

**LAI YIH FOOTWEAR CO., LTD. AND  
SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REVIEW REPORT  
MARCH 31, 2025 AND 2024**

LAI YIH FOOTWEAR CO., LTD.  
MARCH 31, 2025 AND 2024 CONSOLIDATED FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REVIEW REPORT  
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## INDEPENDENT AUDITORS' REVIEW REPORT TRANSLATED FROM CHINESE

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

PWCR25000100

### ***Introduction***

We have reviewed the accompanying consolidated balance sheets of LAI YIH FOOTWEAR CO., LTD. and subsidiaries (the "Group") as at March 31, 2025 and 2024, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the three months then ended, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" that came into effect as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

### ***Scope of review***

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

## ***Conclusion***

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2025 and 2024, and of its consolidated financial performance and its consolidated cash flows for the three months then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” that came into effect as endorsed by the Financial Supervisory Commission.

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Lai, Chih-Wei

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Wu, Sung-Yuan

For and on behalf of PricewaterhouseCoopers, Taiwan

May 13, 2025

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

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

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

Assets		Notes	March 31, 2025		December 31, 2024		March 31, 2024		
			AMOUNT	%	AMOUNT	%	AMOUNT	%	
Current assets									
1100	Cash and cash equivalents	6(1)	\$ 3,974,867	11	\$ 3,966,034	12	\$ 3,598,660	13	
1136	Current financial assets at	6(2) and 8							
	amortised cost		4,156	-	3,746	-	4,105	-	
1170	Accounts receivable, net	6(3)	6,371,754	18	7,426,297	22	4,676,746	16	
1200	Other receivables		22,672	-	21,911	-	62,015	-	
1220	Current tax assets		-	-	1,394	-	7,743	-	
130X	Inventories	6(4)	7,097,688	21	5,999,729	17	4,763,119	17	
1479	Other current assets, others	6(5)	2,595,153	8	2,392,946	7	2,179,029	8	
11XX	Current assets		20,066,290	58	19,812,057	58	15,291,417	54	
Non-current assets									
1535	Non-current financial assets at	6(2) and 8							
	amortised cost		15,596	-	15,306	-	102,772	-	
1550	Investments accounted for								
	under equity method		467,380	1	458,869	1	54,105	-	
1600	Property, plant and equipment	6(6) and 8	12,717,343	37	12,298,149	36	11,494,526	41	
1755	Right-of-use assets	6(7), 7(2) and							
	8		1,195,745	4	1,200,421	4	1,294,082	5	
1780	Intangible assets		10,882	-	11,843	-	9,040	-	
1840	Deferred income tax assets		75,226	-	73,397	-	69,232	-	
1990	Other non-current assets, others		84,701	-	227,051	1	76,821	-	
15XX	Non-current assets		14,566,873	42	14,285,036	42	13,100,578	46	
1XXX	Total Assets		\$ 34,633,163	100	\$ 34,097,093	100	\$ 28,391,995	100	

(Continued)

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

	Liabilities and Equity	Notes	March 31, 2025		December 31, 2024		March 31, 2024	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
	<b>Current liabilities</b>							
2100	Short-term borrowings	6(8)	\$ 2,962,040	9	\$ 3,311,796	10	\$ 4,016,057	14
2130	Current contract liabilities	6(14)	72,850	-	109,061	-	78,908	-
2150	Notes payable		3	-	6	-	29	-
2170	Accounts payable		2,327,214	7	2,129,655	6	2,229,715	8
2180	Accounts payable-related parties	7(2)	8,567	-	8,868	-	67,656	-
2200	Other payables	6(9)	1,502,782	4	1,945,970	6	1,268,051	5
2220	Other payables-related parties	7(2)	-	-	-	-	203	-
2230	Income tax payable		661,683	2	599,952	2	179,819	1
2280	Current lease liabilities	6(7) and 7(2)	44,445	-	43,773	-	39,709	-
2399	Other current liabilities, others		8,788	-	16,019	-	12,482	-
21XX	<b>Current liabilities</b>		<u>7,588,372</u>	<u>22</u>	<u>8,165,100</u>	<u>24</u>	<u>7,892,629</u>	<u>28</u>
	<b>Non-current liabilities</b>							
2570	Deferred income tax liabilities		206,908	1	201,552	1	165,530	1
2580	Non-current lease liabilities	6(7) and 7(2)	394,236	1	401,165	1	411,600	1
2670	Other non-current liabilities, others		-	-	-	-	13	-
25XX	<b>Non-current liabilities</b>		<u>601,144</u>	<u>2</u>	<u>602,717</u>	<u>2</u>	<u>577,143</u>	<u>2</u>
2XXX	<b>Total Liabilities</b>		<u>8,189,516</u>	<u>24</u>	<u>8,767,817</u>	<u>26</u>	<u>8,469,772</u>	<u>30</u>
	<b>Equity</b>							
	<b>Equity attributable to owners of parent</b>							
	Share capital	6(11)						
3110	Share capital-common stock		2,494,000	7	2,494,000	7	2,200,000	8
	Capital surplus	6(12)						
3200	Capital surplus		15,322,516	44	15,322,516	45	12,661,753	44
	Retained earnings	6(13)						
3350	Unappropriated retained earnings		6,957,491	20	6,044,030	18	3,624,355	13
	Other equity interest							
3400	Other equity interest		709,464	2	539,590	1	360,212	1
31XX	<b>Equity attributable to owners of parent</b>		<u>25,483,471</u>	<u>73</u>	<u>24,400,136</u>	<u>71</u>	<u>18,846,320</u>	<u>66</u>
36XX	<b>Non-controlling interests</b>	4(3)	<u>960,176</u>	<u>3</u>	<u>929,140</u>	<u>3</u>	<u>1,075,903</u>	<u>4</u>
3XXX	<b>Total Equity</b>		<u>26,443,647</u>	<u>76</u>	<u>25,329,276</u>	<u>74</u>	<u>19,922,223</u>	<u>70</u>
	Significant contingent liabilities and unrecognised contract commitments	9						
	Significant events after the balance sheet date	11						
3X2X	<b>Total Liabilities and Equity</b>		<u>\$ 34,633,163</u>	<u>100</u>	<u>\$ 34,097,093</u>	<u>100</u>	<u>\$ 28,391,995</u>	<u>100</u>

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

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
THREE MONTHS ENDED MARCH 31, 2025 AND 2024

(Expressed in thousands of New Taiwan dollars, except for earning per share amounts)

			Three months ended March 31			
			2025		2024	
Items	Notes		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(14)		\$ 9,682,827	100	\$ 7,770,937	100
5000 Operating costs	6(4)(18)		( 7,983,512)	( 82)	( 6,287,555)	( 81)
5900 Gross profit from operations			<u>1,699,315</u>	<u>18</u>	<u>1,483,382</u>	<u>19</u>
Operating expenses	6(18)					
6100 Selling expenses			( 164,639)	( 2)	( 111,785)	( 2)
6200 Administrative expenses			( 326,959)	( 3)	( 339,588)	( 4)
6300 Research and development expenses			( 181,908)	( 2)	( 151,617)	( 2)
6450 Expected credit impairment gain	12(2)		<u>14,159</u>	<u>-</u>	<u>466</u>	<u>-</u>
6000 Total operating expenses			( 659,347)	( 7)	( 602,524)	( 8)
6900 Net operating income			<u>1,039,968</u>	<u>11</u>	<u>880,858</u>	<u>11</u>
Total non-operating income and expenses						
7100 Interest income	6(15)		12,907	-	22,894	-
7010 Other income			9,048	-	25,773	-
7020 Other gains and losses	6(16)		144,033	1	140,680	2
7050 Finance costs	6(17)		( 43,989)	-	( 50,702)	-
7060 Share of profit of associates and joint ventures accounted for using equity method			<u>632</u>	<u>-</u>	<u>-</u>	<u>-</u>
7000 Non-operating income and expenses			<u>122,631</u>	<u>1</u>	<u>138,645</u>	<u>2</u>
7900 Profit before income tax			1,162,599	12	1,019,503	13
7950 Income tax expense	6(19)		( 229,699)	( 2)	( 217,653)	( 3)
8200 Profit			<u>\$ 932,900</u>	<u>10</u>	<u>\$ 801,850</u>	<u>10</u>
Other comprehensive income						
Total components of other comprehensive income that will be reclassified to profit or loss						
8361 Financial statements translation differences of foreign operations			\$ 181,471	2	\$ 393,798	5
8300 Other comprehensive income			<u>\$ 181,471</u>	<u>2</u>	<u>\$ 393,798</u>	<u>5</u>
8500 Total comprehensive income			<u>\$ 1,114,371</u>	<u>12</u>	<u>\$ 1,195,648</u>	<u>15</u>
Profit, attributable to:						
8610 Owners of parent			\$ 913,461	10	\$ 738,643	9
8620 Non-controlling interests			<u>\$ 19,439</u>	<u>-</u>	<u>\$ 63,207</u>	<u>1</u>
Comprehensive income attributable to:						
8710 Owners of parent			\$ 1,083,335	12	\$ 1,101,135	14
8720 Non-controlling interests			<u>\$ 31,036</u>	<u>-</u>	<u>\$ 94,513</u>	<u>1</u>
Basic earnings per share	6(20)					
9750 Basic earnings per share			<u>\$ 3.66</u>		<u>\$ 3.36</u>	
Diluted earnings per share	6(20)					
9850 Diluted earnings per share			<u>\$ 3.66</u>		<u>\$ 3.36</u>	

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



LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
THREE MONTHS ENDED MARCH 31, 2025 AND 2024  
(Expressed in thousands of New Taiwan dollars)

Notes	Equity attributable to owners of the parent					Non-controlling interests	Total equity
	Ordinary share	Capital surplus, additional paid-in capital	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Total		
<u>2024</u>							
Balance at January 1, 2024	\$ 2,200,000	\$12,661,753	\$ 2,885,712	(\$ 2,280)	\$17,745,185	\$ 981,390	\$18,726,575
Profit for the period	-	-	738,643	-	738,643	63,207	801,850
Other comprehensive income for the period	-	-	-	362,492	362,492	31,306	393,798
Total comprehensive income	-	-	738,643	362,492	1,101,135	94,513	1,195,648
Balance at March 31, 2024	<u>\$ 2,200,000</u>	<u>\$12,661,753</u>	<u>\$ 3,624,355</u>	<u>\$ 360,212</u>	<u>\$18,846,320</u>	<u>\$ 1,075,903</u>	<u>\$19,922,223</u>
<u>2025</u>							
Balance at January 1, 2025	\$ 2,494,000	\$15,322,516	\$ 6,044,030	\$ 539,590	\$24,400,136	\$ 929,140	\$25,329,276
Profit for the period	-	-	913,461	-	913,461	19,439	932,900
Other comprehensive income for the period	-	-	-	169,874	169,874	11,597	181,471
Total comprehensive income	-	-	913,461	169,874	1,083,335	31,036	1,114,371
Balance at March 31, 2025	<u>\$ 2,494,000</u>	<u>\$15,322,516</u>	<u>\$ 6,957,491</u>	<u>\$ 709,464</u>	<u>\$25,483,471</u>	<u>\$ 960,176</u>	<u>\$26,443,647</u>

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

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
THREE MONTHS ENDED MARCH 31, 2025 AND 2024  
(Expressed in thousands of New Taiwan dollars)

		Three months ended March 31	
	Notes	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		\$ 1,162,599	\$ 1,019,503
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense	6(18)	355,896	348,808
Amortisation expense	6(18)	2,161	1,426
Expected credit impairment gain	12(2)	( 14,159 )	( 466 )
Finance costs	6(17)	43,989	50,702
Interest income	6(15)	( 12,907 )	( 22,894 )
Share of gain of associates accounted for using the equity method		( 632 )	-
Loss on disposal of property, plant and equipment	6(16)	-	2,458
Property, plant and equipment transferred to expense	6(21)	-	25
Unrealised foreign exchange gain		( 898,615 )	( 591,182 )
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable, net		1,068,674	( 1,321,815 )
Other receivables		( 675 )	37,881
Inventories		( 1,071,108 )	( 570,381 )
Other current assets		( 204,774 )	( 158,356 )
Changes in operating liabilities			
Contract liabilities		( 36,211 )	17,683
Notes payable		( 3 )	8
Accounts payable		191,369	508,699
Accounts payable-related parties		( 342 )	62,498
Other payables		( 435,902 )	( 323,997 )
Other payables-related parties		-	( 43 )
Other current liabilities		( 7,275 )	( 292 )
Cash inflow (outflow) generated from operations		142,085	( 939,735 )
Interest received		12,907	22,894
Interest paid		( 47,207 )	( 50,702 )
Income taxes paid		( 163,330 )	( 169,372 )
Net cash flows used in operating activities		( 55,545 )	( 1,136,915 )
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of financial assets at amortised cost		( 507 )	( 87,183 )
Acquisition of property, plant and equipment	6(21)	( 570,839 )	( 642,431 )
Proceeds from disposal of property, plant and equipment		-	14,027
Acquisition of intangible assets	6(21)	( 426 )	( 2,914 )
Acquisition of right-of-use assets		-	( 378 )
Decrease (increase) in guarantee deposits paid		16,765	( 4,821 )
(Increase) decrease in other non-current assets		( 9,937 )	6,447
Net cash flows used in investing activities		( 564,944 )	( 717,253 )
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase in short-term borrowings	6(22)	2,738,792	6,969,544
Decrease in short-term borrowings	6(22)	( 3,122,624 )	( 6,841,678 )
Payments of lease liabilities	6(22)	( 20,537 )	( 16,207 )
Decrease in guarantee deposits received	6(22)	-	( 9 )
Net cash flows (used in) from financing activities		( 404,369 )	111,650
Effect of exchange rate changes on cash and cash equivalents		1,033,691	922,259
Net increase (decrease) in cash and cash equivalents		8,833	( 820,259 )
Cash and cash equivalents at beginning of period		3,966,034	4,418,919
Cash and cash equivalents at end of period		\$ 3,974,867	\$ 3,598,660

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

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
THREE MONTHS ENDED MARCH 31, 2025 AND 2024

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

1. History and Organisation

LAI YIH FOOTWEAR CO., LTD. (the “Company”) was incorporated in the Cayman Islands on June 19, 2021. The Company and its subsidiaries (collectively referred herein as the “Group”) are an investment holding company established as part of an organisational restructuring as a result of applying for listing on the Taiwan Stock Exchange. The Company issued new shares on June 19, 2021 to acquire 100% equity interest in LAI YIH FOOTWEAR CO., LTD. and became the holding company of all consolidated entities after completing the reorganisation. The Group is primarily engaged in the production and sales of sports and leisure shoes. The Company was listed on the Taiwan Stock Exchange starting from June 12, 2024.

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

These consolidated financial statements were authorised for issuance by the Board of Directors on May 13, 2025.

3. Application of New Standards, Amendments and Interpretations

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

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

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

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

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

None.

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

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

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Specific provisions of Amendments to IFRS 9 and IFRS 7, 'Amendments to the classification and measurement of financial instruments'	January 1, 2026
Amendments to IFRS 9 and IFRS 7, 'Contracts referencing nature-dependent electricity'	January 1, 2026
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 - comparative information'	January 1, 2023
IFRS 18, 'Presentation and disclosure in financial statements'	January 1, 2027
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

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

IFRS 18, 'Presentation and disclosure in financial statements'

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

4. Summary of Material Accounting Policies

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

(1) Compliance statement

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

(2) Basis of preparation

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

(3) Basis of consolidation

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

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

Name of investor	Name of subsidiary	Main business activities	Ownership (%)	Ownership (%)	Ownership (%)	Description
			March 31, 2025	December 31, 2024	March 31, 2024	
The Company	LAI YIH FOOTWEAR CO., LTD. (LAI YIH SAMOA)	Holding company	100%	100%	100%	
LAI YIH SAMOA	FLOURISH THRIVE DEVELOPMENTS LIMITED (FLOURISH THRIVE)	Import and export trade	100%	100%	100%	
LAI YIH SAMOA	CHEER ACCESS LTD. (CHEER ACCESS)	Investment holding and import and export trade	100%	100%	100%	
LAI YIH SAMOA	BILLION STAR INTERNATIONAL CO., LTD. (BILLION STAR)	Investment holding and import and export trade	100%	100%	100%	
LAI YIH SAMOA	PORTRICH TRADING LIMITED (PORTRICH)	Holding company	100%	100%	100%	
LAI YIH SAMOA	OVERSEA FAITH CO., LTD. (OVERSEA)	Holding company	100%	100%	100%	
LAI YIH SAMOA	MEGA RIVER INVESTMENT CO., LTD. (MEGA RIVER)	Holding company	100%	100%	100%	
LAI YIH SAMOA	KING GLOBAL DEVELOPMENT CORP (KING GLOBAL)	Holding company	100%	100%	100%	
LAI YIH SAMOA	THRIVE FOISON LIMITED (THRIVE FOISON)	Holding company	100%	100%	100%	
LAI YIH SAMOA	BRILLIANT METERO LIMITED (BRILLIANT)	Holding company	100%	100%	100%	Note 4

Name of investor	Name of subsidiary	Main business activities	Ownership (%)	Ownership (%)	Ownership (%)	Description
			March 31, 2025	December 31, 2024	March 31, 2024	
LAI YIH SAMOA	POLO INTERNATIONAL HOLDING LTD. (POLO)	Investment holding and production and sales of sports and leisure shoes	100%	100%	100%	
LAI YIH SAMOA	EVERYIELD CO., LTD. (EVERYIELD)	Holding company	100%	100%	100%	
LAI YIH SAMOA	LAC TY COMPANY LIMITED (LAC TY)	Production and sales of sports and leisure shoes	50%	50%	50%	Note 1
LAI YIH SAMOA	JUMBO POWER ENTERPRISES LIMITED (JUMBO POWER)	Investment holding and production and sales of sports and leisure shoes	-	-	50%	Note 2
PORTRICH	LAC TY II COMPANY LIMITED (LAC TY II)	Production and sales of sports and leisure shoes	100%	100%	100%	
OVERSEA	VINH LONG FOOTWEAR CO., LTD (TY XUAN)	Production and sales of sports and leisure shoes	85%	85%	85%	
KING GLOBAL	YIH SHUO FOOTWEAR CO., LTD (TY THAC)	Production and sales of sports and leisure shoes	85%	85%	85%	
MEGA RIVER	YIH SHUO FOOTWEAR CO., LTD (TY THAC)	Production and sales of sports and leisure shoes	15%	15%	15%	
JUMBO POWER	SUPERB KING INVESTMENTS LIMITED (SUPERB KING)	Holding company	-	-	100%	Note 2
SUPERB KING	YANGZHOU BAOYI SHOES MANUFACTURING CO., LTD. (BAOYI)	Production and sales of sports and leisure shoes	-	-	100%	Note 2

Name of investor	Name of subsidiary	Main business activities	Ownership (%)	Ownership (%)	Ownership (%)	Description
			March 31, 2025	December 31, 2024	March 31, 2024	
THRIVE FOISON	TY BACH COMPANY LIMITED (TY BACH)	Production and sales of sports and leisure shoes	100%	100%	100%	
THRIVE FOISON	GRAND WISDOM COMPANY LIMITED (GRAND WISDOM)	Production and sales of sports and leisure shoes	100%	100%	100%	
POLO	TSANG YIH COMPAMY LIMITED (TSANG YIH)	Production and sales of sports and leisure shoes	73%	73%	73%	
EVERYIELD	TSANG YIH COMPAMY LIMITED (TSANG YIH)	Production and sales of sports and leisure shoes	27%	27%	27%	
MEGA RIVER	PT. YIH QUAN FOOTWEAR INDONESIA (YIH QUAN)	Production and sales of sports and leisure shoes	50%	50%	50%	
THRIVE FOISON	PT. YIH QUAN FOOTWEAR INDONESIA (YIH QUAN)	Production and sales of sports and leisure shoes	50%	50%	50%	
OVERSEA	PT. YIHFULL FOOTWEAR INDONESIA (YIHFULL)	Production and sales of sports and leisure shoes	50%	50%	50%	
PORTRICH	PT. YIHFULL FOOTWEAR INDONESIA (YIHFULL)	Production and sales of sports and leisure shoes	50%	50%	50%	
OVERSEA	PT. YIHXIN FOOTWEAR INDONESIA (YIHXIN)	Production and sales of sports and leisure shoes	50%	50%	50%	
KING GLOBAL	PT. YIHXIN FOOTWEAR INDONESIA (YIHXIN)	Production and sales of sports and leisure shoes	50%	50%	50%	
EVERYIELD	PT ALNU SPORTING GOODS INDONESIA (ALNU)	Production and sales of sports and leisure shoes	51%	51%	51%	



<u>Name of investor</u>	<u>Name of subsidiary</u>	<u>Main business activities</u>	<u>Ownership (%)</u>	<u>Ownership (%)</u>	<u>Ownership (%)</u>	<u>Description</u>
			<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>	
OVERSEA	PT. YIH YOU FOOTWEAR INDONESIA(YIH YOU)	Production and sales of sports and leisure shoes	60%	60%	-	Note 3
PORTRICH	PT. YIH YOU FOOTWEAR INDONESIA(YIH YOU)	Production and sales of sports and leisure shoes	40%	40%	-	Note 3

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

Note 2: JUMBO POWER was included as a consolidated subsidiary as its executives of its main business activities, investment holding and sales of sports and leisure shoes, were all assigned by the Group and brand key technical services were all controlled by the Group. However, since September 2024, Jumbo Power has changed its main business activities to investment holding and non-residential premises lease. As the Group was no longer in charge of the relevant business activities, the Group lost control over Jumbo Power. Therefore, Jumbo Power was no longer included in the consolidated financial statements and was transferred to investments accounted for using equity method from the date when the control was lost.

Note 3: PORTRICH TRADING LIMITED and OVERSEA FAITH CO., LTD. jointly held 100% of share in PT. YIH YOU FOOTWEAR INDONESIA.

Note 4: In order to meet the Group's long-term development plans and to continuously integrate the resources, the Company liquidated BRILLIANT METERO LIMITED in accordance with the relevant local regulations. As of March 31, 2025, the liquidation was not completed.

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

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

As of March 31, 2025, December 31, 2024 and March 31, 2024, the non-controlling interest amounted to \$960,176, \$929,140 and \$1,075,903, respectively. The information of non-controlling interest and respective subsidiaries is as follows:

Name of subsidiary	Principal place of business	Non-controlling interest			
		March 31, 2025		December 31, 2024	
		Amount	Ownership (%)	Amount	Ownership (%)
VINH LONG FOOTWEAR CO., LTD	Vietnam	\$ 789,527	15%	\$ 777,526	15%

Name of subsidiary	Principal place of business	Non-controlling interest	
		March 31, 2024	
		Amount	Ownership (%)
VINH LONG FOOTWEAR CO., LTD	Vietnam	\$ 651,062	15%

Summarised financial information of the subsidiaries:

Balance sheets

	VINH LONG FOOTWEAR CO., LTD		
	March 31, 2025	December 31, 2024	March 31, 2024
Current assets	\$ 4,343,025	\$ 4,348,799	\$ 3,602,587
Non-current assets	1,885,856	1,928,710	2,006,965
Current liabilities	( 934,658)	( 1,061,108)	( 1,234,016)
Non-current liabilities	( 30,713)	( 32,897)	( 35,123)
Total net assets	\$ 5,263,510	\$ 5,183,504	\$ 4,340,413

Statements of comprehensive income

	VINH LONG FOOTWEAR CO., LTD	
	Three months ended March 31	
	2025	2024
Revenue	\$ 2,800,773	\$ 3,061,998
Profit before income tax	68,686	427,855
Income tax expense	( 13,403)	( 83,350)
Profit for the period	55,283	344,505
Total comprehensive income for the period	\$ 55,283	\$ 344,505
Comprehensive income attributable to non-controlling interest	\$ 8,292	\$ 51,676

## Statements of cash flows

VINH LONG FOOTWEAR CO., LTD			
Three months ended March 31			
	2025		2024
Net cash provided by operating activities	\$ 35,880	\$	259,510
Net cash used in investing activities	( 32,927)	(	41,588)
Net cash used in financing activities	( 2,097)	(	211,995)
Effect of exchange rates on cash and cash	43		116
Increase in cash and cash equivalents	899		6,043
Cash and cash equivalents, beginning of period	8,444		3,132
Cash and cash equivalents, end of period	\$ 9,343	\$	9,175

### (4) Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

- (a) Assets that are expected to be realised, or are intended to be sold or consumed in the normal operating cycle;
- (b) Assets that are held primarily for the purpose of trading;
- (c) Assets that are expected to be realised within twelve months after the reporting period;
- (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities for at least twelve months after the reporting period.

The Group classifies all assets that do not meet the above criteria as non-current.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

- (a) Liabilities that are expected to be settled in the normal operating cycle;
- (b) Liabilities that are held primarily for the purpose of trading ;
- (c) Liabilities that are due to be settled within twelve months after the reporting period;
- (d) It does not have the right at the end of the reporting period to defer settlement of the liability at least twelve months after the reporting period.

The Group classifies all liabilities that do not meet the above criteria as non-current.

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

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

(6) Income tax

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

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

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

6. Details of Significant Accounts

(1) Cash and cash equivalents

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Cash on hand and revolving funds	\$ 5,079	\$ 5,354	\$ 9,000
Checking accounts and demand deposits	3,523,378	3,671,185	3,524,604
Time deposits	446,410	289,495	65,056
	<u>\$ 3,974,867</u>	<u>\$ 3,966,034</u>	<u>\$ 3,598,660</u>

- A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.
- B. The Group classified the time deposits with maturity over three months that did not meet short-term cash commitments and be pledged to others as collateral amounting to \$19,752, \$19,052 and \$106,877 on March 31, 2025, December 31, 2024 and March 31, 2024, respectively, as financial assets at amortised cost.

(2) Financial assets at amortised cost

<u>Items</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Current items:			
Restricted time deposits	\$ 1,842	\$ 1,443	\$ 1,804
Time deposits with maturity over three months	2,314	2,303	2,301
	<u>\$ 4,156</u>	<u>\$ 3,746</u>	<u>\$ 4,105</u>
Non-current items:			
Restricted time deposits	\$ 15,596	\$ 15,306	\$ 14,580
Time deposits with maturity over one year	-	-	88,192
	<u>\$ 15,596</u>	<u>\$ 15,306</u>	<u>\$ 102,772</u>

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

	Three months ended March 31	
	2025	2024
Interest income	\$ 127	\$ 132

- B. As at March 31, 2025, December 31, 2024 and March 31, 2024, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortised cost held by the Group was the carrying amount of financial assets at amortised cost.
- C. Details of the Group's financial assets at amortised cost pledged to others as collateral are provided in Note 8.
- D. Information relating to credit risk of financial assets at amortised cost is provided in Note 12(2). The counterparties of the Group's investments in certificates of deposit are financial institutions with high credit quality, so the Group expects that the probability of counterparty default is remote.

(3) Notes and accounts receivable

	March 31, 2025	December 31, 2024	March 31, 2024
Accounts receivable	\$ 6,375,814	\$ 7,444,516	\$ 4,677,503
Less: Allowance for uncollectible accounts	( 4,060)	( 18,219)	( 757)
	<u>\$ 6,371,754</u>	<u>\$ 7,426,297</u>	<u>\$ 4,676,746</u>

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

	March 31, 2025	December 31, 2024	March 31, 2024
Not past due	\$ 6,356,581	\$ 7,380,017	\$ 4,671,585
Up to 30 days	19,225	54,335	5,896
31 to 90 days	8	8,458	9
Over 91 days	-	1,706	13
	<u>\$ 6,375,814</u>	<u>\$ 7,444,516</u>	<u>\$ 4,677,503</u>

The above ageing analysis was based on past due date.

- B. As of March 31, 2025, December 31, 2024 and March 31, 2024, accounts receivable were all from contracts with customers. And as of January 1, 2024, the balance of receivables from contracts with customers amounted to \$3,483,993.
- C. As at March 31, 2025, December 31, 2024 and March 31, 2024, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's accounts receivable was the carrying amount of the accounts receivable.
- D. Information relating to credit risk of accounts receivable is provided in Note 12(2).

(4) Inventories

March 31, 2025			
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 1,573,923	(\$ 41,503)	\$ 1,532,420
Work in progress	2,038,330	-	2,038,330
Finished goods	3,492,602	( 19,378)	3,473,224
Inventory in transit	53,714	-	53,714
	<u>\$ 7,158,569</u>	<u>(\$ 60,881)</u>	<u>\$ 7,097,688</u>
December 31, 2024			
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 1,395,408	(\$ 37,451)	\$ 1,357,957
Work in progress	1,655,620	-	1,655,620
Finished goods	2,939,171	( 37,420)	2,901,751
Inventory in transit	84,401	-	84,401
	<u>\$ 6,074,600</u>	<u>(\$ 74,871)</u>	<u>\$ 5,999,729</u>
March 31, 2024			
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 1,142,923	(\$ 92,201)	\$ 1,050,722
Work in progress	1,360,120	-	1,360,120
Finished goods	2,364,566	( 29,238)	2,335,328
Inventory in transit	16,949	-	16,949
	<u>\$ 4,884,558</u>	<u>(\$ 121,439)</u>	<u>\$ 4,763,119</u>

The cost of inventories recognised as expense for the year:

Three months ended March 31			
	2025	2024	
Cost of goods sold	\$ 8,002,051	\$ 6,300,557	
Gain on reversal of decline in market value	( 14,249)	( 25,408)	
Loss on scrapping inventories	-	15,398	
Revenue from sale of scraps	( 4,290)	( 2,992)	
	<u>\$ 7,983,512</u>	<u>\$ 6,287,555</u>	

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

(5) Other current assets

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Excess business tax paid (or Net Input VAT)	\$ 2,237,035	\$ 2,093,478	\$ 1,931,414
Prepaid expenses	277,366	248,613	187,142
Prepayments to suppliers	39,907	6,879	39,891
Others	40,845	43,976	20,582
	<u>\$ 2,595,153</u>	<u>\$ 2,392,946</u>	<u>\$ 2,179,029</u>

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(6) Property, plant and equipment

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



Three months ended March 31, 2024

Cost	Beginning balance	Addition	Decrease	Transfer	Net exchange differences	Ending balance
Buildings and structures	\$ 8,843,696	\$ 2,746	(\$ 7,924)	\$ 20,885	\$ 228,814	\$ 9,088,217
Machinery and equipment	6,722,065	107,335	( 45,672)	791	145,548	6,930,067
Transportation equipment	86,544	844	-	-	1,694	89,082
Office equipment	142,569	753	( 502)	-	2,638	145,458
Miscellaneous equipment	1,074,366	21,819	( 232,289)	( 5)	23,966	887,857
Unfinished construction and equipment under acceptance	2,126,301	472,192	-	( 21,697)	11,471	2,588,267
	<u>18,995,541</u>	<u>\$ 605,689</u>	<u>(\$ 286,387)</u>	<u>(\$ 26)</u>	<u>\$ 414,131</u>	<u>19,728,948</u>
Accumulated depreciation						
Buildings and structures	(\$ 2,368,089)	(\$ 92,090)	\$ 7,924	\$ -	(\$ 60,600)	(\$ 2,512,855)
Machinery and equipment	( 4,730,929)	( 162,399)	31,207	-	( 102,030)	( 4,964,151)
Transportation equipment	( 49,649)	( 2,202)	-	-	( 1,019)	( 52,870)
Office equipment	( 89,193)	( 4,620)	438	-	( 1,726)	( 95,101)
Miscellaneous equipment	( 757,526)	( 65,880)	230,333	1	( 16,373)	( 609,445)
	<u>( 7,995,386)</u>	<u>(\$ 327,191)</u>	<u>\$ 269,902</u>	<u>\$ 1</u>	<u>(\$ 181,748)</u>	<u>( 8,234,422)</u>
Book value	<u>\$ 11,000,155</u>					<u>\$ 11,494,526</u>

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

(7) Lease transactions - lessee

- A. The Group leases various assets including land, buildings and transportation equipment. Rental contracts are typically made for periods of 3 to 50 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.
- B. Short-term leases with a lease term of 12 months or less comprise buildings. Low-value assets comprise printers.
- C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>	<u>Carrying amount</u>
Land	\$ 907,565	\$ 910,065	\$ 968,218
Buildings	283,882	284,526	317,050
Transportation equipment	4,298	5,830	8,814
	<u>\$ 1,195,745</u>	<u>\$ 1,200,421</u>	<u>\$ 1,294,082</u>

	<u>Three months ended March 31</u>	
	<u>2025</u>	<u>2024</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 5,416	\$ 5,771
Buildings	15,362	14,008
Transportation equipment	1,531	1,838
	<u>\$ 22,309</u>	<u>\$ 21,617</u>

- D. For the three months ended March 31, 2025 and 2024, the additions to right-of-use assets were \$13,681 and \$34,557, respectively.
- E. The information on profit and loss accounts relating to lease contracts is as follows:

	<u>Three months ended March 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 2,519	\$ 2,165
Expense on short-term lease contracts	<u>\$ 1,808</u>	<u>\$ 2,105</u>

- F. For the three months ended March 31, 2025 and 2024, the Group's total cash outflow for leases were \$24,864 and \$20,477, respectively.
- G. Information about the right-of-use that were pledged to others as collaterals is provided in Note 8.

(8) Short-term borrowings

Type of borrowings	March 31, 2025	Interest rate range	Collateral
Bank borrowings			
Secured borrowings	\$ 873,038	5.10%~5.23%	Land use right and property, plant and equipment
Unsecured borrowings	2,089,002	3.98%~5.50%	None
	<u>\$ 2,962,040</u>		
Type of borrowings	December 31, 2024	Interest rate range	Collateral
Bank borrowings			
Secured borrowings	\$ 1,123,853	5.30%~5.55%	Land use right and property, plant and equipment
Unsecured borrowings	2,187,943	4.43%~5.53%	None
	<u>\$ 3,311,796</u>		
Type of borrowings	March 31, 2024	Interest rate range	Collateral
Bank borrowings			
Secured borrowings	\$ 534,753	2.51%~6.00%	Land use right and property, plant and equipment
Unsecured borrowings	3,481,304	3.30%~6.11%	None
	<u>\$ 4,016,057</u>		

Interest expense recognised in profit or loss amounted to \$41,470 and \$48,537, for the three months ended March 31, 2025 and 2024, respectively.

(9) Other payables

	March 31, 2025	December 31, 2024	March 31, 2024
Payable on wages, salaries and bonuses	\$ 818,629	\$ 1,161,805	\$ 971,450
Payable on professional service fees	170,076	122,593	75,158
Payable on machinery and equipment	145,213	154,978	28,256
Payable on employees' compensation	61,801	99,438	-
Payable on directors remuneration	45,733	59,663	-
Others	261,330	347,493	193,187
	<u>\$ 1,502,782</u>	<u>\$ 1,945,970</u>	<u>\$ 1,268,051</u>

(10) Pensions

- A. Effective July 1, 2005, the Group has established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Group contributes monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The pension costs under defined contribution pension plans of the Group for the three months ended March 31, 2025 and 2024, were \$2,330 and \$2,091, respectively.
- B. The mainland China subsidiaries, BAOYI and ZHONGSHAN YIBO (transferred to investments accounted for using equity method since September 2024), have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People’s Republic of China (PRC) are based on certain percentage of employees’ monthly salaries and wages. Other than the monthly contributions, the Group has no further obligations. The amount that the Group contributed to the competent authority designated by the Government for the three months ended March 31, 2024 was \$2,929, there was no such transaction for the three months ended March 31, 2025.
- C. The Group’s subsidiaries, LAC TY, LAC TY II, TY XUAN, TY THAC, TY BACH and GRAND WISDOM, are subject to relevant regulations in Vietnam and contribute labor pension fund based on certain percentage of employees’ monthly salaries and wages to relevant competent authority monthly according to the regulations in Vietnam. Other than the monthly contributions, the Group has no further obligations. The pension costs under defined contribution pension plans of the Group for the three months ended March 31, 2025 and 2024, were \$220,269 and \$175,514, respectively.
- D. The Group’s subsidiaries, YIH QUAN, YIHFULL, ALNU and YIH YOU, are subject to relevant regulations in Indonesia and contribute labor pension fund based on certain percentage of employees’ monthly salaries and wages to relevant competent authority monthly according to the regulations in Indonesia. Other than the monthly contributions, the Group has no further obligations. The pension costs under defined contribution pension plans of the Group for the three months ended March 31, 2025 and 2024, were \$6,058 and \$1,007, respectively.

(11) Share capital

- A. As of March 31, 2025, the Company’s authorised capital was \$8,000,000, consisting of 800,000 thousand shares of ordinary stock, and the paid-in capital was \$2,494,000 with a par value of NT\$10 (in dollars) per share. All proceeds from shares issued have been collected.
- B. The Board of Directors during its meeting on March 12, 2024 adopted a resolution to increase the Company’s capital by issuing 29,400 thousand ordinary shares with a par value of \$10 (in dollars) per share with the effective date set on June 7, 2024.

(12) Capital surplus

- A. Unless otherwise provided in the Companies Law of the Cayman Islands, listed companies' regulations, and the Company's Articles of Incorporation, neither the legal reserve nor the capital surplus shall be used except for offsetting the losses of the Company. The Company shall not use the capital surplus to offset its capital losses unless the legal reserve and special reserve set aside for purposes of loss offset is insufficient to offset such losses.
- B. Subject to the Companies Law of the Cayman Islands, where the Company incurs no loss, it may, by a special resolution, distribute its statutory reserve, the share premium account and/or the income from endowments received by the Company, which are in the capital surplus which are available for distribution, in whole or in part, by issuing new, fully paid shares and/or by cash to its shareholders.
- C. The shareholders resolved the appropriation of 2023 earnings on May 30, 2024. Cash dividends from capital surplus amounted to \$440,000 at \$2 (in dollars) per share. However, the Company increased its capital before selling the shares in the market on June 7, 2024. As a result, the outstanding amount of the Company's ordinary stocks increased and the distributed amount was adjusted to \$1.76 (in dollars) per share.

(13) Retained earnings

- A. When the Company's shares are traded on any Taiwan Stock Exchange, under the Company's Articles of Incorporation, if there is current year's earnings, before distribution, the Company shall:
  - (a) Pay all taxes;
  - (b) Offset prior years' operating losses;
  - (c) Set aside 10% of the remaining amount as legal reserve until the legal reserve equals the paid-in capital;
  - (d) Set aside special reserve according to the regulations of the competent authority. The remainder is the distributable earnings for the period.Dividends can be distributed from the distributable earnings for the period or the unappropriated retained earnings for the prior period.
- B. All directors are entitled to obtain year-end remuneration not higher than 2% of 'profit of the current year' only in the form of cash every year. All employees of the Company and its subsidiaries are entitled to obtain year-end compensation not lower than 2% of 'profit of the current year' in the form of cash, stocks or any combination of the two every year.

- C. The Board of Directors proposed the appropriation of 2024 earnings on March 6, 2025 and the shareholders resolved the appropriation of 2023 earnings on May 30, 2024. Details are as follows :

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

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

As of May 13, 2025, the appropriation of 2024 earnings has not been resolved by the shareholders at the meeting.

(14) Operating revenue

	Three months ended March 31	
	2025	2024
Revenue from contracts with customers	<u>\$ 9,682,827</u>	<u>\$ 7,770,937</u>

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of control at a point in time. Refer to Note 14(3) for relevant information.

B. Contract liabilities

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

	March 31, 2025	December 31, 2024	March 31, 2024	January 1, 2024
Contract liabilities:				
- Advance sales receipts	<u>\$ 72,850</u>	<u>\$ 109,061</u>	<u>\$ 78,908</u>	<u>\$ 58,452</u>

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

	Three months ended March 31	
	2025	2024
Revenue recognised that was included in the contract liability balance at the beginning of the period		
- Advance sales receipts	<u>\$ 108,802</u>	<u>\$ 58,452</u>

(15) Interest income

	Three months ended March 31	
	2025	2024
Interest income from bank deposits	\$ 12,780	\$ 22,762
Interest income from financial assets measured at amortised cost	127	132
	<u>\$ 12,907</u>	<u>\$ 22,894</u>

(16) Other gains and losses

	Three months ended March 31	
	2025	2024
Foreign exchange gains	\$ 176,270	\$ 145,029
Loss on disposals of property, plant and equipment	- (	2,458)
Other gains and losses	( 32,237)	( 1,891)
	<u>\$ 144,033</u>	<u>\$ 140,680</u>

(17) Finance costs

	Three months ended March 31	
	2025	2024
Interest expense		
Bank borrowings	\$ 41,470	\$ 48,537
Lease liabilities	2,519	2,165
	<u>\$ 43,989</u>	<u>\$ 50,702</u>

(18) Expenses by nature

	Three months ended March 31	
	2025	2024
Employee benefit expense		
Wages and salaries	\$ 2,181,135	\$ 1,731,659
Labour and health insurance fees	61,553	45,168
Pension costs	228,657	181,541
Other personnel expenses	119,994	80,792
	<u>\$ 2,591,339</u>	<u>\$ 2,039,160</u>
Depreciation charges on property, plant and equipment	<u>\$ 333,587</u>	<u>\$ 327,191</u>
Depreciation charges on right-of-use assets	<u>\$ 22,309</u>	<u>\$ 21,617</u>
Amortisation charges	<u>\$ 2,161</u>	<u>\$ 1,426</u>

A. For the three months ended March 31, 2025, employees' compensation was accrued at \$23,788; directors' remuneration was accrued at \$14,273. The aforementioned amounts were recognised in salary expenses.

B. For the three months ended March 31, 2024: None.

- C. The employees' compensation and directors' remuneration were estimated and accrued based on 2.5% and 1.5% of distributable profit of current period for the three months ended March 31, 2025.
- D. Employees' compensation and directors' remuneration for 2024 as resolved at the meeting of the Board of Directors were in agreement with those amounts recognised in the 2024 financial statements.
- E. Information about employees' compensation and directors' remuneration of the Company as resolved at the meeting of Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(19) Income tax

A. Income tax expense

Components of income tax expense:

	Three months ended March 31	
	2025	2024
Current tax:		
Current tax on profits for the period	\$ 226,158	\$ 214,764
Prior year income tax overestimation	( 201)	-
Total current tax	<u>225,957</u>	<u>214,764</u>
Deferred tax:		
Origination and reversal of temporary differences	\$ 3,742	\$ 2,889
Total deferred tax	<u>3,742</u>	<u>2,889</u>
Income tax expense	<u>\$ 229,699</u>	<u>\$ 217,653</u>

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



(20) Earnings per share

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

Three months ended March 31, 2024			
		Weighted average number of ordinary shares outstanding	Earnings per share (in dollars)
	Amount after tax	(share in thousands)	
<u>Basic and diluted earnings per share</u>			
Profit attributable to the parent	\$ 738,643	220,000	\$ 3.36

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

(21) Supplemental cash flow information

Investing activities with partial cash payments:

	Three months ended March 31	
	2025	2024
Purchase of property, plant and equipment	\$ 707,780	\$ 605,664
Add: Opening balance of payable on equipment	154,978	57,553
Add: Ending balance of prepayments for equipment	12,671	24,623
Less: Ending balance of payable on equipment	( 145,213)	( 28,256)
Less: Opening balance of prepayments for equipment	( 159,377)	( 17,178)
Add: Property, plant and equipment transferred to expense	-	25
Cash paid during the period	<u>\$ 570,839</u>	<u>\$ 642,431</u>

	Three months ended March 31	
	2025	2024
Purchase of intangible assets	\$ 1,187	\$ 315
Add: Ending balance of prepayments	3,663	5,952
Less: Opening balance of prepayments	( 4,424)	( 3,353)
Cash paid during the period	<u>\$ 426</u>	<u>\$ 2,914</u>

(22) Changes in liabilities from financing activities

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

	Short-term borrowings	Guarantee deposits received	Lease liabilities	Liabilities from financing activities-gross
At January 1, 2024	\$ 3,759,856	\$ 22	\$ 426,845	\$ 4,186,723
Changes in cash flow from financing activities	127,866	( 9)	( 16,207)	111,650
Impact of changes in foreign exchange rate	128,335	-	6,492	134,827
Changes in other non-cash items	-	-	34,179	34,179
At March 31, 2024	<u>\$ 4,016,057</u>	<u>\$ 13</u>	<u>\$ 451,309</u>	<u>\$ 4,467,379</u>

## 7. Related Party Transactions

### (1) Names of related parties and relationship

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

Note: It was no longer a related party since September 2024. Please refer to Note 4(3).

### (2) Significant related party transactions

#### A. Purchases

	<u>Three months ended March 31</u>	
	<u>2025</u>	<u>2024</u>
Purchases of goods:		
Other related parties	\$ -	\$ 226,517
	-	226,517
Purchases of services:		
Other related parties	\$ 4,128	\$ 2,633
	4,128	2,633
	<u>\$ 4,128</u>	<u>\$ 229,150</u>

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

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

#### B. Receivables from related parties:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Other receivables			
Other related parties	\$ -	\$ -	\$ 22

Other receivables mainly from overpayment for sample purchases.

C. Payables to related parties

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Accounts payable:			
Other related parties	\$ 1,415	\$ 1,750	\$ 67,656
Associate	<u>7,152</u>	<u>7,118</u>	<u>-</u>
	<u>8,567</u>	<u>8,868</u>	<u>67,656</u>
Other payables:			
Other related parties	\$ -	\$ -	\$ 203
	<u>-</u>	<u>-</u>	<u>203</u>
	<u>\$ 8,567</u>	<u>\$ 8,868</u>	<u>\$ 67,859</u>

Accounts payable arise mainly from purchase transactions. Other payables arise mainly from expense on purchasing samples.

D. Lease transactions - lessee

- (a) The Group leases buildings from AN LAC. Rental contracts are made for periods from 2018 to 2030, 2021 to 2030, and 2024 to 2027, respectively. Rents are paid in a lump sum, monthly and monthly at commencement of the contracts, respectively.
- (b) The Group leases buildings from ZHUO YIH. Rental contracts are made for a period from 2024 to 2028. Rents are paid monthly at commencement of the contracts. Rents will be adjusted with the increases of price indexes starting from 2025. Thus, the amount of the remeasurement of the lease liability shall be recognised as an adjustment to the right-of-use asset.

(c) Acquisition of right-of-use assets

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

(d) Lease liabilities

i. Outstanding balance

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
AN LAC	\$ 84,882	\$ 88,566	\$ 101,261
ZHUO YIH	<u>28,982</u>	<u>28,178</u>	<u>32,714</u>
	<u>\$ 113,864</u>	<u>\$ 116,744</u>	<u>\$ 133,975</u>

ii. Interest expense

	<u>Three months ended March 31</u>	
	<u>2025</u>	<u>2024</u>
AN LAC	\$ 849	\$ 325
ZHUO YIH	<u>219</u>	<u>533</u>
	<u>\$ 1,068</u>	<u>\$ 858</u>

E. Endorsements and guarantees provided to related parties

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
CHUNG TE LI/ LIN CHANG YUNG	<u>\$ 2,962,154</u>	<u>\$ 3,311,931</u>	<u>\$ 4,016,057</u>

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

(3) Key management compensation

	<u>Three months ended March 31</u>	
	<u>2025</u>	<u>2024</u>
Short-term employee benefits	\$ 23,568	\$ 9,831
Post-employment benefits	160	160
	<u>\$ 23,728</u>	<u>\$ 9,991</u>

8. Pledged Assets

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

<u>Pledged asset</u>	<u>Book value</u>			<u>Purpose</u>
	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>	
Time deposits (shown as financial assets at amortised cost)	\$ 17,438	\$ 16,749	\$ 16,384	Performance guarantee
Right-of-use assets	205,565	206,176	210,733	Short-term borrowings
Property, plant and equipment	1,035,161	1,044,032	792,851	Short-term borrowings
	<u>\$ 1,258,164</u>	<u>\$ 1,266,957</u>	<u>\$ 1,019,968</u>	

9. Significant Contingent Liabilities and Unrecognised Contract Commitments

(1) Contingencies

None.

(2) Commitments

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

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Property, plant and equipment	\$ 251,287	\$ 477,040	\$ 455,663
Intangible assets	3,110	3,129	-
	<u>\$ 254,397</u>	<u>\$ 480,169</u>	<u>\$ 455,663</u>

10. Significant Disaster Loss

None.

11. Significant Events after the Balance Sheet Date

Refer to Note 6(13) C. for the appropriation of 2024 earnings.

## 12. Others

### (1) Capital management

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

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

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Total liabilities	\$ 8,189,516	\$ 8,767,817	\$ 8,469,772
Total assets	\$ 34,633,163	\$ 34,097,093	\$ 28,391,995
Debt ratio	<u>24%</u>	<u>26%</u>	<u>30%</u>

### (2) Financial instruments

#### A. Financial instruments by category

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<u>Financial assets</u>			
Financial assets at amortised cost			
Cash and cash equivalents	\$ 3,974,867	\$ 3,966,034	\$ 3,598,660
Financial assets at amortised cost	19,752	19,052	106,877
Accounts receivable	6,371,754	7,426,297	4,676,746
Other receivables (including related parties)	22,672	21,911	62,015
Guarantee deposits paid	23,930	40,620	35,333
	<u>\$ 10,412,975</u>	<u>\$ 11,473,914</u>	<u>\$ 8,479,631</u>
<u>Financial liabilities</u>			
Financial liabilities at amortised cost			
Short-term borrowings	\$ 2,962,040	\$ 3,311,796	\$ 4,016,057
Notes payable	3	6	29
Accounts payable (including related parties)	2,335,781	2,138,523	2,297,371
Other accounts payable (including related parties)	1,502,782	1,945,970	1,268,254
Guarantee deposits received	-	-	13
	<u>\$ 6,800,606</u>	<u>\$ 7,396,295</u>	<u>\$ 7,581,724</u>
Lease liability	<u>\$ 438,681</u>	<u>\$ 444,938</u>	<u>\$ 451,309</u>

B. Financial risk management policies

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

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

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

March 31, 2025

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

December 31, 2024

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



March 31, 2024

	Foreign currency		
	amount		
	(in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 214,528	32	\$ 6,864,896
USD:VND	141,843	24,790	4,538,976
USD:RMB	13,067	7.2569	418,144
USD:IDR	14,448	16,000	462,336
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	\$ 213,958	32	\$ 6,846,656
USD:VND	73,573	24,790	2,354,336
USD:RMB	4,562	7.2569	145,984

- iv. The total exchange gain, including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group for the three months ended March 31, 2025 and 2024, amounted to \$176,270 and \$145,029, respectively.
- v. Analysis of foreign currency market risk arising from significant foreign exchange variation:

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

Three months ended March 31, 2024					
Sensitivity analysis					
		Effect on profit		Effect on other	
Degree of variation		or loss		comprehensive	
income					
(Foreign currency: functional currency)					
<u>Financial assets</u>					
<u>Monetary items</u>					
USD:NTD	5%	\$	343,245	\$	-
USD:VND	5%		226,949		-
USD:RMB	5%		20,907		-
USD:IDR	5%		23,117		-
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD:NTD	5%	\$	342,333	\$	-
USD:VND	5%		117,717		-
USD:RMB	5%		7,299		-

Cash flow and fair value interest rate risk

- i. The Group's main interest rate risk arises from short-term borrowings and long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. During the three months ended March 31, 2025 and 2024, the Group's borrowings at variable rate were mainly denominated in New Taiwan dollars and US dollars.
- ii. If the borrowing interest rate had increased/decreased by 1% with all other variables held constant, profit, net of tax for the three months ended March 31, 2025 and 2024 would have increased/decreased by \$6,783 and \$9,584, respectively. The main factor is that changes in interest expense result in floating-rate borrowings.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.
- ii. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

- iii. The Group adopts the assumptions under IFRS 9, the default occurs when the contract payments are past due over 90 days.
- iv. The Group adopts following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:  
If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.
- v. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:
  - (i) It becomes probable that the issuer will enter bankruptcy or other financial reorganisation due to their financial difficulties;
  - (ii) The disappearance of an active market for that financial asset because of financial difficulties;
  - (iii) Default or delinquency in interest or principal repayments;
  - (iv) Adverse changes in national or regional economic conditions that are expected to cause a default.
- vi. The Group classifies customers' accounts receivable in accordance with credit rating of customer. The Group applies the modified approach using a provision matrix to estimate the expected credit loss.
- vii. The Group wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Group will continue executing the recourse procedures to secure their rights.
- viii. The Group used the forecastability to adjust historical and timely information to assess the default possibility of accounts receivable. On March 31, 2025, December 31, 2024 and March 31, 2024, the provision matrix is as follows:

	Not past due	Up to 30 days past due	31~90 days past due	Over 91 days past due	Total
<u>March 31, 2025</u>					
Expected loss rate	0.0274%	12.05%	0.00%	100.00%	
Total book value	\$ 6,356,581	\$ 19,225	\$ 8	\$ -	\$ 6,375,814
Loss allowance	\$ 1,743	\$ 2,317	\$ -	\$ -	\$ 4,060
<u>December 31, 2024</u>					
Expected loss rate	0.0479%	15.75%	52.25%	100.00%	
Total book value	\$ 7,380,017	\$ 54,335	\$ 8,458	\$ 1,706	\$ 7,444,516
Loss allowance	\$ 3,535	\$ 8,559	\$ 4,419	\$ 1,706	\$ 18,219
<u>March 31, 2024</u>					
Expected loss rate	0.0105%	4.24%	33.33%	100.00%	
Total book value	\$ 4,671,585	\$ 5,896	\$ 9	\$ 13	\$ 4,677,503
Loss allowance	\$ 491	\$ 250	\$ 3	\$ 13	\$ 757

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

	2025
	<u>Accounts receivable</u>
At January 1	\$ 18,219
Reversal of impairment loss	( 14,159)
At March 31	<u>\$ 4,060</u>
	2024
	<u>Accounts receivable</u>
At January 1	\$ 1,223
Reversal of impairment loss	( 466)
At March 31	<u>\$ 757</u>

(c) Liquidity risk

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

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Floating rate			
Expiring within one year	<u>\$ 6,434,861</u>	<u>\$ 5,188,547</u>	<u>\$ 4,111,943</u>

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

		Between 6			
	Less than	months and	Between 1	Between 2	Over 5
March 31, 2025	6 months	1 year	and 2 year(s)	and 5 years	years
<u>Non-derivative financial liabilities:</u>					
Short-term borrowings	\$ 2,984,452	\$ -	\$ -	\$ -	\$ -
Notes payable	3	-	-	-	-
Accounts payable (including related parties)	2,335,781	-	-	-	-
Other payables	1,502,782	-	-	-	-
Lease liability	23,448	28,813	208,598	108,054	153,843
		Between 6			
	Less than	months and	Between 1	Between 2	Over 5
December 31, 2024	6 months	1 year	and 2 year(s)	and 5 years	years
<u>Non-derivative financial liabilities:</u>					
Short-term borrowings	\$ 3,136,421	\$ 198,377	\$ -	\$ -	\$ -
Notes payable	6	-	-	-	-
Accounts payable (including related parties)	2,138,523	-	-	-	-
Other payables	1,945,970	-	-	-	-
Lease liability	30,322	22,737	214,228	104,631	160,380
		Between 6			
	Less than	months and	Between 1	Between 2	Over 5
March 31, 2024	6 months	1 year	and 2 year(s)	and 5 years	years
<u>Non-derivative financial liabilities:</u>					
Short-term borrowings	\$ 4,313,912	\$ -	\$ -	\$ -	\$ -
Notes payable	29	-	-	-	-
Accounts payable (including related parties)	2,297,371	-	-	-	-
Other payables (including related parties)	1,268,254	-	-	-	-
Lease liability	20,222	27,308	45,049	273,489	177,551

### (3) Fair value information

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

## 13. Supplementary Disclosures

### (1) Significant transactions information

- Loans to others: Please refer to table 1.
- Provision of endorsements and guarantees to others: Please refer to table 2.
- Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): None.
- Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 3.

E. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 4.

F. Significant inter-company transactions during the reporting period: Please refer to table 5.

(2) Information on investees

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

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 7.

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

14. Segment Information

(1) General information

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

(2) Measurement of segment information

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

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

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



LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES

Provision of endorsements and guarantees to others

Three months ended March 31, 2025

Table 2

Expressed in thousands of NTD

(Except as otherwise indicated)

Party being endorsed/ guaranteed														
No.(Note 1)	Endorser/guarantor	Company name	Relationship with the endorser/guarantor (Note 2)	Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of March 31, 2025 (Note 4)	Outstanding endorsement/ guarantee amount at March 31, 2025 (Note 5)	Actual amount drawn down (Note 6)	Amount of endorsements/guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary (Note 7)	Provision of endorsements/ guarantees by subsidiary to parent company (Note 7)	Provision of endorsements/ guarantees to the party in Mainland China (Note 7)	Footnote
1	LAI YIH FOOTWEAR CO., LTD.	FLOURISH THRIVE DEVELOPMENTS LIMITED	4	\$ 22,008,422	\$ 830,125	\$ 830,125	\$ 166,025	\$ -	3.77%	\$ 22,008,422	N	N	N	
1	LAI YIH FOOTWEAR CO., LTD.	LAC TY II COMPANY LIMITED	4	22,008,422	498,075	498,075	79,183	-	2.26%	22,008,422	N	N	N	
1	LAI YIH FOOTWEAR CO., LTD.	YIH SHUO FOOTWEAR CO., LTD.	4	22,008,422	1,162,175	664,100	-	-	3.02%	22,008,422	N	N	N	
1	LAI YIH FOOTWEAR CO., LTD.	TY BACH COMPANY LIMMITED	4	22,008,422	1,660,250	996,150	607,398	-	4.53%	22,008,422	N	N	N	
1	LAI YIH FOOTWEAR CO., LTD.	VINH LONG FOOTWEAR CO.,	2	11,004,211	332,050	332,050	-	-	1.51%	11,004,211	N	N	N	
1	LAI YIH FOOTWEAR CO., LTD.	PT. YIH QUAN FOOTWEAR INDONESIA	4	22,008,422	199,230	199,230	199,230	-	0.91%	22,008,422	N	N	N	
2	FLOURISH THRIVE DEVELOPMENTS LIMITED	LAC TY COMPANY LIMITED	1	586,475	398,460	398,460	69,505	-	20.87%	2,864,197	N	N	N	
2	FLOURISH THRIVE DEVELOPMENTS LIMITED	YIH SHUO FOOTWEAR CO., LTD.	4	1,909,465	332	332	332	-	0.02%	1,909,465	N	N	N	

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:  
(1)The Company is ‘0’.  
(2)The subsidiaries are numbered in order starting from ‘1’.

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following four categories; fill in the number of category each case belongs to:  
(1)Having business relationship.  
(2)The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.  
(3)The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.  
(4)The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.

Note 3: In accordance with the Company’s Regulations Governing the Provision of Endorsements and Guarantees, ceiling on total amount of endorsements/guarantees provided by the Company to other companies is 50% of the current net assets, and limit on endorsements/guarantees provided for a single party is 50% of the current net assets.  
Ceiling on total amount of endorsements/guarantees provided by LAI YIH FOOTWEAR CO., LTD. to other companies is 50% of the current net assets, and limit on endorsements/guarantees provided for a single party is 50% of the current net assets.  
However, the amount of endorsements/guarantees between the companies which the Company holds 100% of the voting rights directly and indirectly is the Company’s current net assets.  
Ceiling on total endorsements/guarantees provided by FLOURISH THRIVE DEVELOPMENTS LIMITED to other companies is 150% of the current net assets, and limit on endorsements/guarantees provided for a single party is 150% of the current net assets.  
However, the amount of endorsements/guarantees between the companies which the Company holds 100% of the voting rights directly and indirectly is the Company’s current net assets.  
For the companies having business relationship with the Company, in addition to the aforementioned rules, the limit on endorsements/guarantees provided for a single party is limited to the total transaction amount in the most recent year (transaction amount represents the higher amount of purchase or sales).

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

Note 5: Fill in the amount approved by the Board of Directors or the chariman if the chairman has been authorised by the Board of Directors based on subparagraph 8, Article 12 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies.

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

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



LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES

Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more

Three months ended March 31, 2025

Table 3

Expressed in thousands of NTD  
(Except as otherwise indicated)

							Differences in transaction terms compared to third party transactions				
			Transaction		(Note 1)		Notes/accounts receivable (payable)				
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	CHEER ACCESS LTD.	Same ultimate parent company	Sales	\$ 923,629	9.54%	60 days after receipt of goods	-	-	\$ 747,890	11.74%	Notes 1, 3
(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	BILLION STAR INTERNATIONAL CO., LTD.	Same ultimate parent company	Sales	462,036	4.77%	60 days after receipt of goods	-	-	334,391	5.25%	Notes 1, 3
CHEER ACCESS LTD.	VINH LONG FOOTWEAR CO., LTD.	Same ultimate parent company	Sales	162,208	1.68%	60 days after receipt of goods	-	-	82,014	1.29%	Note 1
CHEER ACCESS LTD.	YIH SHUO FOOTWEAR CO., LTD.	Same ultimate parent company	Sales	298,697	3.08%	60 days after receipt of goods	-	-	241,232	3.79%	Note 1
CHEER ACCESS LTD.	TY BACH COMPANY LIMMITED	Same ultimate parent company	Sales	297,227	3.07%	60 days after receipt of goods	-	-	142,044	2.23%	Note 1
CHEER ACCESS LTD.	PT. YIH QUAN FOOTWEAR INDONESIA	Same ultimate parent company	Sales	167,994	1.73%	60 days after receipt of goods	-	-	282,600	4.44%	Note 1
BILLION STAR INTERNATIONAL CO., LTD.	LAC TY II COMPANY LIMITED	Same ultimate parent company	Sales	222,587	2.30%	60 days after receipt of goods	-	-	212,943	3.34%	Note 1
BILLION STAR INTERNATIONAL CO., LTD.	VINH LONG FOOTWEAR CO., LTD.	Same ultimate parent company	Sales	212,899	2.20%	60 days after receipt of goods	-	-	110,009	1.73%	Note 1
POLO INTERNATIONAL HOLDING LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	502,018	5.18%	75 days after receipt of goods	-	-	238,852	3.75%	Notes 1, 3
LAC TY COMPANY LIMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	111,542	1.15%	75 days after receipt of goods	-	-	96,796	1.52%	Notes 1, 3
LAC TY COMPANY LIMITED	LAC TY II COMPANY LIMITED	Same ultimate parent company	Sales	139,266	1.44%	Colleted based on the contract	-	-	63,459	1.00%	Note 1
LAC TY II COMPANY LIMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	2,615,965	27.02%	75 days after receipt of goods	-	-	2,210,292	34.69%	Notes 1, 3
VINH LONG FOOTWEAR CO., LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	2,799,832	28.92%	45 days after receipt of goods	-	-	1,921,127	30.15%	Notes 1, 3
YIH SHUO FOOTWEAR CO., LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	841,335	8.69%	60 days after receipt of goods	-	-	854,595	13.41%	Notes 1, 3
TY BACH COMPANY LIMMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	1,595,192	16.47%	60 days after receipt of goods	-	-	1,027,869	16.13%	Notes 1, 3
GRAND WISDOM COMPANY LIMITED	LAC TY II COMPANY LIMITED	Same ultimate parent company	Sales	218,205	2.25%	60 days after receipt of goods	-	-	80,763	1.27%	Note 1
TSANG YIH COMPANY LIMMITED	POLO INTERNATIONAL HOLDING LTD.	Same ultimate parent company	Sales	210,214	2.17%	60 days after monthly billings	-	-	-	0.00%	Note 1
PT. YIH QUAN FOOTWEAR INDONESIA	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	316,146	3.27%	60 days after receipt of goods	-	-	221,423	3.48%	Note 1
PT. YIHFULL FOOTWEAR INDONESIA	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	121,837	1.26%	60 days after receipt of goods	-	-	124,497	1.95%	Note 1

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

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

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

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES

Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more

March 31, 2025

Table 4

Expressed in thousands of NTD  
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at March 31, 2025		Turnover rate	Overdue receivables		Amount collected	Allowance for doubtful accounts	Footnote
			Accounts	Amount		Amount	Action taken	subsequent to the balance sheet date (Note 3)		
(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	CHEER ACCESS LTD.	Same ultimate parent company	Accounts receivable	\$ 747,890	5.30	\$ -	-	\$ 364,974	\$ -	Notes 1, 4
(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	BILLION STAR INTERNATIONAL CO., LTD.	Same ultimate parent company	Accounts receivable	334,391	5.92	-	-	200,037	-	Notes 1, 4
CHEER ACCESS LTD.	YIH SHUO FOOTWEAR CO., LTD.	Same ultimate parent company	Accounts receivable	241,232	6.03	-	-	92,066	-	Note 1
CHEER ACCESS LTD.	TY BACH COMPANY LIMMITED	Same ultimate parent company	Accounts receivable	142,044	6.76	-	-	95,084	-	Note 1
CHEER ACCESS LTD.	PT. YIH QUAN FOOTWEAR INDONESIA	Same ultimate parent company	Accounts receivable	282,600	2.57	-	-	103,530	-	Note 1
BILLION STAR INTERNATIONAL CO., LTD.	LAC TY II COMPANY LIMITED	Same ultimate parent company	Accounts receivable	212,943	4.31	-	-	108,502	-	Note 1
BILLION STAR INTERNATIONAL CO., LTD.	VINH LONG FOOTWEAR CO., LTD.	Same ultimate parent company	Accounts receivable	110,009	10.03	-	-	87,592	-	Note 1
POLO INTERNATIONAL HOLDING LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	238,852	9.37	-	-	196,462	-	Notes 1, 4
LAC TY II COMPANY LIMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	2,210,292	4.72	-	-	642,343	-	Notes 1, 4
VINH LONG FOOTWEAR CO., LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	1,921,127	5.50	-	-	1,009,331	-	Notes 1, 4
YIH SHUO FOOTWEAR CO., LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	854,595	3.47	-	-	158,987	-	Notes 1, 4
TY BACH COMPANY LIMMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	1,027,869	6.45	-	-	578,961	-	Notes 1, 4
PT. YIH QUAN FOOTWEAR INDONESIA	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	221,423	7.81	-	-	221,423	-	Notes 1, 4
PT. YIHFULL FOOTWEAR INDONESIA	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	124,497	7.63	-	-	28,646	-	Notes 1, 4
The Company	LAI YIH FOOTWEAR CO., LTD.	Same ultimate parent company	Other receivables	3,519,730	-	-	-	431,665	-	Notes 1, 2
LAI YIH FOOTWEAR CO., LTD.	FLOURISH THRIVE DEVELOPMENTS LIMITED	Same ultimate parent company	Other receivables	2,324,350	-	-	-	199,230	-	Notes 1, 2
LAI YIH FOOTWEAR CO., LTD.	MEGA RIVER INVESTMENT CO., LTD.	Same ultimate parent company	Other receivables	282,243	-	-	-	-	-	Notes 1, 2
LAI YIH FOOTWEAR CO., LTD.	THRIVE FOISON LIMITED	Same ultimate parent company	Other receivables	733,831	-	-	-	106,256	-	Notes 1, 2
LAI YIH FOOTWEAR CO., LTD.	POLO INTERNATIONAL HOLDING LTD.	Same ultimate parent company	Other receivables	457,897	-	-	-	-	-	Notes 1, 2
LAI YIH FOOTWEAR CO., LTD.	LAC TY COMPANY LIMITED	Same ultimate parent company	Other receivables	102,936	-	-	-	-	-	Notes 1, 2

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES

Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more

March 31, 2025

Table 4

Expressed in thousands of NTD  
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at March 31, 2025		Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date (Note 3)	Allowance for doubtful accounts	Footnote
			Accounts	Amount		Amount	Action taken			
FLOURISH THRIVE DEVELOPMENTS LIMITED	LAI YIH FOOTWEAR CO., LTD.	Same ultimate parent company	Other receivables	1,318,239	-	-	-	534,601	-	Notes 1, 2
OVERSEA FAITH CO.,LTD.	LAI YIH FOOTWEAR CO., LTD.	Same ultimate parent company	Other receivables	282,243	-	-	-	-	-	Notes 1, 2
MEGA RIVER INVESTMENT CO., LTD.	PT. YIH QUAN FOOTWEAR INDONESIA	Same ultimate parent company	Other receivables	283,147	-	-	-	-	-	Notes 1, 2
KING GLOBAL DEVELOPMENT CORP	LAI YIH FOOTWEAR CO., LTD.	Same ultimate parent company	Other receivables	415,063	-	-	-	-	-	Notes 1, 2
THRIVE FOISON LIMITED	TY BACH COMPANY LIMMITED	Same ultimate parent company	Other receivables	815,183	-	-	-	234,095	-	Notes 1, 2
THRIVE FOISON LIMITED	PT. YIH QUAN FOOTWEAR INDONESIA	Same ultimate parent company	Other receivalbes	286,588	-	-	-	-	-	Notes 1, 2

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

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

Note 3: As of April 30, 2025.

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

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES  
Significant inter-company transactions during the reporting periods  
Three months ended March 31, 2025

Table 5

Expressed in thousands of NTD  
(Except as otherwise indicated)

No.(Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction				Footnote
				General ledger account	Amount	Transaction terms	Percentage of	
							consolidated total operating revenues or total assets (Note 3)	
1	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	CHEER ACCESS LTD.	Same ultimate parent company	Sales	\$ 923,629	Note 4	9.54%	Notes 5, 7
1	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	BILLION STAR INTERNATIONAL CO., LTD	Same ultimate parent company	Sales	462,036	Note 4	4.77%	Notes 5, 7
1	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	CHEER ACCESS LTD.	Same ultimate parent company	Accounts receivable	747,890	Note 4	2.16%	Notes 5, 7
1	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	BILLION STAR INTERNATIONAL CO., LTD	Same ultimate parent company	Accounts receivable	334,391	Note 4	0.97%	Notes 5, 7
2	CHEER ACCESS LTD.	VINH LONG FOOTWEAR CO., LTD.	Same ultimate parent company	Sales	162,208	Note 4	1.68%	Note 7
2	CHEER ACCESS LTD.	YIH SHUO FOOTWEAR CO., LTD.	Same ultimate parent company	Sales	298,697	Note 4	3.08%	Note 7
2	CHEER ACCESS LTD.	TY BACH COMPANY LIMMITED	Same ultimate parent company	Sales	297,227	Note 4	3.07%	Note 7
2	CHEER ACCESS LTD.	PT. YIH QUAN FOOTWEAR INDONESIA	Same ultimate parent company	Sales	167,994	Note 4	1.73%	Note 7
2	CHEER ACCESS LTD.	YIH SHUO FOOTWEAR CO., LTD.	Same ultimate parent company	Accounts receivable	241,232	Note 4	0.70%	Note 7
2	CHEER ACCESS LTD.	TY BACH COMPANY LIMMITED	Same ultimate parent company	Accounts receivable	142,044	Note 4	0.41%	Note 7
2	CHEER ACCESS LTD.	PT. YIH QUAN FOOTWEAR INDONESIA	Same ultimate parent company	Accounts receivable	282,600	Note 4	0.82%	Note 7
3	BILLION STAR INTERNATIONAL CO., LTD.	LAC TY II COMPANY LIMITED	Same ultimate parent company	Sales	222,587	Note 4	2.30%	Note 7
3	BILLION STAR INTERNATIONAL CO., LTD.	VINH LONG FOOTWEAR CO., LTD.	Same ultimate parent company	Sales	212,899	Note 4	2.20%	Note 7
3	BILLION STAR INTERNATIONAL CO., LTD.	LAC TY II COMPANY LIMITED	Same ultimate parent company	Accounts receivable	212,943	Note 4	0.61%	Note 7
3	BILLION STAR INTERNATIONAL CO., LTD.	VINH LONG FOOTWEAR CO., LTD.	Same ultimate parent company	Accounts receivable	110,009	Note 4	0.32%	Note 7
4	POLO INTERNATIONAL HOLDING LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	502,018	Note 4	5.18%	Notes 5, 7
4	POLO INTERNATIONAL HOLDING LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	238,852	Note 4	0.69%	Notes 5, 7
5	LAC TY COMPANY LIMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	111,542	Note 4	1.15%	Notes 5, 7
5	LAC TY COMPANY LIMITED	LAC TY II COMPANY LIMITED	Same ultimate parent company	Sales	139,266	Note 4	1.44%	Note 7
6	LAC TY II COMPANY LIMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	2,615,965	Note 4	27.02%	Notes 5, 7
6	LAC TY II COMPANY LIMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	2,210,292	Note 4	6.38%	Notes 5, 7
7	VINH LONG FOOTWEAR CO., LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	2,799,832	Note 4	28.92%	Notes 5, 7
7	VINH LONG FOOTWEAR CO., LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	1,921,127	Note 4	5.55%	Notes 5, 7
8	YIH SHUO FOOTWEAR CO., LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	841,355	Note 4	8.69%	Notes 5, 7
8	YIH SHUO FOOTWEAR CO., LTD.	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	854,595	Note 4	2.47%	Notes 5, 7
9	TY BACH COMPANY LIMMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	1,595,192	Note 4	16.47%	Notes 5, 7
9	TY BACH COMPANY LIMMITED	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	1,027,869	Note 4	2.97%	Notes 5, 7
10	GRAND WISDOM COMPANY LIMITED	LAC TY II COMPANY LIMITED	Same ultimate parent company	Sales	218,205	Note 4	2.25%	Note 7
11	TSANG YIH COMPANY LIMMITED	POLO INTERNATIONAL HOLDING LTD.	Same ultimate parent company	Sales	210,214	Note 4	2.17%	Note 7

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES  
Significant inter-company transactions during the reporting periods  
Three months ended March 31, 2025

Table 5  
Expressed in thousands of NTD  
(Except as otherwise indicated)

				Transaction		Percentage of			
								consolidated total operating revenues or total assets	
No.(Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount	Transaction terms	(Note 3)	Footnote	
12	PT. YIH QUAN FOOTWEAR INDONESIA	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	316,146	Note 4	3.27%	Notes 5, 7	
12	PT. YIH QUAN FOOTWEAR INDONESIA	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	221,423	Note 4	0.64%	Notes 5, 7	
13	PT. YIHFULL FOOTWEAR INDONESIA	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Sales	121,837	Note 4	1.26%	Notes 5, 7	
13	PT. YIHFULL FOOTWEAR INDONESIA	(SAMOA) FLOURISH THRIVE DEVELOPMENTS LIMITED TAIWAN BRANCH	Same ultimate parent company	Accounts receivable	124,497	Note 4	0.36%	Notes 5, 7	
14	The Company	LAI YIH FOOTWEAR CO., LTD.	Same ultimate parent company	Other receivables (financing)	3,519,730	Note 4	10.16%	Note 7	
14	The Company	FLOURISH THRIVE DEVELOPMENTS LIMITED	Same ultimate parent company	Other receivables (financing)	2,324,350	Note 4	6.71%	Note 7	
15	LAI YIH FOOTWEAR CO., LTD.	MEGA RIVER INVESTMENT CO., LTD.	Same ultimate parent company	Other receivables (financing)	282,243	Note 4	0.81%	Note 7	
15	LAI YIH FOOTWEAR CO., LTD.	THRIVE FOISON LIMITED	Same ultimate parent company	Other receivables (financing)	733,831	Note 4	2.12%	Note 7	
15	LAI YIH FOOTWEAR CO., LTD.	POLO INTERNATIONAL HOLDING LTD.	Same ultimate parent company	Other receivables (financing)	457,897	Note 4	1.32%	Note 7	
15	LAI YIH FOOTWEAR CO., LTD.	LAC TY COMPANY LIMITED	Same ultimate parent company	Other receivables (financing)	102,936	Note 4	0.30%	Note 7	
16	FLOURISH THRIVE DEVELOPMENTS LIMITED	LAI YIH FOOTWEAR CO., LTD.	Same ultimate parent company	Other receivables (financing)	1,318,239	Note 4	3.81%	Note 7	
17	OVERSEA FAITH CO., LTD.	LAI YIH FOOTWEAR CO., LTD.	Same ultimate parent company	Other receivables (financing)	282,243	Note 4	0.81%	Note 7	
18	MEGA RIVER INVESTMENT CO., LTD.	PT. YIH QUAN FOOTWEAR INDONESIA	Same ultimate parent company	Other receivables (financing)	282,147	Note 4	0.82%	Note 7	
19	KING GLOBAL DEVELOPMENT CORP	LAI YIH FOOTWEAR CO., LTD.	Same ultimate parent company	Other receivables (financing)	415,063	Note 4	1.20%	Note 7	
20	THRIVE FOISON LIMITED	TY BACH COMPANY LIMMITED	Same ultimate parent company	Other receivables (financing)	815,183	Note 4	2.35%	Note 7	
20	THRIVE FOISON LIMITED	PT. YIH QUAN FOOTWEAR INDONESIA	Same ultimate parent company	Other receivables (financing)	286,588	Note 4	0.83%	Note 7	

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:  
(1) Parent company is ‘0’.  
(2) The subsidiaries are numbered in order starting from ‘1’.

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

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

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

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

Note 6: Transaction amount exceeds \$100 million.

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

Table 6

Expressed in thousands of NT\$  
(Except as otherwise indicated)

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES												
Information on investees												
Three months ended March 31, 2025												
Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2025				Net profit (loss) of the investee for the three months ended March 31, 2025	Investment income (loss) recognised by the Company for the three months ended March 31, 2025 (Note 3)	
				Balance as at March 31, 2025	Balance as at December 31, 2024	Number of shares (Note 1)	Ownership (%)	Book value				Footnote
The Company	LAI YIH FOOTWEAR CO., LTD.	Samoa	Holding company	\$ 5,223,147	5,157,081	\$ 157,300	100%	\$ 2,208,422	\$ 928,989	\$ 928,989		
LAI YIH FOOTWEAR CO., LTD.	FLOURISH THRIVE DEVELOPMENTS LIMITED	Samoa	Holding company	33,205	32,785	1,000	100%	1,909,465	633,594	-		
LAI YIH FOOTWEAR CO., LTD.	CHEER ACCESS LTD.	Seychelles	Investment holdings and import and export trade	33,205	32,785	1,000	100%	40,063	384	-		Note 2
LAI YIH FOOTWEAR CO., LTD.	BILLION STAR INTERNATIONAL CO., LTD.	Seychelles	Investment holdings and import and export trade	33,205	32,785	1,000	100%	39,556	487	-		Note 2
LAI YIH FOOTWEAR CO., LTD.	PORTRICH TRADING LIMITED	Samoa	Holding company	4,615,495	4,491,545	139,000	100%	5,131,163	( 56,132)	-		Note 2
LAI YIH FOOTWEAR CO., LTD.	OVERSEA FAITH CO., LTD.	Seychelles	Holding company	2,872,897	2,836,558	86,520	100%	5,217,922	52,023	-		Note 2
LAI YIH FOOTWEAR CO., LTD.	MEGA RIVER INVESTMENT CO., LTD.	Seychelles	Holding company	2,052,069	2,026,113	61,800	100%	1,669,313	( 35,881)	-		Note 2
LAI YIH FOOTWEAR CO., LTD.	KING GLOBAL DEVELOPMENT CORP	Samoa	Holding company	2,017,519	1,992,000	60,760	100%	2,537,875	95,970	-		Note 2
LAI YIH FOOTWEAR CO., LTD.	THRIVE FOISON LIMITED	Samoa	Holding company	5,761,068	5,589,843	173,500	100%	5,217,279	175,892	-		Note 2
LAI YIH FOOTWEAR CO., LTD.	BRILLIANT METERO LIMITED	Samoa	Holding company	35,981	35,900	1,084	100%	-	( 191)	-		Note 2
LAI YIH FOOTWEAR CO., LTD.	POLO INTERNATIONAL HOLDING LTD.	Samoa	Investment holdings and production and sales of sports and leisure shoes	2,319,369	2,290,032	69,850	100%	1,875,016	50,173	-		Note 2
LAI YIH FOOTWEAR CO., LTD.	EVERYIELD CO., LTD.	Anguilla	Holding company	1,251,745	1,198,292	37,698	100%	708,450	( 2,130)	-		Note 2
LAI YIH FOOTWEAR CO., LTD.	LAC TY COMPANY LIMITED	Vietnam	Production and sales of sports and leisure shoes	48,891	48,273	-	50%	113,488	34,400	-		Note 2
LAI YIH FOOTWEAR CO., LTD.	JUMBO POWER ENTERPRISES LIMITED	British Virgin Islands	Investment holdings and sales of sports and leisure shoes	265,640	262,280	8,000	50%	411,238	1,264	-		Note 2
PORTRICH TRADING LIMITED	LAC TY II COMPANY LIMITED	Vietnam	Production and sales of sports and leisure shoes	4,488,073	3,841,174	-	100%	4,774,426	( 60,904)	-		Note 2
OVERSEA FAITH CO., LTD.	VINH LONG FOOTWEAR CO., LTD.	Vietnam	Production and sales of sports and leisure shoes	2,399,061	2,368,716	-	85%	4,473,983	55,283	-		Note 2
KING GLOBAL DEVELOPMENT CORP	YIH SHUO FOOTWEAR CO.,LTD	Vietnam	Production and sales of sports and leisure shoes	2,185,404	2,157,761	-	85%	2,100,214	112,051	-		Note 2
MEGA RIVER INVESTMENT CO., LTD.	YIH SHUO FOOTWEAR CO.,LTD	Vietnam	Production and sales of sports and leisure shoes	385,659	380,781	-	15%	370,626	112,051	-		Note 2
MEGA RIVER INVESTMENT CO., LTD.	VINH TY COMPANY LIMITED	Vietnam	Production and sales of sports and leisure shoes	99,615	98,355	-	24%	56,142	-	-		Note 2
JUMBO POWER ENTERPRISES LIMITED	SUPERB KING INVESTMENTS LIMITED	Hong Kong	Holding company	531,280	524,560	-	100%	684,254	44,585	-		Note 2
THRIVE FOISON LIMITED	TY BACH COMPANY LIMMITED	Vietnam	Production and sales of sports and leisure shoes	3,320,500	3,278,500	-	100%	2,595,803	204,799	-		Note 2
THRIVE FOISON LIMITED	GRAND WISDOM COMPANY LIMITED	Vietnam	Production and sales of sports and leisure shoes	962,945	852,410	-	100%	903,011	20,151	-		Note 2

Table 6

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES  
Information on investees  
Three months ended March 31, 2025

Expressed in thousands of NTD  
(Except as otherwise indicated)

				Initial investment amount		Shares held as at March 31, 2025					
Investor	Investee	Location	Main business activities	Balance as at March 31, 2025	Balance as at December 31, 2024	Number of shares (Note 1)	Ownership (%)	Book value	Net profit (loss) of the investee for the three months ended March 31, 2025	Investment income (loss) recognised by the Company for the three months ended March 31, 2025 (Note 3)	Footnote
POLO INTERNATIONAL HOLDING LTD.	TSANG YIH COMPANY LIMMITED	Myanmar	Production and sales of sports and leisure shoes	3,189,702	3,149,356	96,061	73%	1,616,998	1,674	-	Note 2
EVERYIELD CO., LTD.	TSANG YIH COMPANY LIMMITED	Myanmar	Production and sales of sports and leisure shoes	1,194,179	1,179,074	35,964	27%	605,381	1,674	-	Note 2
MEGA RIVER INVESTMENT CO., LTD.	PT. YIH QUAN FOOTWEAR INDONESIA	Indonesia	Production and sales of sports and leisure shoes	1,577,238	1,557,288	-	50%	1,239,161 (	106,777)	-	Note 2
THRIVE FOISON LIMITED	PT. YIH QUAN FOOTWEAR INDONESIA	Indonesia	Production and sales of sports and leisure shoes	1,577,238	1,557,288	-	50%	1,239,161 (	106,777)	-	Note 2
OVERSEA FAITH CO., LTD.	PT. YIHFULL FOOTWEAR INDONESIA	Indonesia	Production and sales of sports and leisure shoes	166,025	163,925	-	50%	156,384	6,472	-	Note 2
PORTRICH TRADING LIMITED	PT. YIHFULL FOOTWEAR INDONESIA	Indonesia	Production and sales of sports and leisure shoes	166,025	163,925	-	50%	156,384	6,472	-	Note 2
OVERSEA FAITH CO., LTD.	PT. YIHXIN FOOTWEAR INDONESIA	Indonesia	Production and sales of sports and leisure shoes	1,162	1,147	-	50%	446 (	29)	-	Note 2
KING GLOBAL DEVELOPMENT CORP	PT. YIHXIN FOOTWEAR INDONESIA	Indonesia	Production and sales of sports and leisure shoes	1,162	1,147	-	50%	446 (	29)	-	Note 2
OVERSEA FAITH CO., LTD.	PT. YIH YOU FOOTWEAR INDONESIA	Indonesia	Production and sales of sports and leisure shoes	298,845	295,065	-	60%	294,588	2,929	-	Note 2
PORTRICH TRADING LIMITED	PT. YIH YOU FOOTWEAR INDONESIA	Indonesia	Production and sales of sports and leisure shoes	199,230	196,710	-	40%	196,392	2,929	-	Note 2
EVERYIELD CO., LTD.	PT ALNU SPORTING GOODS INDONESIA	Indonesia	Production and sales of sports and leisure shoes	84,673	83,602	-	51%	63,244 (	5,067)	-	Note 2

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

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

Note 3: Initial investment amount was converted at the exchange rate of NTD 33.21:USD 1 prevailing on March 31, 2025, respectively.

Note 4: Investment income (loss) for the three months ended March 31, 2025 was calculated based on the financial statements which were reviewed by the Company’s CPA.

LAI YIH FOOTWEAR CO., LTD. AND SUBSIDIARIES

Information on investments in Mainland China

Three months ended March 31, 2025

Table 7

Expressed in thousands of NTD  
(Except as otherwise indicated)

Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the three months ended March 31, 2025													
Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2025	Remitted to Mainland China	Remitted back to Taiwan	Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2025	Net income of investee as of March 31, 2025	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the three months ended March 31, 2025 (Note 2)	Book value of investments in Mainland China as of March 31, 2025	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2025	Footnote
YANGZHOU BAOYI SHOES MANUFACTURING CO., LTD.	Production and sales of sports and leisure shoes	\$ 372,839	(2)	\$ 372,839	\$ -	\$ -	\$ 372,839	\$ 1,369	50%	\$ 685	409,809	\$ 941,636	Note 3

Note 1: Investment methods are classified into the following three categories; fill in the number of category each case belongs to:  
(1) Directly invest in a company in Mainland China  
(2) Indirectly investment in mainland China through companies registered in a third region (JUMBO POEWR ENTERPRISES LIMITED)  
(3) Other methods.

Note 2: The investment income (loss) for the three months ended March 31, 2025 was calculated based on the financial statements which were reviewed by R.O.C. parent company’s CPA.

Note 3: Paid-in capital, Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2025 and Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2025 were converted at the exchange rate of NTD 33.21:USD 1 prevailing on March 31, 2025.