277</u>

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of control at a point in time. Refer to Note 14(5) for relevant information.

B. Contract liabilities

The Group has recognised the following revenue-related contract liabilities:

	September 30, 2025	December 31, 2024	September 30, 2024	January 1, 2024
Contract liabilities:				
- Advance sales receipts	<u>\$ 51,162</u>	<u>\$ 109,061</u>	<u>\$ 47,418</u>	<u>\$ 58,452</u>

Revenue recognised that was included in the contract liability balance at the beginning of the period

	Three months ended September 30	
	2025	2024
Revenue recognised that was included in the contract liability balance at the beginning of the period		
- Advance sales receipts	\$ 47	\$ -
	Nine months ended September 30	
	2025	2024
Revenue recognised that was included in the contract liability balance at the beginning of the period		
- Advance sales receipts	\$ 108,850	\$ 58,452

(16) Interest income

	Three months ended September 30	
	2025	2024
Interest income from bank deposits	\$ 12,195	\$ 21,093
Interest income from financial assets measured at amortised cost	123	544
	\$ 12,318	\$ 21,637
	Nine months ended September 30	
	2025	2024
Interest income from bank deposits	\$ 46,668	\$ 80,980
Interest income from financial assets measured at amortised cost	355	1,454
	\$ 47,023	\$ 82,434

(17) Other gains and losses

	Three months ended September 30	
	2025	2024
Foreign exchange gains (loss)	\$ 128,676	(\$ 17,536)
(Loss) gains on disposals of property, plant and equipment	(18,241)	3,539
Other gains and losses	(956)	(8,940)
	\$ 109,479	(\$ 22,937)

	Nine months ended September 30	
	2025	2024
Foreign exchange gains	\$ 462,245	\$ 301,653
(Loss) gains on disposals of property, plant and equipment	(17,324)	1,602
Other gains and losses	(113,316)	(19,491)
	<u>\$ 331,605</u>	<u>\$ 283,764</u>

(18) Finance costs

	Three months ended September 30	
	2025	2024
Interest expense		
Bank borrowings	\$ 31,469	\$ 31,283
Lease liabilities	2,269	3,609
	<u>\$ 33,738</u>	<u>\$ 34,892</u>
	Nine months ended September 30	
	2025	2024
Interest expense		
Bank borrowings	\$ 112,903	\$ 135,634
Lease liabilities	6,945	7,955
	<u>\$ 119,848</u>	<u>\$ 143,589</u>

(19) Expenses by nature

	Three months ended September 30	
	2025	2024
Employee benefit expense		
Wages and salaries	\$ 1,996,526	\$ 1,866,725
Labour and health insurance fees	53,763	55,035
Pension costs	202,292	209,408
Other personnel expenses	109,346	105,742
	<u>\$ 2,361,927</u>	<u>\$ 2,236,910</u>
Depreciation charges on property, plant and equipment	<u>\$ 298,635</u>	<u>\$ 318,000</u>
Depreciation charges on right-of-use assets	<u>\$ 17,624</u>	<u>\$ 23,791</u>
Amortisation charges	<u>\$ 2,557</u>	<u>\$ 1,785</u>

	Nine months ended September 30	
	2025	2024
Employee benefit expense		
Wages and salaries	\$ 6,420,776	\$ 5,623,258
Labour and health insurance fees	171,768	147,752
Pension costs	644,150	575,357
Other personnel expenses	351,212	290,630
	<u>\$ 7,587,906</u>	<u>\$ 6,636,997</u>
Depreciation charges on property, plant and equipment	<u>\$ 934,146</u>	<u>\$ 970,111</u>
Depreciation charges on right-of-use assets	<u>\$ 60,845</u>	<u>\$ 67,230</u>
Amortisation charges	<u>\$ 7,230</u>	<u>\$ 4,654</u>

- A. For the three months and nine months ended September 30, 2025 and 2024, employees' compensation were accrued at \$13,266, \$20,783, \$59,490 and \$68,009, respectively; directors' remuneration were accrued at \$7,959, \$12,469, \$35,694 and \$40,805, respectively. The aforementioned amounts were recognised in salary expenses.
- B. The employees' compensation and directors' remuneration were estimated and accrued based on 2.5% and 1.5% of distributable profit of current period for the nine months ended September 30, 2025 and 2024, respectively.
- C. Employees' compensation and directors' remuneration for 2024 as resolved at the meeting of the Board of Directors were in agreement with those amounts recognised in the 2024 financial statements.
- D. Information about employees' compensation and directors' remuneration of the Company as resolved at the meeting of Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(20) Income tax

A. Income tax expense

Components of income tax expense:

	Three months ended September 30	
	2025	2024
Current tax:		
Current tax on profits for the period	\$ 128,666	\$ 262,712
Prior year income tax (over) underestimation	(14)	11,273
Total current tax	<u>128,652</u>	<u>273,985</u>
Deferred tax:		
Origination and reversal of temporary differences	\$ 4,397	(\$ 5,501)
Total deferred tax	<u>4,397</u>	<u>(5,501)</u>
Income tax expense	<u>\$ 133,049</u>	<u>\$ 268,484</u>
	Nine months ended September 30	
	2025	2024
Current tax:		
Current tax on profits for the period	\$ 604,049	\$ 769,077
Prior year income tax underestimation	804	14,278
Total current tax	<u>604,853</u>	<u>783,355</u>
Deferred tax:		
Origination and reversal of temporary differences	\$ 271	(\$ 1,833)
Total deferred tax	<u>271</u>	<u>(1,833)</u>
Income tax expense	<u>\$ 605,124</u>	<u>\$ 781,522</u>

B. The income tax returns of (SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH through 2023 have been assessed and approved by the Tax Authority.

(21) Earnings per share

	<u>Three months ended September 30, 2025</u>		
	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (share in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to the parent	<u>\$ 509,420</u>	<u>249,400</u>	<u>\$ 2.04</u>
<u>Diluted earnings per share</u>			
Profit attributable to the parent	509,420	249,400	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	<u>-</u>	<u>61</u>	
Profit attributable to the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 509,420</u>	<u>249,461</u>	<u>\$ 2.04</u>
		<u>Three months ended September 30, 2024</u>	
	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (share in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to the parent	<u>\$ 797,950</u>	<u>249,400</u>	<u>\$ 3.20</u>
<u>Diluted earnings per share</u>			
Profit attributable to the parent	797,950	249,400	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	<u>-</u>	<u>59</u>	
Profit attributable to the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 797,950</u>	<u>249,459</u>	<u>\$ 3.20</u>

	Nine months ended September 30, 2025		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to the parent	\$ 2,284,430	249,400	\$ 9.16
<u>Diluted earnings per share</u>			
Profit attributable to the parent	2,284,430	249,400	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	333	
Profit attributable to the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 2,284,430	249,733	\$ 9.15
	Nine months ended September 30, 2024		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to the parent	\$ 2,611,433	232,447	\$ 11.23
<u>Diluted earnings per share</u>			
Profit attributable to the parent	2,611,433	232,447	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	195	
Profit attributable to the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 2,611,433	232,642	\$ 11.23

The number of weighted-average outstanding shares is included for assumed conversion of all dilutive potential ordinary shares at the calculation of diluted earnings per share, based on the assumption that employees' compensation will be all distributed in the form of shares during this year.

(22) Supplemental cash flow information

Investing activities with partial cash payments:

	Nine months ended September 30	
	2025	2024
Purchase of property, plant and equipment	\$ 1,133,617	\$ 1,541,384
Add: Opening balance of payable on equipment	154,978	57,553
Add: Ending balance of prepayments for equipment	13,719	42,683
Less: Ending balance of payable on equipment	(83,105)	(39,125)
Less: Opening balance of prepayments for equipment	(159,377)	(17,178)
Add: Property, plant and equipment transferred to expense	-	26
Add: Property, plant and equipment transferred to current assets	-	56
Cash paid during the period	<u>\$ 1,059,832</u>	<u>\$ 1,585,399</u>

	Nine months ended September 30	
	2025	2024
Purchase of intangible assets	\$ 14,251	\$ 6,406
Add: Ending balance of prepayments	1,639	5,050
Less: Ending balance of payables	(5,976)	-
Less: Opening balance of prepayments	(4,424)	(3,353)
Cash paid during the period	<u>\$ 5,490</u>	<u>\$ 8,103</u>

(23) Changes in liabilities from financing activities

	Short-term borrowings	Guarantee deposits received	Lease liabilities	Payable on dividends	Liabilities from financing activities-gross
At January 1, 2025	\$ 3,311,796	\$ -	\$ 444,938	\$ -	\$ 3,756,734
Changes in cash flow from financing activities	285,337	-	(41,563)	(2,244,600)	(2,000,826)
Impact of changes in foreign exchange rate	(270,202)	-	(36,708)	-	(306,910)
Changes in other non-cash items	-	-	34,533	2,244,600	2,279,133
At September 30, 2025	<u>\$ 3,326,931</u>	<u>\$ -</u>	<u>\$ 401,200</u>	<u>\$ -</u>	<u>\$ 3,728,131</u>

	Short-term borrowings	Guarantee deposits received	Lease liabilities	Payable on dividends	Liabilities from financing activities-gross
At January 1, 2024	\$ 3,759,856	\$ 22	\$ 426,845	\$ -	\$ 4,186,723
Changes in cash flow from financing activities	(1,583,712)	(22)	(34,817)	(1,100,000)	(2,718,551)
Impact of changes in foreign exchange rate	107,400	-	13,638	-	121,038
Changes in other non-cash items	-	-	47,981	1,100,000	1,147,981
At September 30, 2024	<u>\$ 2,283,544</u>	<u>\$ -</u>	<u>\$ 453,647</u>	<u>\$ -</u>	<u>\$ 2,737,191</u>

7. Related Party Transactions

(1) Names of related parties and relationship

Names of related parties	Relationship with the Group
VINH TY COMPANY LIMITED (VINH TY)	Associate (associate accounted for using the equity method of the Company)
ZHUO YIH FOOTWEAR CO., LTD (ZHUO YIH)	Other related party (representative of the entity is the same as the Company's)
TIENHUNG CO., LTD (TIENHUNG)	Other related party (related party of the Company's subsidiary)
AN LAC COMPANY LTD (AN LAC)	Other related party (related party of the Company's subsidiary)
PRIME ASIA LEATHER CORPORATION (PRIME ASIA)	Other related party (related party of the Company's subsidiary) (Note)
CHUNG TE LI	Key management personnel of the Group (Chairman of the Group)
LIN CHANG YUNG	Key management personnel of the Group (Director of the Group)

Note: The Group lost its control over Jumbo Power starting from September 2024. Accordingly, Jumbo Power's related parties were no longer the Group's related parties since the date when the control was lost.

(2) Significant related party transactions

A. Purchases

	Three months ended September 30	
	2025	2024
Purchases of goods:		
Other related parties	\$ -	\$ 110,309
Associate	-	6,551
	<u>-</u>	<u>116,860</u>
Purchases of services:		
Other related parties	\$ 4,334	\$ 4,330
	<u>4,334</u>	<u>4,330</u>
	<u>\$ 4,334</u>	<u>\$ 121,190</u>
	Nine months ended September 30	
Purchases of goods:		
Other related parties	\$ -	\$ 541,044
Associate	-	6,551
	<u>-</u>	<u>547,595</u>
Purchases of services:		
Other related parties	\$ 16,487	\$ 17,640
	<u>16,487</u>	<u>17,640</u>
	<u>\$ 16,487</u>	<u>\$ 565,235</u>

(a) Raw materials are purchased based on the price lists in force and terms that would be available to third parties. The payment terms are 45 days after monthly billings.

(b) Processing is purchased based on the price lists in force and terms that would be available to third parties. The payment terms are 30 days after monthly billings.

B. Payables to related parties

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Accounts payable:			
Other related parties	\$ 1,196	\$ 1,750	\$ 546
Associate	<u>6,383</u>	<u>7,118</u>	<u>7,091</u>
	<u>\$ 7,579</u>	<u>\$ 8,868</u>	<u>\$ 7,637</u>

Accounts payable arise mainly from purchase transactions.

C. Lease transactions - lessee

(a) The Group leases buildings from AN LAC. Rental contracts are made for periods from 2018 to 2030, 2021 to 2030, and 2024 to 2027, respectively. Rents are paid in a lump sum, monthly and monthly at commencement of the contracts, respectively.

(b) The Group leases buildings from ZHUO YIH. Rental contracts are made for a period from 2024 to 2028. Rents are paid monthly at commencement of the contracts. Rents will be adjusted with the increases of price indexes starting from 2025. Thus, the amount of the remeasurement of the lease liability shall be recognised as an adjustment to the right-of-use asset.

(c) Acquisition of right-of-use assets

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
AN LAC	\$ -	\$ 4,389	\$ 4,389
ZHUO YIH	2,626	34,179	34,179
	<u>\$ 2,626</u>	<u>\$ 38,568</u>	<u>\$ 38,568</u>

(d) Lease liabilities

i. Outstanding balance

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
AN LAC	\$ 68,324	\$ 88,566	\$ 98,768
ZHUO YIH	25,297	28,178	29,714
	<u>\$ 93,621</u>	<u>\$ 116,744</u>	<u>\$ 128,482</u>

ii. Interest expense

	<u>Three months ended September 30</u>	
	<u>2025</u>	<u>2024</u>
AN LAC	\$ 672	\$ 348
ZHUO YIH	193	486
	<u>\$ 865</u>	<u>\$ 834</u>

	<u>Nine months ended September 30</u>	
	<u>2025</u>	<u>2024</u>
AN LAC	\$ 2,258	\$ 1,041
ZHUO YIH	618	1,529
	<u>\$ 2,876</u>	<u>\$ 2,570</u>

D. Endorsements and guarantees provided to related parties

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
CHUNG TE LI/ LIN CHANG YUNG	<u>\$ 3,326,931</u>	<u>\$ 3,311,931</u>	<u>\$ 2,283,544</u>

The Chairman and directors of the Company serve as the guarantors for the borrowings contracts of the Company with CTBC Bank, E.SUN Commercial Bank, Fubon Commercial Bank and Cathay United Bank.

(3) Key management compensation

	Three months ended September 30	
	2025	2024
Short-term employee benefits	\$ 17,835	\$ 36,376
Post-employment benefits	153	160
	<u>\$ 17,988</u>	<u>\$ 36,536</u>
	Nine months ended September 30	
	2025	2024
Short-term employee benefits	\$ 50,072	\$ 77,792
Post-employment benefits	465	479
	<u>\$ 50,537</u>	<u>\$ 78,271</u>

8. Pledged Assets

The Group's assets pledged as collateral are as follows:

Pledged asset	Book value			Purpose
	September 30, 2025	December 31, 2024	September 30, 2024	
Time deposits (shown as financial assets at amortised cost)	\$ 16,904	\$ 16,749	\$ 17,354	Performance guarantee
Right-of-use assets	180,631	206,176	206,975	Short-term borrowings
Property, plant and equipment	901,698	1,044,032	768,793	Short-term borrowings
	<u>\$ 1,099,233</u>	<u>\$ 1,266,957</u>	<u>\$ 993,122</u>	

9. Significant Contingent Liabilities and Unrecognised Contract Commitments

(1) Contingencies

None.

(2) Commitments

Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Property, plant and equipment	\$ 150,539	\$ 477,040	\$ 325,998
Intangible assets	382	3,129	278
	<u>\$ 150,921</u>	<u>\$ 480,169</u>	<u>\$ 326,276</u>

10. Significant Disaster Loss

None.

11. Significant Events after the Balance Sheet Date

A. On October 3, 2025, the Company's Board of Directors approved the issuance of the first domestic unsecured convertible bonds. The maximum issuance of bonds totaled 45,000 bonds, with a face value of \$100 per share. The issuance period is three years, with a coupon rate of 0%. The first domestic unsecured convertible bonds are issued at 100%~101% of the face value and publicly offered through a book-building process. Total face value of issuance is no higher than \$4,545,000. Upon the approval from the competent authority for the issuance of convertible bonds, the Chairman was authorised to set the issuance date, and the Company would apply for the stock listing with the Taipei Exchange.

B. On October 3, 2025, the Company's Board of Directors approved the issuance of the second domestic unsecured convertible bonds. The maximum issuance of bonds totaled 5,000 bonds, with a face value of \$100 per share. The issuance period is three years, with a coupon rate of 0%. The convertible bonds would be issued by competitive bidding under public underwriting, with the reserve price set at no less than 101% of the par value. The actual issuance amount was determined by the result of a competitive auction. Upon the approval from the competent authority for the issuance of convertible bonds, the Chairman was authorised to set the issuance date, and the Company would apply for the stock listing with the Taipei Exchange.

12. Others

(1) Capital management

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

The Group monitors capital by reviewing the debt ratios periodically. The debt ratios at September 30, 2025, December 31, 2024 and September 30, 2024 were as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Total liabilities	<u>\$ 8,157,269</u>	<u>\$ 8,767,817</u>	<u>\$ 6,950,750</u>
Total assets	<u>\$ 31,262,112</u>	<u>\$ 34,097,093</u>	<u>\$ 30,866,464</u>
Debt ratio	<u>26%</u>	<u>26%</u>	<u>23%</u>

(2) Financial instruments

A. Financial instruments by category

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
<u>Financial assets</u>			
Financial assets at amortised cost			
Cash and cash equivalents	\$ 4,295,469	\$ 3,966,034	\$ 3,496,637
Financial assets at amortised cost	18,969	19,052	19,648
Accounts receivable	5,259,747	7,426,297	5,368,661
Other receivables	8,842	21,911	20,894
Guarantee deposits paid	34,875	40,620	68,251
	<u>\$ 9,617,902</u>	<u>\$ 11,473,914</u>	<u>\$ 8,974,091</u>
<u>Financial liabilities</u>			
Financial liabilities at amortised cost			
Short-term borrowings	\$ 3,326,931	\$ 3,311,796	\$ 2,283,544
Notes payable	11	6	7
Accounts payable (including related parties)	2,294,508	2,138,523	2,054,635
Other accounts payable	1,647,546	1,945,970	1,538,520
	<u>\$ 7,268,996</u>	<u>\$ 7,396,295</u>	<u>\$ 5,876,706</u>
Lease liability	<u>\$ 401,200</u>	<u>\$ 444,938</u>	<u>\$ 453,647</u>

B. Financial risk management policies

- (a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.
- (b) Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The Group operates internationally and is exposed to exchange rate risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD, VND and IDR. Foreign exchange rate risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.
- ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Group treasury. Exchange rate risk is measured through a forecast of highly probable USD and VND expenditures. Natural hedges are adopted by group companies to minimise the foreign exchange risk exposure with the Group treasury.
- iii. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: USD, NTD, VND, RMB and IDR). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

September 30, 2025				
Foreign currency amount				
(in thousands)				
(Foreign currency: functional currency)		Exchange rate		Book value (NTD)
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	\$ 285,833	30.45	\$	8,702,177
USD:VND	184,752	26,279		5,624,765
USD:IDR	44,499	16,447		1,354,760
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	\$ 245,391	30.45	\$	7,470,915
USD:VND	59,772	26,279		1,819,768
USD:IDR	51,437	16,447		1,565,987

December 31, 2024

	Foreign currency		
	amount		
	(in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 312,080	32.79	\$ 10,231,530
USD:VND	201,582	25,376	6,608,853
USD:IDR	16,286	16,155	533,934
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	\$ 233,764	32.79	\$ 7,663,962
USD:VND	100,621	25,376	3,298,858
USD:IDR	24,301	16,155	796,704

September 30, 2024

	Foreign currency		
	amount		
	(in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 268,494	31.65	\$ 8,497,843
USD:VND	160,928	24,590	5,093,373
USD:IDR	12,707	15,071	402,161
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	\$ 222,501	31.65	\$ 7,042,157
USD:VND	73,139	24,590	2,314,860
USD:IDR	10,510	15,071	332,633

- iv. The total exchange gain and losses, including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group for the three months and nine months ended September 30, 2025 and 2024, amounted to \$128,676, (\$17,536), \$462,245 and \$301,653, respectively.
- v. Analysis of foreign currency market risk arising from significant foreign exchange variation:

Nine months ended September 30, 2025				
Sensitivity analysis				
	Degree of variation		Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
	5%	\$	435,109	\$ -
USD:NTD				
USD:VND	5%		281,238	-
USD:IDR	5%		67,738	-
<u>Financial liabilities</u>				
<u>Monetary items</u>				
	5%	\$	373,546	\$ -
USD:NTD				
USD:VND	5%		90,988	-
USD:IDR	5%		78,299	-

Nine months ended September 30, 2024				
Sensitivity analysis				
	Degree of variation		Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
	5%	\$	424,892	\$ -
USD:NTD				
USD:VND	5%		254,669	-
USD:IDR	5%		20,108	-
<u>Financial liabilities</u>				
<u>Monetary items</u>				
	5%	\$	352,108	\$ -
USD:NTD				
USD:VND	5%		115,743	-
USD:IDR	5%		16,632	-

Cash flow and fair value interest rate risk

- i. The Group's main interest rate risk arises from short-term borrowings and long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. During the nine months ended September 30, 2025 and 2024, the Group's borrowings at variable rate were mainly denominated in New Taiwan dollars and US dollars.

ii. If the borrowing interest rate had increased/decreased by 1% with all other variables held constant, profit, net of tax for the nine months ended September 30, 2025 and 2024 would have increased/decreased by \$9,945 and \$16,067, respectively. The main factor is that changes in interest expense result in floating-rate borrowings.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.
- ii. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.
- iii. The Group adopts the assumptions under IFRS 9, the default occurs when the contract payments are past due over 90 days.
- iv. The Group adopts following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:
If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.
- v. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:
 - (i) It becomes probable that the issuer will enter bankruptcy or other financial reorganisation due to their financial difficulties;
 - (ii) The disappearance of an active market for that financial asset because of financial difficulties;
 - (iii) Default or delinquency in interest or principal repayments;
 - (iv) Adverse changes in national or regional economic conditions that are expected to cause a default.
- vi. The Group classifies customers' accounts receivable in accordance with credit rating of customer. The Group applies the modified approach using a provision matrix to estimate the expected credit loss.
- vii. The Group wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Group will continue executing the recourse procedures to secure their rights.
- viii. The Group used the forecastability to adjust historical and timely information to assess the

default possibility of accounts receivable. On September 30, 2025, December 31, 2024 and September 30, 2024, the provision matrix is as follows:

	Not past due	Up to 30 days past due	31~90 days past due	Over 91 days past due	Total
<u>September 30, 2025</u>					
Expected loss rate	0.0091%	2.53%	25.00%	100.00%	
Total book value	\$ 5,243,771	\$ 16,879	\$ 4	\$ 716	\$ 5,261,370
Loss allowance	\$ 479	\$ 427	\$ 1	\$ 716	\$ 1,623
<u>December 31, 2024</u>					
Expected loss rate	0.0479%	15.75%	52.25%	100.00%	
Total book value	\$ 7,380,017	\$ 54,335	\$ 8,458	\$ 1,706	\$ 7,444,516
Loss allowance	\$ 3,535	\$ 8,559	\$ 4,419	\$ 1,706	\$ 18,219
<u>September 30, 2024</u>					
Expected loss rate	0.0196%	7.00%	40.06%	100.00%	
Total book value	\$ 5,340,344	\$ 31,154	\$ 654	\$ 1,796	\$ 5,373,948
Loss allowance	\$ 1,047	\$ 2,182	\$ 262	\$ 1,796	\$ 5,287

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

	<u>2025</u>
	<u>Accounts receivable</u>
At January 1	\$ 18,219
Reversal of impairment loss	(16,596)
At September 30	<u>\$ 1,623</u>
	<u>2024</u>
	<u>Accounts receivable</u>
At January 1	\$ 1,223
Provision for impairment	4,064
At September 30	<u>\$ 5,287</u>

(c) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance and compliance with internal balance sheet ratio targets.
- ii. Group treasury invests surplus cash in interest bearing current accounts and time deposits, choosing instruments with appropriate maturities or sufficient liquidity to provide

sufficient head-room as determined by the above-mentioned forecasts.

iii. The Group has the following undrawn borrowing facilities:

Floating rate	September 30, 2025	December 31, 2024	September 30, 2024
Expiring within one year	\$ 5,563,009	\$ 5,188,547	\$ 5,692,256

iv. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 6 months	Between 6 months and 1 year	Between 1 and 2 year(s)	Between 2 and 5 years	Over 5 years
September 30, 2025					
<u>Non-derivative financial liabilities:</u>					
Short-term borrowings	\$ 3,341,218	\$ -	\$ -	\$ -	\$ -
Notes payable	11	-	-	-	-
Accounts payable (including related parties)	2,294,508	-	-	-	-
Other payables	1,647,546	-	-	-	-
Lease liability	24,931	25,991	48,511	232,637	143,385
December 31, 2024					
<u>Non-derivative financial liabilities:</u>					
Short-term borrowings	\$ 3,136,421	\$ 198,377	\$ -	\$ -	\$ -
Notes payable	6	-	-	-	-
Accounts payable (including related parties)	2,138,523	-	-	-	-
Other payables	1,945,970	-	-	-	-
Lease liability	30,322	22,737	214,228	104,631	160,380
September 30, 2024					
<u>Non-derivative financial liabilities:</u>					
Short-term borrowings	\$ 2,007,969	\$ 304,161	\$ -	\$ -	\$ -
Notes payable	7	-	-	-	-
Accounts payable (including related parties)	2,054,635	-	-	-	-
Other payables	1,538,520	-	-	-	-
Lease liability	30,966	23,392	49,790	280,057	164,256

(3) Fair value information

The Group did not engage in trading in financial instruments measured at fair value.

13. Supplementary Disclosures

(1) Significant transactions information

- A. Loans to others: Please refer to table 1.
- B. Provision of endorsements and guarantees to others: Please refer to table 2.
- C. Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): None.
- D. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 3.
- E. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 4.
- F. Significant inter-company transactions during the reporting period: Please refer to table 5.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 6.

(3) Information on investments in Mainland China

- A. Basic information: Please refer to table 7.
- B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Please refer to table 7.

14. Segment Information

(1) General information

The Company and its subsidiaries are primarily engaged in the production and sales of sports and leisure shoes. Management has determined the reportable operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions and has identified that the Group has only one reportable operating segment.

(2) Measurement of segment information

The Board of Directors evaluates the performance of the operating segments based on a measure of income/(loss) before tax.

(3) Reconciliation for segment revenue and income (loss)

The Group has only one reportable operating segment. Segment revenue and income (loss) in the financial statements are used to evaluate the performance of the operating segments.

(4) Information on products and services

The Group is primarily engaged in the production and sales of sports and leisure shoes.

(5) Geographical information

Geographical information for the nine months September 30, 2025 and 2024 is as follows(Note):

	Nine months ended September 30	
	2025	2024
	Revenue	Revenue
US	\$ 10,277,789	\$ 8,124,778
Europe	4,717,228	5,014,808
Asia	4,516,075	4,924,554
Netherlands	4,449,645	4,988,227
Americas	4,185,965	2,861,366
Others	880,691	924,544
	<u>\$ 29,027,393</u>	<u>\$ 26,838,277</u>

Note : The information of revenue is categorized based on the geographical location of the customers who purchase from the group.

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LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES

Loans to others

Nine months ended September 30, 2025

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the nine months ended		Actual amount drawn down	Interest rate	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted to a single party (Note 7)	Footnote
					September 30, 2025 (Note 3)	September 30, 2025 (Note 8)							Item	Value			
0	The Company	LAI YIH FOOTWEAR CO., LTD.	Other receivables (financing)	Yes	\$ 4,323,190	\$ 3,257,615	\$ 843,327	0	2	\$ -	Operating capital	\$ -	None	\$ -	\$ 4,436,376	\$ 8,872,753	
1	LAI YIH FOOTWEAR CO., LTD.	THRIVE FOISON LIMITED	Other receivables (financing)	Yes	1,583,140	974,240	712,413	0	2	-	Operating capital	-	None	-	21,340,664	21,340,664	
1	LAI YIH FOOTWEAR CO., LTD.	PORTRICH TRADING LIMITED	Other receivables (financing)	Yes	761,125	304,450	-	0	2	-	Operating capital	-	None	-	21,340,664	21,340,664	
1	LAI YIH FOOTWEAR CO., LTD.	POLO INTERNATIONAL HOLDING LTD.	Other receivables (financing)	Yes	1,065,575	456,675	378,736	0	2	-	Operating capital	-	None	-	21,340,664	21,340,664	
1	LAI YIH FOOTWEAR CO., LTD.	MEGA RIVER INVESTMENT CO., LTD.	Other receivables (financing)	Yes	456,675	456,675	304,450	0	2	-	Operating capital	-	None	-	21,340,664	21,340,664	
1	LAI YIH FOOTWEAR CO., LTD.	KING GLOBAL DEVELOPMENT CORP	Other receivables (financing)	Yes	152,225	152,225	-	0	2	-	Operating capital	-	None	-	21,340,664	21,340,664	
1	LAI YIH FOOTWEAR CO., LTD.	EVERYIELD CO., LTD.	Other receivables (financing)	Yes	106,558	106,558	60,890	0	2	-	Operating capital	-	None	-	21,340,664	21,340,664	
1	LAI YIH FOOTWEAR CO., LTD.	FLOURISH THRIVE DEVELOPMENTS LIMITED	Other receivables (financing)	Yes	1,217,800	1,217,800	-	0	2	-	Operating capital	-	None	-	21,340,664	21,340,664	
1	LAI YIH FOOTWEAR CO., LTD.	LAC TY COMPANY LIMITED	Other receivables (financing)	Yes	913,350	304,450	27,401	1.5	2	-	Operating capital	-	None	-	4,268,133	8,536,266	
1	LAI YIH FOOTWEAR CO., LTD.	VINH LONG FOOTWEAR CO., LTD.	Other receivables (financing)	Yes	152,225	152,225	-	1.5	2	-	Operating capital	-	None	-	4,268,133	8,536,266	
2	THRIVE FOISON LIMITED	TY BACH COMPANY LIMMITED	Other receivables (financing)	Yes	1,217,800	913,350	643,912	1.5	2	-	Operating capital	-	None	-	4,958,267	4,958,267	
2	THRIVE FOISON LIMITED	GRAND WISDOM COMPANY LIMITED	Other receivables (financing)	Yes	304,450	304,450	-	1.5	2	-	Operating capital	-	None	-	4,958,267	4,958,267	
2	THRIVE FOISON LIMITED	PT. YIH QUAN FOOTWEAR INDONESIA	Other receivables (financing)	Yes	761,125	608,900	505,387	1.5	2	-	Operating capital	-	None	-	4,958,267	4,958,267	
3	PORTRICH TRADING LIMITED	LAC TY II COMPANY LIMITED	Other receivables (financing)	Yes	913,350	304,450	-	1.5	2	-	Operating capital	-	None	-	4,871,656	4,871,656	
3	PORTRICH TRADING LIMITED	LAI YIH FOOTWEAR CO., LTD.	Other receivables (financing)	Yes	304,450	304,450	-	0	2	-	Operating capital	-	None	-	4,871,656	4,871,656	
4	KING GLOBAL DEVELOPMENT CORP	YIH SHUO FOOTWEAR CO., LTD.	Other receivables (financing)	Yes	517,565	304,450	-	1.5	2	-	Operating capital	-	None	-	2,394,086	2,394,086	
4	KING GLOBAL DEVELOPMENT CORP	LAI YIH FOOTWEAR CO., LTD.	Other receivables (financing)	Yes	913,350	608,900	377,518	0	2	-	Operating capital	-	None	-	2,394,086	2,394,086	
5	MEGA RIVER INVESTMENT CO., LTD.	LAI YIH FOOTWEAR CO., LTD.	Other receivables (financing)	Yes	152,225	152,225	-	0	2	-	Operating capital	-	None	-	1,546,868	1,546,868	
5	MEGA RIVER INVESTMENT CO., LTD.	PT. YIH QUAN FOOTWEAR INDONESIA	Other receivables (financing)	Yes	456,675	456,675	304,450	1.5	2	-	Operating capital	-	None	-	1,546,868	1,546,868	
6	FLOURISH THRIVE DEVELOPMENTS LIMITED	LAI YIH FOOTWEAR CO., LTD.	Other receivables (financing)	Yes	1,613,585	1,370,025	700,235	0	2	-	Operating capital	-	None	-	2,688,438	2,688,438	
7	OVERSEA FAITH CO., LTD.	LAI YIH FOOTWEAR CO., LTD.	Other receivables (financing)	Yes	913,350	913,350	517,565	0	2	-	Operating capital	-	None	-	5,162,189	5,162,189	
8	EVERYIELD CO., LTD.	PT ALNU SPORTING GOODS INDONESIA	Other receivables (financing)	Yes	106,558	106,558	60,890	1.5	2	-	Operating capital	-	None	-	136,400	272,800	

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:

- (1) The Company is '0'.
- (2) The subsidiaries are numbered in order starting from '1'.

Note 2: Fill in the name of account in which the loans are recognised, such as receivables-related parties, current account with stockholders, prepayments, temporary payments, etc.

Note 3: Fill in the maximum outstanding balance of loans to others during the nine months ended September 30, 2025.

Note 4: The column of 'Nature of loan' shall fill in 'Business transaction or 'Short-term financing'.

Note 5: Fill in the amount of business transactions when nature of the loan is related to business transactions, which is the amount of business transactions occurred between the creditor and borrower in the current year.

Note 6: Fill in purpose of loan when nature of loan is for short-term financing, for example, repayment of loan, acquisition of equipment, working capital, etc.

Note 7: Fill in limit on loans granted to a single party and ceiling on total loans granted as prescribed in the creditor company's "Procedures for Provision of Loans", and state each individual party to which the loans have been provided and the calculation for ceiling on total loans granted in the footnote.

- (1) LAI YIH FOOTWEAR CO., LTD. is a subsidiary which 100% directly and indirectly invested by The Company. Limit on loans granted to a single party is 20% of the Company's net assets in the financial statements and ceiling on total loans granted is 40% of the Company's net assets in the financial statements.
- (2) THRIVE FOISON LIMITED, PORTRICH TRADING LIMITED, POLO INTERNATIONAL HOLDING LTD, MEGA RIVER INVESTMENT CO., LTD, KING GLOBAL DEVELOPMENT CORP, EVERYIELD CO., LTD, and FLOURISH THRIVE DEVELOPMENTS LIMITED are subsidiaries which 100% directly and indirectly invested by the Company. Ceiling on total loans granted and limit on loans granted to a single party are 100% of LAI YIH FOOTWEAR CO., LTD.'s net assets in the financial statements.
- (3) LAC TY COMPANY LIMITED is a subsidiary which 50% directly and indirectly invested by the Group. Limit on loans granted to a single party is 20% of the LAI YIH FOOTWEAR CO., LTD.'s net assets in the financial statements and ceiling on total loans granted is 40% of LAI YIH FOOTWEAR CO., LTD.'s net assets in the financial statements.
- (4) VINH LONG FOOTWEAR CO., LTD. is a subsidiary which 85% directly and indirectly invested by the Group. Limit on loans granted to a single party is 20% of LAI YIH FOOTWEAR CO., LTD.'s net assets in the financial statements and ceiling on total loans granted is 40% of LAI YIH FOOTWEAR CO., LTD.'s net assets in the financial statements.
- (5) TY BACH COMPANY LIMMITED, GRAND WISDOM COMPANY LIMITED and PT. YIH QUAN FOOTWEAR INDONESIA are subsidiaries which 100% directly and indirectly invested by the Group. Ceiling on total loans granted and limit on loans granted to a single party are 100% of THRIVE FOISON LIMITED's net assets in the financial statements.
- (6) LAC TY II COMPANY LIMITED and LAI YIH FOOTWEAR CO., LTD. are a subsidiary which 100% directly and indirectly invested by the Group. Ceiling on total loans granted and limit on loans granted to a single party are 100% of PORTRICH TRADING LIMITED's net assets in the financial statements.
- (7) YIH SHUO FOOTWEAR CO., LTD. is a subsidiary which 100% directly and indirectly invested by the Group. Ceiling on total loans granted and limit on loans granted to a single party are 100% of KING GLOBAL DEVELOPMENT CORP's net assets in the financial statements.
- (8) LAI YIH FOOTWEAR CO., LTD. is a subsidiary which 100% directly and indirectly invested by the Group. Ceiling on total loans granted and limit on loans granted to a single party are 100% of KING GLOBAL DEVELOPMENT CORP's net assets in the financial statements.
- (9) LAI YIH FOOTWEAR CO., LTD. is a subsidiary which 100% directly and indirectly invested by the Group. Ceiling on total loans granted and limit on loans granted to a single party are 100% of MEGA RIVER INVESTMENT CO., LTD.'s net assets in the financial statements.
- (10) PT. YIH QUAN FOOTWEAR INDONESIA is a subsidiary which 100% directly and indirectly invested by the Group. Ceiling on total loans granted and limit on loans granted to a single party are 100% of MEGA RIVER INVESTMENT CO., LTD.'s net assets in the financial statements.
- (11) LAI YIH FOOTWEAR CO., LTD. is a subsidiary which 100% directly and indirectly invested by the Group. Ceiling on total loans granted and limit on loans granted to a single party are 100% of FLOURISH THRIVE DEVELOPMENTS LIMITED's net assets in the financial statements.
- (12) LAI YIH FOOTWEAR CO., LTD. is a subsidiary which 100% directly and indirectly invested by the Group. Ceiling on total loans granted and limit on loans granted to a single party are 100% of OVERSEA FAITH CO., LTD.'s net assets in the financial statements.
- (13) PT ALNU SPORTING GOODS INDONESIA is a subsidiary which 66.21% directly and indirectly invested by the Group. Limit on loans granted to a single party is 20% of EVERYIELD CO., LTD.'s net assets in the financial statements and ceiling on total loans granted is 40% of EVERYIELD CO., LTD.'s net assets in the financial statements.

Note 8: The amounts of funds to be loaned to others which have been approved by the board of directors of a public company in accordance with Article 14, Item 1 of the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" should be included in its published balance of loans to others at the end of the reporting period to reveal the risk of loaning the public company bears, even though they have not yet been appropriated. However, this balance should exclude the loans repaid when repayments are done subsequently to reflect the risk adjustment. In addition, if the board of directors of a public company has authorized the chairman to loan funds in instalments or in revolving within certain lines and within one year in accordance with Article 14, Item 2 of the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies", the published balance of loans to others at the end of the reporting period should also include these lines of loaning approved by the board of directors, and these lines of loaning should not be excluded from this balance even though the loans are repaid subsequently, for taking into consideration they could be loaned again thereafter.

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES

Provision of endorsements and guarantees to others

Nine months ended September 30, 2025

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Party being endorsed/ guaranteed															
Number (Note 1)	Endorser/guarantor	Company name	Relationship with the endorser/guarantor (Note 2)	Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of September 30, 2025 (Note 4)	Outstanding endorsement/ guarantee amount at September 30, 2025 (Note 5)	Actual amount drawn down (Note 6)	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary (Note 7)	Provision of endorsements/ guarantees by subsidiary to parent company (Note 7)	Provision of endorsements/ guarantees to the party in Mainland China (Note 7)	Footnote	
1	LAI YIH FOOTWEAR CO., LTD.	FLOURISH THRIVE DEVELOPMENTS LIMITED	4	\$ 21,340,664	\$ 1,978,925	\$ 1,217,800	\$ 761,125	\$ -	5.71%	\$ 21,340,664	N	N	N		
1	LAI YIH FOOTWEAR CO., LTD.	LAC TY II COMPANY LIMITED	4	21,340,664	913,350	456,675	-	-	2.14%	21,340,664	N	N	N		
1	LAI YIH FOOTWEAR CO., LTD.	YIH SHUO FOOTWEAR CO., LTD.	4	21,340,664	1,065,575	608,900	-	-	2.85%	21,340,664	N	N	N		
1	LAI YIH FOOTWEAR CO., LTD.	TY BACH COMPANY LIMMITED	4	21,340,664	1,522,250	913,350	221,541	-	4.28%	21,340,664	N	N	N		
1	LAI YIH FOOTWEAR CO., LTD.	PT. YIH QUAN FOOTWEAR INDONESIA	4	21,340,664	639,345	456,675	-	-	2.14%	21,340,664	N	N	N		
2	FLOURISH THRIVE DEVELOPMENTS LIMITED	YIH SHUO FOOTWEAR CO., LTD.	4	2,688,438	304	304	304	-	0.01%	2,688,438	N	N	N		
2	FLOURISH THRIVE DEVELOPMENTS LIMITED	VINH LONG FOOTWEAR CO., LTD.	1	4,032,657	1,827	1,827	304	-	0.07%	4,032,657	N	N	N		
2	FLOURISH THRIVE DEVELOPMENTS LIMITED	LAC TY COMPANY LIMITED	1	556,660	304	304	-	-	0.01%	4,032,657	N	N	N		
2	FLOURISH THRIVE DEVELOPMENTS LIMITED	LAC TY II COMPANY LIMITED	4	2,688,438	913	913	304	-	0.03%	2,688,438	N	N	N		
2	FLOURISH THRIVE DEVELOPMENTS LIMITED	TSANG YIH COMPANY LIMMITED	4	2,688,438	609	609	-	-	0.02%	2,688,438	N	N	N		

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:

(1)The Company is '0'.

(2)The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following four categories; fill in the number of category each case belongs to:

(1)Having business relationship.

(2)The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.

(3)The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.

(4)The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.

Note 3: In accordance with the Company's Regulations Governing the Provision of Endorsements and Guarantees, ceiling on total amount of endorsements/guarantees provided by the Company to other companies is 50% of the current net assets, and limit on endorsements/guarantees provided for a single party is 50% of the current net assets.

Ceiling on total amount of endorsements/guarantees provided by LAI YIH FOOTWEAR CO., LTD. to other companies is 50% of the current net assets, and limit on endorsements/guarantees provided for a single party is 50% of the current net assets.

However, the amount of endorsements/guarantees between the companies which the Company holds 100% of the voting rights directly and indirectly is the Company's current net assets.

Ceiling on total endorsements/guarantees provided by FLOURISH THRIVE DEVELOPMENTS LIMITED to other companies is 150% of the current net assets, and limit on endorsements/guarantees provided for a single party is 150% of the current net assets.

However, the amount of endorsements/guarantees between the companies which the Company holds 100% of the voting rights directly and indirectly is the Company's current net assets.

For the companies having business relationship with the Company, in addition to the aforementioned rules, the limit on endorsements/guarantees provided for a single party is limited to the total transaction amount in the most recent year (transaction amount represents the higher amount of purchase or sales).

Note 4: Fill in the year-to-date maximum outstanding balance of endorsements/guarantees provided as of the reporting period.

Note 5: Fill in the amount approved by the Board of Directors or the chairman if the chairman has been authorised by the Board of Directors based on subparagraph 8, Article 12 of the Regulations Governing

Loaning of Funds and Making of Endorsements/Guarantees by Public Companies.

Note 6: Fill in the actual amount of endorsements/guarantees used by the endorsed/guaranteed company.

Note 7: Fill in 'Y' for those cases of provision of endorsements/guarantees by listed parent company to subsidiary and provision by subsidiary to listed parent company, and provision to the party in Mainland China.

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES
Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more
Nine months ended September 30, 2025

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction		Differences in transaction terms compared to third party transactions			Notes/accounts receivable (payable)		Footnote	
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance		Percentage of total notes/accounts receivable (payable)
(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	CHEER ACCESS LTD.	Same ultimate parent company	Sales	\$ 2,457,650	8.47%	60 days after receipt of goods	-	-	\$ 761,252	14.47%	Notes 1, 3
(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	BILLION STAR INTERNATIONAL CO., LTD.	Same ultimate parent company	Sales	1,486,169	5.12%	60 days after receipt of goods	-	-	348,745	6.63%	Notes 1, 3
(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	POLO INTERNATIONAL HOLDING LTD.	Same ultimate parent company	Sales	133,504	0.46%	60 days after receipt of goods	-	-	33,775	0.64%	Notes 1, 3
CHEER ACCESS LTD.	VINH LONG FOOTWEAR CO., LTD.	Same ultimate parent company	Sales	389,376	1.34%	60 days after receipt of goods	-	-	51,497	0.98%	Note 1
CHEER ACCESS LTD.	YIH SHUO FOOTWEAR CO., LTD.	Same ultimate parent company	Sales	617,722	2.13%	60 days after receipt of goods	-	-	127,933	2.43%	Note 1
CHEER ACCESS LTD.	TY BACH COMPANY LIMMITED	Same ultimate parent company	Sales	689,204	2.37%	60 days after receipt of goods	-	-	71,176	1.35%	Note 1
CHEER ACCESS LTD.	PT. YIH QUAN FOOTWEAR INDONESIA	Same ultimate parent company	Sales	764,333	2.63%	60 days after receipt of goods	-	-	510,616	9.71%	Note 1
BILLION STAR INTERNATIONAL CO., LTD.	LAC TY II COMPANY LIMITED	Same ultimate parent company	Sales	781,177	2.69%	60 days after receipt of goods	-	-	242,675	4.61%	Note 1
BILLION STAR INTERNATIONAL CO., LTD.	VINH LONG FOOTWEAR CO., LTD.	Same ultimate parent company	Sales	674,418	2.32%	60 days after receipt of goods	-	-	104,637	1.99%	Note 1
POLO INTERNATIONAL HOLDING LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN	Same ultimate parent company	Sales	1,544,784	5.32%	45 days after receipt of goods	-	-	259,604	4.94%	Notes 1, 3
LAC TY COMPANY LIMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN	Same ultimate parent company	Sales	325,544	1.12%	75 days after receipt of goods	-	-	93,582	1.78%	Notes 1, 3
LAC TY COMPANY LIMITED	LAC TY II COMPANY LIMITED	Same ultimate parent company	Sales	458,191	1.58%	Colleted based on the contract	-	-	45,723	0.87%	Notes 1, 2
LAC TY COMPANY LIMITED	VINH LONG FOOTWEAR CO., LTD.	Same ultimate parent company	Sales	214,977	0.74%	Colleted based on the contract	-	-	21,264	0.40%	Notes 1, 2
LAC TY II COMPANY LIMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN	Same ultimate parent company	Sales	7,607,914	26.21%	75 days after receipt of goods	-	-	1,916,597	36.44%	Notes 1, 3
VINH LONG FOOTWEAR CO., LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN	Same ultimate parent company	Sales	8,336,570	28.72%	45 days after receipt of goods	-	-	1,805,049	34.32%	Notes 1, 3
YIH SHUO FOOTWEAR CO., LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN	Same ultimate parent company	Sales	3,065,779	10.56%	60 days after receipt of goods	-	-	1,054,160	20.04%	Notes 1, 3
TY BACH COMPANY LIMMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN	Same ultimate parent company	Sales	4,015,294	13.83%	60 days after receipt of goods	-	-	512,951	9.75%	Notes 1, 3
TY BACH COMPANY LIMMITED	YIH SHUO FOOTWEAR CO., LTD.	Same ultimate parent company	Sales	104,858	0.36%	60 days after receipt of goods	-	-	17,578	0.33%	Note 1
GRAND WISDOM COMPANY LIMITED	LAC TY II COMPANY LIMITED	Same ultimate parent company	Sales	621,856	2.14%	60 days after monthly billings	-	-	74,278	1.41%	Note 1
GRAND WISDOM COMPANY LIMITED	VINH LONG FOOTWEAR CO., LTD.	Same ultimate parent company	Sales	140,683	0.48%	30 days after monthly billings	-	-	17,237	0.33%	Note 1
TSANG YIH COMPANY LIMMITED	POLO INTERNATIONAL HOLDING LTD.	Same ultimate parent company	Sales	627,321	2.16%	60 days after monthly billings	-	-	216,383	4.11%	Note 1
PT. YIH QUAN FOOTWEAR INDONESIA	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN	Same ultimate parent company	Sales	1,456,724	5.02%	45 days after receipt of goods	-	-	196,556	3.74%	Notes 1, 3

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES
Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more
Nine months ended September 30, 2025

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction		Percentage of total purchases (sales)	Credit term	Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount			Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
PT. YIHFULL FOOTWEAR INDONESIA	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN	Same ultimate parent company	Sales	413,914	1.43%	75 days after receipt of goods	-	-	223,880	4.26%	Notes 1, 3
PT ALNU SPORTING GOODS INDONESIA	PT. YIH QUAN FOOTWEAR INDONESIA	Same ultimate parent company	Sales	218,948	0.75%	30 days after monthly billings	-	-	48,226	0.92%	Note 1

Note 1: The transactions were eliminated when preparing the consolidated financial statements.

Note 2: Advance receipts for service revenue is collected based on the transaction terms in the contract, and is transferred to revenue monthly based on the actual amount incurred.

Note 3: (SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH is a branch of FLOURISH THRIVE DEVELOPMENTS LIMITED, which is regarded as the same entity in the consolidated financial statements.

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES
Receivables from related parties reaching \$100 million or 20% of paid-in capital or more
September 30, 2025

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at September 30, 2025		Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date (Note 3)	Allowance for doubtful accounts	Footnote
			Accounts receivable	Amount		Amount	Action taken			
(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	CHEER ACCESS LTD.	Same ultimate parent company	Accounts receivable	\$ 761,252	4.66	\$ -	-	\$ 170,460	\$ -	Notes 1, 4
(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	BILLION STAR INTERNATIONAL CO., LTD.	Same ultimate parent company	Accounts receivable	348,745	6.20	-	-	159,514	-	Notes 1, 4
CHEER ACCESS LTD.	YIH SHUO FOOTWEAR CO., LTD.	Same ultimate parent company	Accounts receivable	127,933	5.82	-	-	60,216	-	Note 1
CHEER ACCESS LTD.	PT. YIH QUAN FOOTWEAR INDONESIA	Same ultimate parent company	Accounts receivable	510,616	2.71	-	-	11,736	-	Note 1
BILLION STAR INTERNATIONAL CO., LTD.	LAC TY II COMPANY LIMITED	Same ultimate parent company	Accounts receivable	242,675	4.70	-	-	89,572	-	Note 1
BILLION STAR INTERNATIONAL CO., LTD.	VINH LONG FOOTWEAR CO., LTD.	Same ultimate parent company	Accounts receivable	104,637	10.93	-	-	68,742	-	Note 1
POLO INTERNATIONAL HOLDING LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	259,604	9.17	-	-	223,451	-	Notes 1, 4
LAC TY II COMPANY LIMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	1,916,597	4.90	-	-	742,543	-	Notes 1, 4
VINH LONG FOOTWEAR CO., LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	1,805,049	5.62	-	-	787,377	-	Notes 1, 4
YIH SHUO FOOTWEAR CO., LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	1,054,160	3.83	-	-	363,116	-	Notes 1, 4
TY BACH COMPANY LIMMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	512,951	7.32	-	-	241,755	-	Notes 1, 4
TSANG YIH COMPANY LIMMITED	POLO INTERNATIONAL HOLDING LTD.	Same ultimate parent company	Accounts receivable	216,383	4.80	-	-	-	-	Note 1
PT. YIH QUAN FOOTWEAR INDONESIA	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	196,556	12.99	-	-	196,406	-	Notes 1, 4
PT. YIHFULL FOOTWEAR INDONESIA	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	223,880	4.86	-	-	101,051	-	Notes 1, 4
The Company	LAI YIH FOOTWEAR CO., LTD.	Same ultimate parent company	Other receivables	843,327	-	-	-	-	-	Notes 1, 2
LAI YIH FOOTWEAR CO., LTD.	MEGA RIVER INVESTMENT CO., LTD.	Same ultimate parent company	Other receivables	304,450	-	-	-	-	-	Notes 1, 2
LAI YIH FOOTWEAR CO., LTD.	THRIVE FOISON LIMITED	Same ultimate parent company	Other receivables	712,413	-	-	-	45,668	-	Notes 1, 2
LAI YIH FOOTWEAR CO., LTD.	POLO INTERNATIONAL HOLDING LTD.	Same ultimate parent company	Other receivables	378,736	-	-	-	-	-	Notes 1, 2
FLOURISH THRIVE DEVELOPMENTS LIMITED	LAI YIH FOOTWEAR CO., LTD.	Same ultimate parent company	Other receivables	700,235	-	-	-	-	-	Notes 1, 2
OVERSEA FAITH CO.,LTD.	LAI YIH FOOTWEAR CO., LTD.	Same ultimate parent company	Other receivables	517,565	-	-	-	106,558	-	Notes 1, 2

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES
Receivables from related parties reaching \$100 million or 20% of paid-in capital or more
September 30, 2025

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at September 30, 2025		Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date (Note 3)	Allowance for doubtful accounts	Footnote
			Accounts	Amount		Amount	Action taken			
MEGA RIVER INVESTMENT CO., LTD.	PT. YIH QUAN FOOTWEAR INDONESIA	Same ultimate parent company	Other receivables	307,533	-	-	-	-	-	Notes 1, 2
KING GLOBAL DEVELOPMENT CORP	LAI YIH FOOTWEAR CO., LTD.	Same ultimate parent company	Other receivables	377,518	-	-	-	-	-	Notes 1, 2
THRIVE FOISON LIMITED	TY BACH COMPANY LIMMITED	Same ultimate parent company	Other receivables	643,912	-	-	-	-	-	Notes 1, 2
THRIVE FOISON LIMITED	PT. YIH QUAN FOOTWEAR INDONESIA	Same ultimate parent company	Other receivalbes	508,190	-	-	-	109,602	-	Notes 1, 2

Note 1: The transactions were eliminated when preparing the consolidated financial statements.

Note 2: The amount was composed of other receivables and thus the turnover rate was not calculated.

Note 3: As of October 31, 2025.

Note 4: (SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH is a branch of FLOURISH THRIVE DEVELOPMENTS LIMITED, which is regarded as the same entity in the consolidated financial statements.

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES
Significant inter-company transactions during the reporting periods
Nine months ended September 30, 2025

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)	Footnote
				General ledger account	Amount	Transaction terms		
1	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	CHEER ACCESS LTD.	Same ultimate parent company	Sales	\$ 2,457,650	Note 4	8.47%	Notes 5, 7
1	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	BILLION STAR INTERNATIONAL CO., LTD	Same ultimate parent company	Sales	1,486,169	Note 4	5.12%	Notes 5, 7
1	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	POLO INTERNATIONAL HOLDING LTD.	Same ultimate parent company	Sales	133,504	Note 4	0.46%	Notes 5, 7
1	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	CHEER ACCESS LTD.	Same ultimate parent company	Accounts receivable	761,252	Note 4	2.44%	Notes 5, 7
1	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	BILLION STAR INTERNATIONAL CO., LTD	Same ultimate parent company	Accounts receivable	348,745	Note 4	1.12%	Notes 5, 7
2	CHEER ACCESS LTD.	VINH LONG FOOTWEAR CO., LTD.	Same ultimate parent company	Sales	389,376	Note 4	1.34%	Note 7
2	CHEER ACCESS LTD.	YIH SHUO FOOTWEAR CO., LTD.	Same ultimate parent company	Sales	617,722	Note 4	2.13%	Note 7
2	CHEER ACCESS LTD.	TY BACH COMPANY LIMMITED	Same ultimate parent company	Sales	689,204	Note 4	2.37%	Note 7
2	CHEER ACCESS LTD.	PT. YIH QUAN FOOTWEAR INDONESIA	Same ultimate parent company	Sales	764,333	Note 4	2.63%	Note 7
2	CHEER ACCESS LTD.	YIH SHUO FOOTWEAR CO., LTD.	Same ultimate parent company	Accounts receivable	127,933	Note 4	0.41%	Note 7
2	CHEER ACCESS LTD.	PT. YIH QUAN FOOTWEAR INDONESIA	Same ultimate parent company	Accounts receivable	510,616	Note 4	1.63%	Note 7
3	BILLION STAR INTERNATIONAL CO., LTD.	LAC TY II COMPANY LIMITED	Same ultimate parent company	Sales	781,177	Note 4	2.69%	Note 7
3	BILLION STAR INTERNATIONAL CO., LTD.	VINH LONG FOOTWEAR CO., LTD.	Same ultimate parent company	Sales	674,418	Note 4	2.32%	Note 7
3	BILLION STAR INTERNATIONAL CO., LTD.	LAC TY II COMPANY LIMITED	Same ultimate parent company	Accounts receivable	242,675	Note 4	0.78%	Note 7
3	BILLION STAR INTERNATIONAL CO., LTD.	VINH LONG FOOTWEAR CO., LTD.	Same ultimate parent company	Accounts receivable	104,637	Note 4	0.33%	Note 7
4	POLO INTERNATIONAL HOLDING LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	1,544,784	Note 4	5.32%	Notes 5, 7
4	POLO INTERNATIONAL HOLDING LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	259,604	Note 4	0.83%	Notes 5, 7
5	LAC TY COMPANY LIMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	325,544	Note 4	1.12%	Notes 5, 7
5	LAC TY COMPANY LIMITED	LAC TY II COMPANY LIMITED	Same ultimate parent company	Sales	458,191	Note 4	1.58%	Note 7
5	LAC TY COMPANY LIMITED	VINH LONG FOOTWEAR CO., LTD.	Same ultimate parent company	Sales	214,977	Note 4	0.74%	Note 7
6	LAC TY II COMPANY LIMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	7,607,914	Note 4	26.21%	Notes 5, 7
6	LAC TY II COMPANY LIMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	1,916,597	Note 4	6.13%	Notes 5, 7
7	VINH LONG FOOTWEAR CO., LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	8,336,570	Note 4	28.72%	Notes 5, 7
7	VINH LONG FOOTWEAR CO., LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	1,805,049	Note 4	5.77%	Notes 5, 7
8	YIH SHUO FOOTWEAR CO., LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	3,065,779	Note 4	10.56%	Notes 5, 7
8	YIH SHUO FOOTWEAR CO., LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	1,054,160	Note 4	3.37%	Notes 5, 7
9	TY BACH COMPANY LIMMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	4,015,294	Note 4	13.83%	Notes 5, 7
9	TY BACH COMPANY LIMMITED	YIH SHUO FOOTWEAR CO., LTD.	Same ultimate parent company	Sales	104,858	Note 4	0.36%	Note 7
9	TY BACH COMPANY LIMMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	512,951	Note 4	1.64%	Notes 5, 7

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES
Significant inter-company transactions during the reporting periods
Nine months ended September 30, 2025

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Footnote
				General ledger account	Amount	Transaction terms		Percentage of consolidated total operating revenues or total assets (Note 3)
10	GRAND WISDOM COMPANY LIMITED	LAC TY II COMPANY LIMITED	Same ultimate parent company	Sales	621,856	Note 4	2.14% Note 7
10	GRAND WISDOM COMPANY LIMITED	VINH LONG FOOTWEAR CO., LTD.	Same ultimate parent company	Sales	140,683	Note 4	0.48% Note 7
11	TSANG YIH COMPANY LIMMITED	POLO INTERNATIONAL HOLDING LTD.	Same ultimate parent company	Sales	627,321	Note 4	2.16% Note 7
11	TSANG YIH COMPANY LIMMITED	POLO INTERNATIONAL HOLDING LTD.	Same ultimate parent company	Accounts receivable	216,383	Note 4	0.69% Note 7
12	PT. YIH QUAN FOOTWEAR INDONESIA	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	1,456,724	Note 4	5.02% Note 7
12	PT. YIH QUAN FOOTWEAR INDONESIA	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	196,556	Note 4	0.63% Note 7
13	PT. YIHFULL FOOTWEAR INDONESIA	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	413,914	Note 4	1.43% Note 7
13	PT. YIHFULL FOOTWEAR INDONESIA	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	223,880	Note 4	0.72% Note 7
14	PT ALNU SPORTING GOODS INDONESIA	PT. YIH QUAN FOOTWEAR INDONESIA	Same ultimate parent company	Sales	218,948	Note 4	0.75% Note 7
15	The Company	LAI YIH FOOTWEAR CO., LTD.	Same ultimate parent company	Other receivables (financing)	843,327	Note 4	2.70% Note 7
16	LAI YIH FOOTWEAR CO., LTD.	MEGA RIVER INVESTMENT CO., LTD.	Same ultimate parent company	Other receivables (financing)	304,450	Note 4	0.97% Note 7
16	LAI YIH FOOTWEAR CO., LTD.	THRIVE FOISON LIMITED	Same ultimate parent company	Other receivables (financing)	712,413	Note 4	2.28% Note 7
16	LAI YIH FOOTWEAR CO., LTD.	POLO INTERNATIONAL HOLDING LTD.	Same ultimate parent company	Other receivables (financing)	378,736	Note 4	1.21% Note 7
17	FLOURISH THRIVE DEVELOPMENTS LIMITED	LAI YIH FOOTWEAR CO., LTD.	Same ultimate parent company	Other receivables (financing)	700,235	Note 4	2.24% Note 7
18	OVERSEA FAITH CO., LTD.	LAI YIH FOOTWEAR CO., LTD.	Same ultimate parent company	Other receivables (financing)	517,565	Note 4	1.66% Note 7
19	MEGA RIVER INVESTMENT CO., LTD.	PT. YIH QUAN FOOTWEAR INDONESIA	Same ultimate parent company	Other receivables (financing)	307,533	Note 4	0.98% Note 7
20	KING GLOBAL DEVELOPMENT CORP	LAI YIH FOOTWEAR CO., LTD.	Same ultimate parent company	Other receivables (financing)	377,518	Note 4	1.21% Note 7
21	THRIVE FOISON LIMITED	TY BACH COMPANY LIMMITED	Same ultimate parent company	Other receivables (financing)	643,912	Note 4	2.06% Note 7
21	THRIVE FOISON LIMITED	PT. YIH QUAN FOOTWEAR INDONESIA	Same ultimate parent company	Other receivables (financing)	508,190	Note 4	1.63% Note 7

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

- (1) Parent company is '0'.
- (2) The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):

- (1) Parent company to subsidiary.
- (2) Subsidiary to parent company.
- (3) Subsidiary to subsidiary.

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

Note 4: It is determined by reference to market prices and based on mutual agreements.

Note 5: (SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH is a branch of FLOURISH THRIVE DEVELOPMENTS LIMITED, which is regarded as the same entity in the consolidated financial statements.

Note 6: Disclosing only the amount of NT \$100 million of related party transactions.

Note 7: The transactions were eliminated when preparing the consolidated financial statements.

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES

Names, locations and other information of investee companies (not including investees in Mainland China)

Nine months ended September 30, 2025

Table 6

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2025				Net profit (loss) of the investee for the nine months ended September 30, 2025	Investment income (loss) recognised by the Company for the nine months ended September 30, 2025 (Note 4)	Footnote
				Balance as at September 30, 2025 (Note 3)	Balance as at December 31, 2024	Number of shares (Note 1)	Ownership (%)	Book value				
The Company	LAI YIH FOOTWEAR CO., LTD.	Samoa	Holding company	\$ 4,788,999	5,157,081	\$ 157,300	100%	\$ 21,340,664	\$ 2,362,528	\$ 2,362,528		
LAI YIH FOOTWEAR CO., LTD.	FLOURISH THRIVE DEVELOPMENTS LIMITED	Samoa	Holding company	30,445	32,785	1,000	100%	2,688,438	1,469,676	-		
LAI YIH FOOTWEAR CO., LTD.	CHEER ACCESS LTD.	Seychelles	Investment holdings and import and export trade	30,445	32,785	1,000	100%	37,704	1,361	-	Note 2	
LAI YIH FOOTWEAR CO., LTD.	BILLION STAR INTERNATIONAL CO., LTD.	Seychelles	Investment holdings and import and export trade	30,445	32,785	1,000	100%	37,544	1,771	-	Note 2	
LAI YIH FOOTWEAR CO., LTD.	PORTRICH TRADING LIMITED	Samoa	Holding company	4,414,525	4,491,545	145,000	100%	4,871,656	52,194	-	Note 2	
LAI YIH FOOTWEAR CO., LTD.	OVERSEA FAITH CO., LTD.	Seychelles	Holding company	2,908,106	2,836,558	95,520	100%	5,162,189	265,659	-	Note 2	
LAI YIH FOOTWEAR CO., LTD.	MEGA RIVER INVESTMENT CO., LTD.	Seychelles	Holding company	1,881,501	2,026,113	61,800	100%	1,546,868	(9,956)	-	Note 2	
LAI YIH FOOTWEAR CO., LTD.	KING GLOBAL DEVELOPMENT CORP	Samoa	Holding company	1,849,823	1,992,000	60,760	100%	2,394,086	212,613	-	Note 2	
LAI YIH FOOTWEAR CO., LTD.	THRIVE FOISON LIMITED	Samoa	Holding company	5,403,988	5,589,843	177,500	100%	4,958,267	307,500	-	Note 2	
LAI YIH FOOTWEAR CO., LTD.	BRILLIANT METERO LIMITED	Samoa	Holding company	-	35,900	-	-	-	(182)	-	Note 5	
LAI YIH FOOTWEAR CO., LTD.	POLO INTERNATIONAL HOLDING LTD.	Samoa	Investment holdings and production and sales of sports and casual shoes	2,126,583	2,290,032	69,850	100%	1,769,497	99,240	-	Note 2	
LAI YIH FOOTWEAR CO., LTD.	EVERYIELD CO., LTD.	Anguilla	Holding company	1,181,266	1,198,292	38,800	100%	681,999	6,062	-	Note 2	
LAI YIH FOOTWEAR CO., LTD.	LAC TY COMPANY LIMITED	Vietnam	Production and sales of sports and casual shoes	44,827	48,273	-	50%	170,783	176,673	-	Note 2	
LAI YIH FOOTWEAR CO., LTD.	JUMBO POWER ENTERPRISES LIMITED	British Virgin Islands	Holding company	243,560	262,280	8,000	50%	377,832	(12,232)	-	Note 2	
PORTRICH TRADING LIMITED	LAC TY II COMPANY LIMITED	Vietnam	Production and sales of sports and casual shoes	4,115,024	3,841,174	-	100%	4,360,527	46,667	-	Note 2	
OVERSEA FAITH CO., LTD.	VINH LONG FOOTWEAR CO., LTD.	Vietnam	Production and sales of sports and casual shoes	2,199,651	2,368,716	-	85%	3,954,059	305,212	-	Note 2	
KING GLOBAL DEVELOPMENT CORP	YIH SHUO FOOTWEAR CO.,LTD	Vietnam	Production and sales of sports and casual shoes	2,003,753	2,157,761	-	85%	1,992,380	248,800	-	Note 2	
MEGA RIVER INVESTMENT CO., LTD.	YIH SHUO FOOTWEAR CO.,LTD	Vietnam	Production and sales of sports and casual shoes	353,603	380,781	-	15%	351,596	248,800	-	Note 2	
MEGA RIVER INVESTMENT CO., LTD.	VINH TY COMPANY LIMITED	Vietnam	Production and sales of sports and casual shoes	91,335	98,355	-	24%	50,072	(5,943)	-	Note 2	
JUMBO POWER ENTERPRISES LIMITED	SUPERB KING INVESTMENTS LIMITED	Hong Kong	Holding company	487,120	524,560	-	100%	560,965	(11,857)	-	Note 2	
THRIVE FOISON LIMITED	TY BACH COMPANY LIMMITED	Vietnam	Production and sales of sports and casual shoes	3,044,500	3,278,500	-	100%	2,407,506	285,279	-	Note 2	
THRIVE FOISON LIMITED	GRAND WISDOM COMPANY LIMITED	Vietnam	Production and sales of sports and casual shoes	1,004,685	852,410	-	100%	963,941	59,219	-	Note 2	

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES

Names, locations and other information of investee companies (not including investees in Mainland China)

Nine months ended September 30, 2025

Table 6

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2025			Book value	Net profit (loss) of the investee for the nine months ended September 30, 2025	Investment income (loss) recognised by the Company for the nine months ended September 30, 2025 (Note 4)	Footnote
				Balance as at September 30, 2025 (Note 3)	Balance as at December 31, 2024	Number of shares (Note 1)	Ownership (%)					
POLO INTERNATIONAL HOLDING LTD.	TSANG YIH COMPANY LIMMITED	Myanmar	Production and sales of sports and casual shoes	2,924,574	3,149,356	96,061	73%	1,500,297	26,542	-	Note 2	
EVERYIELD CO., LTD.	TSANG YIH COMPANY LIMMITED	Myanmar	Production and sales of sports and casual shoes	1,094,919	1,179,074	35,964	27%	561,690	26,542	-	Note 2	
MEGA RIVER INVESTMENT CO., LTD.	PT. YIH QUAN FOOTWEAR INDONESIA	Indonesia	Production and sales of sports and casual shoes	1,446,138	1,557,288	-	50%	1,139,834 (	97,644)	-	Note 2
THRIVE FOISON LIMITED	PT. YIH QUAN FOOTWEAR INDONESIA	Indonesia	Production and sales of sports and casual shoes	1,446,138	1,557,288	-	50%	1,139,834 (	97,644)	-	Note 2
OVERSEA FAITH CO., LTD.	PT. YIHFULL FOOTWEAR INDONESIA	Indonesia	Production and sales of sports and casual shoes	152,225	163,925	-	50%	145,531	10,073	-	Note 2	
PORTRICH TRADING LIMITED	PT. YIHFULL FOOTWEAR INDONESIA	Indonesia	Production and sales of sports and casual shoes	152,225	163,925	-	50%	145,531	10,073	-	Note 2	
OVERSEA FAITH CO., LTD.	PT. YIHXIN FOOTWEAR INDONESIA	Indonesia	Production and sales of sports and casual shoes	674	1,147	-	50%	- (	48)	-	Note 2
KING GLOBAL DEVELOPMENT CORP	PT. YIHXIN FOOTWEAR INDONESIA	Indonesia	Production and sales of sports and casual shoes	674	1,147	-	50%	- (	48)	-	Note 2
OVERSEA FAITH CO., LTD.	PT. YIH YOU FOOTWEAR INDONESIA	Indonesia	Production and sales of sports and casual shoes	548,010	295,065	-	60%	543,717	1,674	-	Note 2	
PORTRICH TRADING LIMITED	PT. YIH YOU FOOTWEAR INDONESIA	Indonesia	Production and sales of sports and casual shoes	365,340	196,710	-	40%	362,478	1,674	-	Note 2	
EVERYIELD CO., LTD.	PT ALNU SPORTING GOODS INDONESIA	Indonesia	Production and sales of sports and casual shoes	146,136	83,602	-	66.21%	118,772 (	1,695)	-	Note 2

Note 1: The companies with “-” in the blank had no shares issued.

Note 2: It pertained to the second-tier subsidiary and its reinvested company, which were not presented in the investment income (loss).

Note 3: Initial investment amount was converted at the exchange rate of NTD 30.45:USD 1 prevailing on September 30, 2025, respectively.

Note 4: Investment income (loss) for the nine months ended September 30, 2025 was calculated based on the financial statements which were reviewed by the Company's CPA.

Note 5: In order to meet the Group's long-term development plans and to continuously integrate the resources, the Company liquidated BRILLIANT METERO LIMITED in accordance with the relevant local regulations on July 4, 2025.

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES
Information on investments in Mainland China-Basic information
Nine months ended September 30, 2025

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the nine months ended September 30, 2025			Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2025	Net income of investee as of September 30, 2025	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the nine months ended September 30, 2025 (Note 2)	Book value of investments in Mainland China as of September 30, 2025	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2025	Footnote
				Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2025	Remitted to Mainland China	Remitted back to Taiwan							
YANGZHOU BAOYI SHOES MANUFACTURING CO., LTD.	Non-residential premises lease	\$ 341,849	(2)	\$ 341,849	\$ -	\$ -	\$ 341,849	(\$ 11,840)	50%	(\$ 5,920)	376,664	\$ 941,636	Note 3

Note 1: Investment methods are classified into the following categories; fill in the number of category each case belongs to:

- (1) Directly invest in a company in Mainland China
- (2) Indirectly investment in mainland China through companies registered in a third region (JUMBO POEWR ENTERPRISES LIMITED)
- (3) Other methods.

Note 2: The investment income (loss) for the nine months ended September 30, 2025 was calculated based on the financial statements which were reviewed by R.O.C. parent company's CPA.

Note 3: Paid-in capital, Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2025 and Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2025 were converted at the exchange rate of NTD 30.45:USD 1 prevailing on September 30, 2025.