Stock Code:1464

De Licacy Industrial Co., Ltd. and Subsidiaries

Consolidated Financial Statement for the Years ended December 31, 2025 and 2024 and Independent Auditors' Report

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Consolidated Financial Statements Report of Related Enterprises

For the year ended December 31, 2025, pursuant to the "Compilation Standards for the Consolidated Financial Statements of the Associated Enterprises and the Relationship Report of the Consolidated Business Report of Associated Enterprises", the Company is required to be included in the consolidated financial statements of associates, is the same as the company required to be included in the consolidated financial statements under International Financial Reporting Standards 10, and if relevant information that should be disclosed in the consolidated financial report of the associate has been disclosed in the former consolidated financial report of the parent-subsidiary company. Separately prepare the consolidated financial report of the related companies. We hereby declare all details.

Company Name: De Licacy Industrial Co., Ltd.

Chairman: Yeh, Chia-Ming

Date: March 5, 2026

Independent Auditors' Report

Dear the Board of Directors and Shareholders of De Licacy Industrial Co., Ltd.

Opinion

We have audited the accompanying financial statements of De Licacy Industrial Co., Ltd and its subsidiaries (the "De Licacy Group"), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the De Licacy Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards ("IFRS"), International Accounting Standards ("IAS"), Interpretations of IFRS ("IFRIC"), and Interpretations of IAS ("SIC") endorsed by the Financial Supervisory Commission ("FSC") of Taiwan, the Republic of China ("ROC").

Basis of Opinion

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

Key Audit Matter

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

<u>Authenticity of revenue recognition</u>

The De Licacy Group is engaged in manufacturing, dyeing and finishing, and trading of various textiles. Whether the revenue from specific customers actually occurred has a significant impact on the financial statement of the current year. Therefore, the authenticity of revenue recognition from specific customers is listed as a key audit item. Please refer to the Consolidated Financial Report Note 4(15) for the explanation of revenue recognition policy.

The accountants had performed major auditing procedures to the sales revenue from specific customers, which are as follows:

1. Understand and test the effectiveness of the design and implementation of the internal sales cycle control system.

2. Select samples from the sales details of the above-mentioned specific customers, verify their purchase orders, pro forma invoices, export declarations and other relevant documents to confirm whether the control rights of the goods had been truly transferred and the obligations had been performed, and check whether the sales objects and the payers were consistent to confirm the authenticity of the sales revenue.

Other Matters

De Licacy Industrial Co., Ltd. has prepared its individual financial statements for the years ended December 31, 2025 and 2024, and we have issued unqualified audit reports.

Management's and Governance's Responsibility for the Consolidated Financial Statements

Management's responsibility is to prepare consolidated financial statements in conformity with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, and Interpretations and Interpretations issued by the Financial Supervisory Commission, and to maintain such internal control relevant to the preparation of consolidated financial statements as is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management's responsibility also includes assessing the ability of the Group to continue as a going concern, the disclosure of related matters, and the adoption of the going concern basis of accounting, unless management intends to liquidate the Group or cease operations, or there is no practical alternative to liquidation or discontinuation of operations.

The governance unit (Audit Committee) of the Group has the responsibility for overseeing the financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit performed in accordance with auditing standards, we exercise professional judgment and professional skepticism throughout the audit. We are also:

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

accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors’ report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.

5. Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. We have obtained sufficient and appropriate auditing evidence of the financial information of the constituent entities of the Group to express our opinions on the consolidated financial statements. We are responsible for the guidance, supervision and execution of the Group's audits and we are responsible for providing auditing opinions with the Group.

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

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

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

Deloitte Touche Tohmatsu, Inc.

CPA: Liao, Hong-Ru	CPA: Wang, Teng-Wei
Financial Supervisory Commission Authorized No. :Jin-Guan-Certificate No. 0990031652	Financial Supervisory Commission Authorized No. :Jin-Guan-Certificate No. 1100356048

Date: March 25, 2026

De Licacy Industrial Co., Ltd. and Subsidiaries

Consolidated Balance Sheets

The Years Ended December 31, 2025 and 2024

(In Thousands of New Taiwan Dollars)

Code	Assets	December 31, 2025 Amount	%	December 31, 2024 Amount	%
	Current assets				
1100	Cash and cash equivalents (Note 4 and 6)	$ 1,527,742	9	$ 1,488,436	9
1110	Financial assets at fair value through profit or loss-current (Note 4, 7 and 37)	63,939	1	18,360	-
1120	Financial assets at fair value through other comprehensive income-current (Note 4, 8 and 37)	64,376	1	208,997	1
1136	Financial assets at amortized cost-current (Note 4, 9 and 37)	332,792	2	342,211	2
1150	Notes receivable (Note 4, 10 and 26)	25,667	-	17,743	-
1160	Notes receivable-related parties (Note 4, 10, 26 and 36)	41	-	9,106	-
1170	Net accounts receivable (Note 4, 10 and 26)	1,752,291	10	1,716,504	11
1180	Accounts receivable-net number of related parties (Note 4, 10, 26 and 36)	13,108	-	254,634	1
1200	Other receivables (Note 4 and 10)	4,647	-	138,012	1
1210	Other receivables-related parties (Note 4, 10, and 36)	59,745	-	107,217	1
1220	Current income tax assets (Note 4 and 28)	20,858	-	7,189	-
130X	Inventory (Note 4 and 11)	3,939,787	23	3,696,981	23
1410	Prepayments (Note 17 and 36)	205,257	1	279,571	2
1479	Other current assets (Note 18)	463,555	3	973,355	6
11XX	Total current assets	8,473,805	50	9,258,316	57
	Non-current assets				
1517	Financial assets at fair value through other comprehensive income – non-current (Note 4 and 8)	1,476	-	-	-
1535	Financial assets at amortized cost-non-current (Note 4, 9 and 37)	225,195	1	217,127	1
1550	Investments accounted for using equity method (Note 4 and 13)	416,113	3	568,236	4
1600	Property, plant and equipment (Note 4, 14, 36 and 37)	6,507,626	38	5,457,945	34
1755	Right-of-use assets (Note 4, 15, 36, and 37)	551,069	3	370,137	2
1760	Investment properties (Note 4, 16 and 37)	57,053	-	64,033	1
1805	Goodwill (Note 4 and 30)	148,854	1	12,996	-
1821	Other intangible assets (Note 4)	3,977	-	3,227	-
1840	Deferred tax assets (Note 4 and 28)	333,457	2	172,436	1
1920	Refundable deposits (Note 4 and 37)	54,576	-	18,855	-
1975	Net defined benefit assets-non-current (Note 4 and 24)	69,834	1	46,923	-
1990	Other non-current assets (Note 18 and 36)	143,820	1	36,750	-
15XX	Total non-current assets	8,513,050	50	6,968,665	43
1XXX	Total assets	$ 16,986,855	100	$ 16,226,981	100

Code	Liabilities and Equity	December 31, 2025 Amount	%	December 31, 2024 Amount	%
	Current liabilities				
2100	Short-term loans (Note 19 and 37)	$ 4,357,525	26	$ 3,048,099	19
2110	Short-term bills payable (Note 19, 34 and 37)	809,588	5	969,482	6
2150	Notes payable (Note 20)	78,419	1	70,442	-
2160	Notes payable-related parties (Note 36)	9,220	-	68,675	-
2170	Accounts payable (Note 20)	484,355	3	597,627	4
2180	Accounts payable-related parties (Note 36)	44,262	-	261,894	2
2219	Other payables (Note 21)	755,332	4	818,366	5
2220	Other payables-related parties (Note 36)	8,487	-	10,665	-
2230	Current tax liabilities (Note 4 and 28)	142,976	1	115,708	1
2280	Lease liabilities-current (Note 4, 15, and 36)	29,463	-	7,079	-
2322	Long-term loans due within one year (Note 19 and 37)	395,699	2	845,939	5
2365	Refund liabilities (Note 4)	12,978	-	3,589	-
2399	Other current liabilities (Note 22 and 26)	208,523	1	162,029	1
2250	Provisions - current (Note 23)	11,520	-	-	-
21XX	Total current liabilities	7,348,347	43	6,979,594	43
	Non-current liabilities				
2541	Long-term bank loans (Note 19 and 37)	2,957,726	18	2,411,079	15
2580	Lease liabilities-non-current (Note 4, 15, and 36)	48,036	-	5,669	-
2560	Current tax liabilities-non-current (Note 4 and 28)	49,186	-	-	-
2570	Deferred tax liabilities (Note 4 and 28)	99,454	1	95,180	-
2630	Long-term deferred income (Note 4 and 22)	729,163	4	762,678	5
2645	Deposits received	4,982	-	5,966	-
25XX	Total non-current liabilities	3,888,547	23	3,280,572	20
2XXX	Total liabilities	11,236,894	66	10,260,166	63
	Equity attributed to the owners of the company (Note 25)				
	Share capital				
3110	Common stocks	4,255,757	25	4,076,396	25
3200	Capital surplus	626,253	4	581,654	4
	Retained earnings				
3310	Legal reserve	228,368	1	183,693	1
3320	Special reserve	242,791	2	412,522	3
3350	Unappropriated retained earnings	406,361	2	508,106	3
3300	Total retained earnings	877,520	5	1,104,321	7
3400	Other equity	(534,764)	(3)	(242,791)	(2)
3500	Treasury shares	(27,472)	-	-	-
31XX	Total equity of company owners	5,197,294	31	5,519,580	34
36XX	Non-controlling interests (Note 25)	552,667	3	447,235	3
3XXX	Total equity	5,749,961	34	5,966,815	37
	Total liabilities and equity	$ 16,986,855	100	$ 16,226,981	100

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

Chairman: Yeh, Chia-Ming Manager: Yu, Yi-Nung Accounting Manager: Huang, Hsiu-Feng

De Licacy Industrial Co., Ltd. and Subsidiaries

Consolidated Statements of Comprehensive Income

For the Years Ended December 31, 2025 and 2024

(In Thousands of New Taiwan Dollars)

(Except Earnings Per Share)

		2025		2024	
Code		Amount	%	Amount	%
	Operating revenue (Note 4, 26 and 36)				
4100	Net sales revenue	$ 12,320,832	98	$ 11,856,797	99
4800	Other operating revenue	254,031	2	137,225	1
4000	Total operating revenue	12,574,863	100	11,994,022	100
	Operating costs (Note 11, 24, 27 and 36)				
5110	Cost of goods sold	10,144,640	81	9,727,851	81
5900	Gross profit	2,430,223	19	2,266,171	19
	Operating expenses (Note 10, 24, 27 and 36)				
6100	Marketing expenses	721,982	6	791,469	6
6200	General and administrative expenses	908,416	7	934,813	8
6300	Research and development expenses	324,336	2	220,441	2
6450	Expected credit loss	124,546	1	11,746	-
6000	Total operating expenses	2,079,280	16	1,958,469	16
6500	Net other gains and expenses (Note 27 and 36)	11,278	-	284,438	2
6900	Net operating revenue (net loss)	362,221	3	592,140	5
	Non-operating revenue and expenses (Note 4, 7, 13, 22, 27 and 36)				
7100	Interest income	36,583	-	32,500	-
7190	Other income	164,842	2	115,326	1
7020	Other benefits and losses	(132,060)	(1)	200,783	2
7050	Finance costs	(250,931)	(2)	(213,776)	(2)
7060	Share of gains (losses) of associates using the equity method	(558)	-	(40,763)	-
7000	Total non-operating revenue and expenses	(182,124)	(1)	94,070	1
7900	Net profit before tax	180,097	2	686,210	6
7950	Income tax expenses (Note 4 and 28)	124,545	1	170,560	2
8200	Net profit for the year	55,552	1	515,650	4

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Code		2025 Amount	2025 %	2024 Amount	2024 %
	Other comprehensive income				
8310	Items not reclassified to profit or loss				
8311	Determine the remeasurement of the benefit plan (Note 24)	$ 16,868	-	$ 15,572	-
8316	Unrealized appraisal gains and losses of equity instrument investments measured at fair value through other comprehensive income (Note 25)	2,938	-	19,526	-
8320	Share of other comprehensive income of associates using the equity method (Note 25)	-	-	2,685	-
8349	Income tax related to items not reclassified (Note 28)	(3,374)	-	(3,114)	-
8310		16,432	-	34,669	-
8360	Items that may be reclassified to profit or loss in the future				
8361	Exchange differences on conversion of financial statements of foreign operations (Note 25)	(394,412)	(3)	208,773	2
8370	Share of other comprehensive income of associates and joint ventures using the equity method (Note 25)	(13,741)	-	17,273	-
8399	Income tax related to items that may be reclassified (Note 25 and 28)	69,364	-	(39,626)	-
8360		(338,789)	(3)	186,420	2
8300	Other comprehensive income for the year (net after tax)	(322,357)	(3)	221,089	2
8500	Total comprehensive income for the year	($ 266,805)	(2)	$ 736,739	6
8600	The net profit (loss) attributed to:				
8610	Owners of the company	$ 150,063	1	$ 422,003	3
8620	Non-controlling interests	(94,511)	(1)	93,647	1
		$ 55,552	-	$ 515,650	4
8700	The total comprehensive income is attributed to:				
8710	Owners of the company	($ 135,593)	(1)	$ 616,479	5
8720	Non-controlling interests	(131,212)	(1)	120,260	1
		($ 266,805)	(2)	$ 736,739	6
	Earnings per share (Note 29)				
9710	Basic	$ 0.35		$ 0.99	
9810	Diluted	$ 0.35		$ 0.99	

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

Chairman: Yeh, Chia-Ming Manager: Yu, Yi-Nung Accounting Manager: Huang, Hsiu-Feng

De Licacy Industrial Co., Ltd. and Subsidiaries

Consolidated Statements of Changes in Equity

For the Years Ended December 31, 2025 and 2024

(In Thousands of New Taiwan Dollars)
(Except Dividends per Share)

		Equity attributed to the owners of the company											
				Retained earnings			Other equity						
Code		Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on conversion of financial statements of foreign operations	Unrealized gains or losses on financial assets at fair value through other comprehensive income	Total	Treasury shares	Total	Non-controlling interests	Total equity
A1	Balance at January 1, 2024	$ 4,076,396	$ 581,654	$ 176,258	$ 327,892	$ 255,333	($ 399,105)	($ 13,417)	($ 412,522)	$ -	$ 5,005,011	$ 554,742	$ 5,559,753
	Appropriations of 2023 earnings (Note 25)												
B1	Legal reserve	-	-	7,435	-	(7,435)	-	-	-	-	-	-	-
B3	Special reserve	-	-	-	84,630	(84,630)	-	-	-	-	-	-	-
B5	Cash dividends to shareholders of the Company – $0.25 per share	-	-	-	-	(101,910)	-	-	-	-	(101,910)	-	(101,910)
D1	Net income for the year ended December 31, 2024	-	-	-	-	422,003	-	-	-	-	422,003	93,647	515,650
D3	Other comprehensive profit (loss) after tax for the year ended December 31, 2024	-	-	-	-	13,051	168,582	12,843	181,425	-	194,476	26,613	221,089
D5	Total comprehensive profit (loss) after tax for the year ended December 31, 2024	-	-	-	-	435,054	168,582	12,843	181,425	-	616,479	120,260	736,739
O1	Cash dividends from the subsidiaries (Note 25)	-	-	-	-	-	-	-	-	-	-	(57,352)	(57,352)
O1	Decrease in non-controlling interests (Note 25)	-	-	-	-	-	-	-	-	-	-	(170,415)	(170,415)
Q1	Disposal of equity instruments measured at fair value through other comprehensive income (Note 25)	-	-	-	-	11,694	-	(11,694)	(11,694)	-	-	-	-
Z1	Balance at December 31, 2024	4,076,396	581,654	183,693	412,522	508,106	(230,523)	(12,268)	(242,791)	-	5,519,580	447,235	5,966,815
	Appropriations of 2024 earnings (Note 25)												
B1	Legal reserve	-	-	44,675	-	(44,675)	-	-	-	-	-	-	-
B3	Special reserve	-	-	-	(169,731)	169,731	-	-	-	-	-	-	-
B5	Cash dividends to shareholders of the Company – $0.5 per share	-	-	-	-	(203,820)	-	-	-	-	(203,820)	-	(203,820)
B9	Stock dividends to shareholders of the Company – $0.44 per share	179,361	-	-	-	(179,361)	-	-	-	-	-	-	-
D1	Net income for the year ended December 31, 2025	-	-	-	-	150,063	-	-	-	-	150,063	(94,511)	55,552
D3	Other comprehensive profit (loss) after tax for the year ended December 31, 2025	-	-	-	-	13,084	(300,595)	1,855	(298,740)	-	(285,656)	(36,701)	(322,357)
D5	Total comprehensive profit (loss) after tax for the year ended December 31, 2025	-	-	-	-	163,147	(300,595)	1,855	(298,740)	-	(135,593)	(131,212)	(266,805)
M3	Disposal of subsidiaries (Note 25 and 31)	-	-	-	-	-	-	-	-	-	-	(30,194)	(30,194)
M5	Acquisition of subsidiaries (Note 12 and 30)	-	-	-	-	-	-	-	-	(28,177)	(28,177)	421,603	393,426
M7	Changes in ownership interests in subsidiaries (Note 12 and 32)	-	43,864	-	-	-	-	-	-	705	44,569	(9,293)	35,276
O1	Cash dividends from the subsidiaries (Note 25)	-	-	-	-	-	-	-	-	-	-	(85,894)	(85,894)
O1	Decrease in non-controlling interests (Note 25)	-	-	-	-	-	-	-	-	-	-	(59,924)	(59,924)
M1	Adjustments to capital surplus for distributing dividends to subsidiaries	-	735	-	-	-	-	-	-	-	735	346	1,081
Q1	Disposal of equity instruments measured at fair value through other comprehensive income (Note 25)	-	-	-	-	(6,767)	-	6,767	6,767	-	-	-	-
Z1	Balance at December 31, 2025	$ 4,255,757	$ 626,253	$ 228,368	$ 242,791	$ 406,361	($ 531,118)	($ 3,646)	($ 534,764)	($ 27,472)	$ 5,197,294	$ 552,667	$ 5,749,961

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

Chairman: Yeh, Chia-Ming Manager: Yu, Yi-Nung Accounting Manager: Huang, Hsiu-Feng

De Licacy Industrial Co., Ltd. and Subsidiaries

Consolidated Statements of Cash Flows

For the Years Ended December 31, 2025 and 2024

(In Thousands of New Taiwan Dollars)

Code		2025	2024
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Income before tax	$ 180,097	$ 686,210
	Adjustments for:		
	Revenues/Expenses		
A20100	Depreciation	694,809	548,459
A20200	Amortization	2,185	2,485
A20300	Expected credit loss	124,546	11,746
A20400	Net gain on financial assets and liabilities measured at fair value through profit or loss	(1,216)	(9,713)
A20900	Finance costs	250,931	213,776
A21200	Interest income	(36,583)	(32,500)
A21300	Dividend income	(3,004)	(8,096)
A22300	Share of losses of associates accounted for using the equity method	558	40,763
A23200	Gain on disposal of investments accounted for using equity method	-	(104,301)
A22500	Loss on disposal of property, plant and equipment	7,205	136,578
A22800	Loss (gain) on disposal of intangible assets	25	(7,153)
A23700	Inventory valuation losses	29,693	129,243
A24100	Unrealized foreign exchange losses (gains)	(5,040)	39,429
A29900	Reversal for refund liability	(90,612)	(3,016)
A29900	Losses from lease amendment	47	-
A29900	Gain on disposal of subsidiaries	(418)	-
A29900	Appropriation of provisions	11,520	-
	Changes in operating assets and liabilities		
A31130	Notes receivable (include related parties)	88,509	62,865
A31150	Accounts receivable (include related parties)	711,085	(623,538)
A31180	Other receivables (include related parties)	137,043	21,553
A31200	Inventory	98,166	(579,808)
A31230	Prepayments	126,228	(92,922)
A31240	Other current assets	539,627	(300,015)
A31990	Net defined benefit assets – non-current	1,909	(6,387)
A32130	Notes payable (including related parties)	(73,637)	(29,078)
A32150	Accounts payable	(217,921)	279,341
A32160	Accounts payable-related parties	(450,815)	129,922
A32180	Other payables	(167,624)	205,396
A32190	Other payables-related parties	(218,250)	8,774
A32230	Other current liabilities	(2,057)	33,670
A32990	Long-term deferred income	(39,801)	279,328
A33000	Cash generated from operations	1,697,205	1,033,011
A33100	Interest received	40,291	31,640
A33200	Dividends received	3,004	8,096
A33300	Interest paid	(261,551)	(229,939)
A33500	Income tax paid	(150,927)	(74,022)
AAAA	Cash generated from operations (net)	1,328,022	768,786
	CASH FLOWS FROM INVESTING ACTIVITIES		
B00010	Acquisition of financial assets at fair value through other comprehensive income-current	(11,237)	(69,056)

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Code		2025	2024
B00020	Disposal of financial assets at fair value through other comprehensive income-current	$ 213,237	$ 67,096
B00040	Acquisition of financial assets at amortized cost	(2,416,328)	(1,170,516)
B00060	Principal repayment of financial assets at maturity measured at amortized cost	2,597,979	1,672,949
B00100	Acquisition of financial assets at fair value through profit or loss	(19,921)	(19,647)
B00200	Disposal of financial assets at fair value through profit or loss	31,495	19,619
B01800	Acquisition of investments accounted for using equity method	(7,216)	(18,609)
B01900	Disposal of investments accounted for using equity method	-	164,773
B02200	Acquisition of subsidiaries (less cash acquired)	(95,334)	-
B02300	Net cash inflow from disposal of subsidiaries	1,160	-
B02400	Refund of paid-up capital from capital reduction of subsidiaries	-	287,819
B02700	Acquisition of property, plant and equipment	(393,807)	(531,628)
B02800	Proceeds from disposal of property, plant and equipment	38,034	67,303
B03700	Increase in refundable deposits	(22,521)	(2,213)
B03800	Decrease in refundable deposits	8,614	12,001
B04100	Increase in other receivables – related parties	(23,465)	(100,000)
B04400	Decrease in other receivables - related parties	100,000	45,617
B04500	Acquisition of intangible assets	(1,381)	(419)
B05350	Acquisition of right-of-use assets	-	(957)
B07600	Received dividends from associated companies	-	7,086
B09900	Proceeds from disposal of right-of-use assets	2,549	5,018
B07100	Increase in prepayments for equipment	(5,284)	(39,578)
BBBB	Net cash generated from (used in) investing activities	(3,426)	396,658
	CASH FLOWS FROM FINANCING ACTIVITIES		
C00100	Increase in short-term loans	19,580,630	16,029,961
C00200	Decrease in short-term loans	(19,641,950)	(15,814,171)
C00500	Increase in short-term notes payable	12,068,557	14,936,136
C00600	Decrease in short-term notes payable	(12,288,386)	(14,556,060)
C01600	Loan of long-term debt	4,009,247	3,733,028
C01700	Repayment of long-term debt	(4,408,929)	(4,896,760)
C03000	Increase in deposits received	746	18,601
C03100	Decrease in deposits received	(1,140)	(23,071)
C03800	Decrease in other payables-related parties	-	(18,423)
C04020	Repayment of the principal portion of lease liabilities	(37,985)	(16,413)
C04500	Cash dividends	(202,739)	(101,910)
C04600	Cash capital increase of subsidiary	105,433	3,684
C09900	Cash capital reduction of subsidiary	(127,891)	(106,132)
C05800	Payment of cash dividends of non-controlling interests	(85,894)	(57,352)
C05800	Changes in non-controlling interests	(70,157)	-
CCCC	Net cash generated used in financing activities	(1,100,458)	(868,882)
DDDD	EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREGIN CURRENCIES	(184,832)	201,922
EEEE	NET INCREASE IN CASH AND CASH EQUIVALENTS	39,306	498,484
E00100	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	1,488,436	989,952
E00200	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 1,527,742	$ 1,488,436

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

Chairman: Yeh, Chia-Ming   Manager: Yu, Yi-Nung   Accounting Manager: Huang, Hsiu-Feng

De Licacy Industrial Co., Ltd. and Subsidiaries

Notes to the consolidated financial statements

For the Years Ended December 31, 2025 and 2024

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. Company history

De Licacy Industrial Co., Ltd. (the "Company") was incorporated in July 1982 and engaged in manufacturing, dyeing and finishing, and trading of textiles.

The Company's stock has been listed and traded on the Taiwan Stock Exchange since January 1997.

The currency used in the consolidated financial statements is New Taiwan Dollars.

2. The date and procedures for passing the financial report

The consolidated financial statements were approved by the Company's board of directors on March 5, 2026.

3. Application of newly issued and revised standards and interpretations

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

The application of amendments to the IFRS accounting standards recognized and issued by the FSC did not have a significant impact on the Company and the entities controlled by the Company's (collectively, the "Group") accounting policies.

(2) The IFRS accounting standards endorsed by the FSC for application starting from 2026

New/Revised/Amended Standards and Interpretations	Effective Date Issued by IASB
Amendments to IFRS 9 and IFRS 7 "Amendments to Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"	January 1, 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
IFRS 17 "Insurance Contracts" (including the amendments in 2020 and 2021)	January 1, 2023

As of the approval date of the financial statements, the Group evaluates that the application of aforementioned amendments to standards will not have significant impact on the Group's financial position and financial performance.

(3) New IFRS accounting standards in issue but not yet endorsed and issued into effect by the FSC

New/Revised/Amended Standards and Interpretations	Effective Date Issued by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027 (Note 2)
IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (including the amendments in 2025)	January 1, 2027
Amendments to IAS21 “Translation to a Hyperinflationary Presentation Currency”	January 1, 2027

Note 1 : Unless stated otherwise, the above new, amended or revised IFRSs are effective for annual periods beginning on or after their respective effective dates.

Note 2: The FSC has declared on September 25, 2025 that entities in Taiwan shall apply IFRS 18 since January 1, 2028, or elect to apply in advance after FSC endorses IFRS 18.

IFRS 18 “Presentation and Disclosure in Financial Statements” and relevant supporting amendments

IFRS 18 “Presentation and Disclosure in Financial Statements” will replace IAS 1. The primary changes include:

- The Group shall evaluate whether it invests in particular type of assets and provides financing to customers as a specific main business activity, and classify items in the statement of profit or loss into categories: operating, investing, financing, income taxes and discontinued operations accordingly.
- Operating profit or loss, profit or loss before financing and income taxes, and subtotal and total of profit or loss shall be presented in the statements of profit or loss.
- Providing enhanced guidance on the principles of aggregation and disaggregation: the Group shall identify assets, liabilities, equity, income, expenses, and cash flows from single transactions or other matters, and group and aggregate based on shared characteristics, to make each line item of the primary financial statements with at least one similar characteristic. Items with different characteristics shall be disaggregated in the primary financial statements and notes. Only if the Group is unable to find a more informative name, the item may be labelled as “others.”
- New disclosure requirements for management-defined performance measures (MPMs): the consolidated company shall disclose the information related to management-defined performance measures in a single note in the financial statements, including descriptions to the measures, how to calculate, a reconciliation between the MPMs and the most similar specified subtotal in IFRS Accounting Standards, and the effects on income taxes and non-controlling interests arising from relevant reconciliation items. when making public communications outside the financial statements, and communicating an aspect of the financial performance of the Group as a whole.

In addition, IAS 7 “Statement of Cash Flows” was amended by the supporting measures:

- When the Group prepare the cash flows from operating activities by indirect method, operating profit or loss shall be used as the starting point.
- The Group shall classify interests and dividends received to investing activities, and interests and dividends paid to financing activities. If the Group has specified main operating activities after assessment, the types of dividend income, interest income and interest expenses in the statement of profit or loss shall be considered, to determine the categories of the dividends received, interests received, and interests paid in the statement of cash flows. However, the aforementioned each cash flow can be classified in a single activity in the statement of cash flows separately.

Except for the aforementioned impacts, as of the approval date of the financial statements, the Group continues to evaluate other impact of the amendments to each standard and interpretation on the financial status and financial performance; the relevant impact will be disclosed upon completion of the assessment.

4. Summary explanation of major accounting policies

(1) Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS accounting standards as endorsed and issued into effect by the FSC.

(2) Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis, except for financial instruments that are measured at fair value and net defined benefit assets recognized at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

1. Level 1 input is quoted prices (unadjusted) in active markets for identical assets or liabilities.
2. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
3. Level 3 inputs are unobservable inputs for an asset or liability.

(3) Classification of current and noncurrent assets and liabilities

Current assets include:

1. Assets held primarily for the purpose of trading;
2. Assets expected to be realized within 12 months after the reporting period; and
3. Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

1. Liabilities held primarily for the purpose of trading;
2. Liabilities due to be settled within 12 months after the reporting period;

and

3. The Group does not have the substantive right at the balance sheet date to defer settlement of the liability for at least twelve months after the balance sheet date.

Assets and liabilities that are not classified as current are classified as non-current assets or non-current liabilities.

(4) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries). The operating profit or loss as of the date of disposal in the current period of the subsidiaries disposed has been included in the consolidated statements of comprehensive income. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group. All intra-company transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When the Group's changes in the ownership and equity of the subsidiary do not result in the loss of control, it is treated as an equity transaction. The carrying amount of the Group and non-controlling interests has been adjusted to reflect changes in its relative equity in the subsidiary. The difference between the adjustment amount of non-controlling interests and the fair value of the consideration paid or received is directly recognized as equity and attributable to the owners of the company.

When the Group loses control of a subsidiary, the gain or loss on disposal is the difference generated from (1) the aggregate of the fair value of the consideration received and the fair value of the remaining investment in the former subsidiary at the date of loss of control, and (2) the aggregate total of the assets and liabilities and noncontrolling interests of the former subsidiary at the carrying amount on the date of loss of control. The Group accounts for all amounts recognized in other comprehensive income or loss related to the subsidiary on the same basis as the Group must follow for the direct disposal of the related assets or liabilities.

See Note 12, Schedule 6 and 7 for detailed information on subsidiaries (including percentages of ownership and main businesses).

(5) Foreign currency

In preparing the financial statements of each individual entity, transactions in currencies other than the entity's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when fair value was determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income; in which cases, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction (i.e., not recalculated).

For the purpose of presenting the consolidated financial statements, the functional currencies of its foreign operations are translated into the presentation currency, the New Taiwan dollar, as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income (attributed to the owners of the Company and non-controlling interests as appropriate).

If the Group disposes of all the interests of a foreign operation, all accumulated foreign exchange differences attributed to the owners of the Company and related to the foreign operations will be re-classified to profit or loss.

(6) Inventory

Inventories consist of raw materials, work in progress (including outsourced) and finished goods, and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at the weighted-average cost on the balance sheet date.

(7) Investments in associates

An associate is an entity over which the Group has significant influence, and which are neither a subsidiary nor an interest in a joint venture.

The Group uses the equity method to account for its investments in associates.

Under the equity method, investments in an associate are initially recognized at cost and adjusted thereafter to recognize the Group’s share of the profit or loss and other comprehensive income of the associate. The Group also recognizes the changes in the Group’s share of the equity of associates.

Any excess of the cost of acquisition over the Group’s share of the net fair value of the identifiable assets and liabilities of an associate recognized at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Group’s share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

When the Group subscribes for additional new shares of the associate, at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Group’s proportionate interest in the associate. The Group records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus - changes in the Group's share of equity of associates. If the Group's ownership interest is reduced due to the additional subscription of the new shares of associate, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate is reclassified to profit or loss on the same basis as would be required if the investee had directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for by the equity method is insufficient, the shortage is debited to retained earnings.

When the Group transacts with its associates, profits and losses resulting from the transactions with the associate are recognized in the consolidated financial statements to the extent of interests in the associate that are not related to the Group.

(8) Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost less accumulated depreciation.

Property, plant and equipment in the course of construction are measured at cost. Cost includes professional fees and borrowing costs eligible for capitalization. Samples produced by these assets to test whether these assets can operate normally before the status for intended use are measured at the lower of cost or net realizable value, and their sales price and costs are recognized in profit or loss. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

Except for freehold land which is not depreciated, the depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. If their respective lease terms are shorter than their useful lives, such assets are depreciated over their lease terms. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the accounting estimate values accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

(9) Investment properties

Investment properties are properties held to earn rental and/or for capital appreciation. Investment properties also include land held for a currently undetermined future use.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation.

Straight-line basis depreciation of investment real estate.

On derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss.

(10) Goodwill

Goodwill arising from the acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment loss.

To impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units (referred to as "cash-generating units") that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired, by comparing its carrying amount, including the attributed goodwill, with its recoverable amount. However, if the goodwill allocated to a cash-generating unit was acquired in a business combination during the current annual year, that unit shall be tested for impairment before the end of the current annual year. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss is recognized directly in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

(11) Intangible assets

1. Intangible assets acquired separately

   Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful lives, residual values, and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in the accounting estimate values accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are measured at cost less accumulated impairment loss.

2. Derecognition of intangible assets

   On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

(12) Impairment of property, plant and equipment, right-of-use asset, investment properties and intangible assets (excluding goodwill)

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use asset, investment properties and intangible assets, excluding goodwill, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the smallest group of cash-generating units on a reasonable and consistent basis of allocation.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized on the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized in profit or loss.

(13) Financial instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

1. Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

(1) Measurement categories

Financial assets are classified into the following categories: financial assets at amortized cost and investments in equity instruments at FVTOCI.

A. Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets at fair value through profit or loss on a mandatory basis. Financial assets at fair value through profit or loss include investments in equity instruments that are not designated as at fair value through other comprehensive income.

Financial assets at fair value through profit or loss are measured at fair value with dividends and interest recognized in other income and interest income, respectively, and gains or losses arising from remeasurement recognized in other gains and losses. For the determination of fair value, please refer to Note 35.

B. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

a. The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of

principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, financial assets at amortized cost, notes and accounts receivable (net) and other receivables at amortized cost, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for:

a. Purchased or originated credit-impaired financial assets, for which interest income is calculated by applying the credit adjusted effective interest rate to the amortized cost of such financial assets; and
b. Financial assets that are not credit impaired on purchase or origination but have subsequently become credit impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

A financial asset is credit impaired when one or more of the following events have occurred: significant financial difficulty of the issuer or the borrower; breach of contract, such as a default: it is becoming probable that the borrower will enter bankruptcy or undergo a financial reorganization; or the disappearance of an active market for that financial asset because of financial difficulties.

Cash equivalents include time deposits and commercial paper with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

C. Investments in equity instruments at fair value through other comprehensive income (“FVTOCI”)

On initial recognition, the Group may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

(2) Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including accounts receivable).

The Group always recognizes lifetime expected credit losses (ECLs) for accounts receivable. For all other financial instruments, the Group recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

For internal credit risk management purposes, the Group determines that internal or external information which shows that the debtor is unlikely to pay its creditors would indicate that a financial asset is in default (without taking into account any collateral held by the Group).

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account.

(3) Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. However, on derecognition of an investment in an equity instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2. Financial liabilities

(1) Subsequent measurement

All financial liabilities are measured at amortized cost using the effective interest method.

(2) Derecognition of financial liabilities

The difference between the carrying amount of a financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

3. Derivative instruments

The derivative instruments which are entered into by the Group are exchange rate swap contract to manage the exchange rate risk of the Group.

Derivative instruments are originally recognized at fair value at the time of signing the derivative instruments contract, and are subsequently re-measured at fair value at the balance sheet date. When the fair value of derivative instruments is positive, it is then classified as a financial asset; when the fair value is negative, it is then classified as a financial liability.

(14) Provision

The amount recognized as a provision shall be the best estimate of the expenditure required to settle the present obligation at the balance sheet date, and in consideration of the risk and uncertainty of obligations. Provisions shall be measured by the expected cash flows to settle the present obligation.

Provisions for carbon fees

Provisions for carbon fees are recognized based on the best estimates of the expenditure required to settle the obligation of the current year in accordance with relevant laws and regulations including the Regulations Governing the Collection of Carbon Fees, etc.

(15) Revenue recognition

The Group allocates the transaction price to each contractual performance obligation after the contractual performance obligation is identified in the customer contract and recognized revenue when each performance obligation is satisfied.

Sales revenue

Sales revenue comes from the sale of long and short fiber fabrics. The Group recognizes revenue and accounts receivable at the time when the customer has the right to set the price and use the products and has the primary responsibility for re-selling the products and bears the risk of obsolescence of the products when the trade terms are fulfilled. Receipts in advance are recognized as contract liabilities when the trade term is fulfilled or the products shipped. Sales returns and discounts that possibly occur are estimated historical experiences and consideration of different contract terms and conditions. Refund liabilities are recognized accordingly.

Therefore, no revenue is recognized when the product is in de-materialization process.

(16) Lease

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease.

1. The Group as the lessor

    Leases are classified as finance leases whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

    The lease payment of the operating lease is recognized as income on a straight-line basis during the relevant lease period. The original direct costs incurred as a result of the acquisition of a business lease are added to the carrying amount of the underlying asset and are recognized as expenses during the lease period on a straight-line basis. The lease negotiations with the lessees shall be accounted for as a new lease from the effective date of the lease modification.

2. The Group as the lessee

    The Corporation recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

    Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities.

    Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

    Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Corporation uses the lessee’s incremental borrowing rate.

    Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. If the changes in lease term result in changes in future lease payments, The Group re-measures the lease liability and adjusts the right-to-use assets relatively, provided that the book value of the right-to-use assets has been reduced to zero, the remaining measured amount is recognized in the profit and loss. Lease liabilities are expressed separately in the consolidated balance sheet.

(17) Borrowing costs

Borrowing costs directly attributable to an acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other than which is stated above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

(18) Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants related to revenue are recognized in other income on a systematic basis over the period in which the related costs intended to be reimbursed are recognized as expenses by the Group. Government grants that are contingent on the acquisition of non-current assets by the Group are recognized as deferred revenue and are transferred to other income on a systematic basis over the life of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they become receivable.

(19) Employee benefits

1. Short-term employee benefits

   Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

2. Retirement benefits

   Payments to defined contribution retirement benefit plans are recognized as expenses when employees have rendered services entitling them to the contributions.

   Defined benefit costs (including service cost, net interest and remeasurement) under defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost) and net interest on the net defined benefit assets are recognized as employee benefits expense in the period in which they occur. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which it occurs. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

   Net defined benefit assets represent the actual surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

(20) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1. Current tax

   Income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

According to the Income Tax Law in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2. Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are recognized only to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. If investment properties measured using the fair value model are non-depreciable assets, or are held under a business model whose objective is not to consume substantially all of the economic benefits embodied in the assets over time, the carrying amounts of such assets are presumed to be recovered entirely through sale.

3. Current and deferred taxes

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity; in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity, respectively.

5. Major sources of uncertainty in major accounting judgments, estimates and assumptions

In the application of the Group's accounting policies, management is required to make judgments, estimations, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

When developing significant accounting estimates, the Group considers the effects of inflation and market interest rate fluctuations when making its critical accounting estimates, including cash flow estimates, growth rate, discount rate and profitability, etc. The estimates and underlying assumptions are reviewed on an ongoing basis.

6. Cash and cash equivalents

	December 31, 2025	December 31, 2024
Cash on hand, turnover and petty cash	$ 5,301	$ 919
Bank checks and demand deposits	1,408,037	1,472,517
Cash equivalents (investments with an original expiry date of less than 3 months)		
Time deposits	114,404	-
Commercial paper	-	15,000
	$ 1,527,742	$ 1,488,436

The annual interest rates of cash equivalents on December 31, 2025 and 2024 were 1.23%～4% and 1.36%, respectively.

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

	December 31, 2025	December 31, 2024
Financial assets-current		
Non-derivative financial assets		
Shares of domestic listed companies	$ 10,504	$ 4,386
Fund beneficiary certificates	6,608	13,974
Bonds	46,827	-
	$ 63,939	$ 18,360

Financial assets and liabilities measured at fair value through profit or loss in the years of 2025 and 2024 resulted the gains of NT$763 thousand and gains of NT$22,617 thousand, respectively, which were included under other gains and losses in the consolidated statements of comprehensive income.

Please refer to Note 37 for the information on financial instruments at fair value through profit or loss pledged as collateral.

8. Financial assets at fair value through other comprehensive income - Investments in equity instruments

	December 31, 2025	December 31, 2024
Current		
Domestic investments		
Shares of listed companies	$ 64,376	$ 208,997
Current		
Domestic investments		
Shares of non-listed companies	$ 1,476	$ -

The Group invests in common shares of listed and non-listed companies for medium- and long-term strategic purposes. The management of the Group believes that it would be inconsistent with the aforementioned long-term investment plan to include short-term fair value fluctuations of these investments in profit or loss. Thus, they select and designate these investments measured at fair value through other comprehensive income.

For information on pledges of equity investments measured at fair value through other comprehensive income, please refer to Note 37.

9. Financial assets at amortized cost

	December 31, 2025	December 31, 2024
Current		
Domestic investments		
Pledged demand deposits	$ 161,620	$ 37,662
Pledged time deposits (1)	171,172	53,705
Financial products (1)	-	250,844
	$ 332,792	$ 342,211
Non-current		
Domestic investments		
Pledged time deposits (1)	$ 22,500	$ 14,175
Subordinate bonds of Fubon Life Insurance (2)	202,695	202,952
	$ 225,195	$ 217,127

(1) Time deposit interest rate range	0.35%～4.6%	0.41%～4.5%
Financial product interest rate range	-	1.6%

(2) Th Group purchased the second unsecured cumulative subordinate 10-year corporate bonds issued by Fubon Life Insurance Co., Ltd. in 2024 by NT$203,000 thousand (with par value of NT$200,000 thousand) in October 2024, which will be matured in October 2034. The coupon rate is 3.7%, and the effective interest rate is 3.52%.

(3) For information on pledges of financial assets measured at amortized cost, please refer to Note 37.

(4) The Group invests only in liability instruments with low credit risk as assessed by the impairment. The Group considers the historical default loss rate and the outlook of the industry in which it operates to measure the expected credit loss over 12 months or the expected credit loss over the life of the investment in liability instruments. As the debtor has low credit risk and sufficient ability to settle the contractual cash flows, no expected credit loss has been recorded against financial assets at amortized cost as of December 31, 2025 and 2024.

10. Notes receivables (including related parties), accounts receivables (including related parties), net, and other receivables (including related parties)

(1) Notes receivable (including related parties)

Notes receivables of the Group are all business-related.

There were no overdue notes receivable as of December 31, 2025 and 2024, thus no allowance was made for losses.

(2) Accounts receivables (including related parties)

	December 31, 2025	December 31, 2024
At amortized cost		
Total carrying amount	$ 1,916,073	$ 2,006,193
Less: Loss allowance	150,674	35,055
	$ 1,765,399	$ 1,971,138

The average credit period of sales of goods of the Group was 30-120 days. No interest for accounts receivable. To mitigate credit risk, the Group's management assigns a dedicated team to determine credit limits, approve credit facilities and other monitoring procedures to ensure that appropriate actions are taken to collect overdue accounts receivable. In addition, the Group reviews the recoverable amounts of accounts receivable on an individual case basis at the balance sheet date to ensure that appropriate impairment losses have been recorded for uncollectible accounts receivable. Accordingly, the management of the Company believes that the credit risk of the Group has been significantly reduced.

The Group measures the loss allowance for notes and accounts receivable at an amount equal to lifetime ECLs. The expected credit losses on notes and accounts receivable are estimated by reference to the past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecasted direction of economic conditions at the reporting date. As the Group's historical credit loss experience does not show there are significant differences in the loss patterns of different customer groups, therefore, instead of further differentiating the customer groups, only sets the expected credit loss rate based on the number of days to establish accounts receivable.

If there is any evidence shows that the counterparty is in serious financial difficulty and the Group cannot reasonably expect to recover the amount, for example, if the counter-party is in a liquidation process, the Group will directly write off the related accounts receivable but will continue the recovery activities, and the recovered amount will be recognized in profit or loss.

The loss allowances on accounts receivable were measured as follows:

December 31, 2025

	Less than 90 days	91-180 days	181-365 days	More than 366 days	Total
Expected credit loss rate	0%～100%	0%～17%	34%～100%	90%～100%	
Total carrying amount	$ 1,654,806	$ 97,524	$ 14,993	$ 148,750	$ 1,916,073
Loss allowance (life-time expected credit loss)	(2,918)	(5,161)	(12,692)	(129,903)	(150,674)
Amortized cost	$ 1,651,888	$ 92,363	$ 2,301	$ 18,847	$ 1,765,399

December 31, 2024

	Less than 90 days	91-180 days	181-365 days	More than 366 days	Total
Expected credit loss rate	0%～7%	0%～100%	0%～100%	3%～100%	
Total carrying amount	$ 1,833,744	$ 140,746	$ 17,481	$ 14,222	$ 2,006,193
Loss allowance (life-time expected credit loss)	(15,955)	(2,247)	(8,039)	(8,814)	(35,055)
Amortized cost	$ 1,817,789	$ 138,499	$ 9,442	$ 5,408	$ 1,971,138

Changes of the loss allowance of accounts receivable were as follows:

	2025	2024
Beginning balance	$ 35,055	$ 55,743
Impairment loss	124,546	11,746
Actual write-off	(15,811)	(33,486)
Acquisition of subsidiaries	7,688	-
Foreign exchange differences	(804)	1,052
Ending balance	$ 150,674	$ 35,055

(3) Other receivables (including related parties)

	December 31, 2025	December 31, 2024
Loans to others	$ 56,574	$ 100,000
Proceeds from sale of equipment	-	4,186
Proceeds from sale of right-of-use assets	-	2,548
Compensation for demolition (Note 22)	-	123,804
Others	7,818	14,691
	$ 64,392	$ 245,229

11. Inventories

	December 31, 2025	December 31, 2024
Finished goods	$ 2,003,619	$ 1,890,153
Work-in-progress	1,218,026	1,118,192
Raw materials	713,756	682,274
Work-in-progress materials outsourced	4,386	6,362
	$ 3,939,787	$ 3,696,981

Natures of cost of goods sold:

	2025	2024
	$ 10,060,123	$ 9,553,010
Unallocated manufacturing cost	52,854	45,421
Cost of inventory sold		
Inventory valuation and obsolescence losses	29,693	129,243
Others	1,970	177
	$ 10,144,640	$ 9,727,851

12. Subsidiaries

Subsidiaries included in consolidated financial statements

The main elements of the consolidated financial statements were as follows:

Name of investment company	Name of subsidiary	Business type	Percentage of shareholding (%) December 31, 2025	Percentage of shareholding (%) December 31, 2024	Note
The Company	De Licacy (Samoa) Holdings Company (De Licacy Samoa Company)	General investment	100	100	
	De-Fa International Industrial Co., Ltd. (De Fa Company)	General import and export trade	100	100	
	Chadtex Industrial Co., Ltd. (Chadtex Company)	Manufacture and sale of long fiber garments	-	55.06	(11)
	British Virgin Islands De Licacy Holdings Limited (De Licacy BVI Holdings)	General investment	100	100	
	View Best Global Limited (View Best Global Limited)	General investment	100	100	
	Lucky Unique Enterprise Co., Ltd. (Lucky Unique)	Manufacture and processing of various fiber textile products	67.96	-	(6), (8)
	Indonesia De Licacy Enterprise Co., Ltd. (Indonesia De Licacy Enterprise)	Textile manufacturing and trading of various textiles	99	-	(15)
De Licacy Samoa Company	Vantage Gain Holdings Limited (Vantage Gain Limited)	General investment	73.33	73.33	(16)
	Best Alliance International Limited (Best Alliance Limited)	General investment	100	100	
	De Licacy (Anguilla) Holdings Co. Ltd. (De Licacy Anguilla Company)	General investment	100	100	(3)
	De Hong Holdings Co., Ltd. (De Hong Company)	General investment	100	50	(14)
	New Lake Ltd. (New Lake Ltd.)	General import and export trade	100	100	(4)
	Beauty Plus Ventures Limited (Beauty Plus Limited)	General investment	85	85	
	NEW LAKE LIMITED (NEW LAKE Samoa)	General import and export trade	100	100	(1)
	Indonesia De Licacy Enterprise Co., Ltd. (Indonesia De Licacy Enterprise)	Textile manufacturing and trading of various textiles	1	-	(15)
De Licacy BVI Holdings	De Shen (Cayman) Holdings Co., Ltd. (De Shen (Cayman) Company)	General investment	100	100	
De Shen (Cayman) Company	Vietnam De Licacy Enterprise Liabilities Limited (Vietnam De Licacy Enterprise)	Printing, dyeing, finishing, garment manufacturing and trading of various textile and yarn materials	100	100	
De Hong Company	De Hong International Co., Ltd. (Vietnam) (De Hong (Vietnam) Company)	Printing and finishing of various types of garments and cloths	100	100	
Best Alliance Limited	Hangzhou De Licacy Textile Limited (Hangzhou De Licacy Limited)	Production and sales of long and short fiber fabric processing and finishing	100	100	
	Bright Wisdom Ltd.	General investment	61.71	61.71	
	Hong Kong Eden Road International Limited (Hong Kong Eden Road Limited)	General import and export trade	100	100	
	Nantong De Licacy Textile Technology Limited (Nantong De Licacy Limited)	Production and sales of long and short fiber fabric processing and finishing	100	100	

Name of investment company	Name of subsidiary	Business type	Percentage of shareholding (%) December 31, 2025	Percentage of shareholding (%) December 31, 2024	Note
	Total Express(SAMOA)Ltd.(Total Samoa)	International trading	100	-	(9)
De Fa Company	Eden Road Limited	General import and export trade	100	100	(5)
Bright Wisdom Ltd.	Total Express Ltd.	International trade business	100	100	
	Apex Textile Co., Ltd. (Apex Textile Company)	Manufacture and sale of textile products and dyeing and finishing	100	100	
	Futures Co., Ltd. (Futures Company)	General import and export trade	100	100	(10)
	Thousand Well (Samoa) International Limited (Thousand Well (Samoa) Limited)	International trade business	-	-	(2)
	Fastpower (Samoa) Limited (Fastpower (Samoa) Limited)	International trade business	-	-	(2)
Lucky Unique	Tung Ming Fiber Industry Co., Ltd (Tung Ming Company)	Manufacturing, processing and trading of chemical fibers	95.2	-	(6), (12)
	De Kao Trading Co., Ltd. (De Kao Company)	Trading of apparel	60	-	(6)
	Dexin Investment Co., Ltd. (Dexin Investment)	General investment	100	-	(6)
	Well&David Corp. (Well&David)	Manufacturing and trading of apparel	82.37	-	(6), (7)
De Kao Company	Lucky Unique Enterprise Co., Ltd. (De Kao East Plant Company)	Manufacturing of apparel	100	-	(6)
Dexin Company	Lucky Unique Enterprise(Vietnam)Co., Ltd. (Lucky Unique Vietnam)	Manufacturing of apparel	100	-	(6)
	Fortune Star Trading Limited (Fortune Star Hong Kong)	General import and export	100	-	(6), (13)
Well&David	GOOD & WELL COMPANY LIMITED (GOOD & WELL COMPANY)	International trading	100	-	(6), (13)
	W & D(Cambodia)Co., Ltd. (East First Plant Company)	Manufacturing of apparel	100	-	(6)
	Kwandin Corp. (Kwandin Corp.)	General investment	100	-	(6)
Kwandin Corp.	Bestex Corp.	General investment	100	-	(6)
	Gold Well Holdings Limited(Gold Well)	General investment	100	-	(6)
Bestex Corp.	Li Qiang Corp.	Manufacturing and trading of apparel	100	-	(6)
Gold Well	Shanhua(Cambodia)Co., Ltd. (East Fifth Plant Company)	Manufacturing and trading of apparel	100	-	(6)

(1) The Company established NEW LAKE Samo in March 2024, and the main business is general import and export trading.

(2) Thousand Well (Samoa) Limited and Fastpower (Samoa) Limited are companies to which the Group has no material equity investment, but the Group has control over the financial and operating policies of these companies and therefore the Group has control over them and they are included in the preparation of the consolidated financial statements. However, Thousand Well (Samoa) Limited

and Fastpower (Samoa) Limited have been liquidated and cancelled in February 2024.

(3) De Licacy Anguilla Company has conducted liquidation and remitted back the payments for investment in May 2024. As of December 31, 2025, the relevant liquidation procedures haven’t been completed.

(4) New Lake Ltd. has resolved by the board of directors in December 2024 to conduct liquidation and refund the payments for shares by capital reduction. As of December 31, 2025, the relevant liquidation procedures haven’t been completed.

(5) Eden Road Limited has resolved by the board of directors in November 2024 to conduct liquidation and refund the payments for shares by capital reduction. As of December 31, 2025, the relevant liquidation procedures haven’t been completed.

(6) In response for the development in the structure’s future operation and expansion of foresing production locations, and entering into the apparel industry, the Group resolved by the board of directors on December 26, 2024 to acquire 27,841 thousand shares of Lucky Unique at $15.5 per share with total transaction amount of $431,529 thousand. The transaction price was based on the appraisal report of the equity value as of the base date of October 31, 2024 of the independent consulting company, Wau Yuan Property Appraisal Co., Ltd., which is a non-related party. The valuation method is the asset-based approach. The settlement of the transfer of equity of the aforementioned transaction has been completed on January 10, 2025, which results in the increase in percentage of ownership from 23.62% to 70.72%. Therefore, the Group obtained control over Lucky Unique and its subsidiaries. Please refer to Note 13 and 30.

(7) Well&David Corp. implemented capital increase of $326,198 after covering accumulated deficit by capital reduction on March 31, 2025. As Lucky Unique did not subscribe in proportion to the percentage of ownership, the percentage of ownership increased from 55.6% to 82.37%. The Company recognized the increase in capital surplus of $60,762 thousand for cash capital increase by subsidiaries not subscribed in proportion to percentage of ownership. Please refer to Note 32.

(8) Lucky Unique implemented capital increase of $197,534 thousand on April 17, 2025. As the Group did not subscribe in proportion to the percentage of ownership, the percentage of ownership decreased from 70.02% to 67.96%. The Company recognized the decrease in capital surplus of $4,739 thousand for cash capital increase by subsidiaries not subscribed in proportion to percentage of ownership. Please refer to Note 32.

(9) The Group established Total Express (SAMOA)Ltd. (Total Samoa) in March 2025. The main business is international trading.

(10) Futures Company has resolved by the board of directors in January 2025 to conduct liquidation and refund the payments for shares by capital reduction.

(11) The Group resolved by the board of directors on March 10, 2025 to dispose of 55.06% of Chadtex Company’s shares. Please refer to Note 31.

(12) Lucky Unique purchased 3.92% of the shares from non-controlling interests on August 31, 2025, resulting in the increase in percentage of ownership from 91.28% to 95.2%. The Group increased capital surplus by $297 thousand for the difference between the purchase price and the net worth of equity. Please refer

to Note 32.

(13) Well&David Corp. purchased 45% of the shares from non-controlling interests on July 31, 2025, resulting in the increase in percentage of ownership from 55% to 100%. The Group decreased capital surplus by $953 thousand for the difference between the purchase price and the net worth of equity. Please refer to Note 32.

(14) De Licacy Samoa Company purchased 50% of the shares from non-controlling interests on August 1, 2025, resulting in the increase in percentage of ownership from 50% to 100%. The Group decreased capital surplus by $11,503 thousand for the difference between the purchase price and the net worth of equity. Please refer to Note 32.

(15) In order to diversify regional risks, align with global expansion and cost optimization strategy to promote international competitiveness, the Group established a textile plant in Indonesia. The registration of incorporation of the company has been completed in September 2025, and the payment for shares has been remitted in October 2025.

(16) Vantage Gain Limited has resolved by the board of directors on December 2024 to implement liquidation and refund the payment for shares for capital reduction. As of December 31, 2025, the relevant liquidation procedures haven't been completed.

13. Investments accounted for using equity method

	December 31, 2025	December 31, 2024
Investment in associates	$ 416,113	$ 568,236

Investment in associates

	December 31, 2025	December 31, 2024
Significant associates		
Perfect Step Ltd.	$ -	$ -
Sung Yu Company	371,568	387,916
Lucky Unique	-	150,230
	371,568	538,146
Individually insignificant associates		
Vietnam ATAGO Company	39,269	30,090
CIBIZO INTERNATIONAL LIMITED	5,276	-
	44,545	30,090
	$ 416,113	$ 568,236

1) Significant associates

The Group's shareholdings and voting rights in associates as of the balance sheet date were as follows:

Company name	December 31, 2025	December 31, 2024	Note
Perfect Step Ltd.	-	-	1.
Sung Yu Company	38%	38%	
Lucky Unique	-	23.62%	2.
Vietnam ATAGO Company	30%	30%	
CIBIZO INTERNATIONAL LIMITED	25%	-	3.

1. The subsidiary, Vantage Gain Limited, has refunded the payments for shares amounting to $287,891 thousand by capital decrease in 2024, and resolved to sell all of the shares of Perfect Step Ltd. in November in the same year. The proceeds of the disposal amounted to $164,773 thousand, and resulting gains on disposal of investments of $104,301 was recognized.
2. As described in Note 12, the Group obtained control over Lucky Unique since January 10, 2025. Lucky Unique, which was originally recognized as investments accounted for using equity method, became a consolidated entity. Please refer to Note 30 for relevant information.
3. Acquired in business combination.

For information on the nature of business, principal place of business and country of incorporation of the above associates, please refer to Schedule 6, "Information on Investee Companies, Location...etc.".

The following summarized financial information has been prepared on the basis of the financial statements of each associate IFRS accounting standards and reflects adjustments made under the equity method.

Perfect Step Ltd.

	2024
Operating revenue	$ -
Net income (loss)	($ 6,586)

Sung Yu Company

	December 31, 2025	December 31, 2024
Current assets	$ 2,944	$ 242
Non-current assets	979,140	1,024,975
Current liabilities	(4,274)	(4,385)
Equity	$ 977,810	$ 1,020,832
Percentage of ownership	38%	38%
Equity attributable to the Group	$ 371,568	$ 387,916

	2025	2024
Operating revenue	$ -	$ -
Net loss	($ 26,654)	($ 26,544)

Lucky Unique

	December 31, 2024
Current assets	$ 1,069,182
Non-current assets	1,099,086
Current liabilities	(1,323,529)
Non-current liabilities	(208,708)
Equity	$ 636,031
Percentage of ownership	23.62%
Equity attributable to the Group	$ 150,230

	2024
Operating revenue	$ 1,554,748
Net income (loss)	($ 130,046)

2) Summarized information of individually insignificant associates

	2025	2024
Shares of the Group		
Total comprehensive income	$ 9,571	$ 1,357

14. Property, plant and equipment

Details of the two-period change in property, plant and equipment are set out in Schedule 10.

Among the owned land, part of the Group's land (with a book value of $23,507 thousand) is agricultural land, which is temporarily registered in the name of others, but the agricultural land has been set up as a mortgage to the Group.

The Group did not perform an impairment assessment for 2025 and 2024 as there was no any indication of impairment.

Depreciation expense is accrued on a straight-line basis over the following number of years of useful life:

Land improvements	3 to 40 years
Buildings	
Plant main buildings	5 to 55 years
Mechanical and power equipment	5 to 40 years
Engineering system	3 to 55 years
Others	2 to 28 years
Machinery equipment	2 to 20 years
Transportation equipment	2 to 15 years
Other equipment	2 to 36 years

For the amount of property, plant and equipment pledged as security for loans by the Group, please refer to Note 37.

15. Lease agreement

(1) Right-of-use assets

	December 31, 2025	December 31, 2024
Right-of-use asset carrying amount		
Land	$ 482,381	$ 357,543
Buildings	57,821	4,950
Transportation equipment	10,867	7,644
	$ 551,069	$ 370,137

	2025	2024
Additions of right-of-use asset	$ 36,544	$ 8,219
Depreciation expense of right-of-use asset		
Land	$ 17,615	$ 10,808
Buildings	27,348	11,562
Transportation equipment	6,364	3,810
Other equipment	-	593
	$ 51,327	$ 26,773

Except for the right-of-use assets acquired of $227,054 thousand in business combination and the above additions and recognition of depreciation expense, the Group's right-of-use assets are not subject to significant sublease or impairment in 2025 and 2024.

See Note 37 for the amount of the right-of-use asset that is set as a guarantee for the loan.

(2) Lease liabilities

	December 31, 2025	December 31, 2024
Lease liabilities carrying amount		
Current	$ 29,463	$ 7,079
Non-current	$ 48,036	$ 5,669

The discount rate range of the lease liabilities is as follows:

	December 31, 2025	December 31, 2024
Land	1.45%	-
Buildings	1.2%～4.2%	1.11%～4.2%
Transportation equipment	1.98%～3.67%	1.41%～3.49%

(3) Important tenant activities and terms

The Group leased certain pieces of land and buildings for factory and office use for a term of 6 to 50 years. At the end of the lease term, the Group has no priority purchasing rights for the leased land and buildings.

As of December 31, 2025, the right-of-use asset lease period was as follows:

Land	march 2029 to December 2072
Buildings	February 2026 to April 2029
Transportation equipment	April 2026 to November 2029

Apex Textile Co., Ltd. and Hangzhou De Licacy Company were authorized by the resolution of the Board of Directors on November 10 and December 15, 2021, respectively, to sign contracts with the enterprises entrusted by the local government for the acquisition of land use rights, plant and other assets. As of these Consolidated Financial Statements approved by the Board of Directors, it did not meet to any condition of an immediate sale.

(4) Other leasing information

	2025	2024
Short-term leasing expense	$ 4,376	$ 21,395
Total cash used in leasing	$ 40,221	$ 38,164

All commitments under leases commencing after the balance sheet date for the lease period are as follows:

	December 31, 2025	December 31, 2024
Lease commitment	$ 1,297	$ 3,889

16. Investment properties

Changes of land use right and buildings are as follows:

	2025	2024
Cost		
Beginning balance	$ 162,143	$ 148,118
Net foreign exchange difference	(5,546)	14,025
Ending balance	$ 156,597	$ 162,143
Accumulated depreciation		
Beginning balance	$ 98,110	$ 92,673
Depreciation	2,454	2,668
Net foreign exchange difference	(1,020)	2,769
Ending balance	$ 99,544	$ 98,110
Year end, net	$ 57,053	$ 64,033

Aside from recognition of depreciation expenses, there is no significant addition, disposal, and impairment in investment properties held by the Group for the years ended December 31, 2025 and 2024.

Investment properties are depreciated on a straight-line basis over 20 years of useful life.

The fair value of investment property as of December 31, 2025 and 2024 amounted to both $241,027 thousand, which was based on the appraisal report as of December 31, 2023 performed by independent non-related parties. The valuation was performed using the discounted cash flow analysis method. Based on the evaluation of the management of the Group, there was no significant change in the fair value as of December 31, 2025 and 2024 compared to December 31, 2023.

Please refer to Note 37 for the amount of investment property pledged as collateral for loans.

17. Prepayments

	December 31, 2025	December 31, 2024
Prepayment for purchases	$ 69,888	$ 151,570
Prepayment for plating fee	2,975	3,598
Prepayment for leasing fee	897	3,348
Prepayment for insurance fee	3,241	1,597
Others	128,256	119,458
	$ 205,257	$ 279,571

18. Other assets

	December 31, 2025	December 31, 2024
Current		
Input tax	$ 248,644	$ 668,280
Tax overpaid retained for offsetting the future tax payable	162,034	263,435
Refundable tax	46,562	35,831
Others	6,315	5,809
	$ 463,555	$ 973,355
Non-current		
Prepayments for equipment	$ 143,820	$ 36,750

19. Loans

(1) Short-term loans

	December 31, 2025	December 31, 2024
Secured loan (Note 37)		
Bank loan	$ 1,768,663	$ 875,845
Unsecured loan		
Bank loan by line of credit	2,588,862	2,172,254
	$ 4,357,525	$ 3,048,099
Secured bank loans	2.15%～6.45%	0.5%～6.7%
Bank loan by line of credit	2.14%～5.3%	1.84%～6.23%

(2) Short-term bills payable

	December 31, 2025	December 31, 2024
Commercial paper payable (Note 37)	$ 810,000	$ 970,000
Less: Discount on short-term notes and bills payable	412	518
	$ 809,588	$ 969,482

Outstanding short-term notes and bills payable were as follows:

December 31, 2025

Guarantor/Acceptance agency	Face amount	Discount amount	Carrying amount	Interest rate range (%)	Name of collateral	Collateral carrying amount
Commercial paper payable						
Grand Bills Finance Corp.	$ 50,000	$ 87	$ 49,913	1.55	None	$ -
China Bills Finance Corp.	70,000	6	69,994	1.5～1.53	None	-
Da Ching Bills Finance Corp.	50,000	45	49,955	2.04	None	-
O-Bank	260,000	214	259,786	1.5	None	-
The Bank of East Asia	210,000	60	209,940	1.5	None	-
O-Bank	170,000	-	170,000	2.07	Subordinate bonds of Fubon Insurance	202,952
	$ 810,000	$ 412	$ 809,588			

December 31, 2024

Guarantor/Acceptance agency	Face amount	Discount amount	Carrying amount	Interest rate range (%)	Name of collateral	Collateral carrying amount
Commercial paper payable						
Grand Bills Finance Corp.	$ 50,000	$ 30	$ 49,970	1.7	None	$ -
Taiwan Cooperative Bills Finance Corp.	100,000	70	99,930	1.81	None	-
China Bills Finance Corp.	30,000	12	29,988	1.65	None	-
Mega Bills Finance Co. Ltd.	30,000	57	29,943	1.94	None	-
Dah Chung Bills Finance Corp.	50,000	23	49,977	1.89	None	-
Da Ching Bills Finance Corp.	60,000	77	59,923	2.02	None	-
Taiwan Finance Corp.	50,000	102	49,898	2	None	-
International Bills Finance Corp.	50,000	21	49,979	1.91	None	-
O-Bank	260,000	71	259,929	1.66	None	-
The Bank of East Asia	120,000	55	119,945	1.67	None	-
O-Bank	170,000	-	170,000	2.07	Subordinate bonds of Fubon Insurance	202,952
	$ 970,000	$ 518	$ 969,482			

(3) Long-term bank loans

	December 31, 2025	December 31, 2024
Secured loan		
Bank loan 1.	$ 937,814	$ 910,270
Syndicated loans 2. and 3.	1,997,275	1,923,371
Other loans 4.	83,939	-
Less: Syndicated loans arrangement fee	8,305	2,631
	3,010,723	2,831,010
Unsecured loan		
Bank loan by line of credit1.	$ 342,702	$ 426,008
	3,353,425	3,257,018
Less: Classified as current portion due within one year	395,699	845,939
	$ 2,957,726	$ 2,411,079

1. Bank guarantees and credit loans

	Expiry date	Contents	December 31, 2025	December 31, 2024
Secured loan				
Bank loan	2024.08.15	From January 2026, average amortization of principal shall be paid every half-year.	$ 670,740	$ -
Bank loan	2028.03.22	From September 2021, average amortization of principal in 36 installments.	-	910,270
Bank loan	2029.07.04	From October 2025, average amortization of principal shall be paid every three months.	105,000	-
Bank loan	2029.07.15	Repay by a lump-sum payment at maturity.	40,000	-
Bank loan	2042.04.07	From May 2022, average amortization of principal and interests shall be paid monthly.	29,574	-
Bank loan	2026.08.01	Repay by a lump-sum payment at maturity.	50,000	-
Bank loan	2026.07.15	From October 2025, average amortization of principal shall be paid every three months.	7,500	-
Bank loan	2029.01.30	Repay by a lump-sum payment at maturity.	35,000	-
Unsecured loan				
Bank loan by line of credit	2025.03.20～2026.12.08	Since September 2020, the principal has been amortized on an average half-year basis. This loan was intended to remit the capital required to set up the Vietnam plant in the investment share capital.	75,000	170,000
Bank loan by line of credit	2026.05.15～2029.07.09	From May and June 2022, the principal was repaid in monthly installments.	83,250	129,210
Bank loan by line of credit	2025.08.21～2029.11.12	From September 2021 and December 2022, the principal was repaid in monthly installments.	26,480	84,911
Bank loan by line of credit	2025.10.08	From November 2021, the principal was repaid in monthly installments.	-	20,833
Bank loan by line of credit	2026.02.04	From March 2022, the principal was repaid in monthly installments.	3,044	21,054
Bank loan by line of credit	2027.08.08～2027.10.25	From January 2025, the principal was repaid in monthly installments.	10,735	-
Bank loan by line of credit	2027.04.07	From May 2022, the principal was repaid in monthly installments.	8,037	-
Bank loan by line of credit	2026.08.01	Repay by a lump-sum payment at maturity.	50,000	-
Bank loan by line of credit	2027.02.23～2028.10.19	From March 2022 to November 2023, the principal was repaid in monthly installments.	12,667	-
Bank loan by line of credit	2028.08.28	From September 2025, the principal was repaid in monthly installments.	53,581	-
Bank loan by line of credit	2029.03.04	From April 2024, the principal was repaid in monthly installments.	19,908	-
			1,280,516	1,336,278
Less: Classified as current portion due within one year			395,699	498,163
			$ 884,817	$ 838,115

The annual interest rate as of December 31, 2025 and 2024 were 1.19%～3.68% and 1.19%～3.4% , respectively.

2. New bank syndications signed on December 19, 2024

(1) Bank syndication quota－$2,200,000 thousand

On December 19, 2024, the Company entered into a syndicated credit agreement with a syndicate of banks for a total amount of $2,200,000 thousand, the purpose of which is to repay loans from financial institutions and to replenish medium-term operating turnover.

Terms and conditions

	Line of credit	Used amount December 31, 2025	Credit period	Annual interest rate	Credit granting method
Item A	$ 1,200,000	$ 1,200,000	From the date of first use to the date of expiration of 5 years	3.13%	Should not be revolving use
Item B (Commercial paper guarantee)	1,000,000	797,275	From the date of first use to the date of expiration of 5 years	1.58%～1.77%	Revolving use is allowed
	$ 2,200,000	$ 1,997,275			

Settlement method

Item A: The 30-month maturity date from the first drawdown date (April 22, 2025) will be the first installment. Thereafter, the outstanding principal balance of Item A before the date of expiration will be amortized in six months at a rate of six installments. Of these, 8% were amortized for the first to fifth installments and 60% for the sixth installment. However, if the date of amortization of the balance of principal for any period as set out in the foregoing manner will be later than the final maturity date, the final maturity date shall be the amortization date of the principle for that period.

Item B: The full payment obligation shall be fulfilled on the maturity date of the commercial promissory note at the face amount as scheduled, and the first installment shall expire 30 months from the date of the first use, and thereafter the amount shall be reduced in six installments at a rate of one every six months. Among them, the first to the fifth phase of the amortization and decrement of 8%, the sixth phase of the amortization and decrement of 60%.

Concerning the revolving issuance of commercial paper agreement signed with financial institutions, in accordance with “Regarding “Doubts about the Classification of Liabilities Arising from the Funds Raised by Revolving Issuance of Commercial Paper by Entities” issued by Accounting Research and Development Foundation IFRS Q&A about Whether Retrospectively Apply,” the commercial paper revolvingly issued will be classified as current liabilities since January 1, 2026.

(2) Financial ratio

During the term of this contract, the Company’s consolidated financial statements for the first half and for the year shall maintain the ratios shown below:

A. Current Ratio (Current Assets/ (Current Liabilities－Dividends payable)): shall not be less than one hundred percent (100%) (Inclusive).

B. Liabilities Ratio: (Total Liabilities－Dividends Payable－Bank loans secured by full certificates of deposit)/Net of tangibles: shall not be higher than two hundred percent (200%) (inclusive).

C. Interest covers multiplier ((Net income before tax + Finance costs + Depreciation + Amortization)/Amortization)/Finance costs): in the first half, 3.5 time (inclusive) above; since 2026, 4 times (inclusive) above.

D. Net of Tangibles (Equity (include minor shareholdings) － Intangible Assets＋Dividends payable): not less than $4.5 billion (inclusive).

The above financial ratios shall be reviewed every six months. If the borrower fails to meet any one of the above financial ratios in one inspection, from the latest interest rate adjustment base date after the inspection date, the loan interest rate shall be increased by 0.15% until the financial ratios meet all financial ratio requirements at the next inspection.

All financial ratios in the Company's 2025 consolidated financial statements were in compliance with the above loan contract requirements.

3. Old bank syndications signed on September 30, 2021

(1) Bank syndication quota－$2,200,000 thousand

On September 30, 2021, the Company entered into a syndicated credit agreement with a syndicate of banks for a total amount of $2,200,000 thousand, the purpose of which is to repay loans from financial institutions and to replenish medium-term operating turnover.

Terms and conditions

	Line of credit	Used amount December 31, 2025	Credit period	Annual interest rate	Credit granting method
Item A	$ 1,200,000	$ 985,824	From the date of first use to the date of expiration of 5 years	2.82%	Should not be revolving use
Item B (Commercial paper guarantee)	1,000,000	839,192	From the date of first use to the date of expiration of 5 years	1.63%～1.67%	Revolving use is allowed
	$ 2,200,000	1,825,016			
Less: Current portion		347,776			
		$ 1,477,240			

Settlement method

Item A: The 30-month maturity date from the first drawdown date (October 22, 2021) will be the first installment. Thereafter, the outstanding principal balance of Item A before the date of expiration will be amortized in six months at a rate of six installments. Of these, 8% were amortized for the first to fifth installments and 60% for the sixth installment. However, if the date of amortization of the balance of principal for any period as set out in the foregoing manner will be later than the final maturity date, the final maturity date shall be the amortization date of the principle for that period.

Item B: The full payment obligation shall be fulfilled on the maturity date of the commercial promissory note at the face amount as scheduled, and the first installment shall expire 30 months from the date of the first use, and thereafter the amount shall be reduced in six installments at a rate of one every six months. Among them, the first to the fifth phase of the amortization and decrement of 8%, the sixth phase of the amortization and decrement of 60%.

(2) Bank syndication quota－USD28,000 thousand

On September 30, 2021, De Shen (Cayman) Holdings Co., Ltd., a subsidiary of the Company, entered into a syndicated credit facility agreement with a syndicate of banks for a total amount of USD28,000 thousand for the repayment of loans from financial institutions, including but not limited to the outstanding balance of the old syndicated loan and the replenishment of medium-term operating revolver.

Terms and conditions

Line of credit	Used amount December 31, 2025	Credit period	Annual interest rate	Credit granting method
USD 28,000 thousand	$ 98,355 (USD 3,000 thousand)	From the date of first use to the day of expiration of five years.	5.68%	The total amount of the credit facility is to be revolvingly used, with the first installment of 30 months from the date of initial utilization (November 10, 2021) and subsequent installments every six months, with the total amount of the credit facility being reduced in six installments of eight percent (8%) from the first to the fifth installment and sixty percent (60%) from the sixth installment.

(3) Financial ratio

During the term of this contract, the Company’s consolidated financial statements for the first half and for the year shall maintain the ratios shown below:

A. Current Ratio (Current Assets/ (Current Liabilities－Dividends payable)): shall not be less than one hundred percent (100%) (Inclusive).

B. Liabilities Ratio: (Total Liabilities－Dividends Payable－Bank loans secured by full certificates of deposit)/Net of tangibles: before 2021 and 2022 (inclusive), shall not be higher than two hundred and twenty-five percent (225%) (inclusive); in 2023, shall not be higher than two hundred and ten percent (210%) (inclusive); in 2024, shall not be higher than two hundred percent (200%) (inclusive).

C. Interest covers multiplier ((Net income before tax + Finance costs + Depreciation + Amortization)/Amortization)/Finance costs): 4 times (inclusive) above.

D. Net of Tangibles (Equity (include minor shareholdings) － Intangible Assets＋Dividends payable): not less than $4.5 billion (inclusive).

All financial ratios in the Company’s 2024 consolidated financial statements were in compliance with the above loan contract requirements.

4. Other loans

Other loans are fixed interest rate loans from financing companies. The loans will be due from July 2026 to August 2027, at effective interest rate of 1.25%～5.75%.

The Group's pledges to secure long-term loans are described in Note 37.

20. Notes payable and accounts payable

(1) Notes payable

	December 31, 2025	December 31, 2024
Occurrence due to business	$ 77,871	$ 65,232
Occurrence due to nonbusiness-purchase of property, plant and equipment	548	5,210
	$ 78,419	$ 70,442

(2) All accounts payable for business.

(3) The Group has a financial risk management policy to ensure that all payables are repaid within the prearranged credit terms.

21. Other payables

	December 31, 2025	December 31, 2024
Payroll payable, bonus, remuneration for employees and directors	$ 367,042	$ 262,089
Utilities payable	76,546	84,534
Commission payable	19,753	35,107
Equipment payable	14,087	56,536
Payables for leave	17,047	13,898
Sludge and sewage treatment payable	44,342	88,195
Business tax payable	4,900	6,112
Refund of capital reduction payable	-	67,967
Others	211,615	203,928
	$ 755,332	$ 818,366

22. Long-term deferred revenue

	December 31, 2025	December 31, 2024
Revenue from compensation for demolition	$ 720,034	$ 753,772
Government grants	9,129	8,906
	$ 729,163	$ 762,678

Government grants include subsidy for environmental improvement projects, energy conservation projects, and production line technology renovation.

Government subsidies from environmental improvement projects, energy conservation projects and production line technology renovation shall be transferred to profit or loss over the useful lives of the related assets of 1 to 15 years. Of which, the portion that will be transferred into revenue within one year as of December 31, 2025 and 2024 amounted to $4,319 thousand and $2,883 thousand, respectively, recognized under other current liabilities.

Apex Textile Company and Hangzhou De Licacy Limited, the subsidiaries of the Group, signed a compensation agreement of non-residential house movement with Hangzhou Qiantang New Area Organic Renewal Headquarters Office (the "Headquarters Office") on November 22 and December 17, 2021, respectively, in order to cooperate with the local government construction project. The Headquarters Office purchased the buildings and land right-of-use of Apex Textile Company and Hangzhou De Licacy Limited for the acquisition amount of CNY 90,484 thousand and CNY 500,362 thousand, respectively. According to the agreement, the Group's subsidiaries, Apex Textile Company and Hangzhou De Licacy Limited have vacated all the relocated houses, handed over the ownership, and collected the second installment of compensation in 2024. After the ground buildings have been demolished, the Group implements investigation and evaluation of land pollution, the condition of land meets the requirements of the Headquarters Office and the Ministry of Ecology and Environment, and the last installment of compensation has been collected, related compensation benefits will be recognized. As of December 31, 2025, Hangzhou De Licacy Limited has received CNY275,199 thousand in advance, classified as long-term deferred revenue, and recognized corresponding revenue for the relocation costs incurred as of the year ended December 31, 2025 amounting to CNY114,175 thousand. Apex Textile Company has received CNY49,766 in advance, and recognized corresponding revenue for the relocation costs incurred as of the year ended December 31, 2025 amounting to CNY49,766 thousand. The remaining relocation related matters are actively planned. However, the relocation compensation costs cannot be reliably estimated.

23. Provisions – current

	December 31, 2025	December 31, 2024
Carbon fee	$ 11,520	$ -

(1) The Group recognizes provisions for carbon fee liabilities since 2025 in accordance with relevant laws and regulations, including Regulations Governing the Collection of Carbon Fees. The Group uses general rate as the calculation basis.

(2) Changes are as follows:

	2025
Beginning balance	$ -
Appropriation in current year	11,520
Ending balance	$ 11,520

24. Post-employment benefit plan

(1) Defined contribution plan

The Labor Pension Act, which is a defined post-employment contribution plan administered by the government, is applicable to the Group and its domestic subsidiaries, and contributes 6% of employees' monthly salaries to the individual accounts of the Labor Insurance Bureau.

The employees of the Group's subsidiaries in China and Vietnam are members of the post-employment benefit plan operated by the local governments in China and Vietnam. The subsidiaries are required to contribute a certain percentage of payroll costs to the post-employment benefit plan in order to fund the plan. The Group's obligation to this government-operated post-employment benefit plan is only to contribute a specific amount.

(2) Defined benefit plan

The pension plan of the Group and its domestic subsidiaries under the Labor Standards Act in Taiwan is a government-administered defined benefit pension plan. The employees' pension payments are based on the average salary for the six months prior to the date of approved retirement. The Company contributes 2% to 4% of the employees' monthly salaries to the pension fund, which is deposited in the name of the Labor Pension Fund Supervisory Committee in a special account in the Bank of Taiwan. If the balance of the special account is not sufficient to pay the employees who are expected to meet the retirement requirements in the following year before the end of the year, the difference will be withdrawn in one lump sum by the end of March of the following year. The management of the special account is entrusted to the Bureau of Labor Funds, Ministry of Labor, and the Group has no right to influence the investment management strategy.

The amount of defined benefit plan included in the consolidated balance sheets were shown below:

	December 31, 2025	December 31, 2024
Present value of defined benefit obligation	$ 163,302	$ 158,367
Plan assets at fair value	(233,136)	(205,290)
Net defined benefit assets	($ 69,834)	($ 46,923)

Net defined benefit liabilities changes:

	Present value of defined benefit obligation	Plan assets at fair value	Net defined benefit assets
January 1, 2024	$ 181,833	($ 206,797)	($ 24,964)
Current service costs	248	-	248
Interest expense (income)	2,143	(2,545)	(402)
Recognized in profit or loss	2,391	(2,545)	(154)
Remeasurement			
Planning assets remuneration (in addition to the amount included in net interest)	-	(18,309)	(18,309)

(Continued)

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	Present value of defined benefit obligation	Plan assets at fair value	Net defined benefit assets
Actuarial loss (gain)			
Changes in financial assumptions	(66)	-	(66)
Experience adjustment	2,803	-	2,803
Recognized in other comprehensive income	2,737	(18,309)	(15,572)
Employer’s contribution	-	(8)	(8)
Benefit expenditures	(19,142)	19,142	-
Pay-off	(9,452)	3,227	(6,225)
December 31, 2024	158,367	(205,290)	(46,923)
Acquisition of subsidiaries	37,479	(45,433)	(7,954)
Current service costs	667	-	667
Past service costs	5,319	-	5,319
Interest expense (income)	2,919	(3,772)	(853)
Recognized in profit or loss	8,905	(3,772)	5,133
Remeasurement			
Planning assets remuneration (in addition to the amount included in net interest)	$ -	($ 18,026)	($ 18,026)
Actuarial loss (income)			
Changes in financial assumptions	2,725	-	2,725
Experience adjustment	(1,567)	-	(1,567)
Recognized in other comprehensive income	1,158	(18,026)	(16,868)
Employer’s contribution	-	(1,706)	(1,706)
Benefit expenditures	(41,091)	41,091	-
Pay-off	(1,516)	-	(1,516)
December 31, 2025	$ 163,302	($ 233,136)	($ 69,834)

The amount recognized in profit or loss for defined benefit plans were summarized by function as follows:

	2025	2024
Operating costs	$ 39	($ 88)
Marketing expenses	(87)	(17)
General and administrative expenses	5,269	(23)
Research and development expenses	(88)	(26)
	$ 5,133	($ 154)

The Group is exposed to the following risks as a result of the Labor Standards Act pension system:

1. Investment Risk: Bureau of Labor Funds, Ministry of Labor invests its labor pension funds in domestic and foreign equity securities, debt securities and bank deposits through its own use and entrusted operations, but the amount of Plan Assets allocated to the Group is based on the income at an interest rate not lower than the local bank's two-year time deposit rate.
2. Interest Risk: The decrease in interest rates on government bonds will increase the current value of the defined benefit obligation, but the return on investment in plan assets will also increase, which will have a partially offsetting effect on the net defined benefit obligation.
3. Payroll Risk: The defined benefit obligation current value is calculated by reference to the future salary of the plan member. Therefore, an increase in plan members' salaries will increase the defined benefit obligation current value.

The defined benefit obligation current value of the Group was actuarially determined by a qualified actuary with the following significant assumptions as of the measurement date:

	December 31, 2025	December 31, 2024
Discount rate	1.25%～1.4%	1.5%
Expected rate of salary increase	0.5%～2.5%	2.25%

The amount by which the defined benefit obligation current value would increase (decrease) if there were reasonably possible changes in significant actuarial assumptions, respectively, with all other assumptions held constant, is as follows:

	December 31, 2025	December 31, 2024
Discount rate		
Increase 0.25%	($ 2,304)	($ 2,921)
Decrease 0.25%	$ 2,368	$ 3,004
Expected rate of salary increase		
Increase 0.25%	$ 2,305	$ 2,930
Decrease 0.25%	($ 2,254)	($ 2,864)

The sensitivity analysis above may not reflect actual changes in the current value of the defined benefit obligation because actuarial assumptions may be correlated with each other and changes in only one assumption are unlikely.

	December 31, 2025	December 31, 2024
Amount expected to be withdrawn within 1 year	$ 1,200	$ -
Average period of defined benefit obligation expiration	6.3～9.4 years	7.5 years

25. Equity

(1) Common stock

	December 31, 2025	December 31, 2024
Authorized shares (1000 shares)	480,000	480,000
Authorized capital shares	$ 4,800,000	$ 4,800,000
Number of shares issued and fully paid (1000 shares)	425,576	407,640
Issued capital shares	$ 4,255,757	$ 4,076,396

The issued common shares have a par value of $10 per share and each share is entitled to one vote and the right to receive dividends.

The Company resolved to issue 17,936 thousand of new shares with a par value of NT$10 through the capitalization of retained earnings by the regular shareholders meeting on June 10, 2025. The paid-in capital became NT$4,255,757 thousand after the capital increase. The preceding cash capital increase proposal has been submitted and approved by the Securities and Futures Bureau of Financial Supervisory Commission on July 15, 2025 and August 11, 2025 was determined as the base date of the capital increase.

(2) Capital surplus

	December 31, 2025	December 31, 2024
May be used to make up losses, pay cash or capitalize (Note 1)		
Stock issuance premium	$ 405,552	$ 405,552
Corporate bond conversion premium	32,325	32,325
Treasury stocks transactions	77,881	77,146
Actual acquired or the difference between the actual acquisition or disposal price of a subsidiary and its carrying value	65,024	65,024
To be used to make up losses only		
Recognition of changes in equity of investment in associates accounted for using equity method	1,607	1,607
Recognition of changes in ownership interests in subsidiaries (Note 2)	43,864	-
	$ 626,253	$ 581,654

Note 1: Such capital surplus may be used to cover losses or, when the Company has no losses, to distribute cash dividends or to capitalize capital, provided that such capitalization is limited to a certain percentage of the paid-in capital each year.

Note 2: Such capital surplus are effects from equity transactions for changes in equity of subsidiaries, when not actually acquire or dispose of subsidiaries' shares.

(3) Retained earnings and dividends policy

In accordance with the Company’s Articles of Incorporation, if there is any surplus in the annual accounts, the Company shall first pay taxes to cover the deficits of previous years and then set aside 10% as legal reserve, but if the legal reserve has reached the Company’s paid-in capital, it may not be set aside, and the rest shall be set aside or reversed to special reserve in accordance with the law, and the remaining amount shall be added up. The accumulated undistributed earnings of prior years shall be retained by the board of directors at its discretion, depending on the operational needs, to prepare a proposal for the distribution of earnings and submit it to the shareholders' meeting for resolution on the distribution of dividends to shareholders. The Company’s policy on the distribution of employees’ and directors’ remuneration is described in Note 27(8) “Employee Compensation and Directors’ Remuneration”.

Under the objective of maintaining schedule dividends, the Board of directors shall, in principle, distribute not less than 50% of the scheduled earnings, of which the cash portion of dividends and bonuses to shareholders shall not be less than 10% of the shareholders’ distribution, subject to adjustment based on the Company’s performance and capital requirements.

The legal reserve shall be set aside until the remaining balance reaches the Company’s total paid-in capital and may be used to cover losses. If the Company has no deficit, the excess of the legal reserve over 25% of the total paid-in capital may be distributed in cash.

When the Company sets aside the special reserve by using the net amount of prior accumulated other equity deductions, and the unappropriated surplus in the previous period is insufficient to set aside, the current net profit after tax plus the other items other than the net profit after tax shall be included in the current unappropriated surplus for setting aside.

The Company resolved to distribute earnings for the years 2024 and 2023 at the shareholders meeting held on June 10, 2025 and June 7, 2024 as follows:

	2024	2023
Provision of legal reserve	$ 44,675	$ 7,435
Provision (reversal) of special reserve	($ 169,731)	$ 84,630
Cash dividends	$ 203,820	$ 101,910
Stock dividends	$ 179,361	$ -
Cash dividends per share (NT$)	$ 0.5	$ 0.25
Stock dividends per share (NT$)	$ 0.44	$ -

The earnings distribution proposal of 2025 to be resolved by the board of directors on March 5, 2026 is as follows:

	2025
Provision of legal reserve	$ 15,638
Provision of special reserve	$ 300,411
Cash dividends	$ 85,115
Cash dividends per share (NT$)	$ 0.2

The Company proposed by the board of directors on March 5, 2026, to distribute cash by capital surplus of 2025, and will distribute cash by capital surplus of $21,279 thousand, at $0.05 per share.

The earnings distribution proposal of 2025 is expected to be resolved by the regular shareholders meeting on June 9, 2026.

(4) Special reserve

	2025	2024
Beginning balance	$ 412,522	$ 327,892
Provision and reversal of special reserve		
Provision (reversal) of deductions to other equity	(169,731)	84,630
Ending balance	$ 242,791	$ 412,522

Upon the distribution of earnings, special reserve shall be set aside for the difference between the net deductions to other equity and the special reserve of $74,640 thousand appropriated for first-time adoption of IFRS accounting standards. When there is reversal in the net deductions to other equity, the special reserve in proportion to the appropriation may be reversed for earnings distribution.

(5) Other equities

1. Exchange differences on translation of financial statements of foreign operations

	2025	2024
Beginning balance	($ 230,523)	($ 399,105)
Current year occurred		
Conversion differences of foreign operations	(356,534)	190,935
Related taxes of foreign operations	69,680	(39,626)
Shares of associates / joint ventures accounted for using equity method	(13,741)	17,273
Other comprehensive income of the year	(300,595)	168,582
Ending balance	($ 531,118)	($ 230,523)

2. Unrealized valuation gains or losses on financial assets at fair value through other comprehensive income

	2025	2024
Beginning balance	($ 12,268)	($ 13,417)
Current period generated		
Unrealized gains or losses / Equity instruments	1,855	10,751
Shares of associates accounted for using equity method	-	2,092
Total other comprehensive income	1,855	12,843
Transfer of accumulated gain or loss on disposal of equity instruments to retained earnings	6,767	(11,694)
Ending balance	($ 3,646)	($ 12,268)

(6) Non-controlling interests

	2025	2024
Beginning balance	$ 447,235	$ 554,742
Net profit (loss) for the year	(94,511)	93,647
Changes in other comprehensive income of the year		
Exchange differences on translation of financial statements of foreign operations	(37,878)	17,838
Income tax related to translation of foreign operations	(316)	-
Unrealized gains or losses on financial assets at fair value through other comprehensive income	1,083	8,775
Remeasurement of defined benefit plan	410	-
Acquisition of subsidiaries	421,603	-
Disposal of subsidiaries	(30,194)	-
Cash dividends received	(85,894)	(57,352)
Decrease in non-controlling interests	(114,726)	-
Increase in non-controlling interests – cash capital increase of subsidiaries	105,433	3,684
Decrease in non-controlling interests – cash capital reduction of subsidiaries	(59,924)	(174,099)
Non-controlling interests adjusted for distributing dividends to subsidiaries	346	-
Ending balance	$ 552,667	$ 447,235

(7) Treasury shares

	Parent company's shares held by subsidiaries (in thousand shares)
Number of shares as of January 1, 2025	-
Acquisition of subsidiaries in current period	2,441
Increase in current year (Note)	108
Number of shares as of December 31, 2025	2,549

Note: stock dividends received.

The Company's shares (presented as financial assets at fair value through other comprehensive income – non-current) held by subsidiaries, Lucky Unique and Tung Ming Company are for investing purpose. The Company present those as treasury shares based on the calculation by comprehensive percentage of ownership. The relevant information is as follows:

Name of subsidiary	Number of shares held (in thousand shares)	Carrying amount	Market price
December 31, 2025			
Lucky Unique	2,258	$ 24,947	$ 24,947
Tung Ming Company	291	3,216	3,216
Total	2,549	$ 28,163	$ 28,163
Attributable to the Company	1,723	$ 27,472	$ 19,034

The subsidiary, Lucky Unique received the cash dividends of $1,081 thousand distributed by the Company in 2025. The Company adjusted capital surplus – treasury shares of $735 thousand in accordance with comprehensive percentage of ownership.

The Company's shares held by subsidiaries are treated as treasury shares. Except for not able to participate in cash capital increase of the Company and without voting rights, the other rights are the same as general shareholders.

26. Revenue

	2025	2024
Sales revenue	$ 12,320,832	$ 11,856,797
Other operating revenue	254,031	137,225
	$ 12,574,863	$ 11,994,022

(1) Description of customer contract

Revenue from sales of long- and short-staple fibers

The Group recognizes revenue and accounts receivable from the sale of short- and long-haul fabrics when the terms of trade are fulfilled. The average credit period of the Group's merchandise sales is 30 to 120 days. Most of the contracts are recognized as accounts receivable when the merchandise is transferred and the Group has the unconditional right to receive the consideration. However, for some of these contracts, The Group is obligated to transfer the merchandise to the customer.

(2) Balance of contract

	December 31, 2025	December 31, 2024	January 1, 2024
Notes receivable (include related parties) (Note 10 and 36)	$ 25,708	$ 26,849	$ 89,714
Accounts receivable (include related parties) (Note 10 and 36)	$ 1,765,399	$ 1,971,138	$ 1,360,398
Contract liabilities (items under other current liabilities included)			
Sale of goods	$ 116,746	$ 59,668	$ 60,560

(3) Revenue breakdown from customer contracts

	2025	2024
Major products and business		
Long- and short-staple fibers	$ 10,688,368	$ 11,605,863
Apparel	1,619,462	-
Others	267,033	388,159
	$ 12,574,863	$ 11,994,022

27. Net profit before tax

(1) Net other income and expenses

	2025	2024
Net gain (loss) on disposal of property, plant and equipment	($ 7,205)	($ 136,578)
Revenue from compensation for demolition	18,508	413,863
Net gain (loss) on disposal of intangible assets	(25)	7,153
	$ 11,278	$ 284,438

(2) Interest income

	2025	2024
Bank deposits and financial assets at amortized cost	$ 36,143	$ 30,486
Deposits imputed interest	56	51
Loan interest received from related parties	384	1,963
	$ 36,583	$ 32,500

(3) Other income

	2025	2024
Grants revenue	$ 7,691	$ 11,075
Claim income	38,331	11,043
Rent income	10,774	17,090
Sale of cloth samples	3,950	4,923
Dividend income	3,004	8,096
Counseling income	8,398	10,706
Others	92,694	52,393
	$ 164,842	$ 115,326

(4) Other gains and losses

	2025	2024
Foreign exchange net gain (loss)	($ 84,546)	$ 139,453
Net gain on financial instruments at fair value through profit or loss	763	22,617
Gain on disposal of associates	-	104,301
Gain on disposal of subsidiaries	418	-
Others	(48,695)	(65,588)
	($ 132,060)	$ 200,783

(5) Financial costs

	2025	2024
Total bank loan interest	$ 247,969	$ 225,183
Amortization of handling fees for syndicated loan cases	3,126	1,485
Lease liabilities interest	2,140	356
Loan interest paid to related parties	884	91
Less: Amounts included in the cost of qualified assets (included under property, plant and equipment and prepayments for equipment)	3,188	13,339
	$ 250,931	$ 213,776

Capitalization of interest, the relevant information is as below:

	2025	2024
Capitalization of interest amount	$ 3,188	$ 13,339
Capitalization of interest rate	2.62%～5.62%	2.64%～4.03%

(6) Depreciation and amortization

	2025	2024
Property, plant and equipment	$ 641,028	$ 519,018
Investment properties	2,454	2,668
Right-of-use assets	51,327	26,773
Intangible assets	2,185	2,485
	$ 696,994	$ 550,944
Depreciation expense summary by function		
Operating costs	$ 519,163	$ 402,564
Operating expenses	175,646	145,895
	$ 694,809	$ 548,459
Amortization fee summary by function		
Operating costs	$ 168	$ 188
Operating expenses	2,017	2,297
	$ 2,185	$ 2,485

(7) Employee benefit expense

	2025	2024
Short-term employee benefits		
Payroll	$ 1,863,698	$ 1,010,183
Labor and health insurance fees	142,906	78,311
Others	74,944	43,050
	2,081,548	1,131,544
Retirement benefits		
Defined contribution plan	61,767	50,079
Defined benefit plan (Note 24)	5,133	(154)
	66,900	49,925
	$ 2,148,448	$ 1,181,469
Summary by function		
Operating costs	$ 1,398,716	$ 624,056
Operating expenses	749,732	557,413
	$ 2,148,448	$ 1,181,469

(8) Remuneration to employee and directors

In accordance with the Company's Articles of Incorporation, the Company provides for employee remuneration and director remuneration at a rate of not less than 4% and not more than 3%, respectively, of the net income before tax for the year before the distribution of employee and director remuneration. In addition, in accordance with amendments to the Securities and Exchange Act in August 2024, the Company has resolved by the shareholders meeting of 2025 to approve the amendments to Articles of Incorporation, to stipulate no lower than 0.05% and no higher than 10% of net income before tax before deducting employee and director remuneration of the current year shall be used to adjust non-executive employees' salaries or distribute remuneration for them.

2025 and 2024 employees and directors' remuneration were resolved by the Board of Directors on March 5, 2026 and March 10, 2025, respectively, the resolutions were as follows:

Estimated ratio

	2025	2024
Remuneration to employees	4%	4%
Remuneration to directors	1.5%	1.5%

Amount

	2025	2024
	Cash	Cash
Remuneration to employees	$ 6,882	$ 23,223
Remuneration to directors	2,581	8,708

If there is any change in the amount after the adoption of the annual consolidated financial statements, the change in accounting estimate values will be adjusted and recorded in the following year.

There was no difference between the actual amount of employee compensation and remuneration of directors and supervisors for fiscal years of 2024 and 2023 and the amount recognized in the consolidated financial statements for fiscal 2024 and 2023.

Please refer to the Market Observation Post System of the Taiwan Stock Exchange Corporation for information on the remuneration of employees and directors resolved by the Board of Directors of the Company.

(9) Foreign exchange (loss) gain

	2025	2024
Total foreign exchange income	$ 253,112	$ 354,989
Total foreign exchange loss	(337,658)	(215,536)
Net gain (loss)	($ 84,546)	$ 139,453

28. Income tax

(1) Income tax recognized in profit or loss

Main components of income tax expenses (benefits) were as follows:

	2025	2024
Current income tax		
Occurred in current year	$ 134,616	$ 127,849
Surtax on unappropriated earnings	5,135	-
Prior year adjustments	45,987	19,491
Deferred tax		
Occurred in current year	(61,193)	23,220
Income tax expense recognized in profit or loss	$ 124,545	$ 170,560

A reconciliation of accounting income to income tax expenses (benefits) was as follows:

	2025	2024
Net profit before tax	$ 180,097	$ 686,210
Income tax expense calculated at statutory tax rate on net income before tax	$ 100,034	$ 153,098
Nondeductible expenses in determining taxable income	417	11,014
Nonaccrual income in determining taxable income	(28,649)	(1,198)
Tax exempt income	(788)	(5,758)
Effect of deferred income tax from subsidiaries' earnings	26,862	83,677
Unrecognized temporary differences	52,205	(90,854)
Adjustments in current income tax expenses for prior years	45,987	19,491
Remittance back of oversea earnings	-	1,090
R&D deductions	(76,658)	-
Surtax on unappropriated earnings	5,135	-
	$ 124,545	$ 170,560

(2) Income tax recognized in other comprehensive income

	2025	2024
Deferred tax profit (expense)		
Current year occurred		
Conversion of foreign operations	$ 69,364	($ 39,626)
Remeasurement of defined benefit plan	(3,374)	(3,114)
	$ 65,990	($ 42,740)

(3) Current tax assets and liabilities

	December 31, 2025	December 31, 2024
Current income tax assets		
Tax refund receivable	$ 20,858	$ 7,189
Current tax liabilities – current and non-current		
Income tax payable	$ 192,162	$ 115,708

(4) Deferred tax assets and liabilities

Changes in deferred tax assets and liabilities as below:

2025

Deferred tax assets	Beginning balance	Disposal of a subsidiary	Acquisition of a subsidiary	Recognized in profit or loss	Recognized in other comprehensive income	Ending balance
Temporary differences						
Unrealized gross profit of sales	$ 79,604	$ -	$ 1	($ 13,639)	$ -	$ 65,966
Leave payable	2,445	(634)	934	104	-	2,849
Allowance for loss of market price decline and obsolete and slow-moving inventories	41,363	(20)	4,308	17,593	-	63,244
Defined retirement benefit plans	303	-	4,088	(179)	(358)	3,854
Allowance for losses	833	-	87	22,512	-	23,432
Exchange differences of foreign operations	30,918	-	11,034	-	69,364	111,316
Unrealized foreign exchange losses	206	-	-	4,317	-	4,523
Refund liabilities	718	-	18,984	(3,824)	-	15,878
Others	12,800	(284)	2,112	2,070	-	16,698
	169,190	(938)	41,548	28,954	69,006	307,760
Loss credit	3,246	(3,246)	-	25,697	-	25,697
	$ 172,436	($ 4,184)	$ 41,548	$ 54,651	$ 69,006	$ 333,457
Deferred tax liabilities						
Temporary differences						
Property, plant and equipment	$ 16,109	$ -	$ -	($ 4,195)	$ -	$ 11,914
Defined retirement benefit plans	9,688	-	5,678	(561)	3,016	17,821
Unrealized foreign exchange gains	634	-	2,122	(1,786)	-	970
Others	68,749	-	-	-	-	68,749
	$ 95,180	$ -	$ 7,800	($ 6,542)	$ 3,016	$ 99,454

2024

Deferred tax assets	Beginning balance	Recognized in profit or loss	Recognized in other comprehensive income	Ending balance
Temporary differences				
Unrealized gross profit of sales	$ 54,239	$ 25,365	$ -	$ 79,604
Leave payable	2,386	59	-	2,445
Allowance for loss of market price decline and obsolete and slow-moving inventories	29,617	11,746	-	41,363
Defined retirement benefit plans	303	-	-	303
Allowance for losses	3,353	(2,520)	-	833
Exchange differences of foreign operations	70,544	-	(39,626)	30,918
Unrealized foreign exchange losses	1,464	(1,258)	-	206
Others	7,721	5,797	-	13,518
	169,627	39,189	(39,626)	169,190
Loss credit	9,310	(6,064)	-	3,246
	$ 178,937	$ 33,125	($ 39,626)	$ 172,436

Deferred tax liabilities	Beginning balance	Recognized in profit or loss	Recognized in other comprehensive income	Ending balance
Temporary differences				
Property, plant and equipment	$ 20,174	($ 4,065)	$ -	$ 16,109
Defined retirement benefit plans	6,541	33	3,114	9,688
Unrealized foreign exchange gains	257	377	-	634
Others	8,749	60,000	-	68,749
	$ 35,721	$ 56,345	$ 3,114	$ 95,180

(5) Relevant information on unused loss carryforwards

As of December 13, 2025, information on loss carryforwards is as follows:

Unused balance	Final creditable year
$ 11,001	2030
3,033	2031
1,784	2032
147,332	2035
$ 163,150	

(6) Aggregate amount of temporary differences related to investments and not recognized as deferred income tax liabilities

As of December 31, 2025 and 2024, taxable temporary differences related to investments in subsidiaries and not recognized as deferred income tax liabilities were $2,449,082 thousand and $2,197,219 thousand, respectively.

(7) Income tax assessments

The income tax returns of the Company, the subsidiaries, De Fa Company, Lucky Unique, De Kao Company, GOOD & WELL, Tung Ming Company, and Futures Co., Ltd., through 2023, and the subsidiary, Well&David Corp. through 2022 have been assessed by the tax authorities.

29. Earnings per share

In calculating earnings per share, the effect of stock dividends has been retrospectively adjusted. The base date of the stock dividends is August 11, 2025. For the retrospective adjustments, changes in basic and diluted earnings per share for the year ended December 31, 2024:

Expressed in NTD per share

	Before retrospectively adjustments 2024	After retrospectively adjustments 2024
Basic earnings per share	$ 1.04	$ 0.99
Diluted earnings per share	$ 1.03	$ 0.99

Profit and weighted average number of common stock outstanding that were used in the computation the net income of earnings per share were as follows:

Profit for the year

	2025	2024
Profit attributable to the Company's owners	$ 150,063	$ 422,003

Shares

(In thousands of shares)

	2025	2024
Weighted average number of outstanding shares	425,576	425,576
Weighted average treasury shares – parent company's shares held by subsidiaries	(1,676)	-
Weighted average number of outstanding shares used in calculation of basic earnings per share	423,900	425,576
Effect of dilutive potential common stock:		
Employee remuneration	847	1,488
Weighted-average number of common shares for the purpose of diluted earnings per share	424,747	427,064

If the Group has the option to pay employees in stock or cash, the calculation of diluted earnings per share assumes that employee compensation will be paid in stock and is included in the weighted-average number of common shares outstanding for the purpose of calculating diluted earnings per share when the potential common shares have a dilutive effect. The dilutive effect of these potential common shares will continue to be considered in the calculation of diluted earnings per share prior to the issuance of employee compensation shares in the following year.

30. Business combination

(1) Acquisition of subsidiaries

	Main operating activities	Acquisition date	Acquisition ratio (%)	Consideration transferred
Lucky Unique Group	Manufacturing and trading of apparel	January 10, 2025	46.4%	$ 431,529

(2) Consideration transferred

Consideration transferred for acquisition of Lucky Unique Group is cash.

(3) Assets acquired and liabilities assumed at the acquisition date

	Lucky Unique Group
Current assets	
Cash and cash equivalents	$ 336,195
Financial assets at amortized cost - current	177,465
Receivables (including related parties)	777,829
Inventories	354,499
Others	239,457
Non-current assets	
Property, plant and equipment	1,640,134
Right-of-use assets	227,054
Others	266,459
Current liabilities	
Short-term borrowings	(1,443,646)
Payables	(404,531)
Other payables (including related parties)	(443,380)
Current portion of long-term borrowings	(117,605)
Others	(262,647)
Non-current liabilities	
Long-term borrowings	(406,956)
Others	(60,905)
Net assets acquired	$ 879,422

The original accounting treatment in acquisition of Lucky Unique Group at the balance sheet date is tentative. As of the date the consolidated financial statements were approved for issue, the market valuation and other calculations required haven't been completed. Therefore, the tentative possible value of assets and liabilities is based on the management's best estimates.

(4) Non-controlling interests

Non-controlling interests of Lucy Unique Group are measured in proportion to the share of amounts recognized for the net identifiable assets of the acquiree.

(5) Goodwill arising from acquisition

	Lucky Unique Group
Consideration transferred	$ 431,529
Add: non-controlling interests	421,603
Add: equity of Lucky Unique Group originally held	150,230
Add: De Licacy Company's shares held by Lucky Unique Group not belong to non-controlling interests	12,471
Less: fair value of identifiable assets acquired	(879,422)
Goodwill arising from acquisition	$ 136,411

As of the date the consolidated financial statements are issued, the report of amortization of the acquisition price to acquire Lucky Unique Group hasn't been completed, the differences between the investing costs and the net worth of equity acquired are tentatively presented under goodwill.

(6) Net cash outflows in acquisition of subsidiaries

	Lucky Unique Group
Consideration paid by cash	$ 431,529
Less: cash balance acquired	(336,195)
	$ 95,334

31. Disposal of subsidiaries

The Group approved by the board of directors on March 10, 2025 to sell Chadtex Company to Chia Her Company, and the settlement of equity transfer has been completed in 2025. Therefore, the Company lost control over Chadtex Company. Chadtex Company was responsible for the Group's textile manufacturing, dyeing and finishing, and trading of various textiles.

(1) Consideration received

	Chadtex Company
Cash	$ 37,088

(1) Analysis to the assets and liabilities lost control

	Chadtex Company
Current assets	
Cash	$ 35,928
Receivables	61,374
Other receivables	7,831
Others	4,938
Non-current assets	
Property, plant and equipment	229
Deferred tax assets	4,184
Current liabilities	
Payables	(36,363)
Other payables	(9,087)
Other payables – related parties	(1,042)
Others	(538)
Non-current liabilities	
Guaranteed deposits received	(590)
Net assets disposed	$ 66,864

(3) Gains on disposal of subsidiary

	Chadtex Company
Consideration received	$ 37,088
Net assets disposed	(66,864)
Non-controlling interests	30,194
Gains on disposal	$ 418

(4) Net cash inflows from disposal of subsidiary

	Chadtex Company
Consideration received by cash	$ 37,088
Less: cash balance disposed	35,928
	$ 1,160

32. Equity transactions with non-controlling interests

Well&David Corp. implemented capital increase after covering accumulated deficit by capital reduction on March 31, 2025. As the Group did not subscribe in proportion to the percentage of ownership, the percentage of ownership increased from 55.6% to 82.37%.

Lucky Unique implemented capital increase of $197,534 thousand on April 17, 2025. As the Group did not subscribe in proportion to the percentage of ownership, the percentage of ownership decreased from 70.02% to 67.96%.

Lucky Unique purchased 3.92% of the shares from non-controlling interests on August 31, 2025, resulting in the increase in percentage of ownership from 91.28% to 95.2%.

Well&David Corp. purchased 45% of the shares from non-controlling interests on July 31, 2025, resulting in the increase in percentage of ownership from 55% to 100%.

De Licacy Samoa Company purchased 50% of the shares from non-controlling interests on August 1, 2025, resulting in the increase in percentage of ownership from 50% to 100%.

As the aforementioned transactions did not change the Group's control over those subsidiaries, they are treated as equity transactions.

December 31, 2025

	De Licacy Samoa Company	Well&David Corp.	Lucky Unique
Consideration received (paid)	($ 35,000)	$ 5,104	$ 65,172
Amounts of carrying amount of subsidiaries' net assets transferred out (in) from (to) non-controlling interests in accordance relative changes in equity	23,497	54,705	(68,909)
Differences in equity transactions	($ 11,503)	$ 59,809	($ 3,737)

	De Licacy Samoa Company	Well&David Corp.	Lucky Unique	Total
Accounts adjusted for difference in equity transactions				
Capital surplus – recognition of changes in ownership interests in subsidiaries	($ 11,503)	$ 59,809	($ 4,442)	$ 43,864
Treasury shares	-	-	705	705
	($ 11,503)	$ 59,809	($ 3,737)	$ 44,569

33. Non-cash transactions

The Group has the following non-cash transaction investment in 2025 and 2024:

(1) Acquisition of property, plant and equipment

	2025	2024
Affects cash and non-cash investments		
Additions of property, plant, and equipment	$ 345,977	$ 548,317
Amounts of capitalized interests	(3,188)	(13,339)
Increase in equipment payables and notes payables	51,018	(3,350)
Cash paid for property, plant and equipment	$ 393,807	$ 531,628

(2) Disposal of property, plant and equipment

	2025	2024
Affects cash and non-cash investments		
Proceeds from disposal of property, plant and equipment	$ 33,260	$ 44,547
Decrease in other receivables (including related parties)	4,774	22,756
Cash received for property, plant and equipment	$ 38,034	$ 67,303

(3) Disposal of right-of -use assets

	2025	2024
Affects cash and non-cash investments		
Proceeds from disposal of right-of-use assets	$ -	$ 970
Decrease in other receivables	2,549	4,048
Cash received for right-of-use assets	$ 2,549	$ 5,018

34. Capital risk management

Due to the need to maintain adequate capital to support the upgrading of plant and equipment, the Group will be required to maintain adequate capital. Therefore, the capital management of the Group is to ensure that the necessary financial resources and operating plans are in place to meet the future needs of working capital, capital expenditure, research and development expenses, debt repayment and dividend payment.

35. Financial instruments

(1) Fair value information - Financial instruments measured at fair value on a repetitive basis

1. Fair value hierarchy

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Domestic listed stocks	$ 10,504	$ -	$ -	$ 10,504
Fund beneficiary certificates	6,608	-	-	6,608
Bonds	46,827	-	-	46,827
Total	$ 63,939	$ -	$ -	$ 63,939
Financial assets at fair value through other comprehensive income-current				
Domestic listed stocks	$ 64,376	$ -	$ -	$ 64,376
Financial assets at fair value through other comprehensive income-non-current				
Domestic non-listed stocks	$ -	$ -	$ 1,476	$ 1,476

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Domestic listed stocks	$ 4,386	$ -	$ -	$ 4,386
Fund beneficiary certificates	13,974	-	-	13,974
Total	$ 18,360	$ -	$ -	$ 18,360
Financial assets at fair value through other comprehensive income-current				
Domestic listed stocks	$ 208,997	$ -	$ -	$ 208,997

There were no transfers between Level 1 and Level 2 fair value measurements in 2025 and 2024.

2. Reconciliation of financial instruments at Level 3 fair value

Financial assets at fair value through profit or loss

Financial assets	2025
Beginning balance	$ -
Acquisition of subsidiaries	1,476
Ending balance	$ 1,476

(2) Type of financial instruments

	December 31, 2025	December 31, 2024
Financial assets		
Measured at fair value through profit or loss		
Mandatorily measured at fair value through profit or loss	$ 63,939	$ 18,360
Financial assets at amortized cost (Note 1)	3,995,804	4,309,845
Financial assets at fair value through other comprehensive income-Investments in equity instruments	65,852	208,997
Financial liabilities		
At amortized cost (Note 2)	9,905,595	9,108,234

Note 1: Balances include cash and cash equivalents, notes and accounts receivable (including related parties), other receivables (including related parties), financial assets carried at amortized cost (both current and non-current) and refundable deposits, and other financial assets carried at amortized cost.

Note 2: The balance includes financial liabilities measured at amortized cost such as short-term borrowings, short-term bills payable, notes and accounts payable (including related parties), other payables (including related parties), long-term bank loans (including those due within one year) and guarantee deposits.

(3) Financial risk management objectives and policies

The Group's major financial instruments include investments in equity instruments, receivables, payables, lease liabilities and borrowings. The Group's financial management department provides services to each business unit, coordinates access to domestic and international financial markets, and monitors and manages the financial risks associated with the Group's operations through internal risk reporting that analyzes risk exposures based on the level and breadth of risk. These risks include market risk (including exchange rate risk, interest rate risk and other price risks), credit risk and liquidity risk.

The Group mitigates the effects of these risks by hedging the risk through derivative financial instruments. The use of derivative financial instruments is governed by the policies adopted by the Group's board of directors, which are the written principles for exchange rate risk, interest rate risk, use of derivative financial instruments and non-derivative financial instruments, and investment of surplus liquidity. Internal auditors review compliance with the policy and the amount of risk exposure on an ongoing basis. The Group does not trade in financial instruments (including derivative financial instruments) for speculative purposes.

1. Market risk

The main financial risks to which the Group is exposed as a result of its operating activities are foreign currency exchange rate risk (see (1) below), interest rate risk (see (2) below), and other price risk (see (3) below).

The Group engages in various derivative financial instruments to manage its exposure to foreign currency exchange rate risk, including exchange rate swap contracts to hedge the exchange rate risk arising from foreign sales of goods.

There is no change in the Group's exposure to market risk of financial instruments and its management and measurement of such exposure.

(1) Exchange rate risk

The Group engages in foreign currency-denominated sales and import transactions and foreign currency borrowings, which expose the Group to exchange rate risk. The carrying amounts of the Group's monetary assets and monetary liabilities denominated in non-functional currencies as of the balance sheet date (including monetary items denominated in non-functional currencies that have been eliminated in the Consolidated Financial Statements) are described in Note 39.

Sensitivity analysis

The Group is primarily affected by fluctuations in the U.S. dollar exchange rate. The following Schedule details the sensitivity analysis of the Group when the functional currency strengthens or weakens by 1% against the U.S. dollar. The sensitivity analysis includes only foreign currency items in circulation. A positive number in the Schedule below represents the amount by which pre-tax income would increase if the functional currency weakened by 1% relative to the U.S. dollar; a negative number in the same amount would affect pre-tax income if the functional currency strengthened by 1% relative to the U.S. dollar.

	2025	2024
Profit or loss	$ 14,444	$ 9,137

This was mainly due to the Group's cash and cash equivalents denominated in U.S. dollars, financial assets measured at amortized cost, receivables, other receivables, payables, other payables and borrowings that were outstanding and not cash flow hedged at the balance sheet date.

The changes in the Group's sensitivity to foreign exchange rates during the year was mainly due to the increase or decrease in the Group's financial assets at amortized cost denominated in USD

(2) Interest rate risk

Interest rate risk arises because individuals in the Group borrow funds at both fixed and floating interest rates. The Group manages interest rate risk by maintaining an appropriate mix of fixed and floating interest rates.

The carrying amounts of the Group's financial assets and financial liabilities exposed to interest rate risk as of the balance sheet date were as follows:

	December 31, 2025	December 31, 2024
Fair value interest rate risk		
Financial assets	$ 567,345	$ 385,832
Financial liabilities	971,026	982,230
Cash flow interest rate risk		
Financial assets	1,310,614	1,506,231
Financial liabilities	7,627,011	6,305,117

Sensitivity analysis

If interest rates had increased by 1%, the Group's income before tax would have decreased by $63,164 thousand and $47,989 thousand for fiscal years of 2025 and 2024, respectively, with all other variables held constant.

The increase in the Group's sensitivity to interest rates for the year was mainly due to the increase in variable interest rate deposits.

(3) Other price risk

The Group's equity price risk arising from its investment in domestic listed and unlisted securities is insignificant.

2. Credit risk

Credit risk refers to the risk of financial loss resulting from the counterparties' default on contractual obligations. As of the balance sheet date, the Group's maximum exposure to credit risk due to non-performance of counterparties' obligations mainly arise from the carrying amount of financial assets recognized in the Group's balance sheet.

The Group's counterparties are all creditworthy organizations and are not expected to have significant credit risk.

3. Liquidity risk

The Group manages and maintains sufficient cash and cash equivalents to support its operations and mitigate the impact of cash flow fluctuations. The Group's management monitors the use of banking facilities and ensures compliance with the terms of borrowing contracts.

The Group's working capital and the obtained banking facilities are sufficient to meet future operating requirements, and therefore there is no liquidity risk due to the inability to raise funds to meet contractual obligations.

Table of liquidity and interest rate risk of non-derivative financial liabilities

The analysis of the remaining contractual maturities of non-derivative financial liabilities is prepared based on the undiscounted cash flows (including principal and estimated interest) of financial liabilities based on the earliest possible date that the Group could be required to repay. Accordingly, the Group's bank loans that may be required to be repaid immediately are listed in the Schedule below at the earliest possible date, without considering the probability that the bank will immediately enforce the right; the maturity analysis of other non-derivative financial liabilities is prepared based on the contractual repayment dates.

The undiscounted interest amount of interest cash flows paid at floating interest rates is derived from the curve of the yield rate at the balance sheet date.

December 31, 2025

	Less than 6 months	6 months to 1 year	1 to 9 years
Non-derivative financial liabilities			
No interest-bearing liabilities	$ 1,380,075	$ -	$ 4,982
Lease liabilities	17,812	14,308	48,145
Floating rate instrument	3,249,249	1,623,510	3,219,137
Fixed rate instrument	838,843	28,043	31,323
	$ 5,485,979	$ 1,665,861	$ 3,303,587

December 31, 2024

	Less than 6 months	6 months to 1 year	1 to 9 years
Non-derivative financial liabilities			
No interest-bearing liabilities	$ 1,827,669	$ -	$ 5,966
Lease liabilities	5,165	2,201	5,876
Floating rate instrument	2,755,761	1,285,908	2,751,929
Fixed rate instrument	970,000	-	-
	$ 5,558,595	$ 1,288,109	$ 2,763,771

The amount of floating rate instruments for the above non-derivative financial liabilities will vary depending on the difference between the floating rate and the interest rate estimated at the balance sheet date.

36. Related-party transactions

All transactions, account balances, revenues and expenses between the Company and its subsidiaries (which are related parties of the Company) were eliminated upon consolidation and are therefore not disclosed in this note. In addition to those disclosed in other notes, the transactions between the Group and other related parties were as follows:

(1) Names of related parties and their relationships

Name of related party	Relationship with the Group
Atago Garment Vietnam Company Limited (Vietnam ATAGO Company)	Associate
Lucky Unique	Associate (Note 1)
Tung Ming Company	Subsidiary of associate, Lucky Unique (Note 1)
De Kao Company	Subsidiary of associate, Lucky Unique (Note 1)
Lucky Unique Enterprise (Vietnam) Co., Ltd.	Subsidiary of associate, Lucky Unique (Note 1)
Well&David Corp.	Subsidiary of associate, Lucky Unique (Note 1)
Yeh, Fu-Lin	First degree relative of chairman of the Company
Yeh, Chia-Ming	Key management
Yeh, Chia-How	Key management
Yeh, Wei-Li	Second degree relative of chairman of the Company
Future Tycoon Holdings Co., Ltd.	Key management is chairman of the company
Delight Industrial Co., Ltd.	The chairman of the Company is the second degree of relative of chairman of the company
Delight (SAMOA) Co., Ltd.	Key management is chairman of the company
Delight (Vietnam) Co., Ltd.	Key management is chairman of the company
Doyo Enterprise Co., Ltd.	The chairman of the Company is a director of the company
Sheng-Bo Technology Corp.	The chairman of the Company is a director of the company
DNE Energy Inc.	The chairman of the company and the Company is the same person.
Lucky Unique International Co., Ltd.	The chairman of the company and the Company is the same person.
Anqing Defa Textile Co., Ltd.	The vice chairman of the Company is the major shareholder of the company.
Lucky Apex Ventures Limited (Lucky Apex)	The vice chairman of the Company is the major shareholder of the company.
Future Power International Co., Ltd.	The general manager of the Company is the second degree relative of the chairman of the company.
DI JAJ SPACE DESIGN CO., LTD.	The general manager of the Company is the second degree relative of the chairman of the company.
The Kingtex Corp.	Substantive related party (Note 2)

Note 1: Became the subsidiary of the Company after January 10, 2025.

Note 2: Became a related party of the Company after January 10, 2025.

(2) Operating revenue

Item	Type of related party	2025	2024
Sales of goods sold	Associate	$ 11,561	$ 360,670
	Key management is chairman of the company	71,623	45,641
	Subsidiary of associate, Lucky Unique (Note 1)	-	127,546
	The vice chairman of the Company is the major shareholder of the company.	22,216	24,827
	The chairman of the Company is the second degree of relative of chairman of the company	12	339
	The general manager of the Company is the second degree relative of the chairman of the company.	1,301	240
		$ 106,713	$ 559,263

The Group's sales prices to related parties are comparable to those of non-related parties, and the collection terms are one to three months at the end of each month, which are not materially different from those of non-related parties.

(3) Purchase

Type of related party	2025	2024
Key management is chairman of the company	$ 30,113	$ 39,055
Associate (Note 1)	-	144,102
Subsidiary of associate, Lucky Unique (Note 1)	-	471
The vice chairman of the Company is the major shareholder of the company.	648,364	776,069
The chairman of the Company is the second degree of relative of chairman of the company	(32)	-
The general manager of the Company is the second degree relative of the chairman of the company.	50,883	80,777
	$ 729,328	$ 1,040,474

The Group has no comparable purchase price for related party products. The payment period of related party is approximately one month at the end of each month, which is not materially different from that of non-related party.

(4) Receivables from related parties (excluding loans to related parties)

Item	Type of related party / Name	December 31, 2025	December 31, 2024
Notes receivable-related parties	Associate (Note 1)／Lucky Unique	$ -	$ 5,015
	Subsidiary of associate, Lucky Unique (Note 1)／Tung Ming Company	-	4,091
	The general manager of the Company is the second degree relative of the chairman of the company. ／Future Power International Co., Ltd.	41	-
		$ 41	$ 9,106
Accounts receivable-related parties	Key management is chairman of the company Associate ／Lucky Unique	$ 11,920	$ 5,186
	Subsidiary of associate, Lucky Unique (Note 1)／De Kao Company	-	22,836
	Associate (Note 1) ／Lucky Unique	-	209,464
	Subsidiary of the associate, Lucky Unique (Note 1)	-	9,840
	Associate	9	29
	The vice chairman of the Company is the major shareholder of the company. ／Anqing Company	-	7,215
	The chairman of the Company is the second degree of relative of chairman of the company	-	46
	The general manager of the Company is the second degree relative of the chairman of the company.	1,179	18
		$ 13,108	$ 254,634

Item	Type of related party / Name	December 31, 2025	December 31, 2024
Other receivables – related parties	Key management is chairman of the company Associate ／Future Tycoon Holdings	$ 1,991	$ -
	Associate (Note 1) ／ Lucky Unique	-	3,815
	Subsidiary of the associate, Lucky Unique (Note 1)	-	30
	The chairman of the Company is the second degree of relative of chairman of the company	-	78
	Key management is chairman of the company Associate ／Future Tycoon Industrial	-	2064
	The general manager of the Company is the second degree relative of the chairman of the company. ／Future Power International Co., Ltd.	196	1,230
	The vice chairman of the Company is the major shareholder of the company.	984	-
		$ 3,171	$ 7,217

No guarantees have been received for related party receivables outstanding. No allowance for losses has been provided for related party receivables in 2025 and 2024.

(5) Payables to related parties (excluding loans from related parties)

Item	Type of related party / Name	December 31, 2025	December 31, 2024
Notes payable-related parties	Subsidiary of associate, Lucky Unique (Note 1)／Tung Ming Company	$ -	$ 33,120
	Associate (Note 1)／Lucky Unique	-	35,555
	The general manager of the Company is the second degree relative of the chairman of the company. ／Future Power International Co., Ltd.	9,220	-
		$ 9,220	$ 68,675
Accounts payable-related parties	Key management is chairman of the company／Future Tycoon Enterprise Co., Ltd.	$ 4,499	$ 83,711
	Subsidiary of associate, Lucky Unique (Note 1)／Tung Ming Company	-	35,527
	Associate (Note 1)／Lucky Unique	-	43,363
	The vice chairman of the Company is the major shareholder of the company. ／Anqing Defa Textile Co., Ltd.	10,654	60,543
	The general manager of the Company is the second degree relative of the chairman of the company. ／Future Power International Co., Ltd.	29,109	38,750
		$ 44,262	$ 261,894

Item	Type of related party / Name	December 31, 2025	December 31, 2024
Other payables-related parties	Subsidiary of associate, Lucky Unique (Note 1)	$ -	$ 23
	Associate (Note 1)	-	-
	The chairman of the company and the Company is the same person.	-	144
	The general manager of the Company is the second degree relative of the chairman of the company. (Note 3) ／Future Power International Co., Ltd.	1,513	2,229
	Key management is chairman of the company	172	-
	The vice chairman of the Company is the major shareholder of the company. ／ Lucky Apex	467	8,269
	The vice chairman of the Company is the major shareholder of the company.	6,335	-
		$ 8,487	$ 10,665

The outstanding balance due to related parties is unsecured and will be settled in cash.

(6) Prepayments

Type of related party / Name	December 31, 2025	December 31, 2024
The vice chairman of the Company is the major shareholder of the company／Anqing Defa Textile Co., Ltd.	$ 10,160	$ -

(7) Acquisition of property, plant and equipment

Type of related party / Name	Consideration of acquisition
	2025
The chairman of the company and the Company is the same person.／DNE Energy Inc.	$ 21,970

(8) Disposal of property, plant and equipment

	Proceeds from disposal		Gain (loss) on disposal	
Type of related party / Name	2025	2024	2025	2024
The general manager of the Company is the second degree relative of the chairman of the company. (Note 3)／Future Power International Co., Ltd.	$ 50	$ 560	$ 50	($ 3,545)
Associate (Note 1)／Lucky Unique	-	27,416	-	23,820
Key management is chairman of the company／Future Tycoon Enterprise Co., Ltd.	13,364	-	(3,574)	-
The vice chairman of the Company is the major shareholder of the company	90	-	(11)	-
	$ 13,504	$ 27,976	($ 3,535)	$ 20,275

(9) Operating lease - for rent

Type of related party / Name	Rent objective	Leasing period
Associate (Note 1)／Lucky Unique	Plant	January 2021 to December 2024
Associate (Note 1)／Lucky Unique	Plant	January 2023 to December 2024
Associate (Note 1)／Lucky Unique	Waste water treatment equipment	January 2024 to December 2024
The Chairman is the same person	Plant roof (Note)	October 2017 to October 2037
The Chairman of the Company is a director of the company	Plant roof (Note)	October 2017 to October 2037
The chairman of the company and the Company is the same person.	Office	January 2025 to March 2028

Note: The Company leased the roof of the plant to related party for solar power generation at a rent of 7% of the sales revenue of the solar power system.

The lease payments that will be collected in the future are summarized as follows:

Type of related party / Name	2025	2024
The chairman of the Company is the second degree of relative of chairman of the company／Delight Industrial Co., Ltd.	$ 1,350	$ -

Summary of leasing revenue is as below:

Type of related party / Name	2025	2024
Associate (Note 1)／Lucky Unique	$ -	$ 5,817
The Chairman of the Company is a director of the company	335	338
The Chairman is the same person	64	106
The chairman of the Company is the second degree of relative of chairman of the company	624	-
	$ 1,023	$ 6,261

(10) Loans to related parties

Type/Name of related party	December 31, 2025	December 31, 2024
Other receivables-related parties		
Substantive related party (Note 2) ／The Kingtex Corp.	$ 56,574	$ -
Associate (Note 1)／Lucky Unique	-	100,000
	$ 56,574	$ 100,000

Type of related party	2025	2024
Interest income		
Associate	$ 384	$ 1,963
Interest rate	7.5%	3%

The Group provides short-term loans to related parties as non-guaranteed loans.

(11) Borrowings from related parties

Type of related party / Name	2025	2024
Interest expense		
First degree relative of chairman of the Company (1)	$ -	$ 27
The Chairman is the same person. (2)	884	-
Key management (3)	-	64
	$ 884	$ 91
Interest rate (1)	-	4.8%
Interest rate (2)	3.5%	-
Interest rate (3)	-	2%

The Group's borrowings from related parties bear interest rates comparable to market rates. All loans are unsecured loans.

(12) Endorsements/guarantees

Part of the long-term and short-term loans of the Group as of December 31, 2025 and 2024 were endorsements/guarantees provided by key management of the Company, the Chairman, Yeh, Chia-Ming.

(13) Other related party transactions

1. Processing fees

The Group pays the related party's entrusted processing fee, which is recorded as operation cost according to its nature, none of similar products processing price can be compared, and the payment terms are monthly for 1 to 3 months.

Type of related party/ Name	2025	2024
Key management is director of the company ／Future Tycoon Enterprise Co., Ltd.	$ 433,310	$ 406,888
Subsidiary of associate, Lucky Unique (Note 1) ／Tung Ming Company	-	349,460
Associate (Note 1)／ Lucky Unique	-	198,860
The general manager of the Company is the second degree relative of the chairman of the company.／Future Power International Co., Ltd.	259,280	278,734
	$ 692,590	$ 1,233,942

2. Manufacturing and operating expense

The Group's expenses for purchasing gifts from related parties and renting sample display rooms are as follows:

Type of related party/ Name	2025	2024
The chairman of the Company is the second degree of relative of chairman of the company	$ -	$ 608
Subsidiary of associate, Lucky Unique (Note 1)	-	5,630
Associate (Note 1)	-	201
The general manager of the Company is the second degree relative of the chairman of the company.	520	1,605
The vice chairman of the Company is the major shareholder of the company	38,679	115,932
Key management is chairman of the company	641	-
	$ 39,840	$ 123,976

3. Other income

The income from counseling services and commissions were as follows:

Type of related party	2025	2024
Key is chairman directors of the company	$ 10,110	$ 6,543
Associate (Note 1)／Lucky Unique	-	26,042
Subsidiary of associate, Lucky Unique (Note 1)	-	31
The general manager of the Company is the second degree relative of the chairman of the company.	3,377	3,815
The vice chairman of the Company is the major shareholder of the company	10,818	2,048
The chairman of the Company is the second degree of relative of chairman of the company	24	-
	$ 24,329	$ 38,479

(14) Remuneration to key management personnel

The Group's total remuneration to directors and other key management personnel is as follows:

	2025	2024
Short-term employee benefits	$ 33,615	$ 42,240
Post-employment benefits	135	639
	$ 33,750	$ 42,879

The remuneration of directors and other key management personnel is determined by the Remuneration Committee based on the current year's operating results and the base of year-end bonuses paid in previous years.

37. Pledged assets

The following assets of the Group have been provided as collateral for bank loans or performance guarantee for subsidized projects:

	December 31, 2025	December 31, 2024
Land	$ 560,860	$ 266,446
Buildings	1,273,815	95,332
Machinery equipment	763,583	-
Right-of-use assets	394,646	272,236
Investment properties	-	64,033
Guaranteed deposits paid	5,000	-
Financial assets at fair value through profit or loss	33,011	-
Financial assets at fair value through other comprehensive income-current	32,632	37,090
Pledged bank deposits (classified as financial assets at amortized cost-current and non-current)	355,292	105,542
Fubon Life subordinated bonds (classified as financial assets at amortized cost-current and non-current)	202,695	202,952
	$ 3,621,534	$ 1,043,631

38. Significant contingent liabilities and unrecognized contractual commitments

In addition to those described in other Notes, the Group has the following significant commitments and contingent liabilities on its balance sheet:

(1) As of December 31, 2025 and 2024, the Group has opened unused letters of credit for raw materials purchases of $14,690 thousand and $10,500 thousand, respectively.

(2) The Group's unrecognized contractual commitments were as follows:

	December 31, 2025	December 31, 2024
Purchase of property, plant and equipment	$ 34,005	$ 148,706

(3) As of December 31, 2025 and 2024, the Group has provided guarantee notes of $702,100 thousand and $669,100 thousand for the purchase of raw materials and the provision of guarantees for borrowing lines from financial institutions, respectively.

39. Information on foreign currency assets and liabilities with significant impacts

The following information is presented in the aggregate in foreign currencies other than the functional currency of each entity of the Group. Information on financial assets and liabilities denominated in foreign currencies that have a significant effect is as follows: (In thousands of foreign currency and New Taiwan Dollars)

December 31, 2025

Foreign currency assets	Foreign currency	Foreign exchange rate	Carrying amount
Monetary item			
USD	$ 106,556	31.43 (USD: NTD)	$ 3,349,050
USD	2,941	7.0288 ((USD:CNY)	92,446
USD	6,521	26,224 (USD:VND)	204,962
Non-monetary item			
Associated companies accounted for using equity method			
HKD	92,018	7.7836 (HKD: USD)	371,568
Foreign currency liabilities			
Monetary item			
USD	38,525	31.43 (USD: NTD)	1,210,858
USD	2,564	7.0288 (USD:CNY)	80,577
USD	28,972	26,224 (USD:VND)	910,592

December 31, 2024

Foreign currency assets	Foreign currency	Foreign exchange rate	Carrying amount
Monetary item			
USD	$ 79,144	32.785 (USD: NTD)	$ 2,594,726
USD	5,424	7.1884 (USD:CNY)	177,843
USD	22,731	25,376 (USD:VND)	745,226
Non-monetary item			
Associated companies accounted for using equity method			
HKD	91,880	7.7653 (HKD: USD)	387,916
Foreign currency liabilities			
Monetary item			
USD	31,992	32.785 (USD: NTD)	1,048,851
USD	196	7.1884 (USD: CNY)	6,421
USD	47,242	25,376 (USD: VND)	1,548,825

The Group is primarily exposed to foreign currency exchange rate risk for the U.S. dollar, CNY and Vietnamese Dong. The following information is presented as a summary of the functional currencies of the individual foreign currency holdings, and the exchange rates disclosed represent the rates at which those functional currencies were translated into the presentation currency. Foreign currency exchange gains and losses (realized and unrealized) with significant effect are as follows:

	2025		2024	
Functional currency	Functional currency to Presentation currency	Net FX income (loss)	Functional currency to Presentation currency	Net FX income (loss)
NTD	1 (NTD:NTD)	($ 110,728)	1 (NTD:NTD)	$ 123,206
USD	31.18 (USD:NTD)	(432)	- (USD:NTD)	-
CNY	4.3645 (CNY:NTD)	16,558	4.5099 (CNY:NTD)	28,792
VND	0.001201 (VND:NTD)	10,056	0.001285 (VND:NTD)	(12,545)
		($ 84,546)		$ 139,453

40. Matters disclosed in the notes

(1) Information about major transactions:

1. Loans to others: see Schedule 1.
2. Endorsement and guarantee for others: see Schedule 2.
3. Significant marketable securities held at the end of the period (excluding investments in subsidiaries, associates and joint ventures): see Schedule 3.
4. Purchase from or sale to related parties amounting to at least $100 million or 20% of the paid-in capital: see Schedule 4.
5. Receivables from related parties amounting to at least $100 million or 20% of the paid-in capital: see Schedule 5.
6. Derivative transactions: None.
7. Others: Business relationships and significant transactions between the parent and subsidiaries and between subsidiaries: see Schedule 9.

(2) Information about the investees: see Schedule 6.

(3) Information on investees in Mainland China:

1. Name of the investee company in, main business items, paid-in capital, investment method, capital remittance, shareholding, investment gain or loss, closing balance of investment, repatriated investment gain or loss, and investment limit in China: see Schedule 7.
2. Significant transactions with the investee company in China, directly or indirectly through a third country, and the prices, terms of payment, and unrealized gains or losses:
   (1) The balance and percentages of import amounts and related payables at the end of the period: see Schedule 8.
   (2) Amounts and percentages of sales and related receivables: see Schedule 8.
   (3) Amount of property transactions and the amount of resulting gain or loss: None.
   (4) End-of-period balance and purpose of guarantees or collaterals provided: see Schedule 2.
   (5) Maximum balance, ending balance, interest rate range, and total current interest on financial instruments: see Schedule 1.
   (6) Other transactions that have a significant effect on current income or financial position, such as the provision or receipt of labor services: None.

41. Segment information

(1) Segment revenue and operating results

The Group is in the textile industry. The financial information provided to the chief operating decision maker for the purpose of allocating resources and evaluating the performance of the divisions focuses on the Company and its subsidiaries, and is presented below by reportable segment:

	The Company	Hangzhou De Licacy Group (Note 1)	Nantong De Licacy Group (Note 1)	Vietnam De Licacy Group (Note 2)	Lucky Unique Group (Note 3)	Others	Adjustments and write-offs	Adjusted amount
2025								
Revenue from customers other than the Company and consolidated subsidiaries	$ 2,506,722	$ -	$ 3,434,654	$ 4,203,718	$ 2,368,561	$ 61,208	$ -	$ 12,574,863
Revenue from the Company and subsidiaries	870,543	-	4,057	207,552	594,708	12,228	(1,689,088)	-
Total income	$ 3,377,265	$ -	$ 3,438,711	$ 4,411,270	$ 2,963,269	$ 73,436	($ 1,689,088)	$ 12,574,863
Segment income (loss)	($ 107,869)	$ -	$ 79,966	$ 456,527	($ 53,917)	($ 6,743)	($ 5,743)	$ 362,221
Interest income								36,583
Other income								164,842
Other benefits and losses								(132,060)
Finance costs								(250,931)
Share of profit of associated companies and joint ventures accounted for using equity method								(558)
Net segment income before tax								$ 180,097
2024								
Revenue from customers other than the Company and consolidated subsidiaries	$ 3,481,756	$ 1,791,162	$ -	$ 4,117,894	$ -	$ 2,603,210	$ -	$ 11,994,022
Revenue from the Company and subsidiaries	472,150	1,287,316	-	221,147	-	1,483,489	(3,464,102)	-
Total income	$ 3,953,906	$ 3,078,478	$ -	$ 4,339,041	$ -	$ 4,086,699	($ 3,464,102)	$ 11,994,022
Segment income (loss)	($ 81,789)	$ 82,121	$ -	$ 308,914	$ -	$ 282,889	$ 5	$ 592,140
Interest income								32,500
Other income								115,326
Other benefits and losses								200,783
Finance costs								(213,776)
Share of loss of associated companies and joint ventures accounted for using equity method								(40,763)
Net segment income before tax								$ 686,210

Note 1: Nantong De Licacy Group (former Hangzhou De Licacy Group) in 2024 includes companies: Best Alliance Limited, Eden Road Limited, Hong Kong Eden Road Limited, Hangzhou De Licacy Limited, Nantong De Licacy Limited, De Fa Company, Thousand Well (Samoa) Limited and Fastpower (Samoa) Limited. Nantong De Licacy Group (former Hangzhou De Licacy Group) in 2025 includes companies: Best Alliance Limited, Hong Kong Eden Road Limited, Hangzhou De Licacy Limited, Nantong De Licacy Limited, De Fa Company, TOTAL (SAMOA) Company and TOTAL Company.

Note 2: Vietnam De Licacy Group in 2024 includes companies: De Licacy Holdings company, De Shen (Cayman) Holdings Co., Ltd., Vietnam De Licacy Company and New Lake Ltd. Vietnam De Licacy Group in 2025 includes companies: De Licacy Holdings company, De Shen (Cayman) Holdings Co., Ltd., Vietnam De Licacy Company, and NEW LAKE Samoa.

Note 3: Lucky Unique Group in 2025 includes companies: Lucky Unique, Tung Ming Company, De Kao Company, Dexin Company, Well&David Corp., De Kao East Plant Company, Vietnam Lucky Unique, Fortune Star Hong Kong, GOOD & WELL COMPANY, East First Plant Company, Kuan Ding Company, Gold Well Company, BESTEX Company, Regiant Industrial, and East Fifth Plant Company.

Segment profit or loss represents the profit earned by each segment, excluding non-operating revenue and expense and income tax expense. This measure is provided to the chief operating decision maker for the purpose of allocating resources to the segments and evaluating their performance.

The Group's chief operating decision maker makes decisions based on the operating results of each segment and does not have information on segment assets and liabilities to evaluate the performance of different business activities, therefore, only the operating results of reportable segments are presented.

(2) Location information

The Group operates mainly in three regions: Taiwan, China and Vietnam.

The information on continuing operation revenue from external customers of the Group by operation and non-current asset's locations are as below:

	Revenue from external customers		Non-current assets	
	2025	2024	December 31, 2025	December 31, 2024
Taiwan	$ 4,498,734	$ 3,640,404	$ 1,949,012	$ 604,225
China	3,434,654	4,231,698	2,407,859	2,615,466
Vietnam	4,227,022	4,121,920	2,437,040	2,712,401
Cambodia	414,453	-	465,657	-
	$12,574,863	$11,994,022	$ 7,259,568	$ 5,932,092

Non-current assets exclude classified as financial assets, refundable deposits, investments accounted for using equity method, goodwill, other intangible assets, net defined benefit assets and deferred tax assets.

(3) Major customers' information

The Group has no sales income from major customers which accounts for more than 10% of the net sales income in the consolidated Income Statement.

De Licacy Industrial Co., Ltd. and Subsidiaries
Loans to Others
For the Year Ended December 31, 2025

Schedule 1

(In Thousands of New Taiwan Dollars)

No.	Loan funded by	Loan recipients	Current accounts	Is a related party	Highest balance for the period	Closing balance	Actual expenditures	Interest rate range (%)	Nature of funds lending	Business transactions (Note 3)	Reasons of short-term financing funds	Allowance for bad debts	Collateral		Amount limit for individual funds lending (Notes 1 & 6)	Total limit of capital loan (Notes 2 & 6)
													Name	Value		
0	The Company	Lucky Unique	Other receivables	Y	$ 400,000	$ 300,000	$ 210,000	3	Short-term financing	$ -	Operating revolving fund	$ -	None	$ -	$ 1,559,188	$ 2,078,917
1	De Licacy Samoa Company	The Company	Other receivables	Y	232,435	210,581	210,581	-	Short-term financing	-	Operating revolving fund	-	None	-	943,112	1,257,482
	De Licacy Samoa Company	De Hong Company	Other receivables	Y	359	-	-	6	Short-term financing	-	Operating revolving fund	-	None	-	943,112	1,257,482
2	De Shen (Cayman) Company	The Company	Other receivables	Y	65,570	-	-	-	Short-term financing	-	Operating revolving fund	-	None	-	1,124,475	1,499,300
	De Shen (Cayman) Company	Best Alliance Limited	Other receivables	Y	97,469	-	-	-	Short-term financing	-	Operating revolving fund	-	None	-	1,124,475	1,499,300
3	De Hong Company	De Hong (Vietnam) Company	Other receivables	Y	6,309	4,715	4,715	2.5	Short-term financing	-	Operating revolving fund	-	None	-	17,933	23,911
4	Hangzhou De Licacy Limited	Nantong De Licacy Limited	Temporary payments	Y	67,074 (Note 4)	- (Note 4)	- (Note 4)	3.3	Short-term financing	-	Operating revolving fund	-	None	-	-	-
	Hangzhou De Licacy Limited	Nantong De Licacy Limited	Temporary payments	Y	67,074 (Note 4)	- (Note 4)	- (Note 4)	2.8	Short-term financing	-	Operating revolving fund	-	None	-	-	-
	Hangzhou De Licacy Limited	Nantong De Licacy Limited	Temporary payments	Y	67,074 (Note 4)	- (Note 4)	- (Note 4)	2.5	Short-term financing	-	Operating revolving fund	-	None	-	-	-
5	De Licacy BVI Holdings	The Company	Other receivables	Y	76,372	72,289	72,289	-	Short-term financing	-	Operating revolving fund	-	None	-	1,143,896	1,525,194
6	De Fa Company	Best Alliance Limited	Other receivables	Y	14,942	-	-	5	Short-term financing	-	Operating revolving fund	-	None	-	35,674	47,565
	De Fa Company	The Company	Other receivables	Y	25,000	25,000	25,000	-	Short-term financing	-	Operating revolving fund	-	None	-	35,674	47,565
7	Hong Kong Eden Road Limited	Best Alliance Limited	Other receivables	Y	49,808	-	-	-	Short-term financing	-	Operating revolving fund	-	None	-	5,535	5,535
	Hong Kong Eden Road Limited	De Fa Company	Other receivables	Y	16,602	-	-	-	Short-term financing	-	Operating revolving fund	-	None	-	5,535	5,535
8	NEW LAKE Samoa	Vietnam De Licacy Enterprise	Other receivables	Y	999,943	471,450	471,450	5	Short-term financing	-	Operating revolving fund	-	None	-	1,139,713	1,139,713
	NEW LAKE Samoa	De Shen (Cayman)	Other receivables	Y	132,820	94,290	94,290	-	Short-term financing	-	Operating revolving fund	-	None	-	1,139,713	1,139,713
	NEW LAKE Samoa	The Company	Other receivables	Y	424,305	424,305	424,305	-	Short-term financing	-	Operating revolving fund	-	None	-	455,885	455,885
9	Lucky Unique	De Kao Company	Other receivables	Y	45,899	-	-	2.75	Short-term financing	-	Operating revolving fund	-	None	-	233,937	311,917
	Lucky Unique	De Kao Company	Other receivables	Y	70,000	70,000	70,000	3.2	Short-term financing	-	Operating revolving fund	-	None	-	233,937	311,917
	Lucky Unique	De Kao Company	Other receivables	Y	94,000	20,000	20,000	3.1	Short-term financing	-	Operating revolving fund	-	None	-	233,937	311,917
	Lucky Unique	Dexin Company	Other receivables	Y	124,687	31,430	-	2	Short-term financing	-	Operating revolving fund	-	None	-	233,937	311,917
	Lucky Unique	CIBIZO INTERNATIONAL LIMITED	Other receivables	Y	2,000	-	-	3.1	Short-term financing	-	Operating revolving fund	-	None	-	233,937	311,917
	Lucky Unique	Well&David Corp.	Other receivables	Y	170,000	170,000	100,000	3.2	–	174,461	Business transaction	-	None	-	174,461	174,461
	Lucky Unique	Vietnam Lucky Unique	Other receivables	Y	48,000	48,000	46,831	2.5	–	49,631	Business transaction	-	None	-	49,631	49,631
10	Tung Ming Company	De Kao Company	Other receivables	Y	20,000	-	-	2.2	Short-term financing	-	Operating revolving fund	-	None	-	66,222	176,592
	Tung Ming Company	De Kao Company	Other receivables	Y	20,000	-	-	3.5	Short-term financing	-	Operating revolving fund	-	None	-	66,222	176,592
	Tung Ming Company	Lucky Unique	Other receivables	Y	40,000	-	-	2.2	Short-term financing	-	Operating revolving fund	-	None	-	66,222	176,592
	Tung Ming Company	Lucky Unique	Other receivables	Y	40,000	15,000	15,000	3	–	101,334	Business transaction	-	None	-	88,296	176,592
	Tung Ming Company	Lucky Unique	Other receivables	Y	40,000	40,000	40,000	3.5	–	101,334	Business transaction	-	None	-	88,296	176,592
	Tung Ming Company	Lucky Unique	Other receivables	Y	35,000	35,000	35,000	3	Short-term financing	-	Operating revolving fund	-	None	-	66,222	176,592
	Tung Ming Company	Vietnam Lucky Unique	Other receivables	Y	40,000	40,000	37,716	4	Short-term financing	-	Operating revolving fund	-	None	-	66,222	176,592
11	Dexin Company	Vietnam Lucky Unique	Receivables from related parties	Y	191,728	56,574	56,574	2.5	Short-term financing	-	Operating revolving fund	-	None	-	193,341	193,341
12	De Kao Company	De Kao East Plant Company	Other receivables	Y	41,768	25,144	25,144	-	–	125,271	Business transaction	-	None	-	125,271	125,271
13	Well&David Corp.	The Kingtex Corp.	Temporary payments	Y	49,178	-	-	7.5	Short-term financing	-	Operating revolving fund	-	None	-	151,563	202,085
	Well&David Corp.	The Kingtex Corp.	Temporary payments	Y	59,769	56,574	56,574	6.85	Short-term financing	-	Operating revolving fund	-	None	-	151,563	202,085
14	Bestex Corp.	Li Qiang Corp.	Temporary payments	Y	119,538	51,860	51,860	2.75	Short-term financing	-	Operating revolving fund	-	None	-	126,532	126,532
15	Li Qiang Corp.	W & D (Cambodia) Co., Ltd.	Temporary payments	Y	73,051	-	-	7.6	–	133,715	Business transaction	-	None	-	133,715	133,715
	Li Qiang Corp.	W & D (Cambodia) Co., Ltd.	Temporary payments	Y	49,143	46,516	40,859	6.75	–	133,715	Business transaction	-	None	-	133,715	133,715
16	Total Express Ltd.	The Company	Other receivables	Y	121,780	31,430	31,430	-	Short-term financing	-	Operating revolving fund	-	None	-	48,936	65,248

Note 1: Based on 30% of the net equity of each lending company and the amount of business transactions in the previous year.
Note 2: Based on 40% of the net equity of each lending company and the amount of business transactions in the previous year.
Note 3: Based on the amount of business transactions in the previous year.
Note 4: The difference from the announcement is the adjustment of foreign currency exchange gain or loss at the end of the period.
Note 5: The total amount of loans to other parties provided by NEW LAKE Samoa , Hong Kong Eden Road Limited, Lucky Unique, Tung Ming Company, De Kao Company, Well&David Corp., Bestex Corp, and Li Qiang Corpshall not exceed 40% of net worth of the Company. The loan limits to individual company are as follows:

(1) The total amount to one entity which has business transactions with the Company shall not exceed the total amount of the business transactions.
(2) For short-term financing needs, the amount available for financing of each entity shall not exceed 30% of the Company net worth.
(3) For those foreign subsidiaries in which the Company and their parent companies or the Company, directly or indirectly, owned 100% of their shares, the amount available for short-term financing needs is not limited to 40% of the Company net worth, but shall not exceed the total amount of the Company’s net worth.

De Licacy Industrial Co., Ltd. and Subsidiaries
Endorsement and Guarantee for Others
For the Year Ended December 31, 2025

Schedule 2

(In Thousands of New Taiwan Dollars)

No.	Name of guarantor and endorsements	Counter party of endorsements/guarantees		Limitation on amount of endorsements/guarantees for a specific enterprise (Note 1)	Highest balance for endorsements /guarantees during the period	Balance of endorsements /guarantees as of reporting date	Actual usage amount during the period	Property pledged for endorsements /guarantees	Ratio of accumulated amounts of endorsements/guarantees to net worth of the latest financial statements (%)	Maximum amount for endorsements /guarantees (Note 2)	Parent company endorsements/ guarantees to third parties on behalf of subsidiary	Subsidiary endorsements/ guarantees to third parties on behalf of the parent company	Endorsements /guarantees to third parties on behalf of companies in Mainland China
		Company name	Relationship with the Company										
0	The Company	De Fa Company	Subsidiary (Direct shareholding 100%)	$ 2,598,647	$ 110,000	$ 110,000	$ -	$ -	2	$ 7,795,941	Y	N	N
	The Company	Chadtex Company	Subsidiary (Direct shareholding 55.06%)	2,598,647	85,000	-	-	-	-	7,795,941	Y	N	N
	The Company	Vietnam De Licacy Enterprise	Subsidiary (Indirect shareholding 100%)	2,598,647	2,053,749	1,849,941	212,392	-	36	7,795,941	Y	N	N
	The Company	De Shen (Cayman) Company	Subsidiary (Indirect shareholding 100%)	2,598,647	1,114,690	188,580	-	-	4	7,795,941	Y	N	N
	The Company	Hong Kong Eden Road Limited	Subsidiary (Indirect shareholding 100%)	2,598,647	114,747	62,860	-	-	1	7,795,941	Y	N	N
	The Company	Nantong De Licacy Limited	Subsidiary (Indirect shareholding 100%)	2,598,647	2,042,490	791,800	94,920	-	15	7,795,941	Y	N	Y
	The Company	Best Alliance Limited	Subsidiary (Indirect shareholding 100%)	2,598,647	166,025	-	-	-	-	7,795,941	Y	N	N
	The Company	Lucky Unique	Subsidiary (Indirect shareholding 67.96%)	2,598,647	255,000	255,000	130,000	-	5	7,795,941	Y	N	N
	The Company	Well&David Corp.	Subsidiary (Indirect shareholding 55.98%)	2,598,647	250,000	250,000	238,581	-	5	7,795,941	Y	N	N
1	Lucky Unique	De Kao Company	Subsidiary (Indirect shareholding 40.78%)	389,896	80,000	80,000	78,164	-	10	779,793	Y	N	N
	Lucky Unique	Well&David Corp.	Subsidiary (Indirect shareholding 55.98%)	389,896	285,000	285,000	248,799	-	37	779,793	Y	N	N
	Lucky Unique	Li Qiang Corp.	Subsidiary (Indirect shareholding 45.98%)	389,896	49,808	31,430	-	-	4	779,793	Y	N	N
	Lucky Unique	Vietnam Lucky Unique	Subsidiary (Indirect shareholding 67.96%)	389,896	262,780	125,720	58,147	-	16	779,793	Y	N	N
2	Tung Ming Company	Lucky Unique	Subsidiary (Indirect shareholding 64.7%)	110,370	50,000	50,000	-	-	23	220,740	N	Y	N
3	Well&David Corp.	Li Qiang Corp.	Subsidiary (Indirect shareholding 55.96%)	1,010,425	350,280	331,587	300,157	-	66	1,010,425	Y	N	N

Note 1: Based on 50% of the total equity of the owners of each endorsing company.
Note 2: Based on 150% of the total equity of the owners of each endorsing company.
Note 3: The limitation on endorsement guaranteed provided to a single entity and total amount of endorsement guarantee of Well&David Corp. is 200% of shareholders’ equity.
Note 4: The limitation on total amount of endorsement guarantee of Lucky Unique and Tung Ming Company is 100% of shareholders’ equity.

De Licacy Industrial Co., Ltd. and Subsidiaries

Year-end significant marketable securities breakdown statement

December 31, 2025

Schedule 3

(In Thousands of New Taiwan Dollars)

Name of holder	Type and name of marketable securities	Relationship with the Company	Account title	December 31, 2025				Note
				Unit/Share	Carrying amount	Percentage (%)	Fair value	
	Stocks							
Lucky Unique	Far Eastern International Bank	None	Financial assets at fair value through other comprehensive income-current	2,960,492	$ 38,402	0.061	$ 38,402	
	CTBC Financial Holding Co., Ltd.	None	Financial assets at fair value through other comprehensive income-current	220,000	11,044	0.001	11,044	
	Stocks							
Lucky Unique	De Licacy Industrial Co., Ltd.	Parent Company	Financial assets at fair value through other comprehensive income-non-current	2,257,607	24,947	0.53	24,947	
	Bonds							
Well&David Corp.	Berkshire Hathaway Finance Corporation US Dollar Bonds	None	Financial assets at fair value through profit or loss-current	13,000	31,756	-	31,756	

Note 1: The marketable securities mentioned in this Schedule refer to stocks, bonds, beneficiary certificates and marketable securities derived from the above items within the scope of IFRS 9 “Financial Instruments”.

Note 2: For information on investments in Subsidiaries, please refer to Schedule 6 and Schedule 7.

Note 3: Marketable securities presented in the table are determined based on the materiality amount of $10,000 thousand.

De Licacy Industrial Co., Ltd. and Subsidiaries
Purchase from or sale to related parties amounting to at least $100 million or 20% of the paid-in capital
For the Year Ended December 31, 2025

Schedule 4 (In Thousands of New Taiwan Dollars)

Buying (selling) company	Trading partners	Relationship	Transactions				Circumstances and reasons of transaction conditions are different from general transactions		Notes and accounts receivable (payable)		Note
			Purchase (Sales)	Amount	Percentage of total purchase (sales) (%)	Credit period	Unit price (Note)	Credit period	Balance	Percentage of total receivables (payables) (%)	
The Company	Tung Ming Company	Subsidiary	Purchase	$ 271,611	21	Open account 90 days	Note	General open account 90 days	($ 46,150)	20	
The Company	Lucky Unique	Subsidiary	Purchase	278,521	21	Open account 90 days	Note	General open account 90 days	(44,896)	20	
The Company	Lucky Unique	Subsidiary	(Sales)	(346,845)	10	Open account 90 days	Note	General open account 90 days	203,081	32	
The Company	Vietnam De Licacy Enterprise	Subsidiary	Purchase	137,336	10	Open account 90 days	Note	General open account 90 days	25,027	11	
The Company	Vietnam De Licacy Enterprise	Subsidiary	(Sales)	(429,423)	13	Open account 90 days	Note	General open account 90 days	87,204	14	
De Fa Company	Nantong De Licacy Limited	The same ultimate parent company	Purchase	806,012	99	Open account 90 days	Note	General open account 90 days	-	-	
De Fa Company	Total Samoa	The same ultimate parent company	(Sales)	(854,408)	95	Open account 90 days	Note	General open account 90 days	53,048	100	
Nantong De Licacy Limited	Total Express Ltd.	The same ultimate parent company	(Sales)	(677,140)	22	Open account 90 days	Note	General open account 90 days	4	-	
Nantong De Licacy Limited	Anqing Defa Textile Co., Ltd.	The vice chairman of the Company is the major shareholder of the company	Purchase	648,364	38	Open account 90 days	Note	General open account 90 days	(10,564)	4	
Luckyk Unique	Well&David Corp.	Subsidiary	Purchase	192,721	27	Open account 90 days	Note	General open account 90 days	(48,878)	18	
Well&David Corp.	Li Quiang Corp.	Subsidiary	Purchase	391,939	45	Open account 90 days	Note	General open account 90 days	-	-	
De Kao East Plant Company	De Kao Company	Parent company	(Sales)	(124,519)	95	Open account 90 days	Note	General open account 90 days	5,593	69	
East First Plant Company	Regiant Industrial	The same ultimate parent company	(Sales)	(130,887)	100	Open account 90 days	Note	General open account 90 days	-	-	

Note : The purchase price is not comparable to the general purchase price of similar products; the sales price is comparable to the general customers.

De Licacy Industrial Co., Ltd. and Subsidiaries
Receivables from Related Parties Amounting to At Least $100 Million or 20% of the Paid-in Capital
December 31, 2025

Schedule 5 (In Thousands of New Taiwan Dollars)

Name of company	Counter-party	Nature of relationship	Ending balance	Turnover rate (%)	Overdue		Amounts due from related parties recovered in subsequent period	Allowance for bad debts
					Amount	Handling		
Hangzhou De Licacy Limited	Lucky Apex Limited	The same ultimate parent company	$ 151,782	(Note 1)	-	—	-	-
NEW LAKE Samoa	Vietnam De Licacy Enterprise	The same ultimate parent company	500,246	1.99 (Note 2)	-	—	-	-
NEW LAKE Samoa	The Company	Parent company	424,305	(Note 3)	-	—	-	-
The Company	Lucky Unique	Subsidiary	415,248	1.68 (Note 4)	-	—	36,462	-
The Company	Vietnam De Licacy Enterprise	Subsidiary	106,959	4.34 (Note 5)	-	—	33,584	-
Lucky Unique	Well&David Corp.	Subsidiary	175,042	15.96 (Note 6)	-	—	-	-
De Licacy Samoa Company	The Company	Parent company	210,581	(Note 3)	-	—	-	-

Note 1: All of them are receivables arising from sales of investment properties, which are not included in the calculation of the turnover rate.
Note 2: $493,336 thousand are receivables arising from capital loans and interests, which are not included in the calculation of the turnover rate.
Note 3: All of them are receivables arising from capital loans, which are not included in the calculation of the turnover rate.
Note 4: $211,913 thousand are receivables arising from capital loans and interest, and $254 are receivables arising from other income, which are not included in the calculation of the turnover rate.
Note 5: $1,721 thousand are receivables arising from other income, and $18,034 are advances received arising from sales of property, plant and equipment, which are not included in the calculation of the turnover rate.
Note 6: $102,024 thousand are receivables arising from capital loans and interest, $1,524 are payment on behalf of others, and $71,494 thousand are receivables arising from customers' claims, which are not included in the calculation of the turnover rate.

De Licacy Industrial Co., Ltd. and Subsidiaries
Information of the Invested Company, Location ... and Other Related Information
For the Year Ended December 31, 2025

Schedule 6

(In Thousands of New Taiwan Dollars)
(Except US Dollars)

Name of investment company	Investee company name	Location	Major business scope	Original investment: End of the current period	Original investment: End of the last period	Held at period-end: Shares	Held at period-end: Percentage (%)	Held at period-end: Carrying amount	Investee income (loss) for the period	Recognized investment income (loss) (Note 1)	Note
The Company	De Licacy Samoa Company	Samoa	General investment	$ 868,961	$ 1,829,899	29,819,125	100	$ 3,057,547	($ 26,328)	($ 21,862)	The difference is recognition of realized gains on disposal of investment property and realized gain on disposal of property, plant and equipment.
The Company	Lucky Unique	Taiwan	Manufacture and processing of various fiber textile products	730,344	174,329	45,531,536	67.96	647,304	(100,987)	(69,899)	The difference is recognition of changes in treasury shares.
The Company	De Fa Company	Taiwan	General import and export trade	59,878	59,878	5,500,000	100	89,812	50,774	54,352	The difference is recognition of effects among inter-group lease gains or losses and realized gains on disposal of fixed assets.
The Company	Chadtex Company	Taiwan	Textile manufacturing, dyeing and finishing, and trading of various textile products	-	12,155	-	-	-	379	244	The difference is recognition of (un)realized sales profit and loss and gain on disposal of property, plant and equipment.
The Company	De Licacy BVI Holdings	British Virgin Islands	General investment	USD 108,040,000	USD 108,040,000	27,010	100	3,818,206	393,922	396,607	The difference is recognition of realized gain on disposal of property, plant and equipment.
The Company	View Best Global Limited	Samoa	General investment	USD 1,935,000	USD 1,935,000	1,935,000	100	39,632	11,429	11,429	
The Company	Indonesia De Licacy Company	Indonesia	Manufacturing of textiles and trading of various textiles	USD 1,089,000	-	44,550	99	33,127	-	-	
De Licacy Samoa Company	Best Alliance Limited	British Virgin Islands	General investment	USD 20,264,743	USD 47,900,000	20,264,743	100	1,419,430	47,056		
De Licacy Samoa Company	Vantage Gain Limited	Samoa	General investment	USD -	USD 43,906	-	73.33	-	(2,000)		
De Licacy Samoa Company	De Hong Company	Samoa	General investment	USD 3,371,744	USD 1,800,000	4,000,000	100	59,778	(13,182)		
De Licacy Samoa Company	Beauty Plus Limited	British Virgin Islands	General investment	USD 13,025,645	USD 12,829,807	13,025,645	85	317,786	(10,265)		
De Licacy Samoa Company	NEW LAKE Samoa	Samoa	General import and export trade	USD 39,300,000	USD 42,500,000	39,300,000	100	1,139,713	(99,203)		
De Licacy Samoa Company	De Licacy Anguilla Company	Anguilla	General investment	-	-	-	100	-	-		
De Licacy Samoa Company	New Lake Ltd.	Anguilla	General import and export trade	-	-	-	100	-	-		
De Licacy Samoa Company	Indonesia De Licacy Company	Indonesia	Manufacturing of textiles and trading of various textiles	USD 11,000	-	450	1	337	-		
De Hong Company	De Hong (Vietnam) Company	Vietnam	Printing and finishing of various types of garments and cloths	USD 2,500,000	USD 2,500,000	-	100	47,002	(8,515)		
Best Alliance Limited	Bright Wisdom Ltd.	Samoa	General investment	USD 4,936,410	USD 8,021,667	4,936,410	61.71	216,092	(105,868)		
Best Alliance Limited	Hong Kong Eden Road Limited	Hong Kong	General import and export trade	USD 150,000	USD 1,050,000	150,000	100	5,535	(7,125)		
Best Alliance Limited	Total Samoa	Samoa	International trade business	USD 1,000,000	-	1,000,000	100	187,602	246,867		
Bright Wisdom Ltd.	Total Express Ltd.	Seychelles	International trade business	USD 1	USD 1	1	100	163,119	(94,015)		
Bright Wisdom Ltd.	Futures Co., Ltd.	Taiwan	General import and export trade	-	10,000	-	100	-	28		
De Licacy BVI Holdings	De Shen (Cayman) Company	Cayman Islands	General investment	USD 108,032,701	USD 108,032,701	108,032,700,860	100	3,748,252	397,209		
De Shen (Cayman) Company	Vietnam De Licacy Enterprise	Vietnam	Printing, dyeing, finishing, garment manufacturing and trading of various textile and yarn materials	USD 114,660,489.5	USD 114,660,489.5	-	100	3,840,758	384,322		
View Best Global Limited	Vietnam ATAGO Company	Vietnam	Garment manufacturing and trading	USD 1,915,070	USD 1,915,070	-	30	39,269	38,337		
Beauty Plus Limited	Sung Yu Company	British Virgin Islands	General investment	USD 15,199,267	USD 14,968,869	38	38	371,568	(26,654)		
Lucky Unique	Tung Ming Company	Taiwan	Manufacturing, processing and trading of chemical fibers	160,673	-	15,936,000	95.2	210,138	18,521		
Lucky Unique	Dexin Company	Samoa	Gneral investment	USD 12,448,448	-	12,448,448	100	200,785	(79,002)		
Lucky Unique	De Kao Company	Taiwan	Trading of apparel	7,200	-	720,000	60	935	6,433		
Lucky Unique	Well&David Corp.	Taiwan	Manufacturing and trading of apparel	345,968	-	34,596,898	82.37	567,029	(48,902)		
Lucky Unique	CIBIZO INTERNATIONAL LIMITED	Taiwan	Trading of apparel	9,170	-	625,000	25	5,276	(7,649)		

Name of investment company	Investee company name	Location	Major business scope	Original investment: End of the current period	Original investment: End of the last period	Held at period-end: Shares	Held at period-end: Percentage (%)	Held at period-end: Carrying amount	Investee income (loss) for the period	Recognized investment income (loss) (Note 1)	Note
Dexin Company	Vietnam Lucky Unique	Vietnam	Manufacturing of apparel	USD 10,000,000	-	-	100	28,321	(71,076)		
Dexin Company	(Fortune Star Hong Kong	Hong Kong	General import and export	USD 50,000	-	50,000	100	938	(793)		
De Kao Company	De Kao East Plant Company	Cambodia	Manufacturing of apparel	USD 850,000	-	850	100	(40,421)	(2,767)		
Well&David Corp.	East First Plant Company	Samoa	General investment	USD 3,600,000	-	3,600,000	100	415,646	(20,385)		
Well&David Corp.	Kuan Ding Company	Samoa	General investment	USD 17,000,000	-	17,000,000	100	338,325	(16,080)		
Well&David Corp.	GOOD & WELL COMPANY LIMITED	Taiwan	International trading	30,030	-	500,000	100	10,015	(3,106)		
Kuan Ding Company	Bestex Corp.	Samoa	General investment	USD 10,000,000	-	10,000,000	100	126,532	(11,541)		
Kuan Ding Company	Gold Well	Samoa	General investment	USD 7,000,000	-	5,833,000	100	211,695	(6,160)		
Bestex Corp.	Li Qiang Corp.	Cambodia	Manufacturing and trading of apparel	USD 3,000,000	-	3,000,000	100	(125,851)	(13,416)		
Gold Well	East Fifth Plant Company	Cambodia	Manufacturing and trading of apparel	USD 6,980,000	-	6,980,000	100	211,462	(4,442)		

Note 1: Only the amount of profit or loss recognized for each subsidiary directly invested by the Company and each investee company using the equity method shall be shown.
Note 2: Please refer to Schedule 7 for the information about investees in Mainland China.

De Licacy Industrial Co., Ltd. and Subsidiaries
Information on investees in Mainland China
For the Year Ended December 31, 2025

Schedule 7

(In Thousands of New Taiwan Dollars)
(Except US Dollars)

Name of investee	Main business and products	Total amount of paid-in capital (Note 3)	Method of investment (Note 6)	Accumulated outflow of investment from Taiwan as of January 1, 2025 (Note 3)	Investment flows during the period		Investment Information in Mainland China (Note 3)	Net income (loss) of the investee	Ownership of direct or indirect investment (%)	Investment gain (loss) (Note 1)	Carrying amount as of December 31, 2025 (Note 1)	Accumulated repatriation of investment income as of December 31, 2025
					Outflow	Inflow						
Hangzhou De Licacy Limited	Production and sales of long and short fiber fabric processing and finishing	$ 15,715 (USD 500,000)	3.Best Alliance Limited	$ 930,097 (Note 4) (USD 29,592,636)	$ -	$ 832,895 (USD 26,500,000)	$ 97,202 (USD 3,092,636)	($ 37,000)	100	($ 37,000) (Note 5)	($ 253,212)	$ -
Apex Textile Company	Manufacture and sale of textile products and dyeing and finishing	251,440 (USD 8,000,000)	3.Bright Wisdom Ltd.	238,053 (USD 7,574,076)	-	96,969 (USD 3,085,257)	141,084 (USD 4,488,819)	(11,143)	61.71	(6,876)	93,985	-
Shanghai De Licacy Company	General investment	1,736,508 (USD 55,250,000)	3. Sin Hao Company, Samoa Sin Young International Limited	64,432 (USD 2,050,000)	-	-	64,432 (USD 2,050,000)	-	-	-	-	-
Nantong De Licacy Limited	Production and sales of long and short fiber fabric processing and finishing	1,257,200 (USD 40,000,000)	3.Best Alliance Limited	471,450 (USD 15,000,000)	-	-	471,450 (USD 15,000,000)	(33,199)	100	(33,199)	1,264,420	-

Company name	Accumulated investment in Mainland China as of December 31, 2025 (Note 3)	Investment amount authorized by the Investment Commission, MOEA (Note 3)	Investment quota in China according to the Investment Commission, MOEA
Hangzhou De Licacy Limited	$ 97,202 (USD 3,092,636)	$ 1,401,547 (USD 44,592,636)	(Note 2)
Apex Textile Company	$ 141,084 (USD 4,488,819)	$ 238,053 (USD 7,574,076)	(Note 2)
Shanghai De Licacy Company	$ 64,432 (USD 2,050,000)	$ 394,447 (USD 12,550,000)	(Note 2)
Nantong De Licacy Limited	$ 471,450 (USD 15,000,000)	$ 1,257,200 (USD 40,000,000)	(Note 2)

Note 1: Recognized based on the financial statements of the investee company reviewed by the parent company's certified public accountants in Taiwan during the same period.
Note 2: In accordance with the newly revised "Regulations Governing the Examination of Investment or Technical Cooperation in Mainland China" dated August 29, 2018, the Company obtained the certificate issued by the Industrial Development Bureau, Ministry of Economic Affairs on March 24, 2021, which conforms to the scope of operation of the Ministry of Manufacturing Operations, so the calculation of investment limit is not required.
Note 3: The related amount was translated at foreign exchange rate of $31.43 per USD at the end of period.
Note 4: Including the recognition of De Yi Company's investment of $123,177 (USD3,919,091) in Hangzhou Deli by way of debt in proportion to its shareholding.
Note 5: The difference is the unrealized gain or loss on disposal of property, plant and equipment and investment of real property.
Note 6: (1) Investment in Mainland China through third-party remittance.
(2) Investment in Mainland China through a third-party company.
(3) Reinvestment in Mainland China through reinvestment in an existing company in a third region.

De Licacy Industrial Co., Ltd. and Subsidiaries
Significant Transactions with China Investees Directly or Indirectly through Third Regions, the Prices, Payment Terms, and Unrealized Gains or Losses
For the Year Ended December 31, 2025

Schedule 8

(In Thousands of New Taiwan Dollars)

Company	Trading partners	Relationship with transaction partner	Transaction type	Amount	Balance			Notes and accounts receivable (payable)		Unrealized income (loss)
					Price	Payment erm	Comparison with general transactions	Balance	Percentage (%)	
De Fa Company	Nantong De Licacy Limited	The same ultimate parent company	Purchase	$ 806,012	Trade at general price	Open account 90 days	General open account 30-150 days	$ -	-	$ -
Total Express Ltd.	Nantong De Licacy Limited	The same ultimate parent company	Purchase	677,140	Trade at general price	Open account 90 days	No general customers available for comparison	4	100	-

De Licacy Industrial Co., Ltd. and Subsidiaries
Business Relationships between Parent-Subsidiaries and Subsidiaries and Significant Transactions and Amount
For the Year Ended December 31, 2025

Schedule 9

(In Thousands of New Taiwan Dollars)

No.	Company	Transaction partner	Relationship with transaction partner (Note 1)	Transactions			
				Account title	Amount	Trading term	% of total consolidated revenue or total assets (%)
0	The Company	Tung Ming Company	(1)	Operating revenue	$ 42,242	Trade at general price, open account 60 days.	-
				Operating costs	271,611	Trade at general price, open account 30-90 days.	2
				Notes payables-related parties	16,951		-
				Accounts payables-related parties	29,199		-
		Chadtex Company	(1)	Operating revenue	15,181	Trade at general price, open account 60 days.	-
		Lucky Unique	(1)	Operating revenue	346,845	Trade at general price, open account 60 days.	3
				Operating costs	278,521	Trade at general price, open account 90 days.	2
				Notes receivable-related parties	184,952		1
				Accounts receivable - related parties	18,129		-
				Other receivable -related parties	212,167		1
				Notes payables-related parties	23,566		-
				Accounts payables-related parties	21,330		-
		Well&David Corp.	(1)	Operating revenue	16,230	Trade at general price, open account 60 days.	-
		Vietnam De Licacy Enterprise	(1)	Operating revenue	429,423	Trade at general price, open account 30-90 days.	3
				Operating costs	137,336	Trade at general price, open account 30-90 days.	1
				Accounts receivable - related parties	87,204		1
				Accounts receivable - related parties	17,207		-
				Other receivable	19,755		-
				Accounts payables	25,027		-
		NEW LAKE Samoa	(1)	Other payables-related parties	424,305		2
				Operating costs	42,417	Trade at general price, open account 30-90 days.	-
		De Fa Company	(1)	Other payables-related parties	25,000		-
		De Licacy Samoa Company	(1)	Other payables-related parties	210,581		1
		De Licacy BVI Holdings	(1)	Other payables-related parties	72,289		-
		De Kao Company	(1)	Operating revenue	19,743	Trade at general price, open account 30 days.	-
		Total Express Ltd.	(1)	Other payables – related parties	31,430		1
1	Hangzhou De Licacy Limited	Lucky Apex Limited	(1)	Other receivables-related parties	151,782		1
		Nantong De Licacy Limited	(3)	Accounts receivable - related parties	75,647		-
2	De Fa Company	Hong Kong Eden Road Limited	(3)	Operating revenue	42,764	Trade at general price, open account 90 days.	-
			(3)	Receipts in advance	19,607		-

(Continued)

(continued from the previous page)

No.	Company	Transaction partner	Relationship with transaction partner (Note 1)	Transactions			
				Account title	Amount	Trading term	% of total consolidated revenue or total assets (%)
		Nantong De Licacy Limited	(3)	Operating revenue	$ 806,012	Trade at general price, open account 90 days.	6
				Prepayments for goods	79,913		-
		Total Samoa	(3)	Operating revenue	854,408	Trade at general price, open account 90 days.	7
				Accounts receivables-related parties	53,048		-
		Total Express Ltd.	(3)	Other payables-related parties	62,860		-
3	Best Alliance Limited	Total Samoa	(3)	Other payables-related parties	31,116		-
4	Lucky Apex Limited	Total Express Ltd.	(3)	Receipts in advance	47,370		-
		Nantong De Licacy Limited	(3)	Prepayments for goods	64,553		-
5	De Shen (Cayman) Company	NEW LAKE Samoa	(3)	Other payables-related parties	94,290		1
	Vietnam De Licacy Enterprise	NEW LAKE Samoa	(3)	Other payables-related parties	493,336		3
				Interest expenses	56,612		-
				Operating revenue	13,060	Trade at general price, open account 90 days.	-
		De Kao Company	(3)	Operating revenue	20,252	Trade at general price, open account 90 days.	-
6	Nantong De Licacy Limited	Total Express Ltd.	(3)	Operating revenue	677,140	Trade at general price, open account 90 days.	5
7	Total Express (Samoa)	Total Express Ltd.	(3)	Other income	216,889		2
8	Lucky Unique	Well&David Corp.	(3)	Accounts payables-related parties	48,878		-
				Other receivables-related parties	175,042		1
				Operating costs	192,721	Trade at general price, open account 90 days.	2
		De Kao Company	(3)	Other receivables-related parties	91,188		1
		Tung Ming Company	(3)	Other payables-related parties	51,245		-
				Operating costs	45,671	Trade at general price, open account 90 days.	-
		Vietnam Lucky Unique	(3)	Operating costs	56,132	Trade at general price, open account 90 days.	-
				Other receivables-related parties	47,531		-
		Chadtex Company	(3)	Operating revenue	43,858	Trade at general price, open account 90 days.	-
10	De Kao COmpany	De Kao East Plant Company	(3)	Other receivables-related parties	29,170		-
				Prepayments for goods	19,853		-
				Operating costs	124,519	Trade at general price, open account 90 days.	1
11	Well&David Corp.	Fortune Star Hong Kong	(3)	Accounts receivables-related parties	32,008		-
				Operating revenue	73,154	Trade at general price, open account 90 days.	1
		Li Qiang Corp.	(3)	Prepayments for goods	268,453		2
				Accounts payables-related parties	26,611		-
				Operating costs	391,939	Trade at general price, open account 90 days.	3
12	Dexin Company	Vietnam Lucky Unique	(3)	Other receivables-related parties	57,233		-

(continued from the previous page)

No.	Company	Transaction partner	Relationship with transaction partner (Note 1)	Transactions			
				Account title	Amount	Trading term	% of total consolidated revenue or total assets (%)
13	Fortune Star Hong Kong	Li Qiang Corp.	(3)	Accounts receivables-related parties	$ 32,008		-
				Operating revenue	73,518	Trade at general price, open account 90 days.	1
14	Li Qiang Corp.	East First Plant Company	(3)	Prepayments for goods	198,628		1
				Operating costs	130,887	Trade at general price, open account 90 days.	1
		Bestex Corp.	(3)	Other payables-related parties	58,843		-
15	Tung Ming Company	Vietnam Lucky Unique	(3)	Other receivables-related parties	37,985		-

Note 1: The three types of transaction partners' relationship are as follows:
(1) Parent company to subsidiary.
(2) Subsidiary to parent company.
(3) Subsidiary to subsidiary.
Note 2: Written off at the time of the preparation of the consolidated financial statements.

De Licacy Industrial Co., Ltd. and Subsidiaries
Property, plant and equipment
For the Years Ended December 31, 2025 and 2024

Schedule 10 (In Thousands of New Taiwan Dollars)

	Owned land	Land improvements	Buildings	Machinery equipment	Transportation equipment	Other equipment	Property in construction	Total
Cost								
Balance at 1 January 2024	$ 293,975	$ 65,599	$ 2,202,468	$ 4,703,599	$ 63,493	$ 1,580,505	$ 1,562,803	$ 10,472,442
Additions	-	-	26,766	51,934	2,569	81,311	385,737	548,317
Disposal	-	-	(1,498)	(1,120,295)	(19,969)	(801,666)	-	(1,943,428)
Reclassification	-	-	1,145,315	724,375	12,906	64,872	(1,938,980)	8,488
Net foreign exchange difference	-	1,071	56,034	(19,067)	1,558	37,707	62,358	139,661
Balance at December 31, 2024	$ 293,975	$ 66,670	$ 3,429,085	$ 4,340,546	$ 60,557	$ 962,729	$ 71,918	$ 9,225,480
Accumulated depreciation and impairment								
Balance at 1 January 2024	$ -	$ 38,170	$ 1,057,935	$ 2,566,560	$ 38,858	$ 1,212,120	$ -	$ 4,913,643
Depreciation expenses	-	5,592	89,584	336,985	6,853	80,004	-	519,018
Disposal	-	-	(899)	(1,005,154)	(11,905)	(744,345)	-	(1,762,303)
Net foreign exchange difference	-	577	20,672	45,680	800	29,448	-	97,177
Balance at December 31, 2024	$ -	$ 44,339	$ 1,167,292	$ 1,944,071	$ 34,606	$ 577,227	$ -	$ 3,767,535
Net at December 31, 2024	$ 293,975	$ 22,331	$ 2,261,793	$ 2,396,475	$ 25,951	$ 385,502	$ 71,918	$ 5,457,945
Cost								
Balance at 1 January 2025	$ 293,975	$ 66,670	$ 3,429,085	$ 4,340,546	$ 60,557	$ 962,729	$ 71,918	$ 9,225,480
Acquisition of subsidiaries	1,072,117	1,707	426,472	715,376	27,889	327,627	24,665	2,595,853
Disposal of subsidiaries	-	-	-	(42,630)	(2,178)	(3,824)	-	(48,632)
Additions	-	-	77,924	55,147	1,198	120,146	91,562	345,977
Disposal	-	-	-	(119,727)	(5,064)	(5,283)	-	(130,074)
Reclassification	-	-	24,390	121,096	4,047	39,540	(162,366)	26,707
Net foreign exchange difference	(25,733)	(3,985)	(109,502)	(220,342)	(3,789)	(27,415)	(3,955)	(394,721)
Balance at December 31, 2025	$ 1,340,359	$ 64,392	$ 3,848,369	$ 4,849,466	$ 82,660	$ 1,413,520	$ 21,824	$ 11,620,590
Accumulated depreciation and impairment								
Balance at 1 January 2025	$ -	$ 44,339	$ 1,167,292	$ 1,944,071	$ 34,606	$ 577,227	$ -	$ 3,767,535
Acquisition of subsidiaries	-	1,705	189,728	532,605	19,168	212,513	-	955,719
Disposal of subsidiaries	-	-	-	(43,123)	(1,643)	(3,637)	-	(48,403)
Depreciation expenses	-	5,234	103,334	409,750	9,438	113,272	-	641,028
Disposal	-	-	-	(79,301)	(5,025)	(5,283)	-	(89,609)
Net foreign exchange difference	-	(2,442)	(22,903)	(74,840)	(1,716)	(11,405)	-	(113,306)
Balance at December 31, 2025	$ -	$ 48,836	$ 1,437,451	$ 2,689,162	$ 54,828	$ 882,687	$ -	$ 5,112,964
Net at December 31, 2025	$ 1,340,359	$ 15,556	$ 2,410,918	$ 2,160,304	$ 27,832	$ 530,833	$ 21,824	$ 6,507,626