LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REVIEW REPORT

MARCH 31, 2026 AND 2025

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

MARCH 31, 2026 AND 2025 CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REVIEW REPORT

TABLE OF CONTENTS

Contents			Page
1.	Cover Page		1
2.	Table of Contents		2 ~ 3
3.	Independent Auditors' Review Report		4 ~ 5
4.	Consolidated Balance Sheets		6 ~ 7
5.	Consolidated Statements of Comprehensive Income		8
6.	Consolidated Statements of Changes in Equity		9
7.	Consolidated Statements of Cash Flows		10
8.	Notes to the Consolidated Financial Statements		11 ~ 47
	(1)	History and Organisation	11
	(2)	The Date of Authorisation for Issuance of the Financial Statements and Procedures for Authorisation	11
	(3)	Application of New Standards, Amendments and Interpretations	11 ~ 12
	(4)	Summary of Material Accounting Policies	12 ~ 18
	(5)	Critical Accounting Judgements, Estimates and Key Sources of Assumption Uncertainty	18
	(6)	Details of Significant Accounts	18 ~ 34

Contents		Page
(7)	Related Party Transactions	35 ~ 36
(8)	Pledged Assets	37
(9)	Significant Contingent Liabilities and Unrecognised Contract Commitments	37
(10)	Significant Disaster Loss	37
(11)	Significant Events after the Balance Sheet Date	37
(12)	Others	38 ~ 49
(13)	Supplementary Disclosures	49
(14)	Segment Information	50

INDEPENDENT AUDITORS' REVIEW REPORT TRANSLATED FROM CHINESE

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

PWC 26000361

Introduction

We have reviewed the accompanying consolidated balance sheets of LAI YIH FOOTWEAR CO., LTD. and subsidiaries (the "Group") as at March 31, 2026 and 2025, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the three 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 March 31, 2026 and 2025, and of its consolidated financial performance and its cash flows for the three 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.

Wu, Sung-Yuan Lai, Chih-Wei

For and on Behalf of PricewaterhouseCoopers, Taiwan

May 6, 2026

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
MARCH 31, 2026, DECEMBER 31, 2025 AND MARCH 31, 2025
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	March 31, 2026 AMOUNT	%	December 31, 2025 AMOUNT	%	March 31, 2025 AMOUNT	%
	Current assets							
1100	Cash and cash equivalents	6(1)	$ 7,047,987	20	$ 7,988,223	22	$ 3,974,867	11
1110	Current financial assets at fair value through profit or loss	6(2)	4,000	-	16,450	-	-	-
1136	Current financial assets at amortised cost	6(3) and 8	7,318	-	6,513	-	4,156	-
1170	Accounts receivable, net	6(4)	4,897,147	14	7,375,158	21	6,371,754	18
1200	Other receivables		6,636	-	8,325	-	22,672	-
1220	Current tax assets		2,162	-	7	-	-	-
130X	Inventories	6(5)	6,607,159	19	4,689,745	13	7,097,688	21
1479	Other current assets, others	6(6)	2,643,466	7	2,498,627	7	2,595,153	8
11XX	**Current assets**		21,215,875	60	22,583,048	63	20,066,290	58
	Non-current assets							
1535	Non-current financial assets at amortised cost	6(3) and 8	15,436	-	15,117	-	15,596	-
1550	Investments accounted for under equity method		443,638	1	440,714	1	467,380	1
1600	Property, plant and equipment	6(7) and 8	12,112,861	35	11,769,338	33	12,717,343	37
1755	Right-of-use assets	6(8), 7(2) and 8	1,078,845	3	1,067,284	3	1,195,745	4
1780	Intangible assets		14,695	-	16,962	-	10,882	-
1840	Deferred income tax assets		105,749	-	99,665	-	75,226	-
1990	Other non-current assets, others		150,844	1	101,840	-	84,701	-
15XX	**Non-current assets**		13,922,068	40	13,510,920	37	14,566,873	42
1XXX	**Total assets**		$ 35,137,943	100	$ 36,093,968	100	$ 34,633,163	100

(Continued)

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2026, DECEMBER 31, 2025 AND MARCH 31, 2025
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	March 31, 2026 AMOUNT	%	December 31, 2025 AMOUNT	%	March 31, 2025 AMOUNT	%
	Current liabilities							
2100	Short-term borrowings	6(9)	$ -	-	$ 1,848,004	5	$ 2,962,040	9
2130	Current contract liabilities	6(16)	74,752	-	58,397	-	72,850	-
2150	Notes payable		6	-	6	-	3	-
2170	Accounts payable		2,256,861	7	1,696,836	5	2,327,214	7
2180	Accounts payable-related parties	7(2)	10,793	-	8,101	-	8,567	-
2200	Other payables	6(10)	1,371,668	4	1,677,229	4	1,502,782	4
2230	Income tax payable		272,639	1	277,706	1	661,683	2
2280	Current lease liabilities	6(8) and 7(2)	47,265	-	44,159	-	44,445	-
2399	Other current liabilities, others		12,484	-	12,956	-	8,788	-
21XX	**Current liabilities**		4,046,468	12	5,623,394	15	7,588,372	22
	Non-current liabilities							
2530	Bonds payable	6(11)	4,714,711	13	4,689,228	13	-	-
2570	Deferred income tax liabilities		294,685	1	269,879	1	206,908	1
2580	Non-current lease liabilities	6(8) and 7(2)	356,878	1	349,913	1	394,236	1
25XX	**Non-current liabilities**		5,366,274	15	5,309,020	15	601,144	2
2XXX	**Total Liabilities**		9,412,742	27	10,932,414	30	8,189,516	24
	Equity							
	Equity attributable to owners of parent							
	Share capital	6(13)						
3110	Share capital-common stock		2,494,000	7	2,494,000	7	2,494,000	7
	Capital surplus	6(14)						
3200	Capital surplus		15,752,613	45	15,752,613	43	15,322,516	44
	Retained earnings	6(15)						
3310	Legal reserve		381,832	1	381,832	1	-	-
3350	Unappropriated retained earnings		6,848,621	19	6,660,526	19	6,957,491	20
	Other equity interest							
3400	Other equity interest		(749,307)	(2)	(1,122,611)	(3)	709,464	2
31XX	**Equity attributable to owners of parent**		24,727,759	70	24,166,360	67	25,483,471	73
36XX	**Non-controlling interests**	4(3)	997,442	3	995,194	3	960,176	3
3XXX	**Total Equity**		25,725,201	73	25,161,554	70	26,443,647	76
	Significant contingent liabilities and unrecognised contract commitments	9						
	Significant events after the balance sheet date	11						
3X2X	**Total liabilities and equity**		$ 35,137,943	100	$ 36,093,968	100	$ 34,633,163	100

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 THREE MONTHS ENDED MARCH 31, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

			Three months ended March 31			
			2026		2025	
	Items	Note	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(16)	$ 7,077,691	100	$ 9,682,827	100
5000	Operating costs	6(5)(20)	(6,253,040)	(88)	(7,983,512)	(82)
5900	Gross profit from operations		824,651	12	1,699,315	18
	Operating expenses	6(20)				
6100	Selling expenses		(117,646)	(1)	(164,639)	(2)
6200	Administrative expenses		(330,629)	(5)	(326,959)	(3)
6300	Research and development expenses		(197,047)	(3)	(181,908)	(2)
6450	Expected credit impairment gain	12(2)	1,081	-	14,159	-
6000	Total operating expenses		(644,241)	(9)	(659,347)	(7)
6900	Net operating income		180,410	3	1,039,968	11
	Total non-operating income and expenses					
7100	Interest income	6(17)	23,457	-	12,907	-
7010	Other income		2,068	-	9,048	-
7020	Other gains and losses	6(18)	86,203	-	144,033	1
7050	Finance costs	6(19)	(35,219)	-	(43,989)	-
7060	Share of (loss) profit of associates and joint ventures accounted for using equity method		(9,860)	-	632	-
7000	Non-operating income and expenses		66,649	-	122,631	1
7900	**Profit before income tax**		247,059	3	1,162,599	12
7950	Income tax expense	6(21)	(79,399)	(1)	(229,699)	(2)
8200	**Profit**		$ 167,660	2	$ 932,900	10
	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		$ 395,987	6	$ 181,471	2
8300	**Other comprehensive income**		$ 395,987	6	$ 181,471	2
8500	**Total comprehensive income**		$ 563,647	8	$ 1,114,371	12
	Profit, attributable to:					
8610	Owners of parent		$ 188,095	2	$ 913,461	10
8620	Non-controlling interests		$ (20,435)	-	$ 19,439	-
	Comprehensive income, attributable to:					
8710	Owners of parent		$ 561,399	8	$ 1,083,335	12
8720	Non-controlling interests		$ 2,248	-	$ 31,036	-
	Basic earnings per share	6(22)				
9750	Basic earnings per share		$	0.75	$	3.66
	Diluted earnings per share	6(22)				
9850	Diluted earnings per share		$	0.75	$	3.66

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
THREE MONTHS ENDED MARCH 31, 2026 AND 2025

(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent							
				Retained earnings					
	Notes	Ordinary Share	Capital surplus, additional paid-in capital	Legal reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Total	Non-controlling interests	Total Equity
2025									
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		-	-	-	913,461	-	913,461	19,439	932,900
Other comprehensive income for the period		-	-	-	-	169,874	169,874	11,597	181,471
Total comprehensive income		-	-	-	913,461	169,874	1,083,335	31,036	1,114,371
Balance at March 31, 2025		$ 2,494,000	$ 15,322,516	$ -	$ 6,957,491	$ 709,464	$ 25,483,471	$ 960,176	$ 26,443,647
2026									
Balance at January 1, 2026		$ 2,494,000	$ 15,752,613	$ 381,832	$ 6,660,526	$ (1,122,611)	$ 24,166,360	$ 995,194	$ 25,161,554
Profit for the period		-	-	-	188,095	-	188,095	(20,435)	167,660
Other comprehensive income for the period		-	-	-	-	373,304	373,304	22,683	395,987
Total comprehensive income		-	-	-	188,095	373,304	561,399	2,248	563,647
Balance at March 31, 2026		$ 2,494,000	$ 15,752,613	$ 381,832	$ 6,848,621	$ (749,307)	$ 24,727,759	$ 997,442	$ 25,725,201

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

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars)

	Notes	Three months ended March 31 2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 247,059	$ 1,162,599
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense	6(20)	310,288	355,896
Amortisation expense	6(20)	2,303	2,161
Expected credit impairment gain	12(2)	(1,081)	(14,159)
Loss on financial assets at fair value through profit or loss	6(18)	12,450	-
Finance costs	6(19)	35,219	43,989
Interest income	6(17)	(23,457)	(12,907)
Share of loss (gain) of associates accounted for using the equity method		9,860	(632)
Gain on disposal of property, plant and equipment	6(18)	(451)	-
Unrealised foreign exchange gain		(1,011,642)	(898,615)
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable, net		2,479,100	1,068,674
Other receivables		1,729	(675)
Inventories		(1,841,115)	(1,071,108)
Other current assets		(103,059)	(204,774)
Changes in operating liabilities			
Contract liabilities		16,355	(36,211)
Notes payable		-	(3)
Accounts payable		537,276	191,369
Accounts payable-related parties		2,692	(342)
Other payables		(319,692)	(435,902)
Other current liabilities		(639)	(7,275)
Cash inflow generated from operations		353,195	142,085
Interest received		23,457	12,907
Interest paid		(35,711)	(47,207)
Income taxes paid		(68,930)	(163,330)
Net cash flows from (used in) operating activities		272,011	(55,545)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at amortised cost		(761)	(507)
Acquisition of property, plant and equipment	6(23)	(438,753)	(570,839)
Proceeds from disposal of property, plant and equipment		578	-
Acquisition of intangible assets	6(23)	(1,317)	(426)
Decrease in guarantee deposits paid		3	16,765
Increase in other non-current assets		(35,845)	(9,937)
Net cash flows used in investing activities		(476,095)	(564,944)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings	6(24)	-	2,738,792
Decrease in short-term borrowings	6(24)	(1,864,580)	(3,122,624)
Payments of lease liabilities	6(24)	(11,405)	(20,537)
Net cash flows used in financing activities		(1,875,985)	(404,369)
Effect of exchange rate changes on cash and cash equivalents		1,139,833	1,033,691
Net (decrease) increase in cash and cash equivalents		(940,236)	8,833
Cash and cash equivalents at beginning of period		7,988,223	3,966,034
Cash and cash equivalents at end of period		$ 7,047,987	$ 3,974,867

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
THREE MONTHS ENDED MARCH 31, 2026 AND 2025
(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 May 6, 2026.

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 2026 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.

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

None.

(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
Amendments to IAS 21, ‘Translation to a Hyperinflationary Presentation Currency’	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, 2025, 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, 2025.

(2) Basis of preparation

A. Except for financial assets (including derivative instruments) at fair value through profit or loss, 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, 2025.

(Remainder of page intentionally left blank)

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

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			March 31, 2026	December 31, 2025	March 31, 2025	
The Company	LAI YIH FOOTWEAR CO., LTD. (LAI YIH SAMOA)	Holding company	100%	100%	100%	
LAI YIH SAMOA	(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%	Note 2
LAI YIH SAMOA	POLO INTERNATIONAL HOLDING LTD.(POLO)	Investment holding and production and sales of sports and leisure shoes	100%	100%	100%	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			March 31, 2026	December 31, 2025	March 31, 2025	
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 LIMITTED (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%	
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%	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			March 31, 2026	December 31, 2025	March 31, 2025	
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%	66.21%	51%	Note 3
OVERSEA	PT. YIH YOU FOOTWEAR INDONESIA (YIH YOU)	Production and sales of sports and leisure shoes	60%	60%	60%	
PORTRICH	PT. YIH YOU FOOTWEAR INDONESIA (YIH YOU)	Production and sales of sports and leisure shoes	40%	40%	40%	

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

Note 2: 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 3: 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.

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 March 31, 2026, December 31, 2025 and March 31, 2025, the non-controlling interest amounted to $997,442, $995,194 and $960,176, respectively. The information of non-controlling interest and respective subsidiaries is as follows:

		Non-controlling interest			
		March 31, 2026		December 31, 2025	
Name of subsidiary	Principal place of business	Amount	Ownership (%)	Amount	Ownership (%)
VINH LONG FOOTWEAR CO., LTD	Vietnam	$ 769,332	15%	$ 754,075	15%

		Non-controlling interest	
		March 31, 2026	
Name of subsidiary	Principal place of business	Amount	Ownership (%)
VINH LONG FOOTWEAR CO., LTD	Vietnam	$ 789,527	15%

Summarised financial information of the subsidiaries:

Balance sheets

	VINH LONG FOOTWEAR CO., LTD		
	March 31, 2026	December 31, 2025	March 31, 2025
Current assets	$ 4,468,490	$ 4,242,267	$ 4,343,025
Non-current assets	1,616,226	1,619,662	1,885,856
Current liabilities	(917,305)	(808,880)	(934,658)
Non-current liabilities	(38,531)	(25,883)	(30,713)
Total net assets	$ 5,128,880	$ 5,027,166	$ 5,263,510

Statements of comprehensive income

	VINH LONG FOOTWEAR CO., LTD	
	Three months ended March 31	
	2026	2025
Revenue	$ 2,189,150	$ 2,800,773
Profit before income tax	18,361	68,686
Income tax expense	(9,026)	(13,403)
Profit for the year	9,335	55,283
Total comprehensive income for the year	$ 9,335	$ 55,283
Comprehensive income attributable to non-controlling interest	$ 1,400	$ 8,292

Statements of cash flows

	VINH LONG FOOTWEAR CO., LTD	
	Three months ended March 31	
	2026	2025
Net cash provided by operating activities	$ 35,295	$ 35,880
Net cash used in investing activities	(25,506)	(32,927)
Net cash used in financing activities	(4,473)	(2,097)
Effect of exchange rates on cash and cash equivalents	215	43
Increase in cash and cash equivalents	5,531	899
Cash and cash equivalents, beginning of year	9,960	8,444
Cash and cash equivalents, end of year	$ 15,491	$ 9,343

(4) 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 March 31, 2026. Please refer to Note 5 in the consolidated financial statements for the year ended December 31, 2025.

6. Details of Significant Accounts

(1) Cash and cash equivalents

	March 31, 2026	December 31, 2025	March 31, 2025
Cash on hand and revolving funds	$ 5,538	$ 5,212	$ 5,079
Checking accounts and demand deposits	6,432,218	7,488,194	3,523,378
Time deposits	610,231	494,817	446,410
	$ 7,047,987	$ 7,988,223	$ 3,974,867

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 $22,754, $21,630, and $19,752 on March 31, 2026, December 31, 2025 and March 31, 2025, respectively, as financial assets at amortised cost.

(2) Financial assets at fair value through profit or loss

Items	March 31, 2026	December 31, 2025	March 31, 2025
Current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Call options of convertible bonds	$ 4,000	$ 16,450	$ -

A. Amounts recognised in profit or loss in relation to financial assets at fair value through profit or loss are listed below:

	Three months ended March 31	
	2026	2025
Financial assets mandatorily measured at fair value through profit or loss	$ (12,450)	$ -

B. The Group has no financial assets at fair value through profit or loss pledged to others as collateral.

(3) Financial assets at amortised cost

Items	March 31, 2026	December 31, 2025	March 31, 2025
Current items:			
Restricted time deposits	$ 5,142	$ 4,377	$ 1,842
Time deposits with maturity over three months	2,176	2,136	2,314
	$ 7,318	$ 6,513	$ 4,156
Non-current items:			
Restricted time deposits	$ 15,436	$ 15,117	$ 15,596
	$ 15,436	$ 15,117	$ 15,596

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

	Three months ended March 31	
	2026	2025
Interest income	$ 91	$ 127

B. As at March 31, 2026, December 31, 2025 and March 31, 2025, 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 deposits are financial institutions with high credit quality, so the Group expects that the probability of counterparty default is remote.

(4) Notes and accounts receivable

	March 31, 2026	December 31, 2025	March 31, 2025
Accounts receivable	$ 4,897,705	$ 7,376,797	$ 6,375,814
Less: Allowance for uncollectible accounts	(558)	(1,639)	(4,060)
	$ 4,897,147	$ 7,375,158	$ 6,371,754

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

	March 31, 2026	December 31, 2025	March 31, 2025
Not past due	$ 4,897,506	$ 7,342,214	$ 6,356,581
Up to 30 days	83	28,768	19,225
31 to 90 days	10	5,632	8
Over 90 days	106	183	-
	$ 4,897,705	$ 7,376,797	$ 6,375,814

The above ageing analysis was based on past due date.

B. As of March 31, 2026, December 31, 2025 and March 31, 2025, accounts receivable were all from contracts with customers. And as of January 1, 2025, the balance of receivables from contracts with customers amounted to $7,426,297.

C. As of March 31, 2026, December 31, 2025 and March 31, 2025, 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).

(5) Inventories

	March 31, 2026		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 1,498,766	$ (57,874)	$ 1,440,892
Work in progress	1,721,994	-	1,721,994
Finished goods	3,370,403	(29,286)	3,341,117
Inventory in transit	103,156	-	103,156
	$ 6,694,319	$ (87,160)	$ 6,607,159

	December 31, 2025		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 1,165,061	$ (53,978)	$ 1,111,083
Work in progress	1,094,683	-	1,094,683
Finished goods	2,365,090	(35,708)	2,329,382
Inventory in transit	154,597	-	154,597
	$ 4,779,431	$ (89,686)	$ 4,689,745

	March 31, 2025		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 1,573,923	$ (41,503)	$ 1,532,420
Work in progress	2,038,330	-	2,038,330
Finished goods	3,492,602	(19,378)	3,473,224
Inventory in transit	53,714	-	53,714
	$ 7,158,569	$ (60,881)	$ 7,097,688

The cost of inventories recognised as expense for the year:

	Three months ended March 31	
	2026	2025
Cost of goods sold	$ 6,254,977	$ 8,002,051
Gain on reversal of decline in market value	(4,002)	(14,249)
Loss on scrapping inventories	4,657	-
Revenue from sale of scraps	(2,592)	(4,290)
	$ 6,253,040	$ 7,983,512

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.

(6) Other current assets

	March 31, 2026	December 31, 2025	March 31, 2025
Excess business tax paid (or Net Input VAT)	$ 2,299,877	$ 2,153,083	$ 2,237,035
Prepaid expenses	253,601	243,255	277,366
Prepayments to suppliers	21,006	36,048	39,907
Others	68,982	66,241	40,845
	$ 2,643,466	$ 2,498,627	$ 2,595,153

(7) Property, plant and equipment

	Three months ended March 31, 2026					
Cost	Beginning balance	Addition	Decrease	Transfer	Net exchange differences	Ending balance
Lands	$ 441,556	$ -	$ -	$ -	$ 4,167	$ 445,723
Buildings and structures	10,722,215	19,047	-	-	176,919	10,918,181
Machinery and equipment	7,140,986	63,180	(10,949)	1,523	126,211	7,320,951
Transportation equipment	100,827	3,410	-	1,006	1,773	107,016
Office equipment	163,656	2,677	-	1,561	2,832	170,726
Miscellaneous equipment	955,084	27,813	(159,286)	306	15,429	839,346
Unfinished construction and equipment under acceptance	705,908	328,781	-	(4,270)	13,935	1,044,354
	20,230,232	$ 444,908	$ (170,235)	$ 126	$ 341,266	20,846,297
Accumulated depreciation						
Buildings and structures	$ (2,721,181)	$ (104,539)	$ -	$ -	$ (49,518)	$ (2,875,238)
Machinery and equipment	(4,944,141)	(131,046)	10,822	-	(90,678)	(5,155,043)
Transportation equipment	(62,860)	(2,513)	-	-	(1,147)	(66,520)
Office equipment	(117,278)	(4,275)	-	-	(2,119)	(123,672)
Miscellaneous equipment	(615,434)	(46,509)	159,286	(32)	(10,274)	(512,963)
	(8,460,894)	$ (288,882)	$ 170,108	$ (32)	$ (153,736)	(8,733,436)
Book value	$ 11,769,338					$ 12,112,861

	Three months ended March 31, 2025					
Cost	Beginning balance	Addition	Decrease	Transfer	Net exchange differences	Ending balance
Lands	$ -	$ 275,771	$ -	$ -	$ 1,232	$ 277,003
Buildings and structures	11,307,566	29,215	-	113,473	49,938	11,500,192
Machinery and equipment	7,263,776	103,721	(864)	75,993	32,345	7,474,971
Transportation equipment	98,687	6,574	-	95	442	105,798
Office equipment	168,315	6,863	(894)	(7,949)	546	166,881
Miscellaneous equipment	1,076,146	32,397	(263,784)	(19,935)	6,118	830,942
Unfinished construction and equipment under acceptance	609,501	183,519	-	(95,248)	1,046	698,818
	20,523,991	$ 638,060	$ (265,542)	$ 66,429	$ 91,667	21,054,605
Accumulated depreciation						
Buildings and structures	$ (2,504,680)	$ (111,085)	$ -	$ -	$ (18,121)	$ (2,633,886)
Machinery and equipment	(4,841,756)	(159,120)	864	(36)	(23,954)	(5,024,002)
Transportation equipment	(57,393)	(2,439)	-	-	(295)	(60,127)
Office equipment	(110,467)	(5,363)	894	1,017	(502)	(114,421)
Miscellaneous equipment	(711,546)	(55,580)	263,784	2,310	(3,794)	(504,826)
	(8,225,842)	$ (333,587)	$ 265,542	$ 3,291	$ (46,666)	(8,337,262)
Book value	$ 12,298,149					$ 12,717,343

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 ate all for self-use.

(8) 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:

	March 31, 2026	December 31, 2025	March 31, 2025
	Carrying amount	Carrying amount	Carrying amount
Land	$ 836,620	$ 828,632	$ 907,565
Buildings	239,011	234,621	283,882
Transportation equipment	3,214	4,031	4,298
	$ 1,078,845	$ 1,067,284	$ 1,195,745

	Three months ended March 31	
	2026	2025
	Depreciation charge	Depreciation charge
Land	$ 5,105	$ 5,416
Buildings	15,484	15,362
Transportation equipment	817	1,531
	$ 21,406	$ 22,309

D. For the three months ended March 31, 2026 and 2025, the additions to right-of-use assets were $16,292 and $13,681, respectively.

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

	Three months ended March 31	
	2026	2025
Items affecting profit or loss		
Interest expense on lease liabilities	$ 2,425	$ 2,519
Expense on short-term lease contracts	$ 2,018	$ 1,808

F. For the three months ended March 31, 2026 and 2025, the Group's total cash outflow for leases were $15,848 and $24,864, respectively.

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

(9) Short-term borrowings

Type of borrowings	December 31, 2025	Interest rate range	Collateral
Bank borrowings			
Secured borrowings	$ 402,224	4.50%~4.57%	Land use right and property, plant and equipment
Unsecured borrowings	1,445,780	4.28%~4.50%	None
	$ 1,848,004		

Type of borrowings	March 31, 2025	Interest rate range	Collateral
Bank borrowings			
Secured borrowings	$ 873,038	5.10%~5.23%	Land use right and property, plant and equipment
Unsecured borrowings	2,089,002	3.98%~5.50%	None
	$ 2,962,040		

There was no such transaction as of March 31, 2026.

Interest expense recognised in profit or loss amounted to $7,311 and $41,470 for the three months ended March 31, 2026 and 2025, respectively.

(10) Other payables

	March 31, 2026	December 31, 2025	March 31, 2025
Payable on wages, salaries and bonuses	$ 867,719	$ 1,210,011	$ 818,629
Payable on machinery and equipment	105,383	88,460	145,213
Payable on employees' compensation	89,482	84,584	61,801
Payable on directors' remuneration	54,549	50,973	45,733
Payable on professional service fees	43,965	69,031	170,076
Others	210,570	174,170	261,330
	$ 1,371,668	$ 1,677,229	$ 1,502,782

(Remainder of page intentionally left blank)

(11) Bonds payable

	March 31, 2026	December 31, 2025	March 31, 2025
Bonds payable	$ 5,000,000	$ 5,000,000	$ -
Less: Discount on bonds payable	(285,289)	(310,772)	-
	$ 4,714,711	$ 4,689,228	$ -

A. The Company issued the First domestic unsecured convertible bonds, as approved by the regulatory authority.

(a) The terms are as follows:

i. The bonds were issued at $4,500,000, 0%, and at 100% of par value. The bonds mature 3 years from the issue date (November 28, 2025 ~ November 28, 2028) and will be redeemed in cash at face value at the maturity date. The bonds were listed on the Taipei Exchange on November 28, 2025.

ii. The bondholders have the right to ask for conversion of the bonds into common shares of the Company at any time during the period from the date after three months of the bonds issued to the maturity date by notifying the Taiwan Depository & Clearing Corporation through the dealer to the Company, except for (i) the stop transfer period as specified in the terms of the bonds or the laws/regulations; (ii) the book closure date of the issuance of bonus shares, and of cash dividends, the period between the date that is 15 business days before the book closure date of a capital increase to the ex-right date; (iii) the period between the record date of a capital reduction and the prior day before the commencement of stock trading after stocks are repurchased; (iv) the period from the commencement date of the cessation of conversion of the share certificate and the prior day before the commencement date of trading of the new share certificate. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.

iii. The conversion price of the bonds is set up based on the pricing model in the terms of the bonds, and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. As of March 31, 2026, the conversion price was $246.4 (in dollars) per share.

iv. The Company may repurchase all the bonds outstanding in cash at the bonds' face value at any time after the following events occur: (i) the closing price of the Company common shares is above the then conversion price by 30%(inclusive) for 30 consecutive trading days during the period from the date after three months of the bonds issue to 40 days before the maturity date, or (ii) the outstanding balance of the bonds is less than 10% of total initial issue amount.

v. Under the terms of the bonds, all bonds redeemed (including bonds repurchased from the Taipei Exchange), matured and converted are retired and will not be resold or reissued; all rights and obligations attached to the bonds are also extinguished.

(b) As of March 31, 2026, the outstanding principal amount of the convertible bonds has not yet been converted into ordinary shares.

(c) As of March 31, 2026, regarding the issuance of convertible bonds, the equity conversion options amounting to $297,945 were separated from the liability component and were recognised in 'capital surplus-share options' in accordance with IAS 32. The call options embedded in bonds payable were separated from their host contracts and were recognised in 'financial assets at fair value through profit or loss' in net amount in accordance with IFRS 9 because the economic characteristics and risks of the embedded derivatives were not closely related to those of the host contracts. The effective interest rates of the bonds payable after such separation is 2.22%.

B. The issuance of the Second domestic unsecured convertible bonds by the Company, as approved by the regulatory authority:

(a) The terms are as follows

i. The bonds were issued at $500,000, 0%, and at 119.83% of par value. The bonds mature 3 years from the issue date (December 10, 2025 ~ December 10, 2028) and will be redeemed in cash at face value at the maturity date. The bonds were listed on the Taipei Exchange on December 10, 2025.

ii. The bondholders have the right to ask for conversion of the bonds into common shares of the Company at any time during the period from the date after three months of the bonds issued to the maturity date by notifying the Taiwan Depository & Clearing Corporation through the dealer to the Company, except for (i) the stop transfer period as specified in the terms of the bonds or the laws/regulations; (ii) the book closure date of the issuance of bonus shares, and of cash dividends, the period between the date that is 15 business days before the book closure date of a capital increase to the ex-right date; (iii) the period between the record date of a capital reduction and the prior day before the commencement of stock trading after stocks are repurchased; (iv) the period from the commencement date of the cessation of conversion of the share certificate and the prior day before the commencement date of trading of the new share certificate. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.

iii. The conversion price of the bonds is set up based on the pricing model in the terms of the bonds, and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. As of March 31, 2026, the conversion price was $245.2 (in dollars)

iv. The Company may repurchase all the bonds outstanding in cash at the bonds' face value at any time after the following events occur: (i) the closing price of the Company common shares is above the then conversion price by 30% for 30 consecutive trading days, or (ii) the outstanding balance of the bonds is less than 10% of total initial issue amount during the period from the date after three months of the bonds issue to 40 days before the maturity date.

v. Under the terms of the bonds, all bonds redeemed (including bonds repurchased from the Taipei Exchange), matured and converted are retired and not to be re-issued; all rights and obligations attached to the bonds are also extinguished.

(b) As of March 31, 2026, the outstanding principal amount of the convertible bonds has not yet been converted into ordinary shares.

(c) As of March 31, 2026, regarding the issuance of convertible bonds, the equity conversion options amounting to $132,133 were separated from the liability component and were recognised in 'capital surplus-share options' in accordance with IAS 32. The call options embedded in bonds payable were separated from their host contracts and were recognised in 'financial assets at fair value through profit or loss' in net amount in accordance with IFRS 9 because the economic characteristics and risks of the embedded derivatives were not closely related to those of the host contracts. The effective interest rates of the bonds payable after such separation is 2.25%.

(12) 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 ended March 31, 2026 and 2025, were $2,618 and $2,330, respectively.

B. 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 ended March 31, 2026 and 2025, were $222,297 and $220,269, respectively.

C. 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 ended March 31, 2026 and 2025, were $7,598 and $6,058, respectively.

(13) Share capital

As of March 31, 2026, 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.

(14) 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 Board of Directors resolved the appropriation of 2025 earnings on March 5, 2026. Cash dividends from capital surplus amounted to $498,800 at $2 (in dollars) per share. As of May 6, 2026, the appropriation of 2025 earnings has not been resolved by the shareholders.

(15) 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. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items are reversed subsequently, the reversed amount could be included in the distributable earnings.

D. The Board of Directors resolved the appropriation of 2025 earnings on March 5, 2026 and the shareholders resolved the appropriation of 2024 earnings on May 27, 2025. Details are as follows :

	Year ended December 31			
	2025		2024	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	$ 324,765		$ 381,832	
Special Reserve	1,122,611		-	
Cash dividends	1,745,800	$ 7.00	2,244,600	$ 9.00
Total	$ 3,193,176		$ 2,626,432	

As of May 6, 2026, the appropriation of 2025 earnings has not been resolved by the shareholders.

(16) Operating revenue

	Three months ended March 31	
	2026	2025
Revenue from contracts with customers	$ 7,077,691	$ 9,682,827

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of control at a point in time. Revenue can be disaggregated according to geographical regions. Refer to Note 14(5) for relevant information.

B. Contract liabilities

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

	March 31, 2026	December 31, 2025	March 31, 2025	January 1, 2025
Contract liabilities:				
- Advance sales receipts	$ 74,752	$ 58,397	$ 72,850	$ 109,061

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

	Three months ended March 31	
	2026	2025
Revenue recognised that was included in the contract liability balance at the beginning of the period		
- Advance sales receipts	$ 55,893	$ 108,802

(17) Interest income

	Three months ended March 31	
	2026	2025
Interest income from bank deposits	$ 23,366	$ 12,780
Interest income from financial assets measured at amortised cost	91	127
	$ 23,457	$ 12,907

(18) Other gains and losses

	Three months ended March 31	
	2026	2025
Foreign exchange gain	$ 99,751	$ 176,270
Gain on disposals of property, plant and equipment	451	-
Loss on financial assets at fair value through profit or loss	(12,450)	-
Other gains and losses	(1,549)	(32,237)
	$ 86,203	$ 144,033

(19) Finance costs

	Three months ended March 31	
	2026	2025
Interest expense		
Bonds payable	$ 25,483	$ -
Bank borrowings	7,311	41,470
Lease liabilities	2,425	2,519
	$ 35,219	$ 43,989

(20) Expenses by nature

	Three months ended March 31	
	2026	2025
Employee benefit expense		
Wages and salaries	$ 2,203,281	$ 2,181,135
Labour and health insurance fees	62,092	61,553
Pension costs	232,513	228,657
Other personnel expenses	107,389	119,994
	$ 2,605,275	$ 2,591,339
Depreciation charges on property, plant and equipment	$ 288,882	$ 333,587
Depreciation charges on right-of-use assets	$ 21,406	$ 22,309
Amortisation charges	$ 2,303	$ 2,161

A. For the three months ended March 31, 2026 and 2025, employees' compensation was accrued at $4,898 and $23,788, respectively; directors' remuneration was accrued at $2,939 and $14,273, 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 for the three months ended March 31, 2026and 2025.

C. Employees' compensation and directors' remuneration for 2025 as resolved at the meeting of the Board of Directors were in agreement with those amounts recognised in the 2025 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.

(21) Income tax

A. Income tax expense

Components of income tax expense:

	Three months ended March 31	
	2026	2025
Current tax:		
Current tax on profits for the period	$ 61,843	$ 226,158
Prior year income tax overestimation	(1,462)	(201)
Total current tax	60,381	225,957
Deferred tax:		
Origination and reversal of temporary differences	$ 19,018	$ 3,742
Total deferred tax	19,018	3,742
Income tax expense	$ 79,399	$ 229,699

B. The income tax returns of (SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH through 2024 have been assessed and approved by the Tax Authority.

(Remainder of page intentionally left blank)

(22) Earnings per share

	Three months ended March 31, 2026		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to the parent	$ 188,095	249,400	$ 0.75
Diluted earnings per share			
Profit attributable to the parent	188,095	249,400	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	363	
Profit attributable to the parent plus assumed conversion of all dilutive potential ordinary shares	$ 188,095	249,763	$ 0.75

	Three months ended March 31, 2025		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to the parent	$ 913,461	249,400	$ 3.66
Diluted earnings per share			
Profit attributable to the parent	913,461	249,400	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	246	
Profit attributable to the parent plus assumed conversion of all dilutive potential ordinary shares	$ 913,461	249,646	$ 3.66

A. 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 period.

B. For the three months ended March 31, 2026, the potential ordinary shares from the Company's convertible bonds, together with the related interest expense savings and other gains and losses, are anti-dilutive and therefore are not included in the calculation of diluted earnings per share.

(23) Supplemental cash flow information

Investing activities with partial cash payments:

	Three months ended March 31	
	2026	2025
Purchase of property, plant and equipment	$ 445,002	$ 707,780
Add: Opening balance of payable on equipment	82,359	154,978
Add: Ending balance of prepayments for equipment	42,991	12,671
Less: Ending balance of payable on equipment	(100,110)	(145,213)
Less: Opening balance of prepayments for equipment	(31,489)	(159,377)
Cash paid during the period	$ 438,753	$ 570,839

	Three months ended March 31	
	2026	2025
Purchase of intangible assets	$ 232	$ 1,187
Add: Opening balance of payable	6,101	-
Add: Ending balance of prepayments	2,146	3,663
Less: Ending balance of payable	(5,273)	-
Less: Opening balance of prepayments	(1,889)	(4,424)
Cash paid during the period	$ 1,317	$ 426

(24) Changes in liabilities from financing activities

	Short-term borrowings	Bonds payable	Lease liabilities	Liabilities from financing activities-gross
At January 1, 2026	$ 1,848,004	$ 4,689,228	$ 394,072	$ 6,931,304
Changes in cash flow from financing activities	(1,864,580)	-	(11,405)	(1,875,985)
Impact of changes in foreign exchange rate	16,576	-	5,184	21,760
Changes in other non-cash items	-	25,483	16,292	41,775
At March 31, 2026	$ -	$ 4,714,711	$ 404,143	$ 5,118,854

	Short-term borrowings	Lease liabilities	Liabilities from financing activities-gross
At January 1, 2025	$ 3,311,796	$ 444,938	$ 3,756,734
Changes in cash flow from financing activities	(383,832)	(20,537)	(404,369)
Impact of changes in foreign exchange rate	34,076	599	34,675
Changes in other non-cash items	-	13,681	13,681
At March 31, 2025	$ 2,962,040	$ 438,681	$ 3,400,721

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)
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)

(2) Significant related party transactions

A. Purchases

	Three months ended March 31	
	2026	2025
Purchases of services:		
Other related parties	$ 6,643	$ 4,128

(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

	March 31, 2026	December 31, 2025	March 31, 2025
Accounts payable:			
Other related parties	$ 4,068	$ 1,498	$ 1,415
Associate	6,725	6,603	7,152
	$ 10,793	$ 8,101	$ 8,567

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 in 2026 and 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

	March 31, 2026	December 31, 2025	March 31, 2025
ZHUO YIH	$ 318	$ 2,626	$ 2,626

(d) Lease liabilities

i. Outstanding balance

	March 31, 2026	December 31, 2025	March 31, 2025
AN LAC	$ 61,333	$ 63,776	$ 84,882
ZHUO YIH	21,856	23,435	28,982
	$ 83,189	$ 87,211	$ 113,864

ii. Interest expense

	Three months ended March 31	
	2026	2025
AN LAC	$ 871	$ 849
ZHUO YIH	179	219
	$ 1,050	$ 1,068

D. Endorsements and guarantees provided to related parties

	March 31, 2026	December 31, 2025	March 31, 2025
CHUNG TE LI/ LIN CHANG YUNG	$ -	$ 1,848,004	$ 2,962,154

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, Bank SinoPac, Mega Commercial Bank and Cathay United Bank.

(3) Key management compensation

	Three months ended March 31	
	2026	2025
Short-term employee benefits	$ 21,470	$ 23,568
Post-employment benefits	143	160
	$ 21,613	$ 23,728

(Remainder of page intentionally left blank)

8. Pledged Assets

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

Pledged asset	Book value			Purpose
	March 31, 2026	December 31, 2025	March 31, 2025	
Time deposits (shown as financial assets at amortised cost)	$ 20,578	$ 19,494	$ 17,438	Performance guarantee
Property, plant and equipment	104,305	901,122	1,035,161	Short-term borrowings
Right-of-use assets	11,241	185,400	205,565	Short-term borrowings
	$ 136,124	$ 1,106,016	$ 1,258,164	

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:

	March 31, 2026	December 31, 2025	March 31, 2025
Property, plant and equipment	$ 699,146	$ 339,263	$ 251,287
Investments accounted for under equity method	238,340	234,042	-
Intangible assets	273	342	3,110
	$ 937,759	$ 573,647	$ 254,397

10. Significant Disaster Loss

None.

11. Significant Events after the Balance Sheet Date

Refer to Note 6(15) D. for the appropriation of 2025 earnings.

(Remainder of page intentionally left blank)

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 March 31, 2026, December 31, 2025 and March 31, 2025 were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Total liabilities	$ 9,412,742	$ 10,932,414	$ 8,189,516
Total assets	$ 35,137,943	$ 36,093,968	$ 34,633,163
Debt ratio	27%	30%	24%

(2) Financial instruments

A. Financial instruments by category

	March 31, 2026	December 31, 2025	March 31, 2025
Financial assets			
Financial assets at fair value through profit or loss	$ 4,000	$ 16,450	$ -
Financial assets at amortised cost			
Cash and cash equivalents	$ 7,047,987	$ 7,988,223	$ 3,974,867
Financial assets at amortised cost	22,754	21,630	19,752
Accounts receivable	4,897,147	7,375,158	6,371,754
Other receivables	6,636	8,325	22,672
Guarantee deposits paid	35,297	34,775	23,930
	$ 12,009,821	$ 15,428,111	$ 10,412,975
Financial liabilities			
Financial liabilities at amortised cost			
Short-term borrowings	$ -	$ 1,848,004	$ 2,962,040
Notes payable	6	6	3
Accounts payable (including related parties)	2,267,654	1,704,937	2,335,781
Other accounts payable	1,371,668	1,677,229	1,502,782
Bonds payable	4,714,711	4,689,228	-
	$ 8,354,039	$ 9,919,404	$ 6,800,606
Lease liability	$ 404,143	$ 394,072	$ 438,681

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:

(Remainder of page intentionally left blank)

	March 31, 2026		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 462,672	32	$ 14,803,192
USD:VND	208,852	26,214	6,682,218
USD:IDR	17,137	16,920	548,288
Financial liabilities			
Monetary items			
USD:NTD	$ 264,138	32	$ 8,451,092
USD:VND	72,310	26,214	2,313,543
USD:IDR	39,016	16,920	1,248,315

	December 31, 2025		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 419,676	31.43	$ 13,190,429
USD:VND	227,095	26,224	7,137,584
USD:IDR	39,289	16,779	1,234,855
Financial liabilities			
Monetary items			
USD:NTD	$ 277,914	31.43	$ 8,734,845
USD:VND	62,376	26,224	1,960,474
USD:IDR	44,603	16,779	1,401,861

(Remainder of page intentionally left blank)

	March 31, 2025		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 310,389	33.21	$ 10,306,481
USD:VND	189,279	25,580	6,285,011
USD:IDR	24,140	16,474	801,558
Financial liabilities			
Monetary items			
USD:NTD	$ 295,824	33.21	$ 9,822,840
USD:VND	85,713	25,580	2,846,101
USD:IDR	16,944	16,474	562,594

iv. The total exchange gain, including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group for the three months ended March 31, 2026 and 2025, amounted to $99,751 and $176,270, respectively.

v. Analysis of foreign currency market risk arising from significant foreign exchange variation:

	Three months ended March 31, 2026		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	5%	$ 740,160	$ -
USD:VND	5%	334,111	-
USD:IDR	5%	27,414	-
Financial liabilities			
Monetary items			
USD:NTD	5%	$ 422,555	$ -
USD:VND	5%	115,677	-
USD:IDR	5%	62,416	-

	Three months ended March 31, 2025		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	5%	$ 515,324	$ -
USD:VND	5%	314,251	-
USD:IDR	5%	40,078	-
Financial liabilities			
Monetary items			
USD:NTD	5%	$ 491,142	$ -
USD:VND	5%	142,305	-
USD:IDR	5%	28,130	-

Price risk

i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

ii. For the Group's call options embedded in convertible bonds (shown as financial assets at fair value through profit or loss), the prices of equity securities would change due to the change of the future value of investee companies. If the Company' stock prices had increased/decreased by 5% with all other variables held constant, post-tax profit for the three months ended March 31, 2026 would have increased by $1,000 and decreased by $500, respectively, as a result of gains/losses on financial assets at fair value through profit or loss. There was no such transaction for the three months ended March 31, 2025.

Cash flow and fair value interest rate risk

i. The Group's main interest rate risk arises from short-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. During three months ended March 31, 2026 and 2025, 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 three months ended March 31, 2025 would have increased/decreased by $6,783, there was no such transaction for the three months ended March 31, 2026. 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 March 31, 2026, December 31, 2025 and March 31, 2025, 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
March 31, 2026					
Expected loss rate	0.0092 %	2.41 %	10.00 %	100.00 %	
Total book value	$ 4,897,506	$ 83	$ 10	$ 106	$ 4,897,705
Loss allowance	$ 449	$ 2	$ 1	$ 106	$ 558
December 31, 2025					
Expected loss rate	0.0057 %	1.75 %	9.41 %	100.00 %	
Total book value	$ 7,342,214	$ 28,768	$ 5,632	$ 183	$ 7,376,797
Loss allowance	$ 422	$ 504	$ 530	$ 183	$ 1,639
March 31, 2025					
Expected loss rate	0.0274 %	12.05 %	0.00 %	100.00 %	
Total book value	$ 6,356,581	$ 19,225	$ 8	$ -	$ 6,375,814
Loss allowance	$ 1,743	$ 2,317	$ -	$ -	$ 4,060

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

	2026
	Accounts receivable
At January 1	$ 1,639
Reversal of impairment loss	(1,081)
At March 31	$ 558

	2025
	Accounts receivable
At January 1	$ 18,219
Reversal of impairment loss	(14,159)
At March 31	$ 4,060

(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	March 31, 2026	December 31, 2025	March 31, 2025
Expiring within one year	$ 8,862,615	$ 6,003,130	$ 6,434,861

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.

March 31, 2026	Less than 6 months	Between 6 months and 1 year	Between 1 and 2 year(s)	Between 2 and 5 years	Over 5 years
Non-derivative financial liabilities:					
Notes payable	$ 6	$ -	$ -	$ -	$ -
Accounts payable (including related parties)	2,267,654	-	-	-	-
Other payable	1,371,668	-	-	-	-
Lease liability	23,419	180,089	48,886	90,353	139,265
Bonds payable	-	-	-	5,000,000	-

December 31, 2025	Less than 6 months	Between 6 months and 1 year	Between 1 and 2 year(s)	Between 2 and 5 years	Over 5 years
Non-derivative financial liabilities:					
Short-term borrowings	$ 1,858,797	$ -	$ -	$ -	$ -
Notes payable	6	-	-	-	-
Accounts payable (including related parties)	1,704,937	-	-	-	-
Other payable	1,677,229	-	-	-	-
Lease liability	21,252	177,366	47,687	85,883	138,433
Bonds payable	-	-	-	5,000,000	-

March 31, 2025	Less than 6 months	Between 6 months and 1 year	Between 1 and 2 year(s)	Between 2 and 5 years	Over 5 years
Non-derivative financial liabilities:					
Short-term borrowings	$ 2,984,452	$ -	$ -	$ -	$ -
Notes payable	3	-	-	-	-
Accounts payable (including related parties)	2,335,781	-	-	-	-
Other payable	1,502,782	-	-	-	-
Lease liability	23,448	28,813	208,598	108,054	153,843

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the convertible bonds issued by the Group is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The call option of the convertible bonds issued by the Group is included in Level 3.

B. Financial instruments not measured at fair value

(a) Except for those listed in the table below, the carrying amounts of cash and cash equivalents, financial assets at amortised cost, accounts receivable, other receivables, short-term borrowings, notes payable, accounts payable and other payables are approximate to their fair values.

	March 31, 2026			
		Fair Value		
	Book value	Level 1	Lavel 2	Lavel 3
Financial liabilities:				
Bonds payable	$ 4,714,711	$ -	$ 4,727,239	$ -

	December 31, 2025			
		Fair Value		
	Book value	Level 1	Lavel 2	Lavel 3
Financial liabilities:				
Bonds payable	$ 4,689,228	$ -	$ 4,700,151	$ -

There was no such transaction as of March 31, 2025.

(b) The methods and assumptions of fair value estimate are as follows:

Bonds payable: It is measured at present value, which is calculated based on the cash flow expected to be paid and discounted using a market rate prevailing at balance sheet date.

(Remainder of page intentionally left blank)

C. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at March 31, 2026 is as follows:

(a) The related information of natures of the assets and liabilities is as follows:

March 31, 2026	Level 1	Lavel 2	Lavel 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value throughprofit or loss				
-Call options of convertible bonds	$ -	$ -	$ 4,000	$ 4,000
December 31, 2025	Level 1	Lavel 2	Lavel 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value throughprofit or loss				
-Call options of convertible bonds	$ -	$ -	$ 16,450	$ 16,450

There was no such transaction as of March 31, 2025.

(b) The methods and assumptions the Group used to measure fair value are as follows:

i. The fair value of financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods.

ii. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

D. For the three months ended March 31, 2026 and 2025, there was no transfer between Level 1 and Level 2.

E. The following chart is the movement of Level 3 for the three months ended March 31, 2026 and 2025:

	2026
	Embedded derivative instruments
At January 1	$ 16,450
Losses recognised in profit or loss (Note)	(12,450)
At March 31	$ 4,000

Note : Recorded as non-operating income and expense.

There was no such transaction for the three months ended March 31, 2025.

F. External valuation specialist engaged by the Group is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

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

	Fair value at March 31, 2026	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Call options of convertible bonds	$ 4,000	Binomial tree valuation model	Stock price volatility	57.58%	The higher the stock price volatility, the higher the fair value.

	Fair value at December 31, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Call options of convertible bonds	$ 16,450	Binomial tree valuation model	Stock price volatility	59.93%	The higher the stock price volatility, the higher the fair value.

There was no such transaction as of March 31, 2025.

H. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect of profit or loss from financial assets and liabilities categorised within Level 3 if the inputs used to valuation models have changed:

			March 31, 2026	
			Recognised in profit or loss	
	Input	Change	Favourable change	Unfavourable change
Financial assets				
Call options of convertible bonds	Stock price volatility	±5%	$ 1,000	$ (1,500)

			December 31, 2025	
			Recognised in profit or loss	
	Input	Change	Favourable change	Unfavourable change
Financial assets				
Call options of convertible bonds	Stock price volatility	±5%	$ 1,700	$ (3,150)

There was no such transaction as of March 31, 2025.

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 table3.

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 periods: 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 three months ended March 31, 2026 and 2025 is as follows:

	Three months ended March 31	
	2026	2025
	Revenue (Note)	Revenue (Note)
US	$ 2,361,151	$ 3,460,779
Europe	1,285,521	1,535,231
Asia	1,172,622	1,314,571
Netherlands	1,061,168	1,661,591
Americas	1,025,171	1,476,212
Others	172,058	234,443
	$ 7,077,691	$ 9,682,827

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

(Remainder of page intentionally left blank)

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES
Loans to others
Three months ended March 31, 2026

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 three months ended March 31, 2026 (Note3)	Balance at March 31, 2026 (Note 8)	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
													Item	Value			
0	The Company	LAI YIH FOOTWEAR CO., LTD.	Other receivables (financing)	Yes	$ 4,159,350	$ 4,159,350	$ 4,156,151	0	2	$ -	Operating capital	$ -	None	$ -	$ 4,945,552	$ 9,891,104	
1	LAI YIH FOOTWEAR CO., LTD.	THRIVE FOISON LIMITED	Other receivables (financing)	Yes	2,719,575	2,079,675	1,001,444	0	2	-	Operating capital	-	None	-	23,388,224	23,388,224	
1	LAI YIH FOOTWEAR CO., LTD.	PORTRICH TRADING LIMITED	Other receivables (financing)	Yes	319,950	319,950	-	0	2	-	Operating capital	-	None	-	23,388,224	23,388,224	
1	LAI YIH FOOTWEAR CO., LTD.	POLO INTERNATIONAL HOLDING LTD.	Other receivables (financing)	Yes	1,119,825	959,850	396,738	0	2	-	Operating capital	-	None	-	23,388,224	23,388,224	
1	LAI YIH FOOTWEAR CO., LTD.	MEGA RIVER INVESTMENT CO., LTD.	Other receivables (financing)	Yes	639,900	479,925	255,960	0	2	-	Operating capital	-	None	-	23,388,224	23,388,224	
1	LAI YIH FOOTWEAR CO., LTD.	EVERYIELD CO., LTD.	Other receivables (financing)	Yes	127,980	127,980	127,980	0	2	-	Operating capital	-	None	-	23,388,224	23,388,224	
1	LAI YIH FOOTWEAR CO., LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED	Other receivables (financing)	Yes	1,279,800	1,279,800	-	0	2	-	Operating capital	-	None	-	23,388,224	23,388,224	
1	LAI YIH FOOTWEAR CO., LTD.	LAC TY COMPANY LIMITED	Other receivables (financing)	Yes	639,900	319,950	35,195	1.5	2	-	Operating capital	-	None	-	4,677,645	9,355,290	
1	LAI YIH FOOTWEAR CO., LTD.	VINH LONG FOOTWEAR CO., LTD	Other receivables (financing)	Yes	319,950	319,950	-	1.5	2	-	Operating capital	-	None	-	4,677,645	9,355,290	
1	LAI YIH FOOTWEAR CO., LTD.	PT. ALNU SPORTING GOODS INDONESIA	Other receivables (financing)	Yes	63,990	63,990	-	4	2	-	Operating capital	-	None	-	4,677,645	9,355,290	
2	THRIVE FOISON LIMITED	TY BACH COMPANY LIMITED	Other receivables (financing)	Yes	1,759,725	1,759,725	1,150,220	1.5	2	-	Operating capital	-	None	-	5,031,234	5,031,234	
2	THRIVE FOISON LIMITED	GRAND WISDOM COMPANY LIMITED	Other receivables (financing)	Yes	319,950	159,975	-	1.5	2	-	Operating capital	-	None	-	5,031,234	5,031,234	
2	THRIVE FOISON LIMITED	PT. YIH QUAN FOOTWEAR INDONESIA	Other receivables (financing)	Yes	959,850	799,875	319,950	1.5	2	-	Operating capital	-	None	-	5,031,234	5,031,234	
3	PORTRICH TRADING LIMITED	LAC TY II COMPANY LIMITED	Other receivables (financing)	Yes	319,950	319,950	-	1.5	2	-	Operating capital	-	None	-	6,112,556	6,112,556	
4	KING GLOBAL DEVELOPMENT CORP	YIH SHUO FOOTWEAR CO., LTD	Other receivables (financing)	Yes	159,975	159,975	-	1.5	2	-	Operating capital	-	None	-	2,522,549	2,522,549	
4	KING GLOBAL DEVELOPMENT CORP	LAI YIH FOOTWEAR CO., LTD.	Other receivables (financing)	Yes	959,850	639,900	409,536	0	2	-	Operating capital	-	None	-	2,522,549	2,522,549	
5	MEGA RIVER INVESTMENT CO., LTD.	PT. YIH QUAN FOOTWEAR INDONESIA	Other receivables (financing)	Yes	479,925	319,950	255,960	1.5	2	-	Operating capital	-	None	-	1,658,922	1,658,922	
6	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED	LAI YIH FOOTWEAR CO., LTD.	Other receivables (financing)	Yes	1,599,750	1,119,825	1,051,036	0	2	-	Operating capital	-	None	-	1,920,913	1,920,913	
7	OVERSEA FAITH CO., LTD.	LAI YIH FOOTWEAR CO., LTD.	Other receivables (financing)	Yes	959,850	959,850	527,918	0	2	-	Operating capital	-	None	-	5,615,379	5,615,379	
8	EVERYIELD CO., LTD.	PT. ALNU SPORTING GOODS INDONESIA	Other receivables (financing)	Yes	63,990	63,990	63,990	4	2	-	Operating capital	-	None	-	143,782	287,563	

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 three months ended March 31, 2026.

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 FOOTWARE 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, EVERYIELD CO., LTD. and (SAMOA) 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 FOOTWARE 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) PT. ALNU SPORTING GOODS INDONESIA is a subsidiary which 66.21% directiy 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.

(6) 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.

(7) LAC TY II COMPANY LIMITED 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 PORTRICH TRADING LIMITED's net assets in the financial statements.

(8) 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.

(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 KING GLOBAL DEVELOPMENT CORP'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 (SAMOA) 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% directiy 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
Three months ended March 31, 2026

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Endorser/guarantor	Party being endorsed/ guaranteed: Company name	Party being endorsed/ guaranteed: 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 March 31, 2026 (Note 4)	Outstanding endorsement/ guarantee amount at March 31, 2026 (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.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED	4	$ 23,388,224	$ 1,279,800	$ 1,279,800	$ -	$ -	5.47 %	$ 23,388,224	N	N	N	
1	LAI YIH FOOTWEAR CO., LTD.	LAC TY II COMPANY LIMITED	4	23,388,224	479,925	479,925	-	-	2.05 %	23,388,224	N	N	N	
1	LAI YIH FOOTWEAR CO., LTD.	YIH SHUO FOOTWEAR CO., LTD	4	23,388,224	639,900	639,900	-	-	2.74 %	23,388,224	N	N	N	
1	LAI YIH FOOTWEAR CO., LTD.	TY BACH COMPANY LIMITED	4	23,388,224	1,919,700	959,850	-	-	4.10 %	23,388,224	N	N	N	
1	LAI YIH FOOTWEAR CO., LTD.	PT. YIH QUAN FOOTWEAR INDONESIA	4	23,388,224	479,925	479,925	-	-	2.05 %	23,388,224	N	N	N	
2	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED	YIH SHUO FOOTWEAR CO., LTD	4	1,920,913	320	320	320	-	0.02 %	1,920,913	N	N	N	
2	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED	VINH LONG FOOTWEAR CO., LTD	1	2,881,369	1,920	1,920	960	-	0.10 %	2,881,369	N	N	N	
2	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED	LAC TY COMPANY LIMITED	1	525,848	320	320	-	-	0.02 %	2,881,369	N	N	N	
2	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED	LAC TY II COMPANY LIMITED	4	1,920,913	960	960	960	-	0.05 %	1,920,913	N	N	N	
2	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED	TSANG YIH COMPAMY LIMITED	4	1,920,913	640	640	-	-	0.03 %	1,920,913	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 (SAMOA) 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 chariman 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
Three months ended March 31, 2026

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

			Transaction				Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	CHEER ACCESS LTD.	Same ultimate parent company	Sales	$ 811,756	11.47 %	60 days after receipt of goods	-	-	$ 755,851	15.43 %	Note 1, Note 3
(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	BILLION STAR INTERNATIONAL CO., LTD.	Same ultimate parent company	Sales	556,262	7.86 %	60 days after receipt of goods	-	-	325,698	6.65 %	Note 1, Note 3
CHEER ACCESS LTD.	YIH SHUO FOOTWEAR CO., LTD	Same ultimate parent company	Sales	169,618	2.40 %	60 days after receipt of goods	-	-	121,989	2.49 %	Note 1
CHEER ACCESS LTD.	TY BACH COMPANY LIMITED	Same ultimate parent company	Sales	296,630	4.19 %	60 days after receipt of goods	-	-	212,760	4.34 %	Note 1
CHEER ACCESS LTD.	PT. YIH QUAN FOOTWEAR INDONESIA	Same ultimate parent company	Sales	254,236	3.59 %	60 days after receipt of goods	-	-	362,177	7.40 %	Note 1
BILLION STAR INTERNATIONAL CO., LTD.	LAC TY II COMPANY LIMITED	Same ultimate parent company	Sales	165,278	2.34 %	60 days after receipt of goods	-	-	101,434	2.07 %	Note 1
BILLION STAR INTERNATIONAL CO., LTD.	VINH LONG FOOTWEAR CO., LTD	Same ultimate parent company	Sales	317,591	4.49 %	60 days after receipt of goods	-	-	151,171	3.09 %	Note 1
POLO INTERNATIONAL HOLDING LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	472,698	6.68 %	45 days after receipt of goods	-	-	269,440	5.50 %	Note 1, Note 3
LAC TY COMPANY LIMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	212,597	3.00 %	75 days after receipt of goods	-	-	186,550	3.81 %	Note 1, Note 3
LAC TY II COMPANY LIMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	2,136,268	30.18 %	75 days after receipt of goods	-	-	2,169,793	44.31 %	Note 1, Note 3
VINH LONG FOOTWEAR CO., LTD	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	2,162,184	30.55 %	45 days after receipt of goods	-	-	2,378,472	48.57 %	Note 1, Note 3
YIH SHUO FOOTWEAR CO., LTD	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	530,904	7.50 %	60 days after receipt of goods	-	-	641,874	13.11 %	Note 1, Note 3
TY BACH COMPANY LIMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	873,431	12.34 %	60 days after receipt of goods	-	-	523,633	10.69 %	Note 1, Note 3
GRAND WISDOM COMPANY LIMITED	LAC TY II COMPANY LIMITED	Same ultimate parent company	Sales	162,240	2.29 %	60 days per month	-	-	121,155	2.47 %	Note 1
TSANG YIH COMPAMY LIMITED	POLO INTERNATIONAL HOLDING LTD.	Same ultimate parent company	Sales	185,758	2.62 %	60 days per month	-	-	144,151	2.94 %	Note 1
PT. YIH QUAN FOOTWEAR INDONESIA	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	561,113	7.93 %	45 days after receipt of goods	-	-	107,776	2.20 %	Note 1, Note 3
PT. YIHFULL FOOTWEAR INDONESIA	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	155,877	2.20 %	30 days per month	-	-	101,921	2.08 %	Note 1, Note 3
PT. ALNU SPORTING GOODS INDONESIA	PT. YIH QUAN FOOTWEAR INDONESIA	Same ultimate parent company	Sales	105,052	1.48 %	30 days per month	-	-	32,699	0.67 %	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 (SAMOA) 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
March 31, 2026

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at March 31, 2026		Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date (Note 3)	Allowance for doubtful accounts	Footnote
			Accounts	Amount		Amount	Action taken			
(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	CHEER ACCESS LTD.	Same ultimate parent company	Accounts receivable	$ 755,851	4.53	$ -	-	$ 121,030	$ -	Note 1, Note 4
(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	BILLION STAR INTERNATIONAL CO., LTD.	Same ultimate parent company	Accounts receivable	325,698	7.66	-	-	165,074	-	Note 1, Note 4
CHEER ACCESS LTD.	YIH SHUO FOOTWEAR CO., LTD	Same ultimate parent company	Accounts receivable	121,989	5.21	-	-	48,316	-	Note 1
CHEER ACCESS LTD.	TY BACH COMPANY LIMITED	Same ultimate parent company	Accounts receivable	212,760	7.40	-	-	21,954	-	Note 1
CHEER ACCESS LTD.	PT. YIH QUAN FOOTWEAR INDONESIA	Same ultimate parent company	Accounts receivable	362,177	2.67	-	-	2,116	-	Note 1
BILLION STAR INTERNATIONAL CO., LTD.	LAC TY II COMPANY LIMITED	Same ultimate parent company	Accounts receivable	101,434	5.15	-	-	38,746	-	Note 1
BILLION STAR INTERNATIONAL CO., LTD.	VINH LONG FOOTWEAR CO., LTD	Same ultimate parent company	Accounts receivable	151,171	10.22	-	-	123,159	-	Note 1
POLO INTERNATIONAL HOLDING LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	269,440	7.50	-	-	130,308	-	Note 1, Note 4
LAC TY COMPANY LIMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	186,550	4.69	-	-	39,721	-	Note 1, Note 4
LAC TY II COMPANY LIMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	2,169,793	3.88	-	-	256,497	-	Note 1, Note 4
VINH LONG FOOTWEAR CO., LTD	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	2,378,472	3.46	-	-	724,063	-	Note 1, Note 4
YIH SHUO FOOTWEAR CO., LTD	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	641,874	2.51	-	-	292,500	-	Note 1, Note 4
TY BACH COMPANY LIMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	523,633	5.25	-	-	158,791	-	Note 1, Note 4
GRAND WISDOM COMPANY LIMITED	LAC TY II COMPANY LIMITED	Same ultimate parent company	Accounts receivable	121,155	5.43	-	-	-	-	Note 1
TSANG YIH COMPAMY LIMITED	POLO INTERNATIONAL HOLDING LTD.	Same ultimate parent company	Accounts receivable	144,151	5.36	-	-	-	-	Note 1
PT. YIH QUAN FOOTWEAR INDONESIA	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	107,776	6.96	-	-	107,776	-	Note 1, Note 4
PT. YIHFULL FOOTWEAR INDONESIA	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	101,921	5.49	-	-	47,698	-	Note 1, Note 4
The Company	LAI YIH FOOTWEAR CO., LTD.	Same ultimate parent company	Other receivables	4,156,151	-	-	-	518,417	-	Note 1, Note 2
LAI YIH FOOTWEAR CO., LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED	Same ultimate parent company	Other receivables	1,407,780	-	-	-	-	-	Note 1, Note 2
LAI YIH FOOTWEAR CO., LTD.	MEGA RIVER INVESTMENT CO., LTD.	Same ultimate parent company	Other receivables	255,960	-	-	-	-	-	Note 1, Note 2
LAI YIH FOOTWEAR CO., LTD.	THRIVE FOISON LIMITED	Same ultimate parent company	Other receivables	1,001,444	-	-	-	-	-	Note 1, Note 2
LAI YIH FOOTWEAR CO., LTD.	POLO INTERNATIONAL HOLDING LTD.	Same ultimate parent company	Other receivables	396,738	-	-	-	-	-	Note 1, Note 2
LAI YIH FOOTWEAR CO., LTD.	EVERYIELD CO., LTD.	Same ultimate parent company	Other receivables	127,980	-	-	-	-	-	Note 1, Note 2
(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED	LAI YIH FOOTWEAR CO., LTD.	Same ultimate parent company	Other receivables	1,051,036	-	-	-	-	-	Note 1, Note 2
OVERSEA FAITH CO., LTD.	LAI YIH FOOTWEAR CO., LTD.	Same ultimate parent company	Other receivables	527,918	-	-	-	-	-	Note 1, Note 2
MEGA RIVER INVESTMENT CO., LTD.	PT. YIH QUAN FOOTWEAR INDONESIA	Same ultimate parent company	Other receivables	256,691	-	-	-	-	-	Note 1, Note 2
KING GLOBAL DEVELOPMENT CORP	LAI YIH FOOTWEAR CO., LTD.	Same ultimate parent company	Other receivables	409,536	-	-	-	-	-	Note 1, Note 2
THRIVE FOISON LIMITED	TY BACH COMPANY LIMITED	Same ultimate parent company	Other receivables	1,150,220	-	-	-	-	-	Note 1, Note 2
THRIVE FOISON LIMITED	PT. YIH QUAN FOOTWEAR INDONESIA	Same ultimate parent company	Other receivables	322,640	-	-	-	-	-	Note 1, Note 2
EVERYIELD CO., LTD.	PT. ALNU SPORTING GOODS INDONESIA	Same ultimate parent company	Other receivables	129,547	-	-	-	-	-	Note 1, Note 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 April 30, 2026.

Note 4: (SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH is a branch of (SAMOA) 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
Three months ended March 31, 2026

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)	
1	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	CHEER ACCESS LTD.	Same ultimate parent company	Sales	$ 811,756	Note 4	11.47 %	Note 5, Note 7
1	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	BILLION STAR INTERNATIONAL CO., LTD.	Same ultimate parent company	Sales	556,262	Note 4	7.86 %	Note 5, Note 7
1	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	CHEER ACCESS LTD.	Same ultimate parent company	Accounts receivable	755,851	Note 4	2.15 %	Note 5, Note 7
1	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	BILLION STAR INTERNATIONAL CO., LTD.	Same ultimate parent company	Accounts receivable	325,698	Note 4	0.93 %	Note 5, Note 7
2	CHEER ACCESS LTD.	YIH SHUO FOOTWEAR CO., LTD	Same ultimate parent company	Sales	169,618	Note 4	2.40 %	Note 7
2	CHEER ACCESS LTD.	TY BACH COMPANY LIMITED	Same ultimate parent company	Sales	296,630	Note 4	4.19 %	Note 7
2	CHEER ACCESS LTD.	PT. YIH QUAN FOOTWEAR INDONESIA	Same ultimate parent company	Sales	254,236	Note 4	3.59 %	Note 7
2	CHEER ACCESS LTD.	YIH SHUO FOOTWEAR CO., LTD	Same ultimate parent company	Accounts receivable	121,989	Note 4	0.35 %	Note 7
2	CHEER ACCESS LTD.	TY BACH COMPANY LIMITED	Same ultimate parent company	Accounts receivable	212,760	Note 4	0.61 %	Note 7
2	CHEER ACCESS LTD.	PT. YIH QUAN FOOTWEAR INDONESIA	Same ultimate parent company	Accounts receivable	362,177	Note 4	1.03 %	Note 7
3	BILLION STAR INTERNATIONAL CO., LTD.	LAC TY II COMPANY LIMITED	Same ultimate parent company	Sales	165,278	Note 4	2.34 %	Note 7
3	BILLION STAR INTERNATIONAL CO., LTD.	VINH LONG FOOTWEAR CO., LTD	Same ultimate parent company	Sales	317,591	Note 4	4.49 %	Note 7
3	BILLION STAR INTERNATIONAL CO., LTD.	LAC TY II COMPANY LIMITED	Same ultimate parent company	Accounts receivable	101,434	Note 4	0.29 %	Note 7
3	BILLION STAR INTERNATIONAL CO., LTD.	VINH LONG FOOTWEAR CO., LTD	Same ultimate parent company	Accounts receivable	151,171	Note 4	0.43 %	Note 7
4	POLO INTERNATIONAL HOLDING LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	472,698	Note 4	6.68 %	Note 5, Note 7
4	POLO INTERNATIONAL HOLDING LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	269,440	Note 4	0.77 %	Note 5, Note 7
5	LAC TY COMPANY LIMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	212,597	Note 4	3.00 %	Note 5, Note 7
5	LAC TY COMPANY LIMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	186,550	Note 4	0.53 %	Note 5, Note 7
6	LAC TY II COMPANY LIMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	2,136,268	Note 4	30.18 %	Note 5, Note 7
6	LAC TY II COMPANY LIMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	2,169,793	Note 4	6.18 %	Note 5, Note 7
7	VINH LONG FOOTWEAR CO., LTD	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	2,162,184	Note 4	30.55 %	Note 5, Note 7
7	VINH LONG FOOTWEAR CO., LTD	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	2,378,472	Note 4	6.77 %	Note 5, Note 7
8	YIH SHUO FOOTWEAR CO., LTD	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	530,904	Note 4	7.50 %	Note 5, Note 7
8	YIH SHUO FOOTWEAR CO., LTD	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	641,874	Note 4	1.83 %	Note 5, Note 7
9	TY BACH COMPANY LIMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	873,431	Note 4	12.34 %	Note 5, Note 7
9	TY BACH COMPANY LIMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	523,633	Note 4	1.49 %	Note 5, Note 7
10	GRAND WISDOM COMPANY LIMITED	LAC TY II COMPANY LIMITED	Same ultimate parent company	Sales	162,240	Note 4	2.29 %	Note 7
10	GRAND WISDOM COMPANY LIMITED	LAC TY II COMPANY LIMITED	Same ultimate parent company	Accounts receivable	121,155	Note 4	0.34 %	Note 7
11	TSANG YIH COMPAMY LIMITED	POLO INTERNATIONAL HOLDING LTD.	Same ultimate parent company	Sales	185,758	Note 4	2.62 %	Note 7
11	TSANG YIH COMPAMY LIMITED	POLO INTERNATIONAL HOLDING LTD.	Same ultimate parent company	Accounts receivable	144,151	Note 4	0.41 %	Note 7
12	PT. YIH QUAN FOOTWEAR INDONESIA	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	561,113	Note 4	7.93 %	Note 5, Note 7
12	PT. YIH QUAN FOOTWEAR INDONESIA	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	107,776	Note 4	0.31 %	Note 5, Note 7
13	PT. YIHFULL FOOTWEAR INDONESIA	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	155,877	Note 4	2.20 %	Note 5, Note 7
13	PT. YIHFULL FOOTWEAR INDONESIA	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	101,921	Note 4	0.29 %	Note 5, Note 7
14	PT. ALNU SPORTING GOODS INDONESIA	PT. YIH QUAN FOOTWEAR INDONESIA	Same ultimate parent company	Sales	105,052	Note 4	1.48 %	Note 7

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES
Significant inter-company transactions during the reporting periods
Three months ended March 31, 2026

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)	
15	The Company	LAI YIH FOOTWEAR CO., LTD.	Same ultimate parent company	Other receivables (financing)	$ 4,156,151	Note 4	11.83 %	Note 7
15	The Company	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED	Same ultimate parent company	Other receivables (financing)	1,407,780	Note 4	4.01 %	Note 7
16	LAI YIH FOOTWEAR CO., LTD.	MEGA RIVER INVESTMENT CO., LTD.	Same ultimate parent company	Other receivables (financing)	255,960	Note 4	0.73 %	Note 7
16	LAI YIH FOOTWEAR CO., LTD.	THRIVE FOISON LIMITED	Same ultimate parent company	Other receivables (financing)	1,001,444	Note 4	2.85 %	Note 7
16	LAI YIH FOOTWEAR CO., LTD.	POLO INTERNATIONAL HOLDING LTD.	Same ultimate parent company	Other receivables (financing)	396,738	Note 4	1.13 %	Note 7
16	LAI YIH FOOTWEAR CO., LTD.	EVERYIELD CO., LTD.	Same ultimate parent company	Other receivables (financing)	127,980	Note 4	0.36 %	Note 7
17	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED	LAI YIH FOOTWEAR CO., LTD.	Same ultimate parent company	Other receivables (financing)	1,051,036	Note 4	2.99 %	Note 7
18	OVERSEA FAITH CO., LTD.	LAI YIH FOOTWEAR CO., LTD.	Same ultimate parent company	Other receivables (financing)	527,918	Note 4	1.50 %	Note 7
19	MEGA RIVER INVESTMENT CO., LTD.	PT. YIH QUAN FOOTWEAR INDONESIA	Same ultimate parent company	Other receivables (financing)	256,691	Note 4	0.73 %	Note 7
20	KING GLOBAL DEVELOPMENT CORP	LAI YIH FOOTWEAR CO., LTD.	Same ultimate parent company	Other receivables (financing)	409,536	Note 4	1.17 %	Note 7
21	THRIVE FOISON LIMITED	TY BACH COMPANY LIMITED	Same ultimate parent company	Other receivables (financing)	1,150,220	Note 4	3.27 %	Note 7
21	THRIVE FOISON LIMITED	PT. YIH QUAN FOOTWEAR INDONESIA	Same ultimate parent company	Other receivables (financing)	322,640	Note 4	0.92 %	Note 7
22	EVERYIELD CO., LTD.	PT. ALNU SPORTING GOODS INDONESIA	Same ultimate parent company	Other receivables (financing)	129,547	Note 4	0.37 %	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 (SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED, which is regarded as the same entity in the consolidated financial statements.

Note 6: Related party transactions are disclosed only if the transaction amount equals or exceeds $100 million.

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)
Three months ended March 31, 2026

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as March 31, 2026			Net profit (loss) of the investee for the three months ended March 31, 2026	Investment income (loss) recognised by the Company for the three months ended March 31, 2026 (Note 4)	Footnote
				Balance as at March 31, 2026	Balance as at December 31, 2025	Number of shares (Note 1)	Ownership (%)	Book value			
The Company	LAI YIH FOOTWEAR CO., LTD.	Samoa	Holding company	$ 5,032,814	$ 4,788,999	157,300	100 %	$ 23,388,224	$ 135,066	$ 135,066	
LAI YIH FOOTWEAR CO., LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED	Samoa	Holding company	31,995	31,430	1,000	100 %	1,920,913	257,754	-	
LAI YIH FOOTWEAR CO., LTD.	CHEER ACCESS LTD.	Seychelles	Investment holdings and import and export trade	31,995	31,430	1,000	100 %	40,577	399	-	Note 2
LAI YIH FOOTWEAR CO., LTD.	BILLION STAR INTERNATIONAL CO., LTD.	Seychelles	Investment holdings and import and export trade	31,995	31,430	1,000	100 %	40,966	790	-	Note 2
LAI YIH FOOTWEAR CO., LTD.	PORTRICH TRADING LIMITED	Samoa	Holding company	5,399,156	4,832,363	168,750	100 %	6,112,556	7,397	-	Note 2
LAI YIH FOOTWEAR CO., LTD.	OVERSEA FAITH CO., LTD.	Seychelles	Holding company	3,056,162	3,002,194	95,520	100 %	5,615,379	5,741	-	Note 2
LAI YIH FOOTWEAR CO., LTD.	MEGA RIVER INVESTMENT CO., LTD.	Seychelles	Holding company	1,977,291	1,942,374	61,800	100 %	1,658,922	(5,622)	-	Note 2
LAI YIH FOOTWEAR CO., LTD.	KING GLOBAL DEVELOPMENT CORP	Samoa	Holding company	1,944,000	1,909,671	60,760	100 %	2,522,549	(29,008)	-	Note 2
LAI YIH FOOTWEAR CO., LTD.	THRIVE FOISON LIMITED	Samoa	Holding company	5,679,113	5,578,825	177,500	100 %	5,031,234	(117,279)	-	Note 2
LAI YIH FOOTWEAR CO., LTD.	POLO INTERNATIONAL HOLDING LTD.	Samoa	Investment holdings and production and sales of sports and casual shoes	2,234,851	2,195,386	69,850	100 %	1,991,706	72,093	-	Note 2
LAI YIH FOOTWEAR CO., LTD.	EVERYIELD CO., LTD.	Anguilla	Holding company	1,241,406	1,219,484	38,800	100 %	718,908	(10,948)	-	Note 2
LAI YIH FOOTWEAR CO., LTD.	LAC TY COMPANY LIMITED	Vietnam	Production and sales of sports and casual shoes	47,109	46,278	-	50 %	175,579	(30,213)	-	Note 2
LAI YIH FOOTWEAR CO., LTD.	JUMBO POWER ENTERPRISES LIMITED	British Virgin Islands	Holding company	255,960	251,440	8,000	50 %	399,871	(10,966)	-	Note 2
PORTRICH TRADING LIMITED	LAC TY II COMPANY LIMITED	Vietnam	Production and sales of sports and casual shoes	4,804,451	4,248,159	-	100 %	5,305,208	8,046	-	Note 2
OVERSEA FAITH CO., LTD.	VINH LONG FOOTWEAR CO., LTD	Vietnam	Production and sales of sports and casual shoes	2,311,639	2,270,818	-	85 %	4,359,548	9,335	-	Note 2
KING GLOBAL DEVELOPMENT CORP	YIH SHUO FOOTWEAR CO., LTD	Vietnam	Production and sales of sports and casual shoes	2,105,767	2,068,581	-	85 %	2,099,755	(34,385)	-	Note 2
MEGA RIVER INVESTMENT CO., LTD.	YIH SHUO FOOTWEAR CO., LTD	Vietnam	Production and sales of sports and casual shoes	371,606	365,044	-	15 %	370,545	(34,385)	-	Note 2
MEGA RIVER INVESTMENT CO., LTD.	VINH TY COMPANY LIMITED	Vietnam	Production and sales of sports and casual shoes	95,985	94,290	-	24 %	43,767	(18,062)	-	Note 2
JUMBO POWER ENTERPRISES LIMITED	SUPERB KING INVESTMENTS LIMITED	Hong Kong	Holding company	349,385	343,216	-	100 %	432,800	(10,860)	-	Note 2
THRIVE FOISON LIMITED	TY BACH COMPANY LIMITED	Vietnam	Production and sales of sports and casual shoes	3,199,500	3,143,000	-	100 %	2,299,917	(99,032)	-	Note 2
THRIVE FOISON LIMITED	GRAND WISDOM COMPANY LIMITED	Vietnam	Production and sales of sports and casual shoes	1,055,835	1,037,190	-	100 %	1,014,662	(26,440)	-	Note 2
POLO INTERNATIONAL HOLDING LTD.	TSANG YIH COMPAMY LIMITED	Myanmar	Production and sales of sports and casual shoes	3,073,468	3,019,194	96,061	73 %	1,625,092	(11,216)	-	Note 2
EVERYIELD CO., LTD.	TSANG YIH COMPAMY LIMITED	Myanmar	Production and sales of sports and casual shoes	1,150,663	1,130,343	35,964	27 %	608,411	(11,216)	-	Note 2
MEGA RIVER INVESTMENT CO., LTD.	PT. YIH QUAN FOOTWEAR INDONESIA	Indonesia	Production and sales of sports and casual shoes	1,519,763	1,492,925	-	50 %	1,236,861	5,855	-	Note 2
THRIVE FOISON LIMITED	PT. YIH QUAN FOOTWEAR INDONESIA	Indonesia	Production and sales of sports and casual shoes	1,519,763	1,492,925	-	50 %	1,236,861	5,855	-	Note 2
OVERSEA FAITH CO., LTD.	PT. YIHFULL FOOTWEAR INDONESIA	Indonesia	Production and sales of sports and casual shoes	159,975	157,150	-	50 %	150,928	184	-	Note 2
PORTRICH TRADING LIMITED	PT. YIHFULL FOOTWEAR INDONESIA	Indonesia	Production and sales of sports and casual shoes	159,975	157,150	-	50 %	150,928	184	-	Note 2
OVERSEA FAITH CO., LTD.	PT. YIHXIN FOOTWEAR INDONESIA	Indonesia	Production and sales of sports and casual shoes	708	696	-	50 %	-	-	-	Note 2
KING GLOBAL DEVELOPMENT CORP	PT. YIHXIN FOOTWEAR INDONESIA	Indonesia	Production and sales of sports and casual shoes	708	696	-	50 %	-	-	-	Note 2
OVERSEA FAITH CO., LTD.	PT. YIH YOU FOOTWEAR INDONESIA	Indonesia	Production and sales of sports and casual shoes	575,910	565,740	-	60 %	559,180	(3,840)	-	Note 2
PORTRICH TRADING LIMITED	PT. YIH YOU FOOTWEAR INDONESIA	Indonesia	Production and sales of sports and casual shoes	383,940	377,160	-	40 %	372,786	(3,840)	-	Note 2
EVERYIELD CO., LTD.	PT. ALNU SPORTING GOODS INDONESIA	Indonesia	Production and sales of sports and casual shoes	153,576	150,864	-	66.21 %	107,449	(13,164)	-	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 32:USD 1 prevailing on March 31, 2026.

Note 4: Investment income (loss) for the three months ended March 31, 2026 was calculated based on the financial statements which were reviewed by the Company's CPA.

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES
Information on investments in Mainland China
Three months ended March 31, 2026

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)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2026	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the three months ended March 31, 2026		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2026	Net income of investee as of March 31, 2026	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the three months ended March 31, 2026 (Note 2)	Book value of investments in Mainland China as of March 31, 2026	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2026	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
YANGZHOU BAOYI SHOES MANUFACTURING CO., LTD.	Non-residential premises lease	$ 359,253	(2)	$ 359,253	$ -	$ -	$ 359,253	$ (10,861)	50%	$ (5,431)	$ 398,781	$ 941,636	Note 3

Note 1: Investment methods are classified into the following three 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 three months ended March 31, 2026 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, 2026 and Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2026 were converted at the exchange rate of NTD 32:USD 1 prevailing on March 31, 2026.

Note 4: The Company is an offshore entity and is therefore not subject to the "Regulations Governing the Examination of Investment or Technical Cooperation in Mainland China."