

Evertex Fabrinology Limited
Consolidated Financial Statements for the Six Months
Ended June 30, 2026 and 2025
and Independent Auditors' Review Report

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Accountant Review Report

The Board of Directors and Shareholders

Evertex Fabrinology Limited

Preface

We have audited the accompanying consolidated financial statements of Evertex Fabrinology Limited (the “Group”) and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of March 31, 2026 and 2025 and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies. It is the management's responsibility to prepare consolidated financial statements that adequately express themselves in accordance with the financial reporting standards for securities issuers and International Accounting Standard No. 34 "Interim Financial Reporting" approved and issued by the Financial Supervisory Commission. Draw conclusions on the consolidated financial statements based on the review results.

Scope

The accountant performs the review work in accordance with Review Standard No. 2410 "Review of Financial Statements". The procedures performed when reviewing the consolidated financial statements include inquiries (primarily to those responsible for financial and accounting matters), analytical procedures and other review procedures. The scope of the review work is significantly smaller than the scope of the audit work. Therefore, the accountant may not be able to detect all significant matters that can be identified through the audit work, and therefore cannot express an audit opinion.

In conclusion

Based on the results of the accountant's review, it was not found that the consolidated financial statements of Shangkai failed in all material aspects to comply with the preparation standards for financial reporting of securities issuers and the International Accounting Standard No. 34 "Interim Financial Reporting" approved and issued by the Financial Supervisory Commission. ” preparation, resulting in the inability to adequately express the consolidated financial position of Tatung Group as of June 30, 2026 and 2025, as well as the consolidated financial performance and consolidated cash flow from January 1 to June 30, 2026.

Deloitte & Touche
Taipei, Taiwan
Republic of China
June 12, 2026

Consolidated Balance Sheets
June 30, 2026 and 2025
(In Thousands of New Taiwan Dollars)

Code	Assets	June 30, 2026 (Reviewed)		December 31, 2025 (Audited)		June 30, 2025 (Reviewed)	
		Amount	%	Amount	%	Amount	%
	Current assets						
1100	Cash and cash equivalents (Note 6)	\$ 268,270	22	\$ 232,883	20	\$ 255,457	21
1110	Current financial assets at fair value through profit or loss (Note 7)	39,278	3	73,075	6	17,455	1
1136	Current financial assets at amortization cost (Note 9 、30)	114,450	9	72,617	6	114,500	10
1140	Contract Assets	553	-	1,096	-	-	-
1150	Notes receivable (Note 10 and 23)	3,517	-	3,423	-	6,641	1
1170	Accounts receivable (Note 10 and 23)	78,314	7	67,300	6	62,370	5
1200	Other receivables(Note 10)	2,113	-	1,956	-	2,511	-
130X	Current inventories(Note 11)	127,370	11	134,880	12	156,523	13
1479	Other current assets(Note 12 and 29)	23,247	2	28,172	3	33,434	3
11XX	Total current assets	657,112	54	615,402	53	648,891	54
	Non-current Assets						
1517	Non-current financial assets at fair value through other comprehensive income (Note 8)	2,484	-	2,172	-	6,160	1
1535	Current financial assets at amortization (Note 9)	112,081	9	110,672	10	110,636	9
1600	Property, plant and equipment (Note 14 and 30)	363,222	30	352,894	30	362,081	30
1755	Right-of-use Assets (Note 15)	3,458	-	4,957	1	5,626	1
1760	Investment properties, net (Notes 4 and 16)	33,379	3	33,810	3	34,240	3
1780	Intangible assets(Note 16)	11	-	27	-	44	-
1840	Deferred tax assets (Note 4)	3,719	1	3,684	-	7,857	1
1915	Prepaid equipment	23,163	2	29,223	3	16,334	1
1920	Guarantee deposits paid(Note 4 and 21)	2,662	-	2,662	-	2,662	-
1975	Net defined benefit asset (Note 4 and 21)	4,938	1	4,838	-	4,045	-
15XX	Total non-current Assets	549,117	46	544,939	47	549,685	46
1XXX	Total assets	\$ 1,206,229	100	\$ 1,160,341	100	\$ 1,198,576	100
	Liabilities and Equity						
	Current Liabilities						
2100	Short-term borrowings (Notes 17)	\$ 25,000	2	\$ 25,000	2	\$ 30,000	2
2130	Current contract liabilities (Note 23)	5,182	-	6,935	1	9,429	1
2150	Notes payable (Note 18)	15,141	1	11,981	1	13,980	1
2170	Account payable(Note 18)	15,570	1	15,985	1	20,111	2
2219	Other payables(Note 19)	115,595	10	67,088	6	150,117	13
2230	Income tax payable(Note 4)	9,740	1	8,484	1	9,103	1
2280	Current lease liabilities (Note15 and 29)	1,787	-	2,874	-	3,505	-
2399	Other current liabilities(Note 20)	814	-	919	-	770	-
21XX	Total current liabilities	188,829	15	139,266	12	237,015	20
	Non-current Liabilities						
2570	Deferred tax liabilities (Note 4)	7,442	1	5,406	1	5,431	-
2580	Non-current lease liabilities (Note 15 and 29)	1,742	-	2,180	-	2,223	-
25XX	Total Non-current Liabilities	9,184	1	7,586	1	7,654	-
2XXX	Total Liabilities	198,013	16	146,852	13	244,669	20
	Equity attributable to owners of the company (Note 22)						
3110	Capital stock	857,670	71	857,670	74	857,670	72
3200	Capital surplus	7,317	1	7,317	-	7,317	1
	Retained earnings						
3310	Appropriated as legal capital reserve	80,533	7	73,756	6	73,756	6
3320	Appropriated as special capital reserve	975	-	-	-	-	-
3350	Unappropriated earnings	62,384	5	75,721	7	13,954	1
3300	Total Retained earnings	143,892	12	149,477	13	87,710	7
3400	Other equity	(663)	-	(975)	-	1,210	-
3XXX	Total equity	1,008,216	84	1,013,489	87	953,907	80
	Total Liabilities and equity	\$ 1,206,229	100	\$ 1,160,341	100	\$ 1,198,576	100

(The attached notes form part of the entity's financial statement)

Chairman: CHUAN-FA YEH

President: ANTHONY POLIANG YEH

In-charge Accountant: Chao-Nan, Hsu

Evertex Fabrinology Limited Corporation and Subsidiaries
Consolidated Statements of Comprehensive Income
For the June 30, 2026 and 2025
(In Thousands of New Taiwan Dollars, Except Earnings (Loss) Per Share)
(Reviewed only, not checked under auditing standards)

CODE		From April 1,2026 Until June 30		From April 1,2025 Until June 30		From January 1,2026 Until June 30		From January 1,2025 Until June 30	
		Amount	%	Amount	%	Amount	%	Amount	%
	Net Revenue (Note 23)								
4100	Sales Revenue	\$ 157,669	87	\$ 174,533	88	\$ 319,608	86	\$ 351,050	85
4600	Service Revenue	<u>22,653</u>	<u>13</u>	<u>24,156</u>	<u>12</u>	<u>52,019</u>	<u>14</u>	<u>61,581</u>	<u>15</u>
4000	Total Net Revenue	<u>180,322</u>	<u>100</u>	<u>198,689</u>	<u>100</u>	<u>371,627</u>	<u>100</u>	<u>412,631</u>	<u>100</u>
	Cost (Note 11 、 23 and 29)								
5110	Cost of sales	91,726	51	102,094	51	184,835	49	211,207	51
5600	Cost of services	<u>38,587</u>	<u>21</u>	<u>45,961</u>	<u>23</u>	<u>85,153</u>	<u>23</u>	<u>105,746</u>	<u>26</u>
5000	Total Cost	<u>130,313</u>	<u>72</u>	<u>148,055</u>	<u>74</u>	<u>269,988</u>	<u>72</u>	<u>316,953</u>	<u>77</u>
5900	Gross profit from operations	<u>50,009</u>	<u>28</u>	<u>50,634</u>	<u>26</u>	<u>101,639</u>	<u>28</u>	<u>95,678</u>	<u>23</u>
6100	Selling Expenses	18,429	10	21,514	11	37,870	10	42,409	10
6200	Administrative expenses	8,837	5	5,829	3	17,873	5	13,837	4
6450	Expected credit Gain (Note 10)	(<u>142</u>)	-	(<u>78</u>)	-	(<u>474</u>)	-	(<u>110</u>)	-
6000	Total Operating Expenses	<u>27,124</u>	<u>15</u>	<u>27,265</u>	<u>14</u>	<u>55,269</u>	<u>15</u>	<u>56,136</u>	<u>14</u>
6500	Other income and expenses, net (Note 23)	<u>280</u>	-	-	-	<u>271</u>	-	-	-
6900	Operating income	<u>23,165</u>	<u>13</u>	<u>23,369</u>	<u>12</u>	<u>46,641</u>	<u>13</u>	<u>39,542</u>	<u>9</u>
	Non-operating income and expenses(Note 23 and 29)								
7100	Interest income	3,358	2	3,495	2	5,837	2	6,848	2
7190	Other income	1,484	1	313	-	1,547	-	468	-
7020	Other gains and losses	690	-	(44,448)	(23)	8,042	2	(39,342)	(10)
7050	Finance cost	(<u>187</u>)	-	(<u>216</u>)	-	(<u>363</u>)	-	(<u>433</u>)	-
7000	Non-operating income and expenses	<u>5,345</u>	<u>3</u>	(<u>40,856</u>)	(21)	<u>15,063</u>	<u>4</u>	(<u>32,459</u>)	(8)
7900	Profit from continuing operations before tax Income before tax	28,510	16	(17,487)	(9)	61,704	17	7,083	1
7950	Tax expense (Note 4 and 24)	(<u>5,017</u>)	(3)	<u>3,839</u>	<u>2</u>	(<u>11,540</u>)	(3)	(<u>1,079</u>)	-
8200	Profit from continuing operations Other comprehensive income	<u>23,493</u>	<u>13</u>	(<u>13,648</u>)	(7)	<u>50,164</u>	<u>14</u>	<u>6,004</u>	<u>1</u>
	Other Comprehensive income								
8310	Items not reclassified to profit or loss								
8316	Unrealized Gains from investments in equity instruments measured at fair value through other(Note 22)	<u>8</u>	-	(<u>247</u>)	-	<u>312</u>	-	(<u>418</u>)	-
8300	Components of other comprehensive income that will not be reclassified to profit or loss	<u>8</u>	-	(<u>247</u>)	-	<u>312</u>	-	(<u>418</u>)	-
8500	Total comprehensive income	<u>\$ 23,501</u>	<u>13</u>	(<u>\$ 13,895</u>)	(7)	<u>\$ 50,476</u>	<u>14</u>	<u>\$ 5,586</u>	<u>1</u>
	Net Profit (Loss) Attributable to:								
	Earnings per share(Note 25)								
9710	Basic	<u>\$ 0.27</u>		(<u>\$ 0.16</u>)		<u>\$ 0.58</u>		<u>\$ 0.07</u>	
9810	Diluted	<u>\$ 0.27</u>		(<u>\$ 0.16</u>)		<u>\$ 0.58</u>		<u>\$ 0.07</u>	

Evertex Fabrinology Limited Corporation and Subsidiaries
Consolidated Statements of Changes in Equity
For the Six Months Ended June 30, 2025 and 2024
(Reviewed only, not checked under auditing standards)

CODE		Retained earnings					Other equity	Total equity
		Ordinary share	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	
A1	Balance on January 1, 2025	<u>\$ 857,670</u>	<u>\$ 7,317</u>	<u>\$ 64,147</u>	<u>\$ 1,650</u>	<u>\$ 102,534</u>	<u>\$ 1,628</u>	<u>\$ 1,034,946</u>
	Appropriation of the 2024 earnings (Note 22)							
B1	Legal reserve appropriated	-	-	9,609	-	(9,609)	-	-
B17	Reversal of special reserve	-	-	-	(1,650)	1,650	-	-
B5	Cash dividends of ordinary share	-	-	-	-	(86,625)	-	(86,625)
D1	Net income of 1 January 2025 to 30 June 2025	-	-	-	-	6,004	-	6,004
D3	Other Comperhensive income after tax of 1 January 2025 to 30 June 2025 (Note 22)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(418)</u>	<u>(418)</u>
D5	Other Comperhensive income after tax of 1 January 2025 to 30 June 2025 (Note 22)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,004</u>	<u>(418)</u>	<u>5,586</u>
Z1	Balance on June 30, 2025	<u>\$ 857,670</u>	<u>\$ 7,317</u>	<u>\$ 73,756</u>	<u>\$ -</u>	<u>\$ 13,954</u>	<u>\$ 1,210</u>	<u>\$ 953,907</u>
A1	Balance on January 1, 2026	<u>\$ 857,670</u>	<u>\$ 7,317</u>	<u>\$ 73,756</u>	<u>\$ -</u>	<u>\$ 75,721</u>	<u>(\$ 975)</u>	<u>\$ 1,013,489</u>
	Appropriation of the 2025 earnings (Note 22)							
B1	Legal reserve appropriated	-	-	6,777	-	(6,777)	-	-
B3	Reversal of special reserve	-	-	-	975	(975)	-	-
B5	Cash dividends of ordinary share	-	-	-	-	(55,749)	-	(55,749)
D1	Net income of 1 January 2026 to 30 June 2026	-	-	-	-	50,164	-	50,164
D3	Other Comperhensive income after tax of 1 January 2026 to 30 June 2026 (Note 22)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>312</u>	<u>312</u>
D5	Other Comperhensive income after tax of 1 January 2026 to 30 June 2026	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,164</u>	<u>312</u>	<u>50,476</u>
Z1	Balance on June 30, 2026	<u>\$ 857,670</u>	<u>\$ 7,317</u>	<u>\$ 80,533</u>	<u>\$ 975</u>	<u>\$ 62,384</u>	<u>(\$ 663)</u>	<u>\$ 1,008,216</u>

The attached notes form part of the entity's financial statements.

Chairman: CHUAN-FA YEH

President: ANTHONY POLIANG YEH

In-charge Accountant: Chao-Nan, Hsu

Evertex Fabrinology Limited Corporation and Subsidiaries
Consolidated Statements of Cash Flows
For the Six Months Ended June 30, 2026 and 2025
(In Thousands of New Taiwan Dollars)

(Reviewed only, not checked under auditing standards)

<u>C O D E</u>		<u>2026</u>	<u>2025</u>
	Cash flows from (used in) operating activities, indirect method		
A10000	Net Profit before Tax	\$ 61,704	\$ 7,083
A20010	Income Expense Item		
A20100	Depreciation Expense	20,319	24,681
A20200	Amortization expense	16	52
A20300	Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	(474)	(110)
A20400	Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(2,572)	1,568
A20900	Finance costs	363	433
A21200	Interest income	(5,837)	(6,848)
A21300	Dividends revenue	(823)	-
A22500	Disposal of property plant, and equipment	(271)	-
A23700	Impairment losses (gain) on non-financial assets	(406)	(214)
A24100	Unrealized foreign exchange loss (gain)	(3,408)	27,596
A29900	Lease modification benefit	-	-
A30000	Changes in operating assets and liabilities		
A31125	Decrease (decrease) in contract assets	543	-
A31130	Decrease (increase) in note receivable	(94)	(4,165)
A31150	Decrease (increase) in accounts receivable	(9,927)	1,805
A31180	Decrease (increase) in other receivable	65	(461)
A31200	Decrease (increase) in inventories	7,916	6,439
A31240	Decrease (increase) in other current assets	4,925	(9,995)
A31990	Decrease (increase) in Net defined benefit asset	(100)	(155)
A32125	Increase (decrease) in contract liabilities	(1,753)	596
A32130	Increase (decrease) in notes payable	3,160	(1,140)
A32140	Increase (decrease) in notes payable from related parties	-	(2,439)

A32150	Increase (decrease) in accounts payable	(415)	825
A32160	Increase (decrease) in accounts payable from related parties	-	(1,312)
A32180	Increase (decrease) in other payable	(5,519)	(5,202)
A32230	Increase (decrease) in other current liabilities	<u>(105)</u>	<u>(156)</u>
A33000	Total changes in operating assets and liabilities	67,307	38,881
A33100	Interest received	239	2,227
A33300	Interest paid	(363)	(433)
A33500	Income taxes refund (paid)	<u>(8,283)</u>	<u>(16,237)</u>
AAAA	Net cash flows from (used in) operating activities	<u>58,900</u>	<u>24,438</u>
Cash flows from (used in) investing activities			
B00040	Acquisition of Financial assets measured at amortised cost	(53,950)	(34,146)
B00050	Proceeds from disposal of financial assets at amortized cost	12,155	3,000
B00200	Disposal of financial assets at fair value through other comprehensive income	38,539	-
B02700	Acquisition of property, plant and equipment	(4,010)	(5,309)
B02800	Disposal of property, plant and equipment	339	-
B06700	Increase in Other non-current Assets	-	(1,766)
B07100	Acquisition of prepaid equipment	(19,988)	(10,965)
B07500	Interest received	5,518	4,627
B07600	Cash dividends received	<u>823</u>	<u>-</u>
BBBB	Net cash flows from (used in) investing activities	<u>(20,574)</u>	<u>(44,559)</u>
Cash flows from (used in) financing activities			
C04020	Repayment of the principal portion of lease liabilities	<u>(1,976)</u>	<u>(1,954)</u>
DDDD	Effect of exchange rate changes on cash and cash equivalents	<u>(963)</u>	<u>(13,725)</u>
EEEE	Net increase (decrease) in cash and cash equivalents	35,387	(35,800)
E00100	Cash and cash equivalents at beginning of period	<u>232,883</u>	<u>291,257</u>
E00200	Cash and cash equivalents at end of period	<u>\$ 268,270</u>	<u>\$ 255,457</u>

The attached notes form part of the entity's financial statements.

Chairman: CHUAN-FA YEH

President: ANTHONY POLIANG YEH

In-charge Accountant: Chao-Nan, Hsu

Evertex Fabrinology Limited and Subsidiaries
Notes to Consolidated Financial Report
January 1 to June 30, 2026 and 2025
(Unit: NT\$ Thousands, unless specified otherwise)

I. General

EVERTEX FABRINOLOGY LTD. (hereinafter referred to as "the Group") was established in December 1986 under the original name of "Evertex Dyeing & Finishing Ltd." and was renamed to "EVERTEX FABRINOLOGY LTD." by the resolution of the shareholders' meeting held on June 29, 2018. The Group is engaged in the business of dyeing and finishing all kinds of textile products. In April 1996, the Group introduced the business of purchasing raw fabrics for dyeing and finishing and then selling them in order to stabilize the supply of dyeing and finishing materials.

The Group 's shares have been listed and traded on the Taiwan Stock Exchange since May 21, 1999.

The consolidated financial statements are expressed in New Taiwan dollars, the functional currency of the Group.

II. Date and Procedure for the Approval of Financial Reports

The consolidated financial report was approved by the board of directors on August 12, 2026.

III. Application of Newly Issued and Revised Standards and Interpretation

(I) Initial application of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations of IFRS (IFRIC), and Interpretations of IAS (SIC) (collectively, the "IFRSs") endorsed and issued into effect by the Financial Supervisory Commission (the "FSC").

(II) The IFRSs endorsed by the FSC for application starting from 2027

New/Revised/Amended Standards and Interpretations	Effective Date Announced by IASB (Note 1)
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027 (Note2)

New/Revised/Amended Standards and Interpretations	Effective Date Announced by IASB (Note 1)
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027
IAS 21 Amendment: "Converted to a highly inflated currency"	January 1, 2027

Amendments to IAS 28: Fair Value Option for Investments in Associates and Joint Ventures

Note 1: Enterprises in Taiwan shall apply IFRS 18 starting from January 1, 2028, with early adoption permitted.

Note 2: These amendments shall be applied concurrently upon the adoption of IFRS 18.

IFRS 18 Presentation and Disclosure in Financial Statements and Consequential Amendments, and Amendments to IAS 28: Fair Value Option for Investments in Associates and Joint Ventures

IFRS 18 will replace IAS 1 Presentation of Financial Statements. Main changes introduced by the standard include:

- The income statement should classify income and expense items into operating, investing, financing, income tax and discontinued operations.
- The profit and loss statement should present operating profit and loss, profit and loss before financing and tax, and the subtotals and total of profit and loss.
- Guidance is provided to strengthen aggregation and segmentation requirements: a consolidating company is required to identify assets, liabilities, equity, income, losses and cash flows arising from individual transactions or other events and to classify and aggregate them on the basis of common characteristics so that each line item presented in the principal financial statements has at least one similar characteristic. Items with non-similar characteristics should be separated in the primary financial statements and notes. The Merging Company will only label such items as "other" when it is unable to find a more informative label.

- Increase disclosure of management-defined performance measures:
When the combined company conducts public communications outside the financial statements and communicates management's views on a certain aspect of the combined company's overall financial performance to users of the financial statements, it should disclose relevant information on management-defined performance measures in a single note to the financial statements, including a description of the measure, how it is calculated, its reconciliation with the subtotals or totals specified in IFRS accounting standards, and the income tax and non-controlling interest effects of the related reconciling items.

Upon the initial application of IFRS 18, venture capital organizations, mutual funds, unit trusts, and similar entities (or entities investing indirectly through such entities) may elect to change the measurement of their investments in associates or joint ventures from the equity method to fair value through profit or loss. The amendments to IAS 28 clarify that the aforementioned "similar entities" include entities whose primary business activity, as assessed under IFRS 18, involves investing in specific types of assets. If a consolidated entity meets these criteria, it may elect to make this change on the date of initial application.

In addition, the following consequential amendments were made to IAS 7 「 Statement of Cash Flows 」 :

- When a consolidated company prepares the cash flows from operating activities using the indirect method, it shall use operating profit or loss as the starting point for the reconciliation.
- Interest and dividends received by the consolidated entity shall be classified as investing activities, while interest and dividends paid shall be classified as financing activities. If the consolidated entity is assessed as having specific principal operating activities, the nature of the dividend income, interest income, and interest expense reported in the statement of profit or loss must be considered to determine the classification of dividend receipts, interest receipts, and interest payments within the statement of

cash flows; however, each of these cash flow items may only be classified under a single activity category within the statement of cash flows.

The group does not expect to early adopt IFRS 18 and the related consequential amendments.

In addition to the aforementioned impacts, as of the date of authorization for the issuance of these consolidated financial statements, the Group continues to assess other impacts of the amendments on its financial position and financial performance; relevant impacts will be disclosed upon completion of the assessment.

(III) IFRSs in issue but not yet endorsed and issued into effect by the IASB

Note: Unless otherwise stated, the above newly issued, amended, or revised standards or interpretations are effective for annual reporting periods beginning on or after the respective dates.

As of the date of authorization for the issuance of these consolidated financial statements, the Group is continuing to assess the impact of amendments to the various standards and interpretations on its financial position and financial performance; the relevant impact will be disclosed upon completion of the assessment.

IV 、 Summary Statement of Major Accounting Policies

(I) Compliance Statement

This consolidate financial report is prepared in accordance with the financial report preparation standards of securities issuers. These consolidated financial statements do not include all IFRS accounting disclosures required by full annual financial reports.

(II) Basis of Preparation

(III) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Group and the entities controlled by the Group (i.e., its subsidiaries, including structured entities).

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those of the Group.

The financial statements of the subsidiaries have been appropriately adjusted to bring its accounting policies in line with those of the merged group.

For the details, shareholding ratio and business items of subsidiaries, please refer to Table 4 of Note 13.

(IV) Other significant accounting policies

In addition to the following explanations, please refer to the summary of significant accounting policies in the 2025 consolidated financial statements.

1. Defined benefits Post-employment benefits

Pension costs during the interim period are calculated based on the actuarially determined pension cost rate at the end of the previous financial year from the beginning of the year to the end of the current period, taking into account significant market fluctuations in the current period, as well as major plan amendments, liquidations or other changes. Adjustments will be made for major one-time events.

2. Income tax expenses

Income tax expense is the sum of current income tax and deferred income tax. Income tax for the interim period is assessed on an annual basis and is calculated on interim pre-tax benefits at the tax rate applicable to the expected total earnings for the year.

V. Main Sources of Uncertainty about Major Accounting Judgements, Estimates and Assumptions

When adopting accounting policies, the management must make relevant judgments, estimates and assumptions based on historical experience and other relevant factors for those who are difficult to obtain relevant information from other sources. The actual results may differ from the estimates.

When developing significant accounting estimates, the combined company will take into account the possible impact on the economic environment, including cash flow estimates, growth rates, discount rates,

profitability and other relevant major accounting estimates. The management will continue to review estimates and Basic assumptions. The management of the Group evaluated that there were no critical accounting judgments or estimation uncertainty on the accounting policies, estimates and basic assumptions that were adopted by the Group.

VI. Cash and Cash Equivalents

	June 30, 2026	December 31, 2025	June 30, 2025
Cash	\$ 243	\$ 261	\$ 204
Bank Check and Current Deposit	119,686	165,311	145,580
Cash Equivalents			
Bank fixed deposit with original maturity date within 3 months	<u>148,341</u>	<u>67,311</u>	<u>109,673</u>
	<u>\$ 268,270</u>	<u>\$ 232,883</u>	<u>\$ 255,457</u>

The market interest rates for bank demand deposit and bank fixed deposit with original maturity date within 3 months commercial promissory notes at the balance sheet date are as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Bank demand deposit	0.001%~ 0.705%	0.001%~ 0.705%	0.001%~0.80%
Bank fixed deposit with original maturity date within 3 months	1.23%~3.60%	1.23%~3.60%	1.65%~3.85%

VII. Financial instruments measured at fair value through profit or loss

	June 30, 2026	December 31, 2025	June 30, 2025
<u>Financial Assets-Current</u>			
Compulsory measurement at fair value through profit or loss			
Non-derivative Financial			
— Domestic Listed			
(OTC) Stocks	\$ 11,077	\$ 11,171	\$ 17,455
— Fund benefit			
certificate	<u>28,201</u>	<u>61,904</u>	<u>-</u>
	<u>\$ 39,278</u>	<u>\$ 73,075</u>	<u>\$ 17,455</u>

VIII. Financial Assets Measured at Fair Value through Other Consolidated Profit or Loss

Equity Instrument Investment:

	<u>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
<u>Non-Current</u>			
Foreign Investment			
Bright Wisdom Holdings Limited	<u>\$ 2,484</u>	<u>\$ 2,172</u>	<u>\$ 6,160</u>

The group invests for medium-and long-term strategic purposes and expects to make a profit through long-term investment. The management of the group considers that the short-term fair value fluctuations of these investments are inconsistent with the aforementioned long-term investment planning if they are included in profit or loss, and therefore choose to designate these investments to be measured at fair value through other comprehensive profits and losses.

IX. Financial Assets Measured at Amortized Cost

	<u>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
<u>Current</u>			
<u>Domestic investment</u>			
Time deposits with original maturities of less than 3 months	\$ 113,950	\$ 68,970	\$ 114,000
Restricted assets	<u>500</u>	<u>500</u>	<u>500</u>
	<u>114,450</u>	<u>69,470</u>	<u>114,500</u>
<u>Foreign investment</u>			
Corporate bonds	<u>-</u>	<u>3,147</u>	<u>-</u>
	<u>\$ 114,450</u>	<u>\$ 72,617</u>	<u>\$ 114,500</u>
<u>Noncurrent</u>			
Foreign investment			
Government deb	\$ 13,700	\$ 13,509	\$ 12,585
Corporate bonds	<u>98,381</u>	<u>97,163</u>	<u>98,051</u>
	<u>\$ 112,081</u>	<u>\$ 110,672</u>	<u>\$ 110,636</u>

(I) The interest rates on time deposits and restricted assets with original maturities of more than 3 months at the end of the reporting period are as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Time deposits with original maturities of less than 3 months	1.415%~1.70%	1.195%~1.70%	1.70%
Restricted assets	1.650%	1.650%	1.650%

Restricted assets are time deposits that purchase in as security from firm. Please refer to Note 31.

(II) The group acquired foreign corporate bonds and government bonds for NT\$13,146,000 respectively from January 1 to December 31, 2025, with effective interest rates of 4.73%~5.04% respectively.

(III) For information related to the Company's investment in foreign corporate bonds and government bonds, please refer to Schedule 2 of Note 35.

(IV) The group only invests in debt instruments whose credit rating is above investment grade (inclusive) and the derogation assessment is of low credit risk, and the credit rating information is provided by independent rating agencies. The company continues to track external rating information to monitor changes in credit risk of invested debt instruments, and to review other information such as bond yield curve and significant information on debtors, in order to assess whether the credit risk of investment in debt instruments has increased significantly since the original recognition.

The group takes into account the current financial position of the debtors and the forecast of the prospects of their industries to measure the expected credit loss of 12 months or the duration of the investment in debt instruments.

The current credit risk rating mechanism of the Company is as the following:

Credit Rating	Definition	Basis for Recognizing ECLs
Normal	The credit risk of the debtor is low, with sufficient solvency for the contractual	12-month expected credit losses

	cash flow	
Abnormal	The credit risk has been significantly increased since initial recognition	Lifetime expected credit losses (credit not impaired)
Default	Evidence of credit loss exists	Lifetime expected credit losses (credit-impaired)
Write Off	The available proof showed that the debtor was suffering serious financial difficulties and it was impossible for the merged company to expect recoverability	Direct Write Off

The total carrying amounts of the debt instrument investments of each credit rating, and the applicable ECL rates are as the following:

June 30, 2026

Credit Rating	Expected Credit Loss (ECL)	Total of Carrying Amount Instruments carried at amortized cost
Normal	0%	\$ 112,081
Abnormal	-	-
Default	-	-
Write Off	-	-

December 31,2025

Credit Rating	Expected Credit Loss (ECL)	Total of Carrying Amount Instruments carried at amortized cost
Normal	0%	\$ 113,819
Abnormal	-	-
Default	-	-
Write Off	-	-

June 30, 2025

Credit Rating	Expected Credit Loss (ECL)	Total of Carrying Amount Instruments carried at amortized cost
Normal	0%	\$ 110,636
Abnormal	-	-
Default	-	-
Write Off	-	-

As of June 30, 2026 and June 30, 2025, the group assessed that the credit risk of the debtor was low and had sufficient capacity to repay the cash flow of the contract, so the expected credit loss was not mentioned.

X. Notes Receivables, Account Receivables and Other Receivables

	June 30, 2026	December 31, 2025	June 30, 2025
<u>Note Receivable</u>			
Measured at Amortized Cost			
Total Book Valu	\$ 3,517	\$ 3,423	\$ 6,641
Minus: Allowance for Loss	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 3,517</u>	<u>\$ 3,423</u>	<u>\$ 6,641</u>
<u>Account Receivable</u>			
Measured at Amortized Cost			
Total Book Valu	\$ 78,639	\$ 68,106	\$ 62,931
Minus: Allowance for Loss	<u>(325)</u>	<u>(806)</u>	<u>(561)</u>
	<u>\$ 78,314</u>	<u>\$ 67,300</u>	<u>\$ 62,370</u>
<u>Other Receivable</u>			
Interest Receivable	\$ 2,110	\$ 1,956	\$ 2,023
Others	<u>3</u>	<u>-</u>	<u>488</u>
	<u>\$ 2,113</u>	<u>\$ 1,956</u>	<u>\$ 2,511</u>

(I) Note Receivable and Account Receivable

Before accepting a new customer, the Group evaluates the credit rating and sets the credit limit for that potential customer. Customer credit limits and ratings are reviewed annually on an occasional basis. The average credit period for sales of goods and dyeing and finishing is 60 days.

The IFRS 9 simplified approach is adopted by the Group to recognize an allowance for losses on notes receivable and accounts receivable based on lifetime expected credit losses. The lifetime expected credit losses is calculated by using the reserve matrix, which examines the past default records of customers and their current financial situation, the economic situation, the GDP forecast, and the

industry outlook. The historical experience of the Group's credit loss history has shown that the loss patterns of different customer have not significantly different from the loss patterns. Therefore, the provision matrix is not further differentiated in the client base. Only the number of days for notes receivable and accounts receivable are used for setting the expected credit loss rate.

The Group directly writes off related notes receivable and accounts receivable when there is evidence indicating that the debtor is experiencing in severe financial difficulty and there is no realistic prospect of recovery by the Group. For example, the debtor is in liquidation. The Group continues to engage in enforcement activity, and the recovered amounts are recognized as profit or loss.

1. The Group measures the allowance loss of notes receivable according to the reserve matrix as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
	Within 120 days of account opening	Within 120 days of account opening	Within 120 days of account opening
Expected Credit Loss Rate	0%	0%	0%
Total Book Value	\$ 3,517	\$ 3,423	\$ 6,641
Allowance for Loss (Expected Credit Loss During the Period of Existence)	-	-	-
Amortized Cost	<u>\$ 3,517</u>	<u>\$ 3,423</u>	<u>\$ 6,641</u>

2. The following table details the loss allowance of trade receivables based on the Group's provision matrix:

June 30, 2026

	Within 30 days	31 to 60 days	61 to 90 days	91 to 120 days	121 to 150 days	151 to 180 days	Over 181 days	Total
Expected credit loss rate	0.14%	0.5%	5.45%	61.82%	66.02%	73.78%	100%	
Total Book Value	\$ 67,989	\$ 8,681	\$ 1,868	\$ 25	\$ -	\$ 8	\$ 68	\$ 78,639
Loss allowance (Lifetime ECLs)	(91)	(43)	(102)	(16)	-	(5)	(68)	(325)
Amortized cost	<u>\$ 67,898</u>	<u>\$ 8,638</u>	<u>\$ 1,766</u>	<u>\$ 9</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ 78,314</u>

December 31, 2025

	Within 30 days	31 to 60 days	61 to 90 days	91 to 120 days	121 to 150 days	151 to 180 days	Over 181 days	Total
Expected credit loss rate	0.17%	0.75%	8.12%	70.33%	80.80%	74.38%	100%	
Total Book Value	\$ 54,139	\$ 11,411	\$ 2,021	\$ 25	\$ 260	\$ 51	\$ 199	\$ 68,106
Loss allowance (Lifetime ECLs)	(92)	(85)	(164)	(18)	(210)	(38)	(199)	(806)
Amortized cost	<u>\$ 54,047</u>	<u>\$ 11,326</u>	<u>\$ 1,857</u>	<u>\$ 7</u>	<u>\$ 50</u>	<u>\$ 13</u>	<u>\$ -</u>	<u>\$ 67,300</u>

June 30, 2025

	Within 30 days	31 to 60 days	61 to 90 days	91 to 120 days	121 to 150 days	151 to 180 days	Over 181 days	Total
Expected credit loss rate	0.13%	0.51%	5.11%	58.81%	72.79%	82.35%	100%	
Total Book Value	\$ 49,279	\$ 12,674	\$ 471	\$ 69	\$ 232	\$ 49	\$ 157	\$ 62,931
Loss allowance (Lifetime ECLs)	(65)	(65)	(24)	(41)	(169)	(40)	(157)	(561)
Amortized cost	<u>\$ 49,214</u>	<u>\$ 12,609</u>	<u>\$ 447</u>	<u>\$ 28</u>	<u>\$ 63</u>	<u>\$ 9</u>	<u>\$ -</u>	<u>\$ 62,370</u>

The movements of the loss allowance of accounts receivable were as follows:

	Six Months Ended June 30	
	2026	2025
Beginning balance	\$ 806	\$ 671
Less: Net remeasurement of loss allowance	(474)	(110)
Less: Amounts written off	(7)	-
Ending balance	<u>\$ 325</u>	<u>\$ 561</u>

Refer to Note 28(IV) for details of the Group's concentration of credit risk of accounts receivable.

(II) Other receivables

Other receivables are mainly interest receivables, the Group's policy is to trade solely by reputable company. The Group determines whether credit risk has increased significantly since initial recognition and measures the loss allowance for other receivables by continuous monitoring of the debtor, with reference to the past default experience of the debtor and an analysis of the debtor's current financial position. As of June 30, 2026 and 2025, the Group assessed that the expected credit loss rate of other receivables was 0%.

XI. Inventory

	June 30, 2026	December 31, 2025	June 30, 2025
Raw materials	\$ 82,238	\$ 80,350	\$ 93,047

	June 30, 2026	December 31, 2025	June 30, 2025
Work in process	36,971	47,888	55,315
Finished goods	3,828	2,324	3,646
Materials	4,333	4,318	4,515
	<u>\$ 127,370</u>	<u>\$ 134,880</u>	<u>\$ 156,523</u>

The nature of operating costs related to inventories is as follows:

	April 1 to June 30, 2026	April 1 to June 30, 2025	January 1 to June 30, 2026	January 1 to June 30, 2025
Cost of inventories sold	\$ 121,487	\$ 140,470	\$ 254,662	\$ 303,607
Inventory depreciation (recovery benefit) loss	79	98	(406)	(214)
Unallocated manufacturing overhead	7,810	6,514	13,742	11,488
Revenue from sale of leftovers and scrap	(<u>247</u>)	(<u>169</u>)	(<u>362</u>)	(<u>331</u>)
	<u>\$ 129,129</u>	<u>\$ 146,913</u>	<u>\$ 267,636</u>	<u>\$ 314,550</u>

The increase in the net realizable value of inventories as of June 30, 2026 and 2025 was mainly due to the increase in inventory sales prices.

XII. Other assets

	June 30, 2026	December 31, 2025	June 30, 2025
<u>Current</u>			
Payment in advance	\$ 12,023	\$ 16,143	\$ 25,033
Prepaid expense	5,374	9,420	5,495
Tax credit	2,393	1,833	2,382
Provisional payment	3,457	776	524
	<u>\$ 23,247</u>	<u>\$ 28,172</u>	<u>\$ 33,434</u>

XIII. Subsidiaries

Subsidiaries included in the consolidated financial statements

The main preparation for this consolidated financial statement is as follows:

Investor	Investee	Nature of Activities	Shareholding %		
			June 30, 2026	December 31, 2025	June 30, 2025
Evertex Fabrinology Limited	Tung Fa Liu Neng Co., Ltd.	Self-usage power generation equipment utilizing renewable energy industry	100%	100%	100%

XIV. Property, Plant and Equipment

	Self-owned Land	Buildings	Machinery Equipment	Transportation Equipment	Other Equipment	Total
<u>Cost</u>						
Balance on January 1, 2026	\$ 174,044	\$ 343,326	\$ 512,836	\$ 8,739	\$ 223,774	\$ 1,262,719
Additions	-	-	978	690	618	2,286
Disposals	-	-	(18,082)	(300)	-	(18,382)
Reclassification (Remark)	-	-	15,069	-	10,979	26,048
Balance on June 30,2026	<u>\$ 174,044</u>	<u>\$ 343,326</u>	<u>\$ 510,801</u>	<u>\$ 9,129</u>	<u>\$ 235,371</u>	<u>\$ 1,272,671</u>
<u>Accumulated depreciation</u>						
Balance on January 1, 2026	\$ -	\$ 315,493	\$ 407,165	\$ 5,615	\$ 181,552	\$ 909,825
Depreciation expense	-	2,395	10,301	385	4,857	17,938
Disposals	-	-	(18,014)	(300)	-	(18,314)
Balance on March 31,2026	<u>\$ -</u>	<u>\$ 317,888</u>	<u>\$ 399,452</u>	<u>\$ 5,700</u>	<u>\$ 186,409</u>	<u>\$ 909,449</u>
Net balance on June 30,2026	<u>\$ 174,044</u>	<u>\$ 25,438</u>	<u>\$ 111,349</u>	<u>\$ 3,429</u>	<u>\$ 48,962</u>	<u>\$ 363,222</u>
Balance on June 30,2026	<u>\$ 174,044</u>	<u>\$ 27,833</u>	<u>\$ 105,671</u>	<u>\$ 3,124</u>	<u>\$ 42,222</u>	<u>\$ 352,894</u>
<u>Cost</u>						
Balance on January 1, 2025	\$ 174,044	\$ 343,326	\$ 523,538	\$ 5,374	\$ 233,037	\$ 1,279,319
Additions	-	-	1,200	3,100	757	5,057
Balance on June 30,2025	<u>\$ 174,044</u>	<u>\$ 343,326</u>	<u>\$ 524,738</u>	<u>\$ 8,474</u>	<u>\$ 233,794</u>	<u>\$ 1,284,376</u>
<u>Accumulated depreciation</u>						
Balance on January 1, 2025	\$ -	\$ 310,688	\$ 401,320	\$ 5,160	\$ 182,615	\$ 899,783
Depreciation expense	-	2,403	14,586	383	5,140	22,512
Net balance on June 30,2025	<u>\$ -</u>	<u>\$ 313,091</u>	<u>\$ 415,906</u>	<u>\$ 5,543</u>	<u>\$ 187,755</u>	<u>\$ 922,295</u>
Balance on June 31,2025	<u>\$ 174,044</u>	<u>\$ 30,235</u>	<u>\$ 108,832</u>	<u>\$ 2,931</u>	<u>\$ 46,039</u>	<u>\$ 362,081</u>

Note. The balance is transferred from the prepaid equipment payment.

The Group did not capitalize interest from January 1 to June 30 in 2026 and 2025.

There is no an indication that the property, plant and equipment may be impaired from January 1 to June 30 in 2026 and 2025.

The immovable property, plant and equipment of the Group are determined on the basis of cost and depreciated on the basis of the following durable years:

Buildings	
Main Building of Factory	26 to 40 years
Storehouse	10 to 26 years

Others	3 to 25 years
Machinery Equipment	3 to 20 years
Transportation Equipment	3 to 5 years
Other Equipment	
Office Equipment	3 to 15 years
Land Improvement	10 to 15 years
Dormitory Equipment	15 to 40 years
Other Equipment	3 to 15 years

XV. Lease Arrangement

(I) Right-of-use Assets

	<u>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
Right-of-use assets book value			
Buildings	\$ 1,273	\$ 1,528	\$ 1,783
Transportation Equipment	176	1,229	2,282
Other Equipment	<u>2,009</u>	<u>2,200</u>	<u>1,561</u>
	<u>\$ 3,458</u>	<u>\$ 4,957</u>	<u>\$ 5,626</u>

	<u>April 1 to June 30,2026</u>	<u>April 1 to June 30,2025</u>	<u>January 1 to June 30,2026</u>	<u>January 1 to June 30,2025</u>
Additions to right-of-use assets			<u>\$ 451</u>	<u>\$ 937</u>
Depreciation charge for right-of-use assets				
Buildings	\$ 128	\$ 128	\$ 255	\$ 255
Transportation Equipment	526	526	1,053	1,053
Other Equipment	<u>321</u>	<u>322</u>	<u>642</u>	<u>646</u>
	<u>\$ 975</u>	<u>\$ 976</u>	<u>\$ 1,950</u>	<u>\$ 1,954</u>

(II) Lease liabilities

	<u>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
Lease liabilities Carrying amount			
Current	<u>\$ 1,787</u>	<u>\$ 2,874</u>	<u>\$ 3,505</u>
Non-current	<u>\$ 1,742</u>	<u>\$ 2,180</u>	<u>\$ 2,223</u>

Discount rates for lease liabilities were as follows :

	June 30, 2026	December 31, 2025	June 30, 2025
Buildings	2.06%	2.06%	2.1%
Transportation Equipment	2.19%	2.19%	2.19%
Other Equipment	1.15%~2.43%	1.15%~2.43%	1.15%~2.43%

(III) Material leasing activities and terms

The Group leases certain official cars and other equipment - stackers with lease terms of 1 to 3 years. The Group does not have bargain purchase options to acquire the cars and stackers at the end of the lease terms.

The Group leases buildings for the use of offices with lease term of 3~5 years. The Group does not have bargain purchase options to acquire the buildings at the end of the lease term.

(IV) Other lease information

	April 1 to June 30,2026	April 1 to June 30,2025	January 1 to June 30,2026	January 1 to June 30,2025
Expenses relating to low-value asset leases	\$ <u>41</u>	\$ <u>217</u>	\$ <u>80</u>	\$ <u>297</u>
Total cash outflow for leases			(\$ <u>2,106</u>)	(\$ <u>2,323</u>)

The Group's leases of certain photocopiers qualify as low-value asset leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

XVI. Investment real estate

	Land	Buildings	Total
<u>Cost</u>			
Balance on June 30,2026	\$ <u>17,240</u>	\$ <u>17,215</u>	\$ <u>34,455</u>
<u>Accumulated Depreciation</u>			
Balance on January 1, 2026	\$ -	\$ 645	\$ 645
Depreciation expense	-	<u>431</u>	<u>431</u>
Balance on June 30,2026	\$ <u>-</u>	\$ <u>1,076</u>	\$ <u>1,076</u>
Net balance on June 30,2026	\$ <u>17,240</u>	\$ <u>16,139</u>	\$ <u>33,379</u>

	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
Balance on January 1, 2026 and Balance on June 30,2026	<u>\$ 17,240</u>	<u>\$ 16,570</u>	<u>\$ 33,810</u>
<u>Cost</u>			
Balance on January 1, 2025	\$ -	\$ -	\$ -
Reclassify(Note)	<u>17,240</u>	<u>17,215</u>	<u>34,455</u>
Balance on June,2025	<u>\$ 17,240</u>	<u>\$ 17,215</u>	<u>\$ 34,455</u>
<u>Accumulated Depreciation</u>			
Balance on January 1, 2025	\$ -	\$ -	\$ -
Depreciation expense	<u>-</u>	<u>215</u>	<u>215</u>
Balance on June 30,2025	<u>\$ -</u>	<u>\$ 215</u>	<u>\$ 215</u>
Net balance on June 30,2025	<u>\$ 17,240</u>	<u>\$ 17,000</u>	<u>\$ 34,240</u>

Note: The balance is a transfer from long-term advances, etc.

Investment property is provided for on a straight-line basis over the following useful lives:

Buildings	20 yaars
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The fair value of investment properties is assessed by management based on market evidence of similar property transaction prices. The fair value is as follows:

	<u>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
Fair value	<u>\$ 37,624</u>	<u>\$ 36,627</u>	<u>\$ 36,627</u>

XVII. Intangible Assets

	<u>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
Computer Softwar	<u>\$ 11</u>	<u>\$ 27</u>	<u>\$ 44</u>

Except for the recognition of amortization expenses, there were no significant additions, disposals or impairments to the intangible assets of the combined company from January 1 to June 30 in 2026 and 2025.

Computer software is amortized on a straight-line basis on 1~3 years.

XVIII. Short-term Loans

	June 30, 2026	December 31, 2025	June 30, 2025
<u>Unsecured Loan</u>			
Line of Credit Borrowing	<u>\$ 25,000</u>	<u>\$ 25,000</u>	<u>\$ 30,000</u>
Interest rate	2.431%	2.431%	2.431%

XIX. Notes Payable and Accounts Payable

	June 30, 2026	December 31, 2025	June 30, 2025
<u>Notes Payable</u>			
Notes Payable-From Business	<u>\$ 15,141</u>	<u>\$ 11,981</u>	<u>\$ 13,980</u>
<u>Accounts Payable</u>			
Notes Payable-From Business	<u>\$ 15,570</u>	<u>\$ 15,985</u>	<u>\$ 20,111</u>

The average credit period for purchases was 90 days. The Group has established financial risk management policies to ensure that all payables are repaid within the pre-agreed credit periods.

XX. Other Payables

	June 30, 2026	December 31, 2025	June 30, 2025
Payables for cash dividends (Note27)	\$ 55,749	\$ -	\$ 86,625
Payables for salaries or bonuses	34,846	41,798	34,878
Payables for vacations	7,727	7,319	9,442
Utilities Payables	3,003	2,657	3,703
Payables for labor and health insurance	2,437	2,461	2,436
Payables for purchases of equipment (Note27)	853	2,577	414
Others	<u>10,980</u>	<u>10,276</u>	<u>12,619</u>
	<u>\$ 115,595</u>	<u>\$ 67,088</u>	<u>\$ 150,117</u>

XXI. Other Current Liabilities

	June 30, 2026	December 31, 2025	June 30, 2025
Receipts under custody	\$ 570	\$ 585	\$ 536
Refund Liabilities	<u>244</u>	<u>334</u>	<u>234</u>

	June 30, 2026	December 31, 2025	June 30, 2025
	<u>\$ 814</u>	<u>\$ 919</u>	<u>\$ 770</u>

XXII. Post-retirement Benefits Plan

The pension benefits related to the defined benefit plan recognized from January 1 to June 30, 2026 and 2025 were calculated based on the pension cost rate determined by the actuarial department on December 31, 2025 and 2024, and the amounts were NT\$17,000 and NT(\$15,000) and NT\$34,000 and NT(\$30,000).

XXIII. Equity

(I) Common stock

	June 30, 2026	December 31, 2025	June 30, 2025
Authorized Shares (thousand shares)	<u>101,880</u>	<u>101,880</u>	<u>101,880</u>
Authorized Equity	<u>\$ 1,018,800</u>	<u>\$ 1,018,800</u>	<u>\$ 1,018,800</u>
Shares Issued and Fully Received (thousand shares)	<u>85,767</u>	<u>85,767</u>	<u>85,767</u>
Equity Issued	<u>\$ 857,670</u>	<u>\$ 857,670</u>	<u>\$ 857,670</u>

The issued common shares have a par value of NT\$ 10 each and each share has the right to vote and receive dividends.

(II) Capital Reserves

	June 30, 2026	December 31, 2025	June 30, 2025
<u>May be used to offsetting a deficit, distributed as cash dividends, or transferred to share capita</u>			
Share Premium	\$ 3,000	\$ 3,000	\$ 3,000
<u>Only used to make up for losses</u>			
Gain from disposal of assets	3,918	3,918	3,918

	June 30, 2026	December 31, 2025	June 30, 2025
Benefits from exercise			
Disgorgement	<u>399</u>	<u>399</u>	<u>399</u>
	<u>\$ 7,317</u>	<u>\$ 7,317</u>	<u>\$ 7,317</u>

The capital reserve can be used to make up for losses. The excess of shares issued in excess of par value may also be used to issue cash or allocate share capital when there is no loss in the group, subject to a certain percentage of paid-in share capital each year.

The capital reserve arising from the gains from the disposal of assets and benefits from exercise Disgorgement shall not be used for any purpose other than making up for losses.

(III) Retention of surplus and dividend policy

According to the surplus distribution policy of the Company, The Company may distribute earnings or make up losses after the end of each semi-annual fiscal year. If the distribution of earnings is made in cash, it shall be resolved by the board of directors in accordance with Article 228-1 and Article 240 of the Company Act and reported to the shareholders' meeting without being submitted to the shareholders' meeting for ratification. If the distribution of earnings is made by issuing new shares, it shall be handled in accordance with Article 240 of the Company Act.

The Company's dividend policy is based on the current and future investment environment, capital requirements, and capital budget, while considering the shareholders' interest, dividend balance, and the Company's long-term financial planning as the Company is in the business development stage. The Company shall distribute dividends and bonuses to shareholders not less than annual earnings after deducting income tax, making up for loss, setting aside legal reserve, but legal reserve has reached the amount of paid-in capital, it may no longer be set. The rest will be set or reversed 50% special reserve shall distribute dividends and bonuses according to the regulations. The annual dividends shall be paid in cash first, but stock dividends may

also be distributed, of which no less than 10% of the total dividends shall be paid in cash.

The estimated basis and actual allotment of the remuneration of the employees and directors of the company can be found in Note 24 (9).

The statutory surplus reserve shall be set aside until its balance reaches the total paid-in share capital of the company. The statutory surplus reserve can be used to make up for losses. When there is no loss in the company, the part of the statutory surplus reserve exceeding 25% of the total paid-in share capital may be allocated in cash in addition to the allocated share capital.

When the company distributes its surplus, it must set aside the balance of equity deduction items (including unrealized losses on financial assets) as a special surplus reserve according to laws and regulations. If there is a subsequent reduction in the amount of equity deduction, the reduced amount can be transferred back to the undistributed surplus from the special surplus reserve.

On August 9, 2024, the company's board of directors resolved not to pay dividends for the first half of 2024.

On August 12, 2025, the company's board of directors resolved not to pay dividends for the first half of 2025.

The appropriations and cash dividends per share in 2025 and 2024 were as follows:

	<u>2025</u>	<u>2024</u>
Legal reserve provided	<u>\$ 6,777</u>	<u>\$ 9,609</u>
Reversr special reserve provided	<u>\$ 975</u>	<u>(\$ 1,650)</u>
Cash dividends to shareholders	<u>\$ 55,749</u>	<u>\$ 86,625</u>
Cash dividends per share (NT\$)	\$ 0.65	\$ 1.01

The above-mentioned cash dividends were approved on March 9, 2026 and March 12, 2025 respectively. The remaining surplus distribution items for 2025 have been resolved at the general meeting of shareholders on June 23, 2026. The remaining surplus distribution items for 2025 have been resolved at the general meeting of shareholders on June 26, 2025.

On August 12, 2026, the company's board of directors resolved not to pay dividends for the first half of 2026.

(IV) Other Equity

Unrealized gain and loss on financial assets at FVTOCI

	Six Months Ended June 30	
	2026	2025
Balance on January 1	(\$ 975)	\$ 1,628
Recognized for the year		
Unrealized gain and loss		
Equity instruments	312	(418)
Balance on June 30	(\$ 663)	\$ 1,210

XXIV. Net Income

(I) Operating revenue

	April 1 to June 30,2026	April 1 to June 30,2025	January 1 to June 30,2026	January 1 to June 30,2025
<u>Segmentation of</u>				
<u>Customer</u>				
Sales Revenue				
— Cloth trading	\$ 154,635	\$ 171,233	\$ 314,544	\$ 345,782
— Other	3,034	3,300	5,064	5,268
Service Revenue				
— Dyeing &				
Finishing	22,653	24,156	52,019	61,581
	<u>\$ 180,322</u>	<u>\$ 198,689</u>	<u>\$ 371,627</u>	<u>\$ 412,631</u>

Contract balance

	June 30,2026	December 31,2025	June 30,2025	January 31,2025
Notes Payable And Account				
Payable(Note 10)	<u>\$ 81,831</u>	<u>\$ 70,723</u>	<u>\$ 69,011</u>	<u>\$ 67,408</u>
Contract Assets				
Dyeing &				
Finishing	<u>\$ 553</u>	<u>\$ 1,096</u>	<u>\$ -</u>	<u>\$ -</u>
Contract liabilities				
Revenue of				
Commodity Sales	<u>\$ 5,182</u>	<u>\$ 6,935</u>	<u>\$ 9,429</u>	<u>\$ 8,833</u>

The consolidated company recognizes a provision for losses on contract assets based on expected credit losses during their lifetime.

Contract assets are transferred to accounts receivable upon invoicing, and their credit risk characteristics are the same as those of accounts receivable arising from similar contracts. Therefore, the consolidated company believes that the expected credit loss rate for accounts receivable can also be applied to contract assets. As of June 30, 2026 and December 31, 2025, the consolidated company assessed that no expected credit losses needed to be recognized for contract assets.

Changes in contract liabilities are primarily due to the difference between the point in time when performance obligations are satisfied and the point in time when customers make payments.

(II) Other operating income and expenses

	April 1 to June 30,2026	April 1 to June 30,2025	January 1 to June 30,2026	January 1 to June 30,2025
Gain (loss) on disposal of property, plant and equipment	<u>\$ 280</u>	<u>\$ -</u>	<u>\$ 271</u>	<u>\$ -</u>

(III) Interest Revenue

	April 1 to June 30,2026	April 1 to June 30,2025	January 1 to June 30,2026	January 1 to June 30,2025
Bank Deposit	\$ 1,408	\$ 1,292	\$ 2,365	\$ 2,868
Financial Assets Measured at Amortized Cost	1,711	2,203	3,233	3,980
Financial assets measured at fair value through profit or loss	<u>239</u>	<u>-</u>	<u>239</u>	<u>-</u>
	<u>\$ 3,358</u>	<u>\$ 3,495</u>	<u>\$ 5,837</u>	<u>\$ 6,848</u>

(IV) Other Revenue

	April 1 to June 30,2026	April 1 to June 30,2025	January 1 to June 30,2026	January 1 to June 30,2025
Dividend income				
Equity instrument investments measured at fair value through other comprehensive income or loss	\$ 823	\$ -	\$ 823	\$ -
Other Revenue				
Subsidy	489	225	489	343
Others	<u>172</u>	<u>88</u>	<u>235</u>	<u>125</u>
	<u>\$ 1,484</u>	<u>\$ 313</u>	<u>\$ 1,547</u>	<u>\$ 468</u>

(V) Other Revenues and Losses

	April 1 to June 30,2026	April 1 to June 30,2025	January 1 to June 30,2026	January 1 to June 30,2025
Net gain (loss) on foreign currency exchange	(\$ 1,110)	(\$ 42,882)	\$ 5,470	(\$ 37,752)
Net loss on financial instruments at fair value through profit or loss mandatorily	1,800	(1,566)	2,572	(1,568)
Others expense	<u>-</u>	<u>-</u>	<u>-</u>	<u>(22)</u>
	<u>\$ 690</u>	<u>(\$ 44,448)</u>	<u>\$ 8,042</u>	<u>(\$ 39,342)</u>

(VI) Financial Costs

	April 1 to June 30,2026	April 1 to June 30,2025	January 1 to June 30,2026	January 1 to June 30,2025
Bank Loan Interest	\$ 163	\$ 181	\$ 313	\$ 361
Interest of Lease Liabilities	<u>24</u>	<u>35</u>	<u>50</u>	<u>72</u>
	<u>\$ 187</u>	<u>\$ 216</u>	<u>\$ 363</u>	<u>\$ 433</u>

(VII) Depreciation and amortization expenses

	April 1 to June 30,2026	April 1 to June 30,2025	January 1 to June 30,2026	January 1 to June 30,2025
Property, plant and equipment	\$ 9,150	\$ 11,128	\$ 17,938	\$ 22,512
Right-of-use assets	975	976	1,950	1,954
Investment property	<u>216</u>	<u>215</u>	<u>431</u>	<u>215</u>
Total	<u>\$ 10,341</u>	<u>\$ 12,319</u>	<u>\$ 20,319</u>	<u>\$ 24,681</u>
Intangibal Assets	<u>\$ 8</u>	<u>\$ 25</u>	<u>\$ 16</u>	<u>\$ 52</u>
Depreciation expenses are summarized by function				
Operating Costs	\$ 9,401	\$ 11,384	\$ 18,438	\$ 22,732
Operating Expenses	<u>940</u>	<u>935</u>	<u>1,881</u>	<u>1,949</u>
Total	<u>\$ 10,341</u>	<u>\$ 12,319</u>	<u>\$ 20,319</u>	<u>\$ 24,681</u>
Depreciation expenses are summarized by function				
Management Expense	<u>\$ 8</u>	<u>\$ 25</u>	<u>\$ 16</u>	<u>\$ 52</u>

(VIII) Employees' Benefit Expenses

	April 1 to June 30,2026	April 1 to June 30,2025	January 1 to June 30,2026	January 1 to June 30,2025
Retirement Benefits				
Determined Allocation Plan	\$ 1,319	\$ 1,391	\$ 2,663	\$ 2,756

	April 1 to June 30,2026	April 1 to June 30,2025	January 1 to June 30,2026	January 1 to June 30,2025
Determined Benefit Plan(Note22)	<u>17</u>	(<u>15</u>)	<u>34</u>	(<u>30</u>)
	<u>1,336</u>	<u>1,376</u>	<u>2,697</u>	<u>2,726</u>
Other Employee Benefits	<u>49,317</u>	<u>45,650</u>	<u>98,479</u>	<u>91,293</u>
Total Employees' Benefit Expense	<u>\$ 50,653</u>	<u>\$ 47,026</u>	<u>\$ 101,176</u>	<u>\$ 94,019</u>
Summary by Function				
Operating Costs	\$ 31,426	\$ 29,953	\$ 65,047	\$ 60,625
Operating Expenses	<u>19,227</u>	<u>17,073</u>	<u>36,129</u>	<u>33,394</u>
	<u>\$ 50,653</u>	<u>\$ 47,026</u>	<u>\$ 101,176</u>	<u>\$ 94,019</u>

(IX) Employee Remuneration and Director Remuneration

The company allocates employee remuneration and director remuneration at the pre-tax benefit of 3% and not more than 3% respectively before deducting the distribution of employee and director remuneration in the current year. The Company's profit sharing bonus to employees and compensation to directors for 2026, 2025 had been approved by the Board of Directors of the Company in March 9,2026 and March 9,2025, as illustrated below:

Estimation Ratio

	Six Months Ended June 30	
	2026	2025
Employee remuneration	3%	3%
Director Remuneration	3%	3%

The amount

	April 1 to June 30,2026	April 1 to June 30,2025	January 1 to June 30,2026	January 1 to June 30,2025
Employee remuneration	<u>\$ 904</u>	(<u>\$ 569</u>)	<u>\$ 1,960</u>	<u>\$ 213</u>
Director Remuneration	<u>\$ 904</u>	(<u>\$ 569</u>)	<u>\$ 1,960</u>	<u>\$ 213</u>

If there is any change in the amount after the release of the annual individual financial report, it shall be dealt with according to the change in accounting estimates and adjusted to be recorded in the following year.

The employee remuneration and director remuneration in 2025 and 2024 were resolved by the board of directors on March 9, 2026 and March 12, 2025 respectively as follows:

	2025 Cash	2025 Cash
Employee remuneration	\$ 2,604	\$ 3,820
Director Remuneration	2,604	3,820

There is no difference between the amount of employee remuneration and director remuneration decided to allot in 2025 and 2024 and the amount recognized in the financial reports of 2025 and 2024.

Information on the employees' compensation and remuneration of directors resolved by the Company's Board is available at the "Market Observation Post System" website of the Taiwan Stock Exchange.

(X) Net gain (loss) on foreign currency exchange

	April 1 to June 30,2026	April 1 to June 30,2025	January 1 to June 30,2026	January 1 to June 30,2025
Foreign currency exchange gains	\$ 6,113	\$ 632	\$ 18,240	\$ 9,616
Foreign currency exchange losses	(7,223)	(43,514)	(12,770)	(47,368)
Net gain (loss)	(\$ 1,110)	(\$ 42,882)	\$ 5,470	(\$ 37,752)

XXV. Income Tax

(I) The main components of income tax expenses (benefits) recognized as profit and loss

	April 1 to June 30,2026	April 1 to June 30,2025	January 1 to June 30,2026	January 1 to June 30,2025
Current Income Tax Arising in the Current Year	\$ 5,767	\$ 3,684	\$ 9,836	\$ 9,055
Additional tax on undistributed surplus	-	75	-	75
Unappropriated earnings levy	(297)	(736)	(297)	(736)
Deferred Income Tax				

	April 1 to June 30,2026	April 1 to June 30,2025	January 1 to June 30,2026	January 1 to June 30,2025
Arising in the Current Year Income Tax Expenses Recognized in the Profit or Loss	(<u>453</u>)	(<u>6,862</u>)	<u>2,001</u>	(<u>7,315</u>)
	<u>\$ 5,017</u>	(<u>\$ 3,839</u>)	<u>\$ 11,540</u>	<u>\$ 1,079</u>

(II) Income tax recognized in other comprehensive income

The company's profit-seeking enterprise income tax returns have been approved by the tax collection authority for the declaration cases before 2024. There is no significant difference between the approved number and the declared number.

XXVI. Earnings Per Share

Net profit and weighted average number of ordinary shares used to calculate earnings per share are as follows:

Net Income

	April 1 to June 30,2026	April 1 to June 30,2025	January 1 to June 30,2026	January 1 to June 30,2025
Net profit attributable to owners of the company				
Basic/Diluted EPS Net income available to common shareholders	<u>\$ 23,493</u>	(<u>\$ 13,648</u>)	<u>\$ 50,164</u>	<u>\$ 6,004</u>

Shares

Unit : Thousand shares

	April 1 to June 30,2026	April 1 to June 30,2025	January 1 to June 30,2026	January 1 to June 30,2025
The weighted average number of ordinary shares used in the calculation of basic earnings (net loss) per share	85,767	85,767	85,767	85,767
Impacts of potential ordinary shares with dilution effect:				
Employees' compensation	<u>92</u>	<u>-</u>	<u>150</u>	<u>74</u>

	April 1 to June 30,2026	April 1 to June 30,2025	January 1 to June 30,2026	January 1 to June 30,2025
The weighted average number of ordinary shares used in the calculation of diluted earnings (net loss) per share	<u>85,859</u>	<u>85,767</u>	<u>85,917</u>	<u>85,841</u>

The Company may settle the compensation of employees in cash or shares; therefore, the Company assumes that the entire amount of the compensation will be settled in shares, and the resulting potential shares are included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

As the period from April 1 to June 30, 2026 was a net loss, it had an anti-dilution effect. Therefore, the company's employee compensation was not included in the calculation of diluted earnings per share.

XXVII. Cash Flow Information

(I) Non-cash transactions

For January 1 to June 30, 2026 and 2025, the Group entered into the following non-cash investing and financing activities:

As of June 30, 2026 and December 31, 2025 and June 30, the Group didn't paid acquisition of property, plant and equipment of NT\$853 thousand, NT\$2,577 and NT\$414 thousand, list in payables to suppliers of machinery and equipment (Note 20).

The cash dividends for 2025 and 2024 distributed by the board of directors have not yet been distributed in 2026 and March 31, 2025. (Notes 20 and 23)

(II) Changes in liabilities arising from financing activities

January 1 to June 30, 2026

	Balance on January 1,2026	Cash Flows	Non-cash Changes			Others	Balance on June 30,2026
			New Leases	Amortization of Interest Expenses			
Short Term Loan	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000

Lease						
Liabilitie	5,054	(1,976)	451	50	(50)	3,529
	<u>\$ 30,054</u>	<u>(\$ 1,976)</u>	<u>\$ 451</u>	<u>\$ 50</u>	<u>(\$ 50)</u>	<u>\$ 28,529</u>

January 1 to June 30, 2025

	Balance on January 1,2026	Cash Flows	Non-cash Changes			Balance on June 30,2026
			New Leases	Amortization of Interest Expenses	Others	
Short Term Loan	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ 30,000
Lease Liabilitie	6,745	(1,954)	937	72	(72)	5,728
	<u>\$ 36,745</u>	<u>(\$ 1,954)</u>	<u>\$ 937</u>	<u>\$ 72</u>	<u>(\$ 72)</u>	<u>\$ 35,728</u>

XXVIII.Capital Risk Management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance. The overall strategy of the Group has not changed.

The Group has no other restrictions on external capital regulations.

XXIX. Financial Instruments

(I) Fair value information - financial instruments not measured at fair value

Except as stated below, management of the Merged Company believes that the carrying amounts of financial instruments that are not measured at fair value approximate their fair values.

June 30,2026

	Book Value	Fair Value			Total
		Level 1	Level 2	Level 3	
<u>Financial Assets</u>					
Financial Assets measured by amortized cost					
— Government debt	\$ 13,700	\$ -	\$ 12,946	\$ -	\$ 12,946
— Corporate bonds	98,381	-	92,716	-	92,716
Total	<u>\$ 112,081</u>	<u>\$ -</u>	<u>\$ 105,662</u>	<u>\$ -</u>	<u>\$ 105,662</u>

December 31,2025

	Fair Value
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	<u>Book Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial Assets</u>					
Financial Assets measured by amortized cost					
— Government debt	\$ 13,509	\$ -	\$ 12,935	\$ -	\$ 12,935
— Corporate bonds	<u>100,310</u>	<u>-</u>	<u>96,435</u>	<u>-</u>	<u>96,435</u>
Total	<u>\$ 113,819</u>	<u>\$ -</u>	<u>\$ 109,370</u>	<u>\$ -</u>	<u>\$ 109,370</u>

June 30, 2025

	<u>Book Value</u>	<u>Fair Value</u>			<u>Total</u>
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
<u>Financial Assets</u>					
Financial Assets measured by amortized cost					
— Government debt	\$ 12,585	\$ -	\$ 11,661	\$ -	\$ 11,661
— Corporate bonds	<u>98,051</u>	<u>-</u>	<u>92,386</u>	<u>-</u>	<u>92,386</u>
Total	<u>\$ 110,636</u>	<u>\$ -</u>	<u>\$ 104,047</u>	<u>\$ -</u>	<u>\$ 104,047</u>

The above-mentioned Level 2 fair value measurement is based on the quotation provided by the counterparty for evaluation.

(II) Fair value of financial instruments that are measured at fair value on a recurring basis.

1. Fair value hierarchy

June 30, 2026

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
Fund beneficiary certificates	\$ 28,201	\$ -	\$ -	\$ 28,201
Domestic listed stocks	<u>11,077</u>	<u>-</u>	<u>-</u>	<u>11,077</u>
	<u>\$ 39,278</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,278</u>

Financial assets at FVTOCI

Investments in equity instruments				
— Domestic listed stocks	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,484</u>	<u>\$ 2,484</u>

December 31, 2025

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
Fund beneficiary certificates	\$ 61,904	\$ -	\$ -	\$ 61,904
Domestic listed stocks	<u>11,171</u>	<u>-</u>	<u>-</u>	<u>11,171</u>
	<u>\$ 73,075</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 73,075</u>

Financial assets at FVTOCI

Investments in equity instruments				
— Domestic listed stocks	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,172</u>	<u>\$ 2,172</u>

June 30,2025

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Fund beneficiary certificates	\$ 61,904	\$ -	\$ -	\$ 61,904
Domestic listed stocks	<u>11,171</u>	<u>-</u>	<u>-</u>	<u>11,171</u>
	<u>\$ 73,075</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 73,075</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
— Domestic listed stocks	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,172</u>	<u>\$ 2,172</u>

There were no transfers between Levels 1 and 2 in 2026 and 2025.

2. Reconciliation of Level 3 fair value measurements of financial instruments

January 1 to June 30,2026

Financial Assets	Financial Assets at FVTOCI Equity instruments
Balance at January 1	\$ 2,172
Recognized in other comprehensive income (included in unrealized gain of financial assets at FVTOCI)	<u>312</u>
Balance on June 30	<u>\$ 2,484</u>

January 1 to June 30,2025

Financial Assets	Financial Assets at FVTOCI Equity instruments
Balance at January 1	\$ 6,578
Recognized in other comprehensive income (included in unrealized gain of financial assets at FVTOCI)	(<u>418</u>)
Balance on June 30	<u>\$ 6,160</u>

3. Valuation techniques and assumptions used in Level 3 fair value measurement.

The fair values of overseas unlisted corporate equity investments are estimated using the market approach with

reference to the net value stated in the most recent financial statements of the investee company and based on the evaluation of similar companies and the operations of the investee company.

(III) Categories of financial instruments

	<u>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
<u>Financial assets</u>			
Mandatorily measured at FVTPL	\$ 39,278	\$ 73,075	\$ 17,455
Financial assets measured at amortized Cost (Note 1)	581,407	491,513	554,778
Financial assets at FVTOCI Equity instruments	2,484	2,172	6,160
<u>Financial Liabilities</u>			
Financial liabilities measured by amortized cost (Note 2)	68,072	65,985	78,301

Note1 : The balance includes financial assets measured at amortized cost, such as Cash and Cash Equivalents, Financial Assets Measured at Amortized Cost, Notes Receivable and Accounts Receivable, Other Receivables and Refundable Deposits.

Note2 : The balance includes financial liabilities measured at amortized cost such as, notes payable (Include Related Party), accounts payable (Include Related Party), other payables and other financial Liabilities - restricted (recognized as other current and non-current Liabilities).

(IV) Financial risk management objectives and policies

The Group's major financial instruments include financial assets at FVTPL, financial assets measured at FVTOCI, accounts receivable, accounts payable, and lease liabilities etc. The Company's corporate treasury function coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk and interest rate risk and other price rate), credit risk and liquidity risk.

1. Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and other price changed risk.

There had been no change to the Group's exposure to market risks or the manner in which these risks were managed and measured.

(1) Foreign currency risk

For the carrying amounts of monetary assets and monetary liabilities denominated in the non-functional currency at the balance sheet date, refer to Note 34.

Sensitivity analysis

The Group is mainly influenced by the USD 、 EUR and JPY exchange rate fluctuation.

The following table details the Company's sensitivity to a 10% increase and decrease in the New Taiwan dollar (the functional currency) against the relevant foreign currency (U.S. dollar). 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis included foreign cash, foreign currency deposit in bank, and receivable and payable in foreign currencies. The positive numbers in the following table represent the amount of increase in net profit before tax when functional currency depreciates 10% relative to the relevant currencies; when functional currency appreciates 10% relative to the relevant currencies, its impact on the net profit before tax will be the same negative number of the amount.

	<u>Influence of USD</u>		<u>Influence of JPY</u>	
	<u>Three Months Ended June 30,2026</u>	<u>Three Months Ended June 30,2026</u>	<u>Three Months Ended June 30,2026</u>	<u>Three Months Ended June 30,2026</u>
Profit or loss	<u>\$ 30,344</u>	<u>\$ 26,671</u>	<u>\$ 4,894</u>	<u>\$ 6,173</u>

The sensitivity of the group to the USD increased during the current period, mainly due to the increase in net assets denominated in USD during the current period.

The sensitivity of the Group to the JPY decreased during the current period, mainly due to the decrease in deposit in Euros during the current period.

(1) Interest rate risk

The carrying amounts of the Company's financial assets and financial liabilities with exposure to interest rate risk at the end of the reporting period were as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Fair value interest rate risk			
— Financial Assets	\$ 374,872	\$ 250,600	\$ 334,809
— Financial Liabilities	3,529	5,054	5,728
Cash flow interest rate risk			
— Financial Assets	110,146	117,514	137,780
— Financial Liabilities	25,000	25,000	30,000

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for non-derivative instruments at the end of the reporting period. A 50 basis point increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If the interest rate increases/decreases by 50 basis points and all other variables remain unchanged, the Group's net income before tax in 2026 and 2025 will increase/decrease by NT\$ 213 thousand and NT\$ 269 thousand, mainly due to the

Group's exposure to demand deposit interest rate and short-term loan interest rate risk.

(2) Other Price Risk

The Group's equity price exposure is caused by the investment of equity securities. The management of the company manages risks by holding different risk portfolios. The equity investment is strategical, not held for trading. Additionally, the company supervises periodical and evaluates price risk.

Sensitivity analysis

The following sensitivity analysis is based on equity price exposure on the balance sheet date.

If equity prices rise/fall 10%, pre-tax profit or loss in 2026 and 2025 will increase/decrease by NT\$ 3,928 thousand and NT\$ 1,746 thousand due to the rise/fall in the fair value of financial assets measured by fair value through profit or loss. Other comprehensive profit and loss before tax in 2026 and 2025 will increase/decrease by NT\$ 248 thousand and NT\$ 616 thousand due to the increase/decrease in the fair value of financial assets measured at fair value through other comprehensive income or loss.

The sensitivity of the company to the Financial assets at FVTPL increased during the current period, mainly due to the increase investment of equity securities during the current period.

The Group's sensitivity to price risk of financial assets measured at fair value through other comprehensive income decreased during the year, mainly due to a decrease in equity securities investments in financial assets measured at fair value through other comprehensive income during the year.

2. Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company. As of the end of the reporting period, the Group's maximum exposure to credit risk, which will cause a financial loss to the Group due to the failure of the counterparty to discharge its obligation, is primarily equal to the carrying amount of the respective recognized financial assets as stated in the balance sheets

The Group uses publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continually monitored.

The Group's concentration of credit risk of 81%, 72% and 75% in total trade receivables as of June 30, 2026, December 31, 2025 and June 30, 2025, respectively, was related to customers who exceed 5% of the total receivables.

3. Liquidity risk

The group maintains sufficient bank deposit and financing amount, supervises expected and actual cash flow continuously. The maturities of financial assets and liabilities are matched to achieve the purpose of managing liquidity risk.

(1) Liquidity and interest rate risk tables for non-derivative financial liabilities

The remaining contract maturity analysis of non-derivative financial liabilities is based on the earliest possible repayment date of the Group and is compiled based on the undiscounted cash flows of financial liabilities.

June 30, 2026

On Demand or Less than 1 Month	1 Month - 3 Months	Over 3 Months to 1 Year	Over 1 Year to 5 Years
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	On Demand or Less than 1 Month	1 Month - 3 Months	Over 3 Months to 1 Year	Over 1 Year to 5 Years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing liabilities	\$ 11,346	\$ 87,388	\$ 87	\$ -
Short-term liabilities	25,000	-	-	-
Lease liabilities	338	292	1,218	1,796
	<u>\$ 36,684</u>	<u>\$ 87,680</u>	<u>\$ 1,305</u>	<u>\$ 1,796</u>

December 31,2025

	On Demand or Less than 1 Month	1 Month - 3 Months	Over 3 Months to 1 Year	Over 1 Year to 5 Years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing liabilities	\$ 10,344	\$ 30,573	\$ 68	\$ -
Short-term liabilities	25,000	-	-	-
Lease liabilities	338	675	1,939	2,222
	<u>\$ 35,682</u>	<u>\$ 31,248</u>	<u>\$ 2,007</u>	<u>\$ 2,222</u>

June 30,2025

	On Demand or Less than 1 Month	1 Month - 3 Months	Over 3 Months to 1 Year	Over 1 Year to 5 Years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing liabilities	\$ 13,652	\$121,204	\$ 70	\$ -
Short-term liabilities	30,000	-	-	-
Lease liabilities	315	615	2,666	2,272
	<u>\$ 43,967</u>	<u>\$121,819</u>	<u>\$ 2,736</u>	<u>\$ 2,272</u>

(2) Financing amount

	June 30, 2026	December 31, 2025	June 30, 2025
Unsecured bank overdraft facilities			
— Amount used	\$ 30,000	\$ 30,000	\$ 30,000
— Amount unused	115,000	115,000	110,000
	<u>\$ 145,000</u>	<u>\$ 145,000</u>	<u>\$ 140,000</u>

XXX. Related Party Transaction

Transactions, account balances, profits and losses between the parent company and the subsidiary (related parties of the parent company) are written off at the time of the merger and are not disclosed in this note. The transactions between the merged company and other related parties are as follows:

(I) The Company's related parties

<u>Name of Related Party</u>	<u>Relationship with the merged company</u>
Tung Fa Liu Neng Co., Ltd.	Other related parties
Anthony Poliang Yeh	Major Management
Chih-Ming Yeh	Other related parties
	(and the chairman of the company are two Relatives within the same degree of kinship)

(II) Purchases

<u>Related Party Name/Categories</u>	<u>April 1 to June 30,2026</u>	<u>April 1 to June 30,2025</u>	<u>January 1 to June 30,2026</u>	<u>January 1 to June 30,2025</u>
Other related parties				
Lan Fa				
Textile Co., Ltd.	\$ -	\$ -	\$ -	\$ 2,567

The trading conditions for the group to purchase goods from related parties are equivalent to those of general manufacturers.

(III) Lease Agreement

<u>Account Item</u>	<u>Related Party Name/Categories</u>	<u>June 30 ,2026</u>	<u>December 31,2025</u>	<u>June 30 ,2025</u>
Lease Liability	Major Management and other related parties			
	Anthony Poliang Yeh/ Chih-Ming Yeh	\$ 1,315	\$ 1,570	\$ 1,822

<u>Account Item</u>	<u>Related Party Name/Categories</u>	<u>April 1 to June 30,2026</u>	<u>April 1 to June 30,2025</u>	<u>January 1 to June 30,2026</u>	<u>January 1 to June 30,2025</u>
Interest Expense	Major Management and other related parties				
	Anthony Poliang Yeh/ Chih-Ming Yeh	\$ 7	\$ 10	\$ 15	\$ 20

The rental expenses of the group are leased offices from major management, the terms of the transaction are negotiated by both parties, rent is paid monthly.

(IV) Remuneration of key management personnel

	April 1 to June 30,2026	April 1 to June 30,2025	January 1 to June 30,2026	January 1 to June 30,2025
Short-term employee benefits	\$ 5,051	\$ 3,778	\$ 10,317	\$ 7,937
Post-employment benefits	<u>141</u>	<u>140</u>	<u>281</u>	<u>279</u>
	<u>\$ 5,192</u>	<u>\$ 3,918</u>	<u>\$ 10,598</u>	<u>\$ 8,216</u>

The remuneration of directors and key executives was determined by the remuneration

XXXI. Mortgaged Assets

The following assets of the group have been passed financing quota as collaterals, and guarantee deposits of purchasing goods from manufacturers.

	June 30 ,2026	December 31,2025	June 30 ,2025
Restricted assets	<u>\$ 500</u>	<u>\$ 500</u>	<u>\$ 500</u>
Land	\$ 17,700	\$ 17,700	\$ 17,700
Buildings	<u>227</u>	<u>307</u>	<u>388</u>
	<u>\$ 17,927</u>	<u>\$ 18,007</u>	<u>\$ 18,088</u>

XXXII. Significant or Indebted and Unrecognized Contractual commitments

In addition to those stated in other notes, the group has the following significant commitments at the balance sheet date:

	June 30 ,2026	December 31,2025	June 30 ,2025
Commitments for equipment purchasing and project contracts	<u>\$ 2,953</u>	<u>\$ 6,880</u>	<u>\$ 18,437</u>

XXXIII. Material Subsequent Events : None.

XXXIV. Assets and Liabilities Denominated in Foreign Currencies

The following information is presented in foreign currencies other than the functional currencies of the consolidated companies. The exchange rates disclosed are the exchange rates at which such foreign currencies are converted into the functional currencies. The foreign currency assets and liabilities with significant impact are as follows:

June 30,2026

	Foreign Currency (Thousand)	Exchange Rate	Carrying Amount
Foreign Currency assets			
<u>Monetary items</u>			
USD	\$ 9,529	31.85 (USD : TWD)	\$ 303,496
JPY	249,311	0.196 (JPY : TWD)	48,940
EUR	2	36.29 (EUR : TWD)	59
<u>Non-monetary</u>			
USD	78	31.85 (USD : TWD)	2,484
JPY	142,297	0.196 (JPY : TWD)	28,201
Foreign Currency liabilities			
<u>Monetary items</u>			
USD	2	31.85 (USD : TWD)	57

December 31,2025

	Foreign Currency (Thousand)	Exchange Rate	Carrying Amount
Foreign Currency assets			
<u>Monetary items</u>			
USD	\$ 8,002	31.43 (USD : TWD)	\$ 251,352
JPY	56,530	0.2008 (JPY : TWD)	11,351
EUR	5	36.90 (EUR : TWD)	194
<u>Non-monetary items</u>			
USD	69	31.43 (USD : TWD)	2,172
JPY	306,793	0.2008 (JPY : TWD)	61,904
Foreign Currency Liabilities			
<u>Monetary items</u>			
USD	3	31.43 (USD : TWD)	101

June 30,2025

	Foreign Currency (Thousand)	Exchange Rate	Carrying Amount
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	Foreign Currency (Thousand)	Exchange Rate	Carrying Amount
Foreign Currency assets			
<u>Monetary items</u>			
USD	\$ 9,103	29.3 (USD : TWD)	\$ 266,837
JPY	303,475	0.203 (JPY : TWD)	61,727
EUR	331	34.35 (EUR : TWD)	11,387
<u>Non-monetary items</u>			
USD	210	29.3 (USD : TWD)	6,160
Foreign Currency Liabilities			
<u>Monetary items</u>			
USD	4	29.3 (USD : TWD)	132

The significant unrealized foreign exchange gains were as follows:

Six Months Ended June 30				
	2026		2025	
Foreign Currency	Exchange Rate	Foreign Exchange Gain	Exchange Rate	Foreign Exchange Gain
USD	31.60 (USD : TWD)	(\$ 678)	30.823 (USD : TWD)	(\$ 23,958)
JPY	0.20 (JPY : TWD)	(\$ 559)	0.213 (JPY : TWD)	(\$ 4,828)
EUR	36.76 (EUR : TWD)	\$ 2	34.98 (EUR : TWD)	(\$ 456)

XXXV. Separately Disclosed Items

(I) Information about significant transactions:

1. Financing provided to others: None.
2. Endorsements/guarantees provided: Table 1.
3. Marketable securities held (excluding investments in subsidiaries):
Table 2.
4. Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None.
5. Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None.
6. Others : Intercompany relationships and significant intercompany transactions : Table 3.

(II) Information on reinvestment business: Table 4.

(III) Information on investments in China:

1. The name, main business items, paid-in capital, investment method, capital remittance, shareholding ratio, investment profit and loss, investment book value and remitted investment profit and loss of the invested company in China: None.

1. The following major transactions with China invested companies directly or indirectly through the third area, as well as their prices, terms of payment, unrealized profits and losses: None.

(1) Balance and percentage at the end of the period of purchase amount and percentage and related payables: None.

(2) Balance and percentage at the end of the period of sale amount and percentage and related payables: None.

(3) The amount of property transactions and the amount of profit and loss generated: None.

(4) Balance and purpose at the end of the period of note endorsement that guarantees or provides collateral: None.

(5) Maximum balance, balance at the end of the period, interest rate range and total interest of the current period of financing: None.

(6) Other transactions that have a significant impact on the current profit or loss or financial situation, such as the provision or receipt of labor services, etc: None.

XXXVI. Information of Departments

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the type of products delivered or services provided. The reportable segments of the Group are dyeing and finishing division 、 trading sales division and others.

The chief operating decision maker regards the departmental units in each region as individual operating departments, but when preparing the consolidated financial report, the combined company considers the following factors and regards these operating departments as a single operating department:

- Similar in nature

- The product is delivered to the customer in the same way

(I) Segment revenue and results

The income and operating results of the continuing business unit of the merged company are analyzed according to the reporting department as follows:

Item	Six Months Ended June 30 in 2026				
	Dyeing and finishing division	Trading sales division	Others	Eliminations	Total
Revenue from external customers	\$ 52,019	\$ 314,544	\$ 5,064	\$ -	\$ 371,627
Intersegment revenue	<u>73,580</u>	<u>3,824</u>	<u>-</u>	<u>(77,404)</u>	<u>-</u>
Total sales	<u>\$ 125,599</u>	<u>\$ 318,368</u>	<u>\$ 5,064</u>	<u>(\$ 77,404)</u>	<u>\$ 371,627</u>
Segment income	<u>(\$ 45,173)</u>	<u>\$ 104,940</u>	<u>\$ 1,937</u>	<u>\$ -</u>	<u>\$ 61,704</u>

Item	Six Months Ended June 30 in 2025				
	Dyeing and finishing division	Trading sales division	Others	Eliminations	Total
Revenue from external customers	\$ 61,581	\$ 345,782	\$ 5,268	\$ -	\$ 412,631
Intersegment revenue	<u>76,580</u>	<u>4,119</u>	<u>-</u>	<u>(80,699)</u>	<u>-</u>
Total sales	<u>\$ 138,161</u>	<u>\$ 349,901</u>	<u>\$ 5,268</u>	<u>(\$ 80,699)</u>	<u>\$ 412,631</u>
Segment income	<u>(\$ 51,052)</u>	<u>\$ 56,065</u>	<u>\$ 2,070</u>	<u>\$ -</u>	<u>\$ 7,083</u>

This measure is provided to the chief operating decision maker to allocate resources to departments and measure their performance.

(II) Segment assets

Measures of consolidated company assets not provided for operational decisions.

Evertex Fabrinology Limited and Subsidiaries
Provision of endorsements and guarantees to others
January 1 to June 30, 2026

Table 1 Unit : NTD thousand

NO.	Guarantor	Guaranteed		Limit on guarantees provided for a single party (Note 2)	Maximum amount guarantee during the period (Note 4)	Outstanding guarantee at the end of the period (Note 4)	Actual amount drawn down	Endorsement guarantees the amount of security with property	Ratio of accumulated guarantee amount to net asset value of the guarantor company (Note 3)	Endorsement guarantee Maximum limit (Note2)	Provision of guarantee s by parent company to subsidiary (Note 5)	rovision of guarantee s by subsidiary to parent company (Note 5)	rovision of guarantee s to the party in Mainland China (Note 5)	Remarks
		Company Name	Relationship											
0	The Company	Tung Fa Liu Neng Co., Ltd.	Note1	\$ 428,835	\$ 50,000	\$ 50,000	\$ 25,000	\$ -	5%	\$ 857,670	Y	-	-	

Note1: Associates in which the Company holds 50% of ordinary shares directly.

Note2: As for the amount of the Company's endorsement/guarantee provided to a single enterprise due to business dealings, the upper limit of the endorsement/guarantee provided shall not exceed one-half of the company's paid-in capital.

Note3: It is calculated according to the financial data of the company providing the endorsements/guarantees.

Note4: The maximum balance of endorsements/guarantees for the current period and the balance of endorsement/guarantee, end of period, are the amounts approved by the board of directors.

Note5: “Y” shall be entered only in the cases of endorsement/guarantee by the publicly listed parent to subsidiary; endorsement/guarantee by subsidiary to the publicly listed parent; endorsement/guarantee to entity in mainland china.

Note6: In preparing this consolidated financial statement.

Evertex Fabrinology Limited and Subsidiaries
Markedable Securities Held (Do not include investment in subsidiaries)
January 1 to June 30, 2026

Table 2

Unit: NTD thousand, thousands of share

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30,2026				Remarks (Note 6)
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
The Company	<u>Stocks</u>							
	Prince Housing & Development Corp.	None	Financial Assets Measured at Fair Value through Profit or Loss-current	900	\$ 7,317	0.06	\$ 7,317	Note 1
	China Steel Corporation	"	"	200	3,760	-	3,760	Note 1
	China Rebar Co., Ltd	"	Financial Assets Measured at Fair Value through Profit or Loss- noncurrent	54	-	-	-	Note 2
	Bright Wisdom Holdings Limited	"	Financial assets at fair value through other comprehensive income (FVTOCI) – noncurrent	92	2,484	1.15	2,484	Note 3
	<u>Bonds</u>							
	Nomura Japan Strategic Value Fund JPY	None	Financial assets measured at amortized cost – current	2	6,880	NA	6,880	Note 4
	Templeton Japan Fund A (acc) JPY	"	"	7	2,384	NA	2,384	Note 4
	Union Japan Income and Growth Multi-Assets Fund	"	"	9,000	18,937	NA	18,937	Note 4
	<u>Bonds</u>							
	Oracle Corporation USD Corporate Bond	None	Financial assets measured at amortized cost – noncurrent		7,282	5.22~5.58	6,458	Note 5
	GOTLI Group USD Corporate Bonds	"	"		4,729	5.31~6.02	4,728	Note 5
	United States Steel Corporation USD Bonds	"	"		5,461	6.26~6.94	5,396	Note 5
	ualcomm Incorporated USD Corporate Bond	"	"		6,415	4.21~5.32	6,233	Note 5
	AT&T American Telephone & Telegraph U.S. Dollar Corporate Bonds	"	"		2,974	5.26~5.33	2,704	Note 5
	Verizon Communications Inc. USD Corporate Bonds	"	"		2,954	5.00~5.14	2,632	Note 5
	Apple USD Corporate Bonds	"	"		6,601	4.37	5,716	Note 5
	Berkshire Hathaway Financial Corporation USD Corporate Bonds	"	"		6,686	4.41~5.65	6,058	Note 5
	ORIX Corporation USD Corporate Bonds	"	"		4,946	4.55	4,830	Note 5
	3.25% U.S. Treasury Dollar Bond	"	"		7,219	3.89~4.29	6,600	Note 5
	The Estée Lauder Companies USD Corporate Bond	"	"		1,515	5.50	1,564	Note 5
	Boeing Co. USD Corporate Bonds	"	"		4,759	4.92~5.94	4,840	Note 5
	UnitedHealth Group Inc. USD Corporate Bonds	"	"		6,177	4.94~5.05	5,680	Note 5
	Eli Lilly and Company USD Corporate Bonds	"	"		6,450	4.39~4.56	6,400	Note 5
	Pfizer Pharmaceutical Co., Ltd. USD Corporate Bonds	"	"		3,007	4.87	2,779	Note 5
	Nomura International Capital Pte Ltd USD Corporate Bonds	"	"		6,413	4.91~5.12	6,192	Note 5
	Starbucks Corporation USD Corporate Bonds	"	"		4,204	5.36	3,951	Note 5

	Meta Platform Company USD Corporate Bonds	None	Financial assets measured at fair value through profit or loss – Current		\$ 5,128	5.08~5.13	\$ 4,381	Note 5
	Goldman Sachs Financial Services International Ltd.	"	"		3,138	4.95	3,050	Note 5
	NVIDIA Corporation USD Corporate Bonds	"	"		2,277	4.54	2,115	Note 5
	Dell Corporation USD Corporate Bonds	"	"		1,050	5.37	1,030	Note 5
	Societe Generale bonds	"	"		3,040	4.76	2,917	Note 5
	Deutsche Bank bonds	"	"		3,175	5.04	3,062	Note 5
	Saudi Arabia International Bond	"	"		6,481	4.73	6,346	Note 5

Note1: The market value is calculated based on the share’s closing market price on June 30, 2026 from Taiwan Stock Exchange.

Note 2: Since China Rebar Co., Ltd has applied for reorganization at the end of 2006, delisting at April 11, 2007, assessed that its value had been impaired, its book value was fully recognized as loss on valuation of financial asset in 2006.

Note3: The fair value of foreign unlisted corporate equity investments are estimated using the market approach with reference to the net value of the investee company in its most recent financial statements of the invested company and based on the evaluation of similar companies and the operations of the investee company.

Note4: The fair value of the bonds is calculated based on the counterparty's quotation on June 30, 2026.

Note5: None of the securities held at the end of the period were pledged.

Evertex Fabrinology Limited and Subsidiaries
Markedable Securities Held (Do not include investment in subsidiaries)
January 1 to June 30, 2026

Table 3

Unit: Unless otherwise noted, it is NT\$ thousand

NO. (Note1)	Company name	Counterparty	Relationship(Note2)	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% of Total Sales or Assets (Note 3)
0	The Company	Tung Fa Liu Neng Co., Ltd.	Parent company to subsidiary	Guarantees	\$ 50,000	—	4.15%
1	Tung Fa Liu Neng Co., Ltd.	The Company	Subsidiary to parent company	Cash dividend	3,389	—	0.28%

Note1 : The business information between the parent company and the subsidiaries shall be indicated in the serial number column respectively, and the numbering method is as follows:

(1) Fill in 0 for the parent company.

(2) The subsidiaries shall be numbered sequentially starting with the Arabic numeral 1 according to the company.

Note2 : There are three kinds of relationship with the trader, which can be marked: (if it is the same transaction between parent and subsidiaries or subsidiaries to subsidiaries, there is no need to repeat disclosure. For example: parent company to subsidiary transaction, if the parent company has been disclosed, the subsidiary part does not need to be repeated disclosed; for the transactions of a subsidiary to a subsidiary, if one of the subsidiaries has been disclosed, the other subsidiary need not be repeatedly disclosed):

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

Note3 : Calculation of the ratio of transaction amount to total consolidated income or total assets, in the case of asset-liability items, it shall be calculated according to the balance at the end of the period to the total consolidated assets; in the case of profit and loss items, it shall be calculated according to the accumulated amount in the period to the total consolidated income.

Note4 : The important transactions in this table can be determined by the company based on the principle of material.

Evertex Fabrinology Limited and Subsidiaries
Name, Locations, And Other Informations of Investees On Which the Company Exercises Significant Infulence
January 1, 2026 to June 30, 2026

Table 4

Unit: Unless otherwise noted, it is NT\$ thousand

Investor Company	Investee Company	Location	Main Business and Products	Investment Amount		Held at the end of the period			Net Income (Loss) of the Investee (Note 1)	Share of Profit (Note1 and 2)	Remarks
				March 31, 2026	March 31, 2025	Number of Shares	%	Carrying Amount (Note1 and 2)			
The Company	Tung Fa Liu Neng Co., Ltd.	Taoyuan City	Self-usage power generation equipment utilizing renewable energy industry	\$ 46,000	\$ 46,000	4,600,000	100	\$ 51,117	\$ 1,656	\$ 1,656	Subsidiaries

Note1：The investment gains and losses of the subsidiaries accounted are calculated based on the financial statements that have been audited.

Note2：Eliminated from the consolidated financial statements.

Note3：None of the marketable securities held at the end of the period listed in the table above were pledged as collateral.