Eclat

Stock Code: 1476

ECLAT TEXTILE CO., LTD.
2025 ANNUAL REPORT

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Deputy Spokesperson

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CPAs	Hui-Chih Kou, Hsin-Yi Kuo
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Website http://www.eclat.com.tw

Overseas Securities Exchange: None.

Headquarters, Branches and Plant

Headquarters

Address	No. 738, Zhongyang Rd., Xinzhuang Dist., New Taipei City Taiwan (R.O.C.)
Telephone	02-2299-6000

Wugu Plant

Address	No.28, Wuquan Rd., Wugu Dist., New Taipei City 248, Taiwan (R.O.C.)
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Da-Shan Plant

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CONTENT

I. A report to the Shareholders

Dear Shareholders,

Preface

In 2025, the global macro-environment was characterized by significant volatility, driven by shifting tariff policies, sharp exchange rate fluctuations, and escalating geopolitical tensions. As brand customers adopted more conservative procurement strategies and sought to transfer tariff burdens onto the supply chain, the industry's overall profit margins faced unprecedented pressure. These challenges served as a rigorous test of our operational resilience and risk management capabilities.

Despite these external headwinds, the Company leveraged its long-standing R&D expertise and technical foundation to demonstrate exceptional adaptability. We not only mitigated the impact of global shocks but also successfully captured growth opportunities from emerging brand clients, injecting new vitality into our revenue streams. Driven by the combined contributions of our new and existing partners, the Company achieved its second consecutive year of revenue growth, marking the second-highest performance in our corporate history.

In the face of ongoing geopolitical and economic uncertainties, we remain committed to a prudent and pragmatic management approach. We continue to scale up investments in R&D and innovation, pivoting toward high-value-added and niche products. Simultaneously, we are expanding our portfolio of new brand customers and deepening collaborations with existing ones, fortifying our corporate resilience to pursue sustainable growth amidst stability.

Financial Performance

In 2025, the Group's consolidated net revenue reached NT$37.990 billion, of which the Knitting Division contributed NT$12.770 billion (33.61%) and the Garment Division contributed NT$25.220 billion (66.39%). This represents an increase of NT$1.162 billion or 3.15% compared to 2024. Operating profit for the year was NT$7.091 billion, a year-on-year decrease of NT$0.664 billion or 8.56%. Net income after tax amounted to NT$5.515 billion, a decline of NT$1.126 billion or 16.95%. Earnings per share (EPS) for 2025 was NT$20.10.

Business Developments

Accelerated Capacity Expansion: In 2025, the Company officially launched the Phase III construction project for its Indonesia plant. Drawing on successful experiences from the first two phases, we have accelerated the construction timeline and implemented a phased production model. This strategy aims to introduce new capacity early and increase Indonesia's contribution to the Group's total output. A more flexible and diversified production footprint enhances our ability to respond to fluctuations in global market demand.

Implementation of LLMs and Smart Manufacturing: We are dedicated to building a secure, efficient, and resilient AI-driven enterprise. The Company is introducing Large Language Model (LLM) applications through a hybrid on-premise and cloud computing architecture. This ensures data privacy and regulatory compliance while optimizing performance, boosting employee productivity, and mitigating risks associated with emerging technologies. In smart manufacturing, we continue to expand equipment monitoring, process visualization, and AI/AOI (Automated Optical Inspection) to replace repetitive manual labor. By deepening integration with supply chain ERP systems, we gain real-time insights into production efficiency, optimizing our competitive edge through the convergence of AI and automation.

Strengthening the Management Pipeline: As our business scales, we are committed to building a forward-looking management talent reserve. We are enhancing collaborations with professional consultants and academic institutions to refine core competencies. For junior and mid-level managers, we focus on leadership and execution through diverse functional training. For senior management, the emphasis is on holistic strategic planning in human resources management, operational analysis, and systematic problem-solving to bolster organizational resilience and decision-making effectiveness.

Market Diversification Beyond the U.S.: Given the uncertainties brought by U.S. tariff policy changes in 2025, the Company is actively building a more resilient customer structure. We are gradually increasing the number of brand customers and the revenue share from non-U.S. markets to reduce dependence on any single country. This strategy mitigates the impact of specific national policy shifts and diversifies our overall market risk.

Outlook

Looking ahead to 2026, while the political and economic landscape remains complex, the Company will stay focused on its long-term strategic pillars. We will continue our production diversification strategy and accelerate the Phase III expansion in Indonesia to enhance our responsiveness to global market shifts.

Simultaneously, we will maximize the efficiency gains from automated hardware and production monitoring software. In key regions, we will focus on cultivating local talent and strengthening the training of management cadres to drive localized production. In the long term, demand for high-end apparel remains stable. We will expand our market reach through innovative product design, optimized investment in eco-friendly automated processes, and continuous R&D. As always, we remain committed to quality, talent development, and management excellence to create maximum value for our customers, employees, and shareholders.

Wishing all shareholders good health and continued success.

Chairman

Shu-Wen Wang

II. Corporate Governance Report

2.1 Information on The Company's Directors, Supervisors, President, Vice Presidents, Assistant Vice Presidents, And the Chiefs of All the Company's Divisions and Branch Units

2.1.1 Information on Directors and Supervisors:

2.1.1.1. Director: March 30, 2026

Job Title	Nationality or place of registration	Name	Gender Age	Date of election / appointment to current term	Term of office	Commencement Date of first Elected	No. of shares held at time of election		No. of shares currently held		Shares currently held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualification	Positions Held concurrently in the company and/or in any other company	Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree			Remark(s) (Note)
							No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%			Job Title	Name	Relationship	
Chairman	R.O.C.	Shu-Wen Wang	Male/ 61–70	June 12, 2024	3 years	June 18, 2012	21,000	0.01%	21,000	0.01%	-	-	-	-	Master of Accounting and Finance, California State University, Los Angeles, U.S.A. B.B.A., Department of Business Administration, National Chengchi University Executive Vice President, Vice Chairman, Sustainable Development Committee Convener, Corporate Governance Officer, and Special Assistant to the Chairman, Eclat Textile Co., Ltd. Vice President, Eclat Fabrics (Vietnam) Co., Ltd. Assistant Manager, CTBC Bank Co., Ltd.	Note 1	-	-	-	None
Director	R.O.C.	Kun-Tang Chen	Male / 61–70	June 12, 2024	3 years	June 14, 2006	442,864	0.16%	388,864	0.14%	2,549	0.00%	–	–	Ph.D., Textile Management, University of Leeds President and Director, Eclat Textile Co., Ltd.; Vice President, Nan Yang Dyeing & Finishing Co., Ltd.	None	-	-	-	None
Director	R.O.C.	Jui-Ting Hung	Male / 41–50	June 12, 2024	3 years	June 12, 2024	4,218,746	1.54%	4,218,746	1.54%	46,880	0.01%	–	–	M.S., Materials Engineering, University of Florida; M.S., Materials Engineering, Tsinghua University Vice President and Associate Director of Business, Eclat Textile Co., Ltd. Teaching Assistant, Department of Materials Engineering, University of Florida	Note 2	-	-	-	None
Director	R.O.C.	Bei-Yu Limited Co.	Male / 51–60	June 12, 2024	3 years	June 12, 2024	8,000	0.00%	8,000	0.00%	–	–	–	–	–	–	–	–	–	None
				(Rep.) Tsung-Wu Wang		June 12, 2024 ~ present (as corporate rep.)	64,313	0.02%	64,313	0.02%	714,401	0.26%	–	–	M.S., International Marketing, University of Surrey, UK Dyeing Section Head, Binlong Industrial Co., Ltd.	Note 3	–	–	–	None

Job Title	Nationality or place of registration	Name	Gender Age	Date of election / appointment to current term	Term of office	Commencement Date of first Elected	No. of shares held at time of election		No. of shares currently held		Shares currently held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualification	Positions Held concurrently in the company and/or in any other company	Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree			Remark(s) (Note)
							No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%			Job Title	Name	Relationship	
Director	R.O.C.	Xin-xin Limited Co.	Female / 31–40	June 12, 2024	3 years	August 12, 2021	3,000	0.00%	3,000	0.00%	–	–	–	–	–	–	–	–	–	None
				(Rep.) Hsin-Tung Tsai		June 12, 2024 ~ present (as corporate rep.)	6	0.00%	6	0.00%	–	–	–	–	B.B.A., University of Southern California Business Manager, Eclat Textile Co., Ltd.	Note 4	–	–	–	None
Director	R.O.C.	Yi-Yuan Investment Co., Ltd.	Male / 61–70	June 12, 2024	3 years	June 24, 2015	25,790,335	9.40%	25,790,335	9.40%	–	–	–	–	–		–	–	–	None
				Kuo-Sung Hsieh		June 24, 2015 (as corporate rep.)									Ph.D., Management, University of South Australia; Ph.D., Department of Finance and Financial Technology, College of Management, National Changhua University of Education CPA, Honesty-Confidence & Co.; Assistant Professor, Shih Chien University, Soochow University;	Note 5	–	–	–	None
Director	R.O.C.	Pat-Huang Su	Male / 61–70	June 12, 2024	3 years	June 12, 2024	–	–	–	–	–	–	–	–	M.S., Industrial Engineering, National Taiwan University; EMBA, National Chengchi University Chairman, Taiwan Man-Made Fiber Industries Association	Note 6	–	–	–	None
Director	R.O.C.	Jiann-Jong Chiu	Male / 51–60	June 12, 2024	3 years	June 12, 2024	–	–	–	–	–	–	–	–	Ph.D., Electrical Engineering, National Taiwan University; M.S., Materials Science and Engineering, National Tsing Hua University; B.S., Chemical Engineering, National Cheng Kung University Chairman & CEO, Ansforce Inc.; Director of multiple high-tech firms including Lotes Co., Waferchem, Turning Point Lasers, Phoenix Battery, AI-Cities, Mradian Femto Sources, Waferchem Technology Corporation, Phoenix Battery Corporation Independent Director, Plum-Monix Industry Co.; Adjunct Assistant Professor, NCCU; Former Marketing and Senior Application Engineer, Texas Instruments; Committee Member and Consultant to Taiwan Stock Exchange, Mega VC, Ministry of Education	Note 7	–	–	–	None
Independent Director	R.O.C.	Cheng-Ping Yu	Male / 61–70	June 12, 2024	3 years	June 24, 2015	–	–	–	–	–	–	–	–	Ph.D., University of Leeds, UK Independent Director, Eclat Textile Co., Ltd.; Honorary Professor, Department of Textiles and Clothing, Fu Jen	Note 8	–	–	–	None

Job Title	Nationality or place of registration	Name	Gender Age	Date of election / appointment to current term	Term of office	Commencement Date of first Elected	No. of shares held at time of election		No. of shares currently held		Shares currently held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualification	Positions Held concurrently in the company and/or in any other company	Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree			Remark(s) (Note)
							No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%			Job Title	Name	Relationship	
															Catholic University; Former Research Fellow, Industry Research Centre, University of Leeds					
Independent Director	R.O.C.	Nai-Ming Liu	Male / 61–70	June 12, 2024	3 years	June 24, 2015	–	–	–	–	–	–	–	–	M.Acc., National Chengchi University; B.A., Accounting, National Cheng Kung University CPA, Cheng Yuan CPAs; Independent Director of Bioptik Technology Inc., Evergreen Steel Corp., Inpaq Technology, Apaq Technology, Ampak Technology; Corporate Representative Director of HH Leasing & Financial Corp.; Supervisor, Taiwan Panstone Building Materials Co., Ltd.; Adjunct Assistant Professor, Hsing Wu University	Note 9	–	–	–	None
Independent Director	R.O.C.	Chiu-Chun Lai	Female / 41–50	June 12, 2024	3 years	August 12, 2021	–	–	–	–	–	–	–	–	Ph.D., Graduate Institute of Polymer Engineering, NTUST Professor and Chairperson, Chinese Culture University; Representative Director, Plastics Industry Development Center; Examiner or Convener of various industrial innovation projects (A+, SBIR, CITD, etc.) by Ministry of Economic Affairs; Former Executive Assistant to Chairman, Golden-State Industrial Co.; Former Associate Research Fellow, TTRI	Note 10	–	–	–	None
Independent Director	R.O.C.	Tian-Wei Shi	Male / 61–70	June 12, 2024	3 years	June 12, 2024	–	–	–	–	–	–	–	–	Ph.D., Textile Industry, University of Leeds Member, Remuneration Committee, Eclat Textile Co., Ltd.; Director, Eastern Media International Corp., Nature Beauty Bio-Technology Co., Ltd., Ray-Sen Medical Cosmetics Co., Ltd., Hui Yue Investment Co., Ltd.; Director of Natural Beauty BioTechnology Co., Ltd. Director of Ray-Sen Medical Cosmetics Co., Ltd. Director of Hui-Yue Investment Co., Ltd. Professor, Dept. of Textile Engineering, Feng Chia University; Former R&D Director and Dept. Chair at Feng Chia University	Note 11	–	–	–	None
Independent Director	R.O.C.	Xiao-Kai Chen	Female / 51–60	June 12, 2024	3 years	June 12, 2024	–	–	–	–	–	–	–	–	Ph.D., College of Journalism and Communications, Shih Hsin University; B.A. & M.A., Department of Journalism, National Chengchi University	Note 12	–	–	–	None

Job Title	Nationality or place of registration	Name	Gender Age	Date of election / appointment to current term	Term of office	Commencement Date of first Elected	No. of shares held at time of election		No. of shares currently held		Shares currently held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualification	Positions Held concurrently in the company and/or in any other company	Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree			Remark(s) (Note)
							No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%			Job Title	Name	Relationship	
															Board Member, Taiwan Creative Economy Association (TCEA); Director, Foundation for Commerce and Cultural Interchange; Independent Director, Throughtek Co., Ltd.; Consultant, Taipei Computer Association (TCA); Former Journalist and Editor, China Times; Adjunct Assistant Professor, Shih Hsin University and Tamkang University					

Note : Where the chairperson of the board of directors and the President or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto.(For example, the number of independent directors should be increased, and more than half of the directors should not be employees or managers.)

Note 1: Mr. Shu-Wen Wang currently serves as the Chairman of Heng Shang Investment Co., Ltd.

Note 2: Mr. Jui-Ting Hung currently serves as the President of Eclat Textile Co., Ltd., and as a Director of Eclat Fabrics (Vietnam) Co., Ltd., Eclat Textile Co., Ltd. (Vietnam), E-TOP (Vietnam) Co., Ltd., Colltex Garment Mfy Co., Ltd. (VN), Tai-Yuan Garments Co., Ltd., Grand Elite Holdings Inc., Eclat Enterprise Ltd., Eclat Textile (Cambodia) Co., Ltd., PT Eclat Textile International, Eclat Cayman Islands Holdings, Zig Sheng Industrial Co., Ltd., and Titan Smart Sports Co., Ltd.

Note 3: Mr. Tsung-Wu Wang currently serves as Deputy Manager of Eclat Textile Co., Ltd., and as a Director of Eclat Fabrics (Vietnam) Co., Ltd., Eclat Textile Co., Ltd. (Vietnam), E-TOP (Vietnam) Co., Ltd., Colltex Garment Mfy Co., Ltd. (VN), Tai-Yuan Garments Co., Ltd., Grand Elite Holdings Inc., Eclat Enterprise Ltd., Eclat Textile (Cambodia) Co., Ltd., and Eclat Cayman Islands Holdings; and as Supervisor of PT Eclat Textile International.

Note 4: Ms. Hsin-Tung Tsai currently serves as Associate Business Manager of Eclat Textile Co., Ltd., and as a Director of Eclat Fabrics (Vietnam) Co., Ltd., Eclat Textile Co., Ltd. (Vietnam), E-TOP (Vietnam) Co., Ltd., Colltex Garment Mfy Co., Ltd. (VN), Tai-Yuan Garments Co., Ltd., Grand Elite Holdings Inc., Eclat Enterprise Ltd., Eclat Textile (Cambodia) Co., Ltd., PT Eclat Textile International, and Eclat Cayman Islands Holdings.

Note 5: Mr. Kuo-Sung Hsieh currently serves as a Certified Public Accountant at Honesty-Confidence & Co., CPAs, an Assistant Professor at Ming Chuan University, a Director of AccelSpirit Inc., a member of the Remuneration Committee of Accordance Systems Inc., a Consultant to China Credit Information Service Ltd., Advanced Management Consultants Co., Ltd., and Jiayang Biotechnology Co., Ltd., and President of Taiwan Association of Certified Valuators and Analysts (TACVA).

Note 6: Mr. Pat-Huang Su currently serves as Chairman and President of Zig Sheng Industrial Co., Ltd., Chairman of San He Development Co., Ltd., Vice Chairman of the Taiwan Textile Federation, and a Director of Li-Yi Logistics Development Co., Ltd., Yi Sheng Investment Co., Ltd., Qiang You Sheng Co., Ltd., Yi Sheng Linkou Development Co., Ltd.; he is also the Representative Director of Ding Sheng Materials Technology Co., Ltd., an Independent Director of Yeedex Electronic Corporation, and a Director of the Taiwan Synthetic Resin and Plastics Association.

Note 7: Mr. Jiann-Jong Chiu currently serves as Adjunct Assistant Professor at the Graduate Institute of Technology Management and Intellectual Property, National Chengchi University; Chairman and CEO of Knowledger Technology Co., Ltd.; and as a Director of Lotes Co., Ltd., Turning Point Lasers Corporation, AI-Cities Technology Corporation, and Mradian Femto Sources Co., Ltd.; he is also an Independent Director of Plum-Monix Industry Co., Ltd., HSBC Bank (Taiwan) Limited and a Supervisor of Frontier Sci. & Tech. Development Consultant Co., Ltd. and Feng-Tai Specialty Semiconductor Corporation Limited.

Note 8: Mr. Cheng-Ping Yu currently serves as Honorary Professor at the Department of Textiles and Clothing, Fu Jen Catholic University.

Note 9: Mr. Nai-Ming Liu currently serves as a practicing CPA at Cheng Yuan CPAs, and as an Independent Director of Bioptik Technology Inc. and Evergreen Steel Corp.

Note 10: Ms. Chiu-Chun Lai currently serves as a Professor and concurrently Chairperson and Director at Chinese Culture University; she is also a Representative Director (representing the MOEA) of the Plastics Industry Development Center; an Independent Director of Tai-Tung Electric Co., Ltd.; and an Examiner of various innovation and R&D programs under the Ministry of Economic Affairs (MOEA), including the A+ Program and Technology Development Programs (DoIT), SBIR (SMEA), the Industrial Upgrading and Innovation Platform Program (IDA), CITD (Textile Group), and SME grants.

Note 11: Mr. Tian-Wei Shi currently serves as an Independent Director of Eastern Media International Co., Ltd and a Visiting Senior Expert at the Taiwan Textile Research Institute (TTRI).

Note 12: Ms. Xiao-Kai Chen currently serves as Board Member of the Taiwan Creative Economy Association, Director of the Foundation for Commerce and Cultural Interchange, Independent Director of Throughtek Co., Ltd., and Consultant to the Taipei Computer Association.

Major Shareholders of Corporate Shareholders

March 30, 2026

Name of Corporate Shareholder	Major Shareholders of Corporate Shareholder	
Yih-Yuan Investment Corp.	Trust Property Account of Dan-Ying Co., Ltd.	(21.12%)
	Cheng-Hai Hung	(21.08%)
	Li-Chen Wang	(20.23%)
	Cheng-Tai Global Co., Ltd.- Fu-Jane Wang	(8.65%)
	Wei Yueh Investment Corp.- Su-Fang Chen	(6.92%)
	Shih-Fan Chen	(6.92%)
	Hung-Chun Li	(4.31%)
	Jui-Ting Hung	(3.85%)
	Ping-Yuan Hsu	(3.12%)
	Chih-Ming Hsu	(0.69%)
Xin-Xin Limited Company	YU-SIANG WANG	(100.00%)

2.1.1.2 Disclosure of professional qualifications of directors and supervisors and independence of independent directors:

Condition / Name	Professional qualification and experience (Note 1/Note 3)	Independence status (Note 2)	Number of companies for adjunct independent directors of other public offering companies
Chairman Shu-Wen Wang	Mr. Shu-Wen Wang has extensive experience in business, accounting, and banking, demonstrating outstanding leadership in risk, financial management, and corporate communication. **Core Experience:** • Vice Chairman and Executive Vice President, Eclat Textile Co., Ltd.	Not applicable to non-independent directors.	None
Vice Chairman Kun-Tang Chen	Mr. Kun-Tang Chen possesses extensive industry experience with capabilities in operational judgment, management, and crisis handling. He demonstrates strategic insight into international trends and leads the Company toward globalization. **Core Experience:**	Not applicable to non-independent directors.	None

Condition / Name	Professional qualification and experience (Note 1/Note 3)	Independence status (Note 2)	Number of companies for adjunct independent directors of other public offering companies
	• Director and President, Eclat Textile Co., Ltd.		
Director Jui-Ting Hung	Mr. Jui-Ting Hung has practical experience in the textile industry and related products. **Current Positions:** • Director, Zig Sheng Industrial Co., Ltd. • Director, Titan Sports Tech Co., Ltd. **Core Experience:** •Vice President, Eclat Textile Co., Ltd.	Not applicable to non-independent directors.	None
Director Bei-Yu Limited Company Representative: Tsung-Wu Wang, appointed on June 12, 2024)	Mr. Tsung-Wu Wang possesses extensive industry experience with capabilities in operational judgment, crisis management, risk control, and business management. **Current Positions:** •Assistant Sales Manager, Eclat Textile Co., Ltd. **Core Experience:** •Dyeing Section Chief, Being-long Industrial Co., Ltd.	Not applicable to non-independent directors.	None
Director Xin-Xin Limited Company (Representative: Hsin-Tung Tsai, appointed on June 12, 2024)	Ms. Hsin-Tung Tsai possesses extensive industry experience and is skilled in business management and organizational leadership. **Current Positions:** •Associate Vice President, Sales, Eclat Textile Co., Ltd **Core Experience:** • Business Manager, Eclat Textile Co., Ltd.	Not applicable to non-independent directors.	None
Director Yi-Yuan Investment Co., Ltd. (Representative: Kuo-Sung Hsieh)	Mr. Kuo-Sung Hsieh specializes in finance and accounting and possesses related practical experience. **Current Positions:**	Not applicable to non-independent directors.	None

Name \ Condition	Professional qualification and experience (Note 1/Note 3)	Independence status (Note 2)	Number of companies for adjunct independent directors of other public offering companies
	•Certified Public Accountant at Honesty-Confidence & Co., CPAs •Member of the Remuneration Committee of Accordance Systems Inc. **Core Experience:** •Assistant Professor, Shih Chien University, Soochow University, and Ming Chuan University.		
Director Pat-Huang Su	Mr. Pat-Huang Su has extensive industry experience, excelling in business management, international market insight, and financial analysis. **Current Positions:** •Chairman, Zig Sheng Industrial Co., Ltd. •Independent Director, Yeedex Electronic Corporation **Core Experience:** •Director and General Manager, Zig Sheng Industrial Co., Ltd. •Chairman, Taiwan Man-Made Fiber Industries Association	Not applicable to non-independent directors.	1
Director Jiann-Jong Chiu	Mr. Jiann-Jong Chiu has extensive expertise and experience in artificial intelligence, demonstrating abilities in decision-making, leadership, and crisis management. He provides strategic guidance toward digitalized production aligned with international trends. **Current Positions:** •Chairman and CEO, Knowledger Technology Co., Ltd. •Director, Lotes Co., Ltd	Not applicable to non-independent directors.	1

Condition / Name	Professional qualification and experience (Note 1/Note 3)	Independence status (Note 2)	Number of companies for adjunct independent directors of other public offering companies
	•Independent Director, HSBC Bank (Taiwan) Limited **Core Experience:** • Senior Marketing and Application Engineer, Texas Instruments • Reviewer and Industry Consultant, Taiwan Stock Exchange		
Independent Director Cheng-Ping Yu	Mr. Cheng-Ping Yu possesses academic experience in the textile industry, contributing to product development, service advancement, and talent cultivation. He advocates corporate sustainability to enhance enterprise value. **Current Positions:** • Honorary Professor, Department of Textiles and Clothing, Fu Jen Catholic University. **Core Experience:** • Former Research Fellow, Industry Research Centre, University of Leeds	No circumstances under Article 30 of the Company Act. All five Independent Directors meet the qualifications prescribed by the Financial Supervisory Commission and Article 14-2 of the Securities and Exchange Act, both prior to election and during their term. They exercise independent judgment and perform their duties accordingly.	None
Independent Director Nai-Ming Liu	Mr. Nai-Ming Liu is a practicing CPA specializing in finance, accounting, taxation, and corporate governance. **Current Positions:** • Practicing CPA at Cheng Yuan CPAs Core Experience: •Independent Director, Actherm Bio-Tech Co., Ltd. •Independent Director, Everlight Steel Structures Co., Ltd. **Core Experience:** •Independent Director, INPAQ Technology Co.,		2

Name \ Condition	Professional qualification and experience (Note 1/Note 3)	Independence status (Note 2)	Number of companies for adjunct independent directors of other public offering companies
	Ltd. •Independent Director, APAQ Technology Co., Ltd. •Independent Director, AMPAK Technology Inc. •Adjunct Assistant Professor, Hsing Wu University		
Independent Director Chiu-Chun Lai	Ms. Chiu-Chun Lai possesses academic expertise in the textile industry. **Current Positions:** •Professor, Department Chair, and Director, Chinese Culture University •Independent Director, Da Tung Communication Co., Ltd. **Core Experience:** • Associate Research Fellow, Taiwan Textile Research Institute (TTRI)		1
Independent Director Tian-Wei Shi	Mr. Tian-Wei Shi possesses academic expertise in the textile industry, contributing to the development of products and services as well as talent cultivation. **Current Positions:** •Independent Director, Eastern Media International Corporation •Senior Guest Expert, Taiwan Textile Research Institute (TTRI) **Core Experience:** •Professor and Chair, Department of Textile Engineering, Feng Chia University •Dean of Research and Development, Feng Chia University	Same as above.	1

Name \ Condition	Professional qualification and experience (Note 1/Note 3)	Independence status (Note 2)	Number of companies for adjunct independent directors of other public offering companies
Independent Director Xiao-Kai Chen	Ms. Xiao-Kai Chen has professional expertise in IoT applications and technological innovation, bringing new perspectives to enhance operational efficiency. **Current Positions:** •Independent Director, ThroughTek Co., Ltd. **Core Experience:** •Adjunct Assistant Professor, Shih Hsin University, Tamkang University. •Former Journalist and Translator/Editor, Commercial Times.	Same as above.	1

Note 1: Professional qualification and experience: It describes the professional qualification and experience of individual directors and supervisors. For a director of the audit committee equipped with accounting or financial expertise, it is necessary to describe his/her accounting or financial background and work experience. In addition, an explanation on whether there is any condition specified in Article 30 of the Company Act shall be provided.

Note 2: Independent directors complying with independence status, including but not limited to whether the director of the company, his/her spouse, relative within the second degree of kinship acts as director, supervisor or employee of the Company or its affiliates; the number of company shares held and holding percentage of the director, spouse, relative within the second degree of kinship (or under the name of others); whether he or she acts as director, supervisor or employee of the company having a special relationship with the Company (please refer to the provisions of Subparagraphs 5~8 of Paragraph 1 of Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies); remuneration amount collected for providing corporate commerce, legal, finance or accounting service to the Company or its affiliates in the most recent two years.

Note 3: This table discloses only the primary concurrent positions and core experience of the Directors. For full details regarding professional qualifications and expertise, please refer to “2.1.1 Information on Directors and Supervisors” of this Annual Report. Furthermore, the Company hereby certifies that none of its Directors fall under any of the circumstances stipulated in the sub-paragraphs of Article 30 of the Company Act.

Diversity and independence of board of directors:

I. Board Diversity: Description of the Board Diversity Policy, Objectives, and Status of Achievement.

The Company has established the “Corporate Governance Best Practice Principles,” which prescribe the Board diversity policy under Chapter 3, "Enhancing the Board’s Functionality."

In accordance with the Company’s Articles of Incorporation and the “Rules for Election of Directors,” the Company re-elected its 14th Board of Directors on June 12, 2024, increasing the number of seats to 13, including 5 Independent Directors. Shareholders elected directors possessing the professional knowledge, skills, and experience necessary for business operations, particularly in areas such as business management, finance, and accounting. The five Independent Directors include an Honorary Professor at Fu Jen Catholic University, a Professor at Feng Chia University, a Professor at Chinese Culture University, a practicing CPA, and an Independent Director of

Throughtek Co., Ltd.

1. Concrete Management Objectives for Board Diversity:

The Board of Directors shall be responsible for guiding corporate strategy, supervising management, and being accountable to the Company and shareholders. The Company's governance framework ensures that the Board exercises its authority in accordance with applicable laws, the Articles of Incorporation, and shareholders' resolutions.

2. Specific Management Objectives:

(1) Gender Diversity: The Company emphasizes gender equality within the Board composition. The Board shall include at least one Director of a different gender. For the 2024 director re-election, the Company nominated candidates based on the required professional expertise, academic and industry experience, and consideration of gender diversity. Following the re-election, the 14th Board now includes three female Directors, increasing the proportion of female representation from 8% to 23%. The Company remains committed to continuously seeking qualified candidates who align with operational needs and to further enhancing Board diversity with gender equality as a fundamental principle.

(2) Professional Qualifications and Experience: The Company values operational judgment, management, and crisis handling capabilities among its Board members. To encourage innovative thinking in business management decisions and to facilitate the intergenerational transmission of managerial knowledge, the Company aims to gradually diversify the age distribution of its Board members. At least two-thirds of the Board members shall possess expertise in key core competencies.

(3) Enhancing the Professional Supervisory Role of Independent Directors: The Company intends to appropriately assess and, when necessary, appoint members from diverse professional backgrounds to enhance the quality of decision-making and reinforce the independence and supervisory function of the Independent Directors.

3. Status of Achievement of Board Diversity:

All Directors possess the necessary knowledge, skills, integrity, and industry decision-making and management capabilities required for business execution. The Company continues to arrange diversified continuing education programs for its Directors to enhance the quality of decision-making, fulfill supervisory responsibilities, and strengthen the Board's functionality.

The 14th Board consists of 13 Directors, including 5 Independent Directors, all of whom are free from any circumstances set forth in Paragraphs 3 and 4, Article 26-3 of the Securities and Exchange Act, thereby ensuring Board independence. Three female Directors were appointed during the 2024 re-election to fulfill the gender equality objective.

Board members collectively have extensive business management experience and diverse academic and professional backgrounds. In the eight core competencies identified by the Company, at least one-third of the Directors possess relevant expertise. Furthermore, more than half of the Directors have core competencies in operational judgment, business management, and crisis handling.

Diversity Core Items / Name of director	Basic Composition								Core items							
	Nationality	Gender	Concurrent Position as Employee of the Company	Age				Number of terms of office of independent directors	Operational judgment	Accounting and financial analysis ability	Business management ability	Crisis handling ability	Knowledge of the industry	Global Market Perspective	Leadership	Decision-making ability
				61 years old and above	51~ 60 years old	41~ 50 years old	31-40 years old									
Shu-Wen Wang	R.O.C	Male		V					V	V	V	V	V	V	V	V
Kun-Tang Chen	R.O.C	Male		V					V		V	V	V	V	V	V
Jui-Ting Hung	R.O.C	Male	V			V			V	★	★	★	★	V	V	★
Kuo-Sung Hsieh	R.O.C	Male		V					V	V	V	V	★	V	V	V
Pat-Huang Su	R.O.C	Male		V					V	V	V	V	V	V	V	V
Hsin-Tung Tsai	R.O.C	Female	V				V		V	★	V	V	V	V	V	V
Tsung-Wu Wang	R.O.C	Male	V		V				V	★	V	V	V	★	★	★
Jiann-Jong Chiu	R.O.C	Male			V				V	★	V	V	V	V	V	V
Cheng-Ping Yu	R.O.C	Male		V				4			★	★	V	V		★
Nai-Ming Liu	R.O.C	Male		V				4	V	V	V	V	V		★	V
Chiu-Chun Lai	R.O.C	Female				V		2	★	★	★	★	V	★	★	★
Tian-Wei Shi	R.O.C	Male		V				1	V	★	★	★	V	★	★	★
Xiao-Kai Chen	R.O.C	Female			V			1	★	★	★	V	★	★	★	★

V indicates possession of core competency.

★ indicates possession of partial professional competency.

II. The board of directors of our company is independent, and there are no circumstances specified in Paragraphs 3 and Paragraph 4 of Article 26-3 of the Securities and Exchange Act between directors or between supervisors, nor is there any relationship of spouse and relative within the second degree of kinship between directors, between supervisors, or between director and supervisor. Within the board of directors, there are five independent directors, accounting for 38.46% of all director seats. Their professional qualifications and appointments comply with the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies."

2.1.2 Information on the Management Team:

March 30, 2026

Title	Nationality	Name	Gender	Date of appointment to position	Shareholding		Shares held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions concurrently held in other companies at present	Manager who are Spouses or within Two Degrees of Kinship			Remark(s) (Note)
					No. of Shares	%	No. of Shares	%	No. of Shares	%			Title	Name	Relation	
President	R.O.C.	Jui-Ting Hung	Male	2024.06	4,218,746	1.54%	46,880	0.02%	-	-	Master's in Materials Engineering, Tsinghua University and University of Florida; Teaching Assistant, Department of Materials Engineering, University of Florida; Vice President, Business Department, Eclat Textile Co., Ltd.; Assistant Vice President, Eclat Textile Co., Ltd.; Business Manager, Eclat Textile Co., Ltd.	Note 1	None	-	-	None
Vice President, Knitting Business Department	R.O.C.	Sheng-Tien Lee	Male	2012.04	331	0.00%	-	-	-	-	Graduate of Dongshi High School; Assistant Vice President, Bin Long Industrial Co., Ltd.	None	None	-	-	None
Vice President, Knitting Business Department	R.O.C.	Cheng-Chin Tsai	Male	2017.02	4,569	0.00%	-	-	-	-	Graduate of Fu Jen Catholic University; Assistant Vice President, Eclat Textile Co., Ltd.	None	None	-	-	None
Vice President, Garment Business Department	R.O.C.	Li-Fen Cheng	Female	2017.02	4,125	0.00%	-	-	-	-	MBA, University of Leeds; Assistant Vice President, Eclat Textile Co., Ltd.	None	None	-	-	None
Vice President, Finance and Accounting Department	R.O.C.	Fen-Ru Lin	Female	2024.07	0	0.00%	-	-	-	-	MBA, University of Minnesota, Twin Cities; Vice President, 104 Corporation	None	None	-	-	None
Assistant Vice President, Production Management, Knitting Business Department	R.O.C.	Bing-Chi Hsu	Male	2011.07	23,583	0.01%	-	-	-	-	Master's Degree, Fu Jen Catholic University; Production Management Manager, Eclat Textile Co., Ltd.	None	None	-	-	None
Assistant Vice President, Sales Department, Garment Business Department	R.O.C.	Chia-Chun Chiang	Male	2011.08	2,000	0.00%	-	-	-	-	EMBA Program (incomplete), Fu Jen Catholic University; Business Manager, Eclat Textile Co., Ltd.	None	None	-	-	None
Assistant Vice President, Sales Department, Garment Business Department	R.O.C.	Hao-He Chen	Male	2014.01	2,595	0.00%	40	0.00%	-	-	Bachelor, Department of Political Science, National Taiwan University; Business Manager, Eclat Textile Co., Ltd.	None	None	-	-	None
Assistant Vice President, Sales Department, Knitting Business Department	R.O.C.	Lien-Tsai Chen	Male	2014.01	40	0.00%	-	-	-	-	Graduate of National Taiwan University of Science and Technology; Business Manager, Eclat Textile Co., Ltd.	None	None	-	-	None
Assistant Vice President, Xizhou Factory, Knitting Business Department	R.O.C.	Shih-Tu Chen	Male	2014.05	0	0.00%	-	-	-	-	Graduate of Panshi Senior High School; Factory Manager, Eclat Textile Co., Ltd.	None	None	-	-	None

Title	Nationality	Name	Gender	Date of appointment to position	Shareholding		Shares held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions concurrently held in other companies at present	Manager who are Spouses or within Two Degrees of Kinship			Remark(s) (Note)
					No. of Shares	%	No. of Shares	%	No. of Shares	%			Title	Name	Relation	
Assistant Vice President, Eclat Textile (Vietnam) Co., Ltd.	R.O.C.	Heng-Wei Hsu	Male	2017.02	1,832	0.00%	252	0.00%	-	-	Bachelor's Degree, Department of Business Administration, Fu Jen Catholic University; Assistant Vice President, Production Department, Eclat Textile Co., Ltd.	None	None	-	-	None
Assistant Vice President, Digital Development Department	R.O.C.	Chen-Chang Feng	Male	2022.08	0	0.00%	-	-	-	-	Master's Degree in Information Science, Syracuse University; IT Manager, EnfoTech & Consulting Inc.; IT Manager, Eclat Textile Co., Ltd.	None	None	-	-	None
Assistant Vice President, Procurement Department, Knitting Business Department	R.O.C.	Kuo-Chang Huang	Male	2022.08	0	0.00%	3,000	0.00%	-	-	Bachelor's Degree, Department of Textile Engineering, Feng Chia University; Former R&D Department Head, Shinkong Synthetic Fibers Corp.; Former Marketing Department Head, Chih-Wei Weaving; Procurement Manager, Eclat Textile Co., Ltd.	None	None	-	-	None
Assistant Vice President, Eclat Fabrics (Vietnam) Co., Ltd.	R.O.C.	Wen-Chun Lin	Male	2023.01	1,000	0.00%	1,000	0.00%	-	-	Graduate of Vanung Institute of Technology (now Vanung University), Department of Textile Engineering; Dyeing Factory Manager, Eclat Fabrics (Vietnam) Co., Ltd.; Laboratory Section Manager, Binlong Industrial Co., Ltd.	None	None	-	-	None
Assistant Vice President, Sales Department, Garment Business Department	R.O.C.	Hsin-Tung Tsai	Female	2024.05	6	0.00%	-	-	-	-	Bachelor's Degree in Business Administration, University of Southern California; Business Manager, Eclat Textile Co., Ltd.	Note 2	None			None
Assistant Vice President, Eclat Textile International (Indonesia)	R.O.C.	Chin-Hsiung Cheng	Male	2024.05	0	0.00%	-	-	-	-	Bachelor's Degree, Department of Economics, National Cheng Kung University; Factory Manager, Colltex Garment Mfy Co., Ltd. (VN)	Note 3	None			None

Note : Where the chairperson of the board of directors and the President or person of an equivalent post (the highest-level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto. (For example, the number of independent directors should be increased, and more than half of the directors should not be employees or managers.)

Note 1: Mr. Jui-Ting Hung concurrently serves as Director of Eclat Fabrics (Vietnam) Co., Ltd., Eclat Textile Co., Ltd. (Vietnam), E-TOP (Vietnam) Co., Ltd., Colltex Garment Mfy Co., Ltd. (VN), Tai-Yuan Garments Co., Ltd., Grand Elite Holdings Inc., Eclat Enterprise Ltd., Eclat Textile (Cambodia) Co., Ltd., PT Eclat Textile International, Eclat Cayman Islands Holdings, Zig Sheng Industrial Co., Ltd., and Titan Sport Tech Co., Ltd.

Note 2: Ms. Hsin-Tung Tsai concurrently serves as Assistant Vice President of Eclat Textile Co., Ltd., and as Director of Eclat Fabrics (Vietnam) Co., Ltd., Eclat Textile Co., Ltd. (Vietnam), E-TOP (Vietnam) Co., Ltd., Colltex Garment Mfy Co., Ltd. (VN), Tai-Yuan Garments Co., Ltd., Grand Elite Holdings Inc., Eclat Enterprise Ltd., Eclat Textile (Cambodia) Co., Ltd., PT Eclat Textile International, and Eclat Cayman Islands Holdings.

Note 3: Mr. Chin-Hsiung Cheng concurrently serves as Director of PT Eclat Textile International.

2.2. Remuneration Paid During the Most Recent Fiscal Year to Directors, Supervisors, the President, and Vice Presidents:

2.2.1. Remuneration to Ordinary Directors and Independent Directors (Disclosure of Aggregate Remuneration Plus Disclosure of Names by Remuneration Range)

2025 Unit: NT$1000

Job Title	Name (Note 1)	Remuneration to directors								Sum of A+B+C+D and ratio to net income (Note 10)		Remuneration received by directors for concurrent service as an employee								Sum of A+B+C+D+E+F+G and ratio to net income (Note 10)		Remuneration received from investee enterprise other than subsidiaries or from the parent company (Note 11)
		Base Compensation(A) (Note 2)		Retirement pays and pension (B)		Director profit-sharing compensation (C) (Note 3)		Expenses and perquisites (D) (Note 4)				Salary, rewards and special disbursements (E) (Note 5)		Retirement pays and pension (F)		Employee profit-sharing compensation (G) (Note 6)						
		The Company	All consolidated entities (Note 7)	The Company	All consolidated entities (Note	The Company	All consolidated entities (Note	The Company	All consolidated entities (Note	The Company	All consolidated entities (Note	The Company	All consolidated entities (Note	The Company	All consolidated entities (Note	The Company		All consolidated entities (Note		The Company	All consolidated entities (Note	
																In cash	In shares	In cash	In shares			
Director	Shu-Wen Wang Kun-Tang Chen Jui-Ting Hung Pat-Huang Su Jiann-Jong Chiu Representative of Xin-xin Limited Company- Hsin-Tung Tsai Bei-Yu Limited Company Representative: Tsung-Wu Wang Representative of Yih-Yuan Investment Corp.-Kuo-Sung Hsieh	5,370	5,370	None	None	None	None	1,000	1,000	6,370 0.116%	6,370 0.116%	94,462	94,462	176	176	None	None	None	None	101,007 1.832%	101,007 1.832%	None
Independent Director	Cheng-Ping Yu Nai-Ming Liu Chiu-Chun Lai Tian-Wei Shih Xiao-Kai Chen	5,570	5,570	None	None	None	None	660	660	6,230 0.113%	6,230 0.113%	None	None	None	None	None	None	None	None	6,230 0.113%	6,230 0.113%	None

1. Please describe the policy, system, standard and structure for the remuneration to independent directors, and the correlation between duties, risk, and time input with the amount of remuneration: The Company has established the “Rules for Performance Evaluation of Board of Directors,” which forms the basis for performance evaluation of the independent directors and inside directors. In addition to the consideration of the overall business performance and profitability of the Company, individual participation, performance achievement rate and contribution to the operational benefits of the Company are evaluated comprehensively to provide reasonable remuneration.
2. In addition to the disclosure of the table above, the remuneration collected by directors of the Company for providing services (such as acting as a non-employee consultant of the parent company/companies/investees indicated in the financial report): 120,000.

Remuneration Range table

Ranges of remuneration paid to each of the Company's directors	Name of Directors			
	Sum of (A+B+C+D)		Sum of (A+B+C+D+E+F+G)	
	The Company (Note 8)	All consolidated entities (Note 9) H	The Company (Note 8)	All consolidated entities (Note 9) I
Less than NT$1,000,000	Kun-Tang Chen, Pat-Huang Su, Jiann-Jong Chiu, Xiao-Kai Chen, Representative of Xin-xin Limited Company-Hsin-Tung Tsai. Representative of Yih-Yuan Investment Corp.-Kuo-Sung Hsieh, Bei-Yu Limited Company Representative: Tsung-Wu Wang	Kun-Tang Chen, Pat-Huang Su, Jiann-Jong Chiu, Xiao-Kai Chen, Representative of Xin-xin Limited Company-Hsin-Tung Tsai. Representative of Yih-Yuan Investment Corp.-Kuo-Sung Hsieh, Bei-Yu Limited Company Representative: Tsung-Wu Wang	Jiann-Jong Chiu, Pat-Huang Su, Xiao-Kai Chen, Representative of Yih-Yuan Investment Corp.-Kuo-Sung Hsieh	Jiann-Jong Chiu, Pat-Huang Su, Xiao-Kai Chen, Representative of Yih-Yuan Investment Corp.-Kuo-Sung Hsieh
NT$ 1,000,000 (inclusive) ~ NT$ 2,000,000 (exclusive)	Shu-Wen Wang, Jui-Ting Hung, Cheng-Ping Yu, Nai-Ming Liu, Chiu-Chun Lai, Tian-Wei Shih	Shu-Wen Wang, Jui-Ting Hung, Cheng-Ping Yu, Nai-Ming Liu, Chiu-Chun Lai, Tian-Wei Shih	Cheng-Ping Yu, Nai-Ming Liu, Chiu-Chun Lai, Tian-Wei Shih	Cheng-Ping Yu, Nai-Ming Liu, Chiu-Chun Lai, Tian-Wei Shih
NT$ 2,000,000 (inclusive) ~ NT$ 3,500,000 (exclusive)			Bei-Yu Limited Company Representative: Tsung-Wu Wang	Bei-Yu Limited Company Representative: Tsung-Wu Wang
NT$ 3,500,000 (inclusive) ~ NT$ 5,000,000 (exclusive)				
NT$ 5,000,000 (inclusive) ~ NT$ 10,000,000 (exclusive)			Representative of Xin-xin Limited Company-Hsin-Tung Tsai	Representative of Xin-xin Limited Company-Hsin-Tung Tsai
NT$ 10,000,000 (inclusive) ~ NT$ 15,000,000(exclusive)				
NT$ 15,000,000 (inclusive) ~ NT$ 30,000,000(exclusive)			Shu-Wen Wang, Jui-Ting Hung	Shu-Wen Wang, Jui-Ting Hung
NT$ 30,000,000 (inclusive) ~ NT$ 50,000,000(exclusive)			Kun-Tang Chen	Kun-Tang Chen
NT$ 50,000,000 (inclusive) ~ NT$ 100,000,000(exclusive)				
NT$ 100,000,000 and above				
Total	13	13	13	13

Note 1: The names of directors shall be listed separately (for corporate shareholders, corporate shareholders' names and their representatives' names shall be listed separately), and the regular directors and independent directors are listed separately to disclose each payment made in a summary table. For a director concurrently acts as President or Vice President, the name shall be listed on this and the following table.

Note 2: Refers to the remuneration of directors for the most recent year (including the directors' salary, allowance, severance pay, various bonuses, rewards etc.).

Note 3: The amount of directors' remuneration was appropriated in most recent years and approved by the board of directors.

Note 4: Refers to the relevant business execution expenses of directors in the most recent year (including transportation fee, special allowances, various subsidies, accommodation, company vehicles and other physical offers etc.) When there are expenses for housing, car or other transportation tools or specialized personal expenses, the asset nature and cost provided shall be disclosed, and the rent shall be calculated according to the actual or fair market price, gasoline fee and other payments. If drivers are provided, please describe the compensation to relevant drivers paid by the Company, but not counted as remuneration.

Note 5: Refers to the expense for the compensation, including salary, allowance, severance pay, various bonuses, rewards, transportation fee, special allowances, various subsidies, accommodation, company car etc. and physical offers etc., collected by directors concurrently acting as employees (including adjunct President, Vice President, other Managers and employees). When there are expenses for housing, car or other transportation tools or specialized personal expenses, the asset nature and cost provided shall be disclosed, and the rent shall be calculated according to the actual or fair market price, gasoline fee and other payments. If drivers are provided, please describe the compensation to relevant drivers paid by the Company, but not counted as remuneration. In addition, for the salary expense recognized according to IFRS 2 "Share-Based Payment", including the employee stock warrants, new restricted employee shares and participation in subscription of shares for capital increase by cash, it shall also be counted as part of the remuneration.

Note 6: Refers to where directors concurrently acting as employees (including adjunct President, Vice President, other Managers and employees) obtain employees' remuneration (including stocks and cash), the employees' remuneration amount appropriated in the most recent year based on the approval of the board of directors shall be disclosed. If such amount cannot be estimated, then the proposed appropriation amount for present year shall be calculated according to the actual appropriation amount ratio of last year, and Table 1-3 shall be further completed.

Note 7: The total amount of the various compensations paid by all companies (including the Company) indicated in the consolidated financial statements to the directors of the Company shall be disclosed.

Note 8: For the total amount of compensation paid to each director by the Company, the name of the directors shall be disclosed in their remuneration brackets.

Note 9: For the total amount of compensation paid by all companies (including the Company) indicated in the consolidated financial statements to the directors of the Company, the name of the directors shall be disclosed in their remuneration brackets.

Note 10: The net income refers to the net income of the most recent year. Where the IFRS standard is adopted, the net income refers to the net income of an entity or individual financial statements of the most recent year.

Note 11:

a. This field shall clearly indicate the relevant compensation amount received by the directors of the Company from non-consolidated affiliates.

b. Where directors of the Company receive relevant remuneration from non-consolidated affiliates, then the compensation received by the directors of the Company from investees other than subsidiaries shall be counted into the Field I of the remuneration bracket table, and the name of such field shall be changed to "Parent Company and All Investees"..

c. The compensation refers to the remuneration and salary received by directors acting as directors, supervisors or managers of investees other than subsidiaries (including salaries of employees, directors and supervisors) and business execution expenses etc.

* The compensation disclosed in this table is of different meaning from the income described in the Income Tax Act; therefore, the purpose of this table is for the purpose of information disclosure only and is not for the purpose of taxation.

2.2.2. Remuneration to President and Vice Presidents

2025 Unit: NT$1,000

<table>
<tr><th rowspan="3">Title</th><th rowspan="3">Name (Note 1)</th><th colspan="2">Salary(A) (Note 2)</th><th colspan="2">Pension(B)</th><th colspan="2">Bonuses and Allowances (C) (Note 3)</th><th colspan="4">Employee remuneration (D) (Note 4)</th><th colspan="2">Ratio of Total Compensation (A+B+C+D) to Net Income (%) (Note 8)</th><th rowspan="3">Compensation collected from investees or parent company other than subsidiaries (Note 9)</th></tr>
<tr><th rowspan="2">The Company</th><th rowspan="2">Companies in the consolidated financial statements (Note 5)</th><th rowspan="2">The Company</th><th rowspan="2">Companies in the consolidated financial statements (Note 5)</th><th rowspan="2">The Company</th><th rowspan="2">Companies in the consolidated financial statements (Note 5)</th><th colspan="2">The Company</th><th colspan="2">Companies in the consolidated financial statements (Note 5)</th><th rowspan="2">The Company</th><th rowspan="2">Companies in the consolidated financial statements (Note 5)</th></tr>
<tr><th>Cash Amount</th><th>Stock Amount</th><th>Cash Amount</th><th>Stock Amount</th></tr>
<tr><td>Chairman</td><td>Shu-Wen Wang</td><td rowspan="7">23,063</td><td rowspan="7">23,287</td><td rowspan="7">473</td><td rowspan="7">473</td><td rowspan="7">109,787</td><td rowspan="7">109,787</td><td rowspan="7">None</td><td rowspan="7">None</td><td rowspan="7">None</td><td rowspan="7">None</td><td rowspan="7">133,323
2.42%</td><td rowspan="7">133,547
2.42%</td><td rowspan="7">None</td></tr>
<tr><td>Vice Chairman</td><td>Kun-Tang Chen</td></tr>
<tr><td>President</td><td>Jui-Ting Hung</td></tr>
<tr><td>Vice President</td><td>Fen-Ru Lin</td></tr>
<tr><td>Vice President</td><td>Sheng-Tien Lee</td></tr>
<tr><td>Vice President</td><td>Cheng-Chin Tsai</td></tr>
<tr><td>Vice President</td><td>Li-Fen Cheng</td></tr>
</table>

Remuneration brackets table

Ranges of remuneration paid to the Company's President and Vice Presidents	Name of President and Vice Presidents	
	The Company (Note 6)	All Consolidated Entities included in the financial statements (Note 7) (E)
Less than NT$1,000,000		
NT$ 1,000,000 (inclusive) ~ NT$ 2,000,000 (exclusive)		
NT$ 2,000,000 (inclusive) ~ NT$ 3,500,000 (exclusive)		
NT$ 3,500,000 (inclusive) ~ NT$ 5,000,000 (exclusive)		
NT$ 5,000,000 (inclusive) ~ NT$ 10,000,000 (exclusive)	Fen-Ru Lin, Sheng-Tien Lee	Fen-Ru Lin, Sheng-Tien Lee
NT$ 10,000,000 (inclusive) ~ NT$ 15,000,000(exclusive)	Cheng-Chin Tsai	Cheng-Chin Tsai
NT$ 15,000,000 (inclusive) ~ NT$ 30,000,000(exclusive)	Shu-Wen Wang, Jui-Ting Hung, Li-Fen Cheng	Shu-Wen Wang, Jui-Ting Hung, Li-Fen Cheng
NT$ 30,000,000 (inclusive) ~ NT$ 50,000,000(exclusive)	Kun-Tang Chen	Kun-Tang Chen
NT$ 50,000,000 (inclusive) ~ NT$100,000,000(exclusive)		
NT$ 100,000,000 and above		
Total	7	7

Note 1: The names of President and Vice President shall be listed separately, and all amounts paid shall be disclosed in a summary table method. For a director concurrently acts as President or Vice President, this table and the above table shall be completed.

Note 2: Refers to the salary, allowance, severance pay for the President and Vice Presidents in the most recent year.

Note 3: Refers to various bonuses, rewards, transportation fees, special allowances, various subsidies, accommodation, company car and physical offers etc. as well as other remuneration amounts. When there are expenses for housing, car or other transportation tools or specialized personal expenses, the asset nature and cost provided shall be disclosed, and the rent shall be calculated according to the actual or fair market price, gasoline fee and other payments. If drivers are provided, please describe the compensation to relevant drivers paid by the Company, but not counted as remuneration. In addition, for the salary expense recognized according to IFRS 2 "Share-Based Payment", including the employee stock warrants, new restricted employee shares and participation in subscription of shares for capital increase by cash, it shall also be counted as part of the remuneration.

Note 4: The employees' remuneration (including stocks and cash) appropriation for President and Vice Presidents approved by the board of directors for the most recent year shall be disclosed. If such amount cannot be estimated, then the proposed appropriation amount for the present year shall be calculated according to the actual appropriation amount ratio of last year, and Table 1-3 shall be further completed. The net income refers to the net income of the most recent year. Where the IFRS standard is adopted, the net income refers to the net income of an entity or individual financial statements of the most recent year.

Note 5: The total amount of various compensations paid by all companies (including the Company) indicated in the consolidated financial statements to the President and Vice Presidents of the Company shall be disclosed.

Note 6: For the total amount of compensations paid to each President and Vice Presidents by the Company, the name of the Presidents and Vice Presidents shall be disclosed in their remuneration brackets.

Note 7: The total amount of compensations paid by all companies (including the Company) to each President and Vice Presidents by the Company shall be disclosed, and the name of the Presidents and Vice Presidents shall be disclosed in their remuneration brackets.

Note 8: The net income refers to the net income of the most recent year. Where the IFRS standard is adopted, the net income refers to the net income of an entity or individual financial statements of the most recent year.

Note 9:

a. This field shall clearly indicate relevant compensation amount received by the President and Vice Presidents of the Company from non-consolidated affiliates.

b. Where President and Vice Presidents of the Company receive relevant remuneration from the parent company or investees other than subsidiaries, then the compensation received shall be counted into Field E of the remuneration bracket table, and the name of such field shall be changed to "All investees"

c. The compensation refers to the remuneration and salary received by the President and Vice President acting as directors, supervisors or managers at investees other than subsidiaries (including salaries of employees, directors and supervisors) and business execution expenses, etc.

*The content of the compensation disclosed in this table is of different meaning from the income described in the Income Tax Act; therefore, the purpose of this table is for the purpose of information disclosure only and is not for the purpose of taxation.

2.2.3 Names and Distributions of Employee Profit-Sharing Compensation to Managerial Officer: None.

2.2.4 Separately compare and describe total remuneration, as a percentage of net income stated in the Company only financial reports or individual financial reports, as paid by the Company and by each other company included in the consolidated financial statements during the past 2 fiscal years to directors, supervisors, president, and assistant presidents, and analyze and describe remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and risks in the future:

Title	2025		2024	
	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements
Percentage of Compensation Paid to Directors	1.83%	1.83%	1.89%	1.90%
Percentage of Compensation Paid to Independent Directors	0.11%	0.11%	0.09%	0.09%
Percentage of Compensation Paid to President and Vice Presidents	2.42%	2.42%	2.61%	2.62%

The salaries of the Company's directors, President, and Vice Presidents are set at fixed amounts, while annual and quarterly bonuses are adjusted based on performance tiers. In 2025, the Company's net income after tax decreased by 16.95% compared to 2024, and accordingly, there was a corresponding reduction in the bonuses awarded to directors, the President, and Vice Presidents.

According to Article 25 of the Articles of Incorporation of the Company, when directors are performing duties, regardless whether the Company operates at a profit or loss, the Company may pay remuneration to the directors for their performance of job duties, and the board of directors is authorized to determine the remuneration according to the directors' participation level in the Company's operation and value of contribution along with the consideration on the general standards adopted in the same industry.

The Company has established the "Rules for Performance Evaluation of the Board of Directors," which forms basis for the evaluation of independent directors and inside directors. In addition to the consideration of the overall business performance, future operational risk and industry development trend, the individual performance achievement rate and contribution to the Company's operational benefits etc. are also considered comprehensively, in order to provide reasonable remuneration. Furthermore, the remuneration evaluation system is also timely reviewed according to the actual operation status and relevant laws.

The remuneration structure for independent directors consists of a fixed monthly salary and fixed attendance fees, determined in accordance with the Articles of Incorporation and peer industry standards. To ensure the independence of independent directors in exercising their supervisory functions, such remuneration is not adjusted based on the Company's annual operating performance. The ratio of independent directors' remuneration to net income after tax for 2025 increased slightly, primarily reflecting the base period effect of the decrease in the Company's net income after tax; the actual amount of independent directors' remuneration remained comparable to that of 2024.

The Company's president and vice presidents are responsible for executing the Group's operations and management duties. Their salary structure consists of a base salary, position-specific allowances, performance bonus and company cars. The remuneration is determined according to the overall operational performance along with the consideration of the target achievement rate, profitability, operational benefits and level of contribution of each individual managerial officer along with the consideration of the standard adopted in the same industry, in order to provide reasonable remuneration. Furthermore, the remuneration evaluation system is also timely reviewed according to the actual operation status and relevant laws.

2.3 The state of the company's Implementation of Corporate Governance

2.3.1Board of Directors Status:

In the most recent year, there were 6 board of directors' meetings convened (A), and the attendance of directors is as follows:

Title	Name (Note 1)	No. of meetings attended in person (B)	No. of meetings attended by proxy	In-person attendance rate (%) 【B/A】 (Note 2)	Remark
Chairman	Shu-Wen Wang	6	0	100%	Re-elected (Elected on June 12, 2024)
Vice chairman	Kun-Tang Chen	6	0	100%	Re-elected (Elected on June 12, 2024)
Director	Jui-Ting Hung	6	0	100%	Newly elected (Elected on June 12, 2024)
Director	Pat-Huang Su	6	0	100%	Newly elected (Elected on June 12, 2024)
Director	Jiann-Jong Chiu	6	0	100%	Newly elected (Elected on June 12, 2024)
Director	Kuo-Sung Hsieh	6	0	100%	Representative of Corporate Shareholder Yih-Yuan Investment Corp. Re-elected (Elected on June 12, 2024)
Director	Xin-Xin Limited Company	6	0	100%	Re-elected (Elected on June 12, 2024) Appointment of Corporate Representative: Hsin-Tung Tsai
Director	Bei-Yu Limited Company	6	0	100%	Newly elected on-board member on June 12, 2024. Appointment of corporate representative: Tsung-Wu Wang
Independent Director	Cheng-Ping Yu	6	0	100%	Re-elected (Elected on June 12, 2024)
Independent Director	Nai-Ming Liu	6	0	100%	Re-elected (Elected on June 12, 2024)
Independent Director	Chiu-Chun Lai	6	0	100%	Re-elected (Elected on June 12, 2024)
Independent Director	Tian-Wei Shi	6	0	100%	Newly elected (Elected on June 12, 2024)
Independent Director	Xiao-Kai Chen	6	0	100%	Newly elected (Elected on June 12, 2024)

Other information required to be disclosed:

I. If any of the following circumstances exists, specify the board meeting date, meeting session number content of the motion(s), the opinions of all the independent directors, and the measures taken by the Company based on the opinions of the independent directors:

(I) Matters referred to in Article 14-3 of the Securities and Exchange Act: The independent director of the Company has no dissenting opinions or qualified opinions on the resolutions (Note 3).

(II) In addition to the matters referred to above, any dissenting or qualified opinion of an independent directory that is on record or stated in writing with respect to any board resolution: There were no resolutions subject or dissenting or qualified opinions of independent directors of the Company.

II. The status of implementation of recusals of directors with respect to any motions with which they may have a conflict of interest: specify the director's name, the content of the motion, the cause for recusal, and whether and how the director voted:

Director	Proposal	Reason for Recusal	Participation in Voting
Shu-Wen Wang, Kun-Tang Chen, Jui-Ting Hung, Hsin-Tung Tsai, Tsung-Wu Wang, Kuo-Sung Hsieh, Pat-Huang Su, Jiann-Jong Chiu, Cheng-Ping Yu, Nai-Ming Liu, Tian-Wei Shi, Chiu-Chun Lai, Xiao-Kai Chen	Distribution of 2024 Year-End Bonuses for Directors, Functional Committee Members, and Managers	The proposal involves directors' personal interests.	For matters involving the Director's personal interest, the Director recused himself/herself in accordance with the law and was excluded from exercising his/her voting rights.
Jui-Ting Hung, Hsin-Tung Tsai, Tsung-Wu Wang	Proposal for the 2025 Limits on Loaning of Funds to Affiliated Enterprises.	Directors Jui-Ting Hung and Hsin-Tung Tsai concurrently serve as directors of the Company's relevant subsidiaries, while Tsung-Wu Wang concurrently serves as a director and supervisor of the Company's relevant subsidiaries; therefore, they are considered interested parties to this proposal.	Recused from participation in discussion and voting.
Shu-Wen Wang, Jui-Ting Hung, Tsung-Wu Wang, Xiao-Kai Chen	Proposal for a Donation to the Eclat Education Foundation	Concurrently serves as a director of the Eclat Education Foundation, and is thus an interested party.	Recused from participation in discussion and voting.

III. TWSE/TPEx-listed companies are required to disclose the evaluation cycle and period, scope, method, and content for the self-evaluation of the Board of Directors, and shall fill in the following table:

To implement corporate governance and to improve the functions of the Board of Directors of the Company, performance objectives are established to enhance the operational efficiency of the Board of Directors. In 2017, the Board of Directors has reached the resolution on the establishment of the "Rules for Performance Evaluation of Board of Directors". The Board of Directors of the Company periodically conducts a one-time performance evaluation on the entirety of the Board of Directors, individual board members and each functional committee on an annual basis.

The 2025 evaluation result of the Company has been reported to the Board of Directors and each functional committee on January 15, 2026. Relevant overall evaluation results are as follows:

Scope of evaluation	Result
Board of Directors	98.52%
Individual directors	99.06%
Audit Committee	99.45%
Remuneration Committee	99.09%
Sustainable Development Committee	99.50%
Nomination Committee	97.63%
Risk Management Committee	99.40%

Implementation Status of Board Evaluations:

Evaluation cycle	Evaluation period	Scope of evaluation	Evaluation method
The Company conducts a board evaluation once a year.	December 1, 2024 to November 30, 2025.	The scope of performance evaluations includes the Board of Directors, individual directors, and functional committees.	The evaluation method includes internal self-evaluation by the Board of Directors, self-assessment by directors.
The evaluation content shall include at least the following based on the scope of the evaluation: (1) **Board Performance Evaluation:**			

Including participation in the Company’s operations, enhancement of the quality of board decision-making, board composition and structure, director selection and continuing education, and internal control.
(2) **Individual Director Performance Evaluation:**
Including grasp of the Company's goals and missions, awareness of directors' duties, participation in the Company's operations, management of internal relationships and communication, directors' professionalism and continuing education, and internal control.
(3) **Functional Committee Performance Evaluation:**
Including participation in the Company's operations, awareness of functional committees' responsibilities, enhancement of the quality of functional committee decision-making, composition and selection of functional committee members, and internal control.

The execution status of the Board of Directors performance evaluation conducted by the external unit is as follows:

Once in three years, the Company entrusts external professional institutions, experts, or adopts other appropriate methods to conduct the performance evaluation. For the 2023 Board of Directors performance evaluation by the external unit, the external expert of EY Advisory Services Inc. (referred to as “EY Advisory”) was entrusted to perform the evaluation. The institution and the executing experts are equipped with independence and have no business relationship with the Company. The result of the present evaluation was reported to the Board of Directors on November 2, 2023.

Execution Status of Board of Directors Performance Evaluation by External Institution:

Evaluation cycle	Evaluation period	Scope of evaluation	Evaluation method
Once in 3 years	September 1, 2022, to August 31,2023.	The scope of performance evaluations includes the Board of Directors, individual directors, and functional committees.	The evaluation methods include reviewing meeting documents, internal self-assessment of the board, self-assessment of directors, and conducting interviews with appointed experts. EY Advisory assesses the performance of the board by examining eight key aspects: board structure and processes, composition of the board members, corporate and organizational structure, roles and responsibilities, behavior and culture, director training and development, oversight of risk control, and oversight of disclosure and performance. These assessments help identify critical elements for evaluating the performance of our board of directors.

The evaluation content shall include at least the following based on the scope of the evaluation:
(1) General Comment of Evaluation Report:
The structure of our company's board of directors and functional committees includes the establishment of an audit committee and a remuneration committee in compliance with regulations. In addition, we also have functional committees outside of statutory requirements, such as the Sustainable Development Committee, nomination committee, and risk management committee. The Board of Directors has a diverse composition, with twelve members including one female independent director. The directors possess the necessary professional knowledge and skills to fulfill their duties, including operational judgment, accounting and financial analysis, business management, crisis handling, knowledge of the industry, an international market perspective, leadership, and decision-making abilities and all of the directors have sufficient understanding and consensus on the industry, core value and strategic development of the Company. The board of directors' meeting affairs unit and staff team establish certain regulations on the meeting content, proposal report and structure, and provide sufficient time to allow directors to understand the proposal content and read the meeting documents, thereby assisting the Board of Directors to operate effectively. The management team provides comprehensive information to the Board of Directors through regular reports, in order to allow the Board of Directors to engage in discussions on the implementation of internal control system and its follow-up status.
(2) Recommendation and Improvement Plan:

Item	Recommendation	Improvement Plan
1	Consider increasing the number of directors or independent directors with backgrounds in information technology or law.	As the term of the 13th Board of Directors ended in 2024, the 14th Board was fully re-elected. The Company adopted EY’s recommendation by adding directors with expertise in information technology and related fields.

2	Hold board meetings at different locations from time to time.	The Company plans to hold a board meeting at the Hsi-Chou Plant to allow board members to better understand the actual operations of the factory through meetings held at different locations.
3	Increase the proportion of independent directors to at least half of the total number of board seats to meet the corporate governance evaluation standards.	The Company will adopt EY's recommendation and gradually increase the number of independent directors by considering the need for diversified and complementary capabilities across industries.
4	Include important domestic and international policies, regulations, and industry development trends as regular reporting items.	The Company's management team will regularly monitor major domestic and international policies, regulations, and industry development trends, evaluate their impact on the Company's operations, and report them to the Board when necessary.
5	Increase the number of female directors to introduce diverse perspectives to the Board through female viewpoints and professional expertise.	The Company adopted EY's recommendation by increasing the number of female directors to three during the re-election of the 14th Board in 2024, thereby achieving the goal of gender diversity among board members.
6	Review and implement the responsibilities of each functional committee.	The Company will clearly define the responsibilities of each functional committee to ensure a proper division of functions, strengthen the Board's capabilities, and support effective decision-making.

EY Advisor's advice provides the improvement recommendations to the Board of Directors of our company. Our company will continue to enhance the functions of the Board of Directors based on such recommendations as a reference and as direction for future execution.

IV. Give an evaluation of the targets that were adopted for strengthening the functions of the board during the current and immediately preceding fiscal years (e.g., establishing an audit committee, increasing information transparency, etc.) and the measures taken toward achievement thereof:

（1） To improve information transparency: The Company continues to disclose routine revenue and financial information and announce major resolutions of the Board of Directors. Investor conferences are held at least once every quarter, with at least two full audiovisual recordings disclosed annually. Comprehensive financial information and CPA-audited financial reports are announced on the same day as Board approval.

（2） To enhance the function of the board of directors: The Company established the Nomination Committee in 2020 to oversee succession planning and assist in the selection of candidates for independent directors and key management personnel. In November 2021, the Risk Management Committee was established and now convenes at least twice a year to strengthen risk governance. In addition to setting up a Remuneration Committee and Audit Committee, the Company has also appointed a Corporate Governance Officer to assist the Board in fulfilling its supervisory responsibilities. Furthermore, Directors and Officers liability insurance has been arranged.

（3） Diversity on the Board of Director: The Company assesses the need for board members with cross-industry expertise to enhance decision-making quality. In the future, efforts will be made to gradually increase the number of female directors to achieve gender diversity among the Board.

（4） The Company has established the "Rules for Performance Evaluation of the Board of Directors," "Ethical Corporate Management Best Practice Principles," "Procedures for Ethical Management and Guidelines for Conduct," "Corporate Governance Best Practice Principles," and "Risk Management Regulations" to enhance ethical business practices and corporate governance performance.

（5） In 2025, relevant training courses were arranged based on the needs of individual directors. Two planned training sessions included the topics of "Risk Management: The Engine of Corporate Sustainability " and "Opportunities and Challenges for Enterprises in the Net-Zero Transition."

V. Succession planning for board members and important management:

According to the development direction and goals of the Company, succession planning for board members and key management personnel emphasizes not only professional competencies but also integrity, ethical conduct, and alignment with the Company's core values.

(1) Board member succession plan

1. The Company's "Articles of Incorporation" adopts a full candidate nomination system for director elections. In accordance with the "Corporate Governance Best Practice Principles," the Company promotes board diversity, selecting board members based on the Company's operational and development needs, considering professional knowledge, experience across industry, government, and academia, and gender diversity.

2. On June 12, 2024, the Company completed the re-election of its 14th Board of Directors, consisting of 13 members including 5 independent directors. The newly elected board members possess diverse expertise spanning business operations, finance, accounting, AI and digital technologies, strategic marketing, and business development. Among the members of the Company's 14th Board of Directors, 3 are female directors, increasing the proportion of female directors from 8% to 23%, reflecting the Company's commitment to gender diversity. Following the re-election, the Board is younger and more diverse, leading the Company toward continuous innovation. Founder Cheng-Hai Hung stepped down from his role as Chairman after 36 years of leadership and successfully passed the baton to Shu-Wen Wang, ensuring the continued transmission of the Company's core values and culture.

3. Regarding succession planning for independent directors, candidates must possess expertise in business operations, finance, accounting, or other fields necessary for the Company's business. Future independent directors will be selected from professionals in domestic academia or industry, and their qualifications will be reviewed by the Nomination Committee to ensure appropriate succession.

4. The Company has established the "Rules for Performance Evaluation of the Board of Directors." The 2025 evaluations indicated effective operation of both the Board and its functional committees. These evaluation results serve as references for director remuneration planning and future nominations.

(2) Succession Planning for Key Management Personnel

1. To cultivate senior reserve talents for succession over the next 3–5 years, the Human Resources Department and all business units regularly conduct meetings, performance appraisals, and assign project tasks to evaluate key talents' performance and identify competency gaps, which are used as criteria for promotion decisions.

2. The Company emphasizes the transmission of experience and gender equality. Regular promotion evaluations are conducted to select and reward outstanding talents. In 2025, a total of 2 appointments were reviewed and approved by the Nomination Committee, with female senior and middle managers accounting for 50%. As of the end of 2025, the Company, Hsi-Chou Plant, Dayuan Plant, and overseas subsidiaries had a total of 82 management-level personnel (manager and above), of whom 31 were female managers, accounting for approximately 37.8%.

Annual	Appointment in 2025
Position / Gender	Manager
Male	1
Female	1

3.The Company is dedicated to implementing gender equality and talent diversity policies across all Group locations. As of 2025, management personnel at the manager level and above within the Company, the Xizhou Plant, the Dayuan Plant, and overseas subsidiaries totaled 82. Among them, 31 were female managers, representing approximately 37.8%. The Group will continue to optimize its global talent pipeline to ensure long-term sustainable operations.

Note 1: For a director or supervisor that is a juristic person (corporate entity), disclose the name of the corporate shareholder and the name of its representative.

Note 2:

i. If any director or supervisor leaves office before the end of the fiscal year, specify the date that they leave office in the Remarks column. Their in-person attendance rate (%) should be calculated based on the number of board meetings held and the number they attended in person during the period they were in office.

ii. If any by-election for directors or supervisors was held before the end of the fiscal year, the names of the new and old directors and supervisors should be filled in the table, with a note stating whether the director or supervisor left office, was newly serving, or was serving consecutive terms, and the date of the by-election. The in-person attendance rate (%) should be calculated based on the number of board meetings held and the number attended in person during the period of each such person's actual time in office.

Note 3: Matters referred to in Article 14-3 of the Securities and Exchange Act:

Meeting Dates	Resolution
January 16, 2025 (1st Meeting)	- Approved the Distribution of 2024 Year-End Bonuses for Directors, Functional Committee Members, and Senior Executives. - Approved the Appointment of Independent Auditors for the Year 2025. - Approved the Non-Assurance Services to be Provided by KPMG Taiwan in 2025. - Approved the Lending Limit of Funds to Affiliated Companies for the Year 2025. - Approved the Financing Arrangements with Financial Institutions for the Year 2025.
February 27, 2025 (2nd Meeting)	- Approval of the 2024 Business Report and Financial Statements. - Approval of amendments to the “Articles of Incorporation.” - Approval of amendments to the “Salary Management Regulations.” - Approval of amendments to the “Payroll Section” in the Company’s Payroll Cycle.
May 8, 2025 (3rd Meeting)	- Approval of the 2025 Q1 Consolidated Financial Statements. - Approved the Donation to the Eclat Education Foundation.
August 7, 2025 (5th Meeting)	- Approval of the 2025 Q2 Consolidated Financial Statements. - Approved transactions of derivative products (pre-sold forward foreign exchange). - Approved the Financing Arrangements with Financial Institutions for the Year 2025.
November 6, 2025 (6th Meeting)	- Approved the amendments to the Company's "Information Security Policy." - Approved the amendments to the "Information Cycle" of the Company's Internal Control System and renamed it as the "Information Security Cycle." - Approved the investment project for the expansion of the garment factory in Indonesia. - Approved the proposal to cancel the limits on loaning of funds to affiliated enterprises.

2.3.2 Audit Committee Implementation Status and Supervisor Participating in the Board of Directors Status:

The Audit Committee of the Company is composed of five independent directors. The Audit Committee aims to assist the Board of Directors in overseeing the quality and integrity of the Company's accounting, auditing, financial reporting processes, and financial controls. The major matters reviewed by the Audit Committee include:

- Audit of financial statements and accounting policies and procedures
- Complaint reporting
- Internal control systems and relevant policies and procedures
- Anti-fraud programs and fraud investigation reports
- Major transactions involving assets or derivatives
- Information security
- Major loans, endorsements, or guarantees
- Risk management of the Company
- Public offerings or issuances of securities
- Appointment, dismissal, or remuneration of CPAs (including assessment of CPA qualifications, independence, and performance)
- Status of financial derivatives and cash investments
- Appointment or dismissal of financial, accounting, or chief internal audit officers
- Regulatory compliance
- Audit Committee performance self-assessment questionnaire (including the performance of duties and responsibilities)
- Related party transactions involving directors and managerial officers, and potential conflicts of interest

Operation of the Audit Committee

There were 5 (A) Audit Committee meetings held in the most recent fiscal year, and the attendance status of the independent directors is as follows:

Title	Name	No. of meetings attended in person (B)	No. of meetings attended by proxy	In-person attendance Rate (%) (B/A) (Note 1)	Remarks
Independent Director	Cheng-Ping Yu	5	0	100%	Re-elected on June 12, 2024
	Nai-Ming Liu	5	0	100%	
	Chiu-Chun Lai	5	0	100%	
	Tian-Wei Shi	5	0	100%	Newly elected on June 12, 2024
	Xiao-Kai Chen	5	0	100%	

Other mentionable items:

I. Where the operation of the Audit Committee is subject to one of the following, the board meeting date, session, proposal content, dissenting opinion of independent directors, reserved opinions or major recommendation item content, resolution result of the Audit Committee meeting and the Company's handling with respect to the opinions of the Audit Committee. (Note 2)
   (I) Matters referred to in Article 14-5 of the Securities and Exchange Act:
   There were no resolutions with dissenting or qualified opinions from the Audit Committee. (Note 2).
   (II) Other matters not approved by the Audit Committee but were approved by two-thirds or more of all directors:
   None.

II. For the execution status of recusal of independent directors due to conflicts of interest, the name of independent directors, proposal content, reasons of recusal and participation in voting:

   During the most recent year, there were no matters discussed in Audit Committee meetings that involved the recusal of independent directors due to conflicts of interest.

III. Communications between the independent directors, the internal auditors, and the independent auditors are listed in the table below (shall include major events, methods and results etc. communicated in relation to the company's financial and business status).
   Explanation:
   (I) Independent directors communicate with the internal audit officer and the environmental safety auditor during quarterly Audit Committee meetings. The auditors regularly provide audit reports and communicate audit findings and the follow-up status.
   Extract from the 2025 Communication between Independent Directors and Internal Audit Officer (Note 3).
   (II) Independent directors communicate with the external auditors through Board of Directors and annual meetings. The CPA explains the audit results of financial statements annually and discusses matters such as internal control effectiveness, financial statement adjustments, and impacts from changes in regulations. Extract from the 2025 Communication between Independent Directors, Internal Audit Officer, and CPA (Note 4)

Note: Professional scope of audit committee: Please refer to 2.1.1 of II. Corporate Governance Report for disclosure of professional qualifications of directors and supervisors and independence of independent directors.

Note 1:

- Before the end of the fiscal year, if there is any resignation of independent director, the resignation date shall be indicated in the remarks field. The actual attendance rate (%) is calculated according to the number of Audit Committee meetings convened and the number of actual attendances during the term of office.
- Before the end of the fiscal year, if there is any re-election of independent directors, the new and old independent directors shall be listed, and the remarks field shall indicate the old, new or consecutive term of office and the re-election date for the independent directors. The actual attendance rate (%) is calculated according to the number of Audit Committee meetings convened and the number of his/her actual attendance during his/her term of office.

Note 2: Audit Committee annual work focus sorting and resolutions related to Article 14-5 of Securities and Exchange Act:

- Review Report
  The Board of Directors prepared the 2024Business Report, Financial Statements, and Profit Distribution Proposal. The Financial Statements were audited by KPMG, and an audit report was issued. The aforementioned documents were reviewed by the Audit Committee and found to be in conformity with applicable requirements.
- Assessment of Effectiveness of Internal Control System

The Audit Committee assessed the effectiveness of the Company's internal control system, including policies and procedures relating to finance, operations, risk management, information security, outsourcing, and regulatory compliance. The Committee also reviewed the work of the Company's Internal Audit Department and external auditors, including risk management and compliance matters. Referring to the 2013 Internal Control - Integrated Framework published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), the Audit Committee concluded that the Company's risk management and internal control system are effective, and that the Company has adopted necessary control mechanisms to monitor and rectify any violations.

- Appointment of Certified Public Accountants (CPAs)

  The Audit Committee is assigned with the responsibility and authority of monitoring the CPA firm's independence to ensure the impartiality of the financial statements. In general, except for tax-related services or special approval items, the CPA firm shall not provide other services to the Company.

  To ensure the independence of the CPA firm, the Audit Committee established an Independence Assessment Form in accordance with Article 47 of the Certified Public Accountant Act and the Bulletin No.10 of the Norm of Professional Ethics for Certified Public Accountants titled "Integrity, Objectivity and Independence." The Committee assessed the independence, professionalism, and competency of the CPAs, including evaluating whether there were any related-party or business/financial relationships with the Company. On January 16, 2025, at the 5th meeting of the 4th Audit Committee and the 1st meeting of the Board of Directors, the appointments of CPA Hui-Chih Kou and CPA Hsin-Yi Kuo of KPMG Taiwan were reviewed and approved. The assessment results, conducted with reference to Audit Quality Indicators (AQIs), confirmed compliance with independence assessment standards, and both CPAs were deemed qualified to serve as the signing auditors for the Company.

- Operation Status of Current Year

Meeting Dates	Contents and Resolution	Resolutions related to Article 14-5 of Securities and Exchange Act
January 16, 2025 (The 1st Meeting of 2025)	1. Appointment of independent auditors for the 2025 financial reports.	V
	2. Proposal on non-assurance services expected to be provided by KPMG Taiwan in 2025.	V
	3. Lending limit to affiliated enterprises for 2025.	V
	4. Financing facilities with financial institutions for 2025.	V
	Audit Committee Resolution: All proposals were adopted unanimously. Response to Audit Committee's Opinion: All attending directors unanimously agreed.	
February 27, 2025 (The 2nd Meeting of 2025)	1. Review of the effectiveness of the 2024 internal control system and issuance of the "Internal Control System Statement".	V
	2. Approval of amendments to the "Articles of Incorporation."	V
	3. Approval of amendments to the "Salary Management Regulations."	V
	4. Approval of amendments to the "Payroll Section" in the Company's Payroll Cycle.	V
	5. Approval of the 2024 Business Report and Financial Statements.	V
	6. Proposal for 2024 Earnings Distribution.	V
	Audit Committee Resolution: All proposals were adopted unanimously. Response to Audit Committee's Opinion: All attending directors unanimously agreed.	
May 8, 2025 (The 3rd Meeting of 2025)	1. Approval of the 2025 Q1 Consolidated Financial Statements.	V
	2. Approved the Donation to the Eclat Education Foundation.	V
	Audit Committee Resolution: All proposals were adopted unanimously. Response to Audit Committee's Opinion: Except for Proposal 2, from which Independent Director Xiao-Kai Chen recused himself due to a conflict of interest as a director of the Eclat Education Foundation, the remaining proposals were unanimously approved as submitted upon the Chairman's inquiry.	
August 7, 2025 (The 4th Meeting of 2025)	1. Approval of the 2025 Q2 Consolidated Financial Statements.	V
	2.Approved the transactions of "Derivatives - Forward Exchange Sell Contracts".	V
	3.Approved 2025 Credit Facilities with Financial Institutions.	V
	Audit Committee Resolution: All proposals were adopted unanimously. Response to Audit Committee's Opinion: All attending directors unanimously agreed.	
November 6, 2025 (The 5th Meeting of	1. 2026 Internal Audit Plan.	V
	2. Approved the amendments to the Company's "Information Security Policy."	V

Meeting Dates	Contents and Resolution	Resolutions related to Article 14-5 of Securities and Exchange Act
2025)	3.Approved the amendments to the "Information Cycle" of the Company's Internal Control System and renamed it as the "Information Security Cycle."	V
	4. Approval of the 2025 Q3 Consolidated Financial Statements.	V
	5.Approved the investment project for the expansion of the garment factory in Indonesia.	V
	6.Approved the proposal to cancel the limits on loaning of funds to affiliated enterprises.	V
	Audit Committee Resolution: All proposals were adopted unanimously. Response to Audit Committee's Opinion: All attending directors unanimously agreed.	

Note 3：2025 Communication of Independent Directors and Internal Audit Supervisor Excerpt as follows:

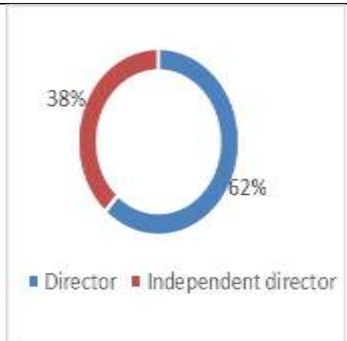
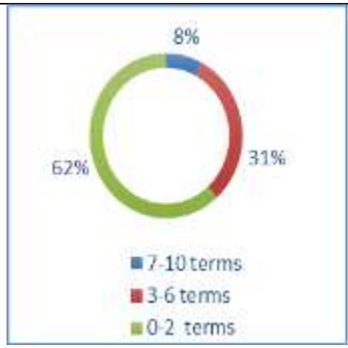
Meeting Dates	Attendees	Contents	Independent Directors' Suggestion and React
February 27, 2025	Independent Director: Cheng-Ping Yu, Nai-Ming Liu, Chiu-Chun Lai, Tian-Wei Shi, Xiao-Kai Chen, Audit Supervisor: Szu-Miao Liu Audit Staff: Cheng-Yi Tsai, Yi-Yun Sun, Sustainability Administrator: Liang-Gu Liu	1. Sustainability Department's 2025 Q1 Audit and Business Report. 2. 2024 Internal Control System Statement: Explanation of the results of internal control system self-assessment and discussion on related documentation. 3. Amendment to the " Payroll Section" of the Payroll Cycle under the Internal Control System. 4. Reporting the 4Q24 Internal Audit Report.	No objections
May 8, 2025	Independent Director: Cheng-Ping Yu, Nai-Ming Liu, Chiu-Chun Lai, Xiao-Kai Chen, Tian-Wei Shi Audit Supervisor: Szu-Miao Liu Audit Staff: Cheng-Yi Tsai, Yi-Yun Sun Sustainability Supervisor: Wei-Chih Shen	1. Sustainability Department's 2025 Q2 Audit and Business Report. 2. Reporting the 1Q25 Internal Audit Report.	No objections
August 7, 2025	Independent Director: Cheng-Ping Yu, Nai-Ming Liu, Chiu-Chun Lai, Xiao-Kai Chen, Tian-Wei Shi Audit Supervisor: Szu-Miao Liu Audit Staff: Cheng-Yi Tsai, Yi-Yun Sun Sustainability Supervisor: Wei-Chih Shen	1. Sustainability Department's 2025 Q3 Audit and Business Report. 2. Reporting the 2Q25 Internal Audit Report.	No objections
November 4, 2025	Independent Director: Cheng-Ping Yu, Nai-Ming Liu, Chiu-Chun Lai, Xiao-Kai Chen, Tian-Wei Shi Audit Supervisor: Szu-Miao Liu Audit Staff: Cheng-Yi Tsai Sustainability Supervisor: Wei-Chih Shen	1. Sustainability Department's 2025 Q4 Audit and Business Report. 2. Reporting the 3Q25 Internal Audit Report. 3. Explanation of the 2026 Internal Audit Planning. 4. Explanation of the 2025 Internal Control System Self-Assessment Operations and Questionnaire Distribution. 5. Amendments to the Company's "Information Security Policy." 6.Amendments to the "Information Security Cycle" of the Company's Internal Control System.	No objections

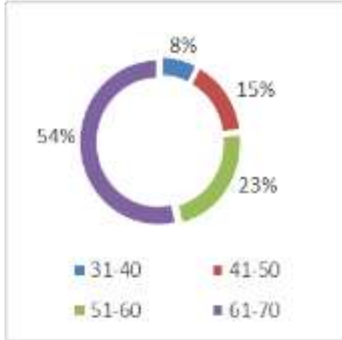
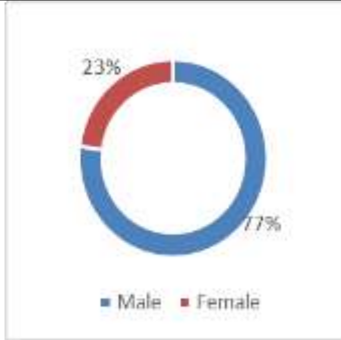
Note 4: The excerpt of 2025 communication between the Independent Directors and the internal audit supervisor and CPAs is as follows:

<table>
<tr><th>Meeting Dates</th><th>Attendees</th><th>Contents</th><th>Independent Directors' Suggestions and Results</th></tr>
<tr><td rowspan="2">2025/02/27</td><td rowspan="2">Independent Directors: Cheng-Ping Yu, Nai-Ming Liu, Chiu-Chun Lai, Xiao-Kai Chen, Tian-Wei Shi
CPA: Hsin-Yi Kuo
Audit Supervisor: Szu-Miao Liu
Audit Staff: Cheng-Yi Tsai, Yi-Yun Sun</td><td>1. 2024 Consolidated Financial Statements Audit Result Report:
(1) Ethics and Independence
(2) Auditor's Responsibility in Auditing Financial Statements
(3) Communication of the Firm's System of Quality Management
(4) The Auditing Financial Statement Types of Audit Opinions
(5) Audit Scope
(6) Audit Findings
(7) Major Regulatory Updates</td><td>No objections</td></tr>
<tr><td colspan="2">2. Discussion and communication on questions raised by attendees</td></tr>
<tr><td rowspan="2">2025/11/04</td><td rowspan="2">Independent Directors: Cheng-Ping Yu, Nai-Ming Liu, Chiu-Chun Lai, Xiao-Kai Chen, Tian-Wei Shi
CPA: Hui-Chih Kou, Hsin-Yi Kuo
Audit Supervisor: Szu-Miao Liu
Audit Staff: Cheng-Yi Tsai</td><td>1. 2025 Q3 Consolidated Financial Statements Review Result Report:
(1) Ethics and Independence
(2) Types of Review Conclusions
(3) Review Scope
(4) Review Findings
(5) Annual Audit Planning
(6) Major Regulatory Updates</td><td>No objections</td></tr>
<tr><td colspan="2">2. Discussion and communication on questions raised by attendees</td></tr>
</table>

2.3.3 Corporate governance Implementation status and deviation from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies”:

Evaluation Item	Implementation status			Deviation from the “Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
1. Does the Company follow the “Corporate Governance Best- Practice Principles for TWSE/TPEx Listed Companies” to establish and disclose its corporate governance practices?	V		The Company has established the “Corporate Governance Best -Practice Principles of the Company” according to the “Corporate Governance Best -Practice Principles for TWSE/TPEx Listed Companies” and has published such Principles on the Market Observation Post System (MOPS) and the Company’s website.	None
2. The shareholding structure and shareholders’ equity of the Company (1) Does the Company have the internal procedures regulated to handle shareholders’ proposals, doubts, disputes, and litigation matters; in addition, have the procedures been implemented accordingly?	V		The Company has established” Regulations for Handling Complaints” to build a convenient channel for internal and external complainants. Besides, the Company also has assigned personnel to handle and respond to the suggestions and doubts from shareholders, employees, customers and suppliers.	None
(2) Is the Company constantly informed of the identities of its major shareholders and the ultimate owners?	V		The Company is constantly informed of the identities of its major shareholders and the ultimate owners according to the shareholders’ roster provided by the shareholders’ service agent. In addition, the Company also discloses the status related to the pledge, increase/decrease change of equity for shareholders with shareholding exceeding 10%.	None
(3) Has the company established and implemented risk management practices and firewalls for companies it is affiliated with?	V		The Company has established the “Procedures for Financial and Business Transactions among Related Parties" and the "Subsidiaries Supervisory and Management Procedures” and implements them accordingly	None
(4) Has the company established internal policies that prevent insiders from trading securities against non-public information?	V		The Company's “Corporate Governance Best-Practice Principles” explicitly stipulate stock trading control measures for insiders from the date they become aware of the Company's financial reports or related performance information, including (but not limited to) a prohibition on directors trading their shares during the closed period of thirty days before the announcement of the annual financial report and fifteen days before the announcement of each quarterly financial report. The Company has established the “Procedures for Preventing Insider Trading and Handling Material Inside Information” and implements the execution thereof to prevent insiders from trading securities against non-public information. The Company also discloses the status related to the pledge, increase/decrease change of equity for the insiders (including directors, managerial officers and shareholders with shareholding exceeding 10%) for reporting on M.O.P.S. and implement internal educational trainings and promotions course periodically.	None

Evaluation Item	Implementation status			Deviation from the "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
3. Composition and duties of the board of directors: (1) Has the board of directors established diversity policy, specific management goal and has executed properly?	V		The Company promotes and respects the Board Diversity Policy. To strengthen corporate governance and facilitate the sound development of board composition and structure, the Company believes that a diversity policy contributes to enhancing overall corporate performance. The Company's "Corporate Governance Best Practice Principles" outline the board diversity policy. In addition to the professional knowledge and skills required for the performance of duties, the appointment of current board members also takes into account basic criteria and values such as gender, age, nationality, and culture. For details regarding the diversity composition of the Board of Directors, please refer to Note 1 below. To maintain the sound structure of the board of directors, the Company has set up specific management goals: 1. The board composition shall include at least one female director. Based on operational development needs, during the 2024 re-election of the board, directors were nominated by considering their professional knowledge, academic and industrial experience, and gender diversity among a limited pool of candidates. Among the 14th board members, there are 3 female directors, raising the proportion from 8% to 23%.  **Composition of directors**  **Term of office**	None

Evaluation Item	Implementation status			Deviation from the “Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			 **Age composition**  **Gender composition** 2. The Company has established the Nomination Committee to promote organizational diversity, reserve senior management talents, and cultivate successors. In 2025, following review and approval by the Nomination Committee, a total of 2 individuals were appointed to mid-to-senior management positions, with women accounting for 50%. The Board of Directors Diversity Policy and the latest information on board members have been disclosed on the Company's website.	
(2) Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?	V		In addition to the Remuneration Committee and Audit Committee, the Company has established the “Sustainable Development Committee”, “Nomination Committee” and “Risk Management Committee”. The Sustainable Development Committee currently consists of 2 independent directors and 2 directors. Its chairperson, Jui-Ting Hung, possesses expertise in material science and corporate governance. The committee has formed 5 groups: 1. Sustainable environment development 2. Human resources 3. Corporate governance 4. Product and service 5. Social participation The committee reports to the board of directors at least once a year (latest report made on March 5, 2026). The Nomination Committee comprises 5 members (including 2 independent directors) and is responsible for ensuring appropriate professional knowledge, experience, and gender diversity among board	None

Evaluation Item	Implementation status			Deviation from the "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			members, conducting board performance evaluations periodically, reviewing director training plans, and establishing director and senior executive succession plans. The Risk Management Committee consists of 2 directors and 3 independent directors (independent directors accounting for 60%). The chairperson of the Risk Management Committee reports on the supervision of risk management to the Board of Directors at least once a year (the latest report was made to the Board on January 15, 2026).	
(3) Does the Company establish a standard to measure the performance of the Board and implement it annually, and are performance evaluation results submitted to the board of directors and referenced when determining the remuneration of individual directors and nominations for reelection?	V		According to the Company's "Rules for Performance Evaluation of Board of Directors", the Board must conduct at least one performance evaluation annually. The performance evaluation for the board and functional committees measures five major aspects: 1. Degree of participation in the company's operations 2. Improvement of the decision-making quality of the board 3. Composition and structure of the board 4. Director selection and continuing education 5. Internal control The self/peer evaluation of board members covers six major aspects: 1. Grasp of the company's goals and missions 2. Understanding of directors' duties 3. Degree of participation in the company's operations 4. Internal relationship management and communication 5. Professionalism and continuing education 6. Internal control The 2025 board and functional committee evaluations were completed and reported to the Board and committees on January 15, 2026. The board overall evaluation result was 98.52%; the individual director evaluation result was 99.06%. Committee evaluation results were: Audit Committee 99.45%, Remuneration Committee 99.09%, Sustainable Development Committee 99.5%, Nomination Committee 97.63%, and Risk Management Committee 99.40%. The overall evaluation result indicates effective operation, and the evaluation results are referenced for director remuneration planning and nomination of succeeding directors.	None

Evaluation Item	Implementation status			Deviation from the “Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(4) Does the company regularly evaluate the independence of CPAs?	V		The Company assesses the independence of the CPAs annually, obtains independence declarations, submits them to the Audit Committee for review, and subsequently to the Board for approval before engaging CPAs. The Company has evaluated that the CPAs of KPMG Taiwan satisfy the independence requirements (Note 2). The appointment of CPAs Hui-Chih Kou and Hsin-Yi Kuo was reviewed and approved at the 5th meeting of the 4th term Audit Committee and the 1st Board Meeting held on January 16, 2025. The most recent annual evaluation of their independence was reviewed and approved by the Audit Committee and the Board of Directors on January 15, 2026.	None
4. Has the TWSE/TPEx Listed Companies had an adequate number of competent corporate governance personnel, and appointed a chief corporate governance officer that as the most senior officer to be in charge of corporate governance affairs (including but not limited to furnish information required for business execution by directors and supervisors, to assist directors and supervisors with legal compliance, to handle matters relating to board meetings and shareholders meetings according to laws, and to produce minutes of board meetings and shareholders meetings)?	V		The Company has established a Board Secretariat, composed of personnel designated by the Chairman on a concurrent basis, responsible for corporate governance-related matters. On June 20, 2024, pursuant to a board resolution, the Company appointed Ms. Yu-Wen Kung, Manager of the Accounting Department, as the Chief Corporate Governance Officer. Ms. Kung possesses extensive expertise in finance and corporate governance and is responsible for supervising corporate governance-related affairs. Her primary responsibilities include: 1. Providing information and documents necessary for directors to perform their duties; organizing affairs of the Board of Directors, functional committees, and shareholders’ meetings according to law; and preparing relevant meeting minutes. 2. Handling company registration changes. 3. Performing information disclosure, reporting, and the establishment or amendment of internal control and audit systems in response to regulatory changes. Chief Corporate Governance Officer’s continuing education status: (Note 3).	None
5. Has the Company set up channels of communication for stakeholders (including but not limited to shareholders, employees, customers and suppliers), dedicated a section on the Company's website for stakeholder affairs and adequately responded to stakeholders' inquiries on significant sustainable development issues?	V		The Company has established a stakeholder section on its website, which includes the contact information of the spokesperson and each business contact window to provide communication channels for stakeholders. There is an email box in the stakeholder section that is handled by dedicated personnel to appropriately respond to relevant issues, including sustainable development issues concerned by stakeholders.	None

Evaluation Item	Implementation status			Deviation from the “Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
6. Does the Company engage a share administration agency to handle shareholder meeting affairs?	V		The Company entrusts the Shareholders Service Department of Yuanta Securities Co., Ltd. to handle shareholder services.	None
7. Information disclosure (1) Has the Company established a website that discloses financial, business, and corporate governance-related information?	V		The Company has established both Chinese and English websites to periodically disclose financial and business information, and designates dedicated personnel responsible for maintaining the Company’s website.	None
(2) Has the Company adopted other means to disclose information (e.g. English website, assignment of specific personnel to collect and disclose corporate information, implementation of a spokesperson system, broadcasting of investor conferences via the company website)?	V		The Company has established a spokesperson and deputy spokesperson system. Information related to investor conferences and shareholders' meetings is promptly updated on the Company’s website	None
(3) Has the Company made public announcements and reported the annual financial statements within two months after the end of each fiscal year, and has the Company also made announcements and provided reports of the first, second and third quarter financial statements as well as the monthly business operation status?	V		The Company has made public announcements and reported the annual financial statements, quarterly financial statements, and monthly business operation status according to relevant regulations.	None
8. Does the Company have other information that enables a better understanding of the Company’s corporate governance practices (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholders’ interests, continuing education of directors/supervisors, implementation of risk management policies and risk measurements standards, implementation of customer policies, and insuring against liabilities of company directors and supervisors)?	V		1. Employees’ rights and benefits: The Company treats employees as partners and protects employee rights in accordance with the Labor Standards Act. 2. Employee care: The Company provides a comprehensive welfare system to improve employees’ quality of life and offers proper educational training programs. It maintains positive relationships with employees based on mutual trust. Examples of welfare include medical examination subsidies, holiday bonuses, staff dormitories, and parking subsidies. 3. Investor relations: The Company has appointed a Spokesperson and a Deputy Spokesperson. Dedicated personnel are assigned to respond to inquiries from investors and handle suggestions from shareholders. 4. Supplier relations: The Company maintains good relationships with suppliers to ensure the rights and interests of both parties. 5. Stakeholders: Stakeholders may communicate and provide suggestions to the Company to protect their legitimate rights and interests. 6. Continuing education of directors: (Note 4) 7. Risk management policy and execution of risk measurement standards:	None

Evaluation Item	Implementation status			Deviation from the "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			The Company has established a Risk Management Committee and adopted Risk Management Procedures. Risks include customer risk, financial risk, supply risk, human resource risk, climate risk, information security risk, and others. Relevant departments are required to formulate or revise their execution procedures for risk controls to effectively implement risk management. 8. Implementation of customer policies: The Company is committed to quality and technology improvements. Through vertical integration of production and sales, it rapidly develops and produces, offering one-stop services from fabric to garment to meet customer needs with competitive products. 9. Liability insurance for directors: The Company's Articles of Incorporation allow the purchase of insurance for directors. The board is authorized to handle the relevant matters. The Company's Board of Directors has resolved to approve the insurance renewal for the period from April 2026 to March 2027. 10. Procure Employee Fidelity Insurance to transfer and mitigate the risk of losses arising from internal fraud through three layers: risk transfer, internal control collaboration, and trust enhancement. 11. Continuing education undertaken by managers, financial reporting personnel, and heads of internal audit: (Note 5) 12. Status of internal auditors' acquisition of licenses designated by the competent authority: (Note 6)	
9. Please explain the improvements made, based on the latest Corporate Governance Evaluation results published by TWSE Corporate Governance Center, and propose enhancement measures for any issues that are yet to be rectified. (Note 7)				

Note 1: Implementation status of policy on diversity of board members:

The description of Diversity and Independence of the Board of Directors, please refer to Eclat Textile Co., Ltd. 2025 Annual Report 2.1.1 of II. Corporate Governance Report for disclosure of professional qualification of directors and supervisors and independence of independent directors.

Note 2: Independence and Competency of CPA Assessment Item:

No.	Independence and competency assessment item	Yes	No
1	Without any family relationship with the Company's directors, managers, or personnel with significant influence over audit matters.	V	
2	Without any direct or material indirect financial interest relationship with the Company.	V	
3	Without any financing or guarantee arrangements with the Company or its directors.	V	
4	Without close business relationship and potential employment relationship with the Company.	V	
5	CPA and audit team members presently do not assume the position of director, manager or duties having material impact on the audit case presently or in the last two years.	V	
6	Not providing non-audit services to the Company that may directly affect the audit works.	V	
7	Without acting as an intermediary for the stocks or other securities issued by the Company.	V	
8	Without collection of fees related to audited cases.	V	
9	Without serving as a legal defender for the Company or representing the Company in mediating conflicts with third parties.	V	
10	Without continuously providing audit services for TWSE/TPEx Listed Companies in the long term.	V	
11	Not subject to any conditions defined in Article 30 of the Company Act.	V	
12	Other effective reference information: External Auditors' Declaration of Independence, Audit Quality Indicators (AQIs) and Pre-approved Non-Assurance Service List.	V	

In 2026, the Company evaluated the independence of CPAs according to the Audit Quality Indicators (AQIs), and on January 15, 2026, the audit committee and the board of directors approved the proposal for the retention of CPAs in 2026.

Note 3: Corporate Governance Officer continuing education status:

Organizer	Course Name	Training Hours
Taiwan Institute of Directors (TID)	SAP NOW AI Tour Taiwan: "Business AI: Shaping the Future"	3
Accounting Research and Development Foundation (ARDF)	Risk Management: The Engine of Corporate Sustainability	3
The Institute of Internal Auditors-Chinese Taiwan (IIA-Taiwan)	Regulatory Analysis and Audit Focus for the Board and Functional Committees (Audit and Remuneration)	6
Accounting Research and Development Foundation (ARDF)	Opportunities and Challenges for Enterprises in the Net-Zero Transition	3

Note 4: Continuing education of directors:

Title & Name	Organizer	Course Title	Hours	Total
Chairman Shu-Wen Wang	Accounting Research and Development Foundation (ARDF)	Risk Management: The Engine of Corporate Sustainability	3	6
	Accounting Research and Development Foundation (ARDF)	Opportunities and Challenges for Enterprises in the Net-Zero Transition	3	
Vice Chairman Kun-Tang Chen	Securities and Futures Institute (SFI)	Trump 2.0: Corporate Strategies for Global Tax Reform and Supply Chain Restructuring	3	6
	Taiwan Academy of Banking and Finance (TABF)	Financial Statement Review and Analysis for Directors and Supervisors	3	
Director Jui-Ting Hung	Accounting Research and Development Foundation (ARDF)	Opportunities and Challenges for Enterprises in the Net-Zero Transition	3	6
	Securities and Futures Institute (SFI)	2025 Seminar on the Prevention of Insider Trading	3	

Title & Name	Organizer	Course Title	Hours	Total
Director Hsin-Tung Tsai	Accounting Research and Development Foundation (ARDF)	Risk Management: The Engine of Corporate Sustainability	3	12
	Accounting Research and Development Foundation (ARDF)	Opportunities and Challenges for Enterprises in the Net-Zero Transition	3	
	Securities and Futures Institute (SFI)	2025 Seminar on the Prevention of Insider Trading	3	
	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	2025 Taishin-Shin Kong Net Zero Summit	3	
Director Pat-Huang Su	Accounting Research and Development Foundation (ARDF)	Opportunities and Challenges for Enterprises in the Net-Zero Transition	3	9
	Securities and Futures Institute (SFI)	2025 Seminar on the Prevention of Insider Trading	3	
	Securities and Futures Institute (SFI)	Trump 2.0: Navigating the Disruption of the Global Economic Order and Strategic Responses	3	
Director Tsung-Wu Wang	Accounting Research and Development Foundation (ARDF)	Risk Management: The Engine of Corporate Sustainability	3	6
	Accounting Research and Development Foundation (ARDF)	Opportunities and Challenges for Enterprises in the Net-Zero Transition	3	
Director Kuo-Sung Hsieh	Accounting Research and Development Foundation (ARDF)	Risk Management: The Engine of Corporate Sustainability	3	6
	Accounting Research and Development Foundation (ARDF)	Opportunities and Challenges for Enterprises in the Net-Zero Transition	3	
Director Jiann-Jong Chiu	Accounting Research and Development Foundation (ARDF)	Risk Management: The Engine of Corporate Sustainability	3	6
	Accounting Research and Development Foundation (ARDF)	Opportunities and Challenges for Enterprises in the Net-Zero Transition	3	
Independent Director Cheng-Ping Yu	Accounting Research and Development Foundation (ARDF)	Risk Management: The Engine of Corporate Sustainability	3	9
	Accounting Research and Development Foundation (ARDF)	Opportunities and Challenges for Enterprises in the Net-Zero Transition	3	
	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	2025 Taishin-Shin Kong Net Zero Summit	3	
Independent Director Chiu-Chun Lai	Accounting Research and Development Foundation (ARDF)	Risk Management: The Engine of Corporate Sustainability	3	12
	Accounting Research and Development Foundation (ARDF)	Opportunities and Challenges for Enterprises in the Net-Zero Transition	3	
	Taiwan Investor Relations Institute (TIRI)	Corporate Strategies for Group Enterprises under the New Global Tax and Legal Order	3	
	Taiwan Corporate Governance Association (TCGA)	Corporate Governance and Securities Regulations	3	
Independent Director Nai-Ming Liu	Accounting Research and Development Foundation (ARDF)	Risk Management: The Engine of Corporate Sustainability	3	6

Title & Name	Organizer	Course Title	Hours	Total
	Accounting Research and Development Foundation (ARDF)	Opportunities and Challenges for Enterprises in the Net-Zero Transition	3	
Independent Director Xiao-Kai Chen	Accounting Research and Development Foundation (ARDF)	Risk Management: The Engine of Corporate Sustainability	3	6
	Accounting Research and Development Foundation (ARDF)	Opportunities and Challenges for Enterprises in the Net-Zero Transition	3	
Independent Director Tian-Wei Shi	Accounting Research and Development Foundation (ARDF)	Risk Management: The Engine of Corporate Sustainability	3	6
	Accounting Research and Development Foundation (ARDF)	Opportunities and Challenges for Enterprises in the Net-Zero Transition	3	

Note5: Continuing education of managerial personnel, financial report preparation personnel and internal audit officer:

Title & Name	Organizer	Course Title	Hours	Total
Accounting Officer Fin-Ju Lin	Accounting Research and Development Foundation (ARDF)	Continuing Education Program for Accounting Officers of Issuers, Securities Firms, and Stock Exchanges	12	12
Deputy Accounting Officer Yu-Wen Kung	Securities and Futures Institute (SFI)	Foreign Exchange Risk Management and Accounting Treatment	3	12
	Securities and Futures Institute (SFI)	New Challenges in Financial Risk Assessment: AI and Risk Management	3	
	Securities and Futures Institute (SFI)	Excel VBA Macro Application Workshop: Range Management	6	
Financial Reporting Staff Tzu-Hsin Kuo	Accounting Research and Development Foundation (ARDF)	Risk Management: The Engine of Corporate Sustainability	3	6
	Accounting Research and Development Foundation (ARDF)	Opportunities and Challenges for Enterprises in the Net-Zero Transition	3	
Chief Internal Auditor Szu-Miao Liu	Accounting Research and Development Foundation (ARDF)	Risk Management: The Engine of Corporate Sustainability	3	18
	Accounting Research and Development Foundation (ARDF)	Opportunities and Challenges for Enterprises in the Net-Zero Transition	3	
	Accounting Research and Development Foundation (ARDF)	Seminar on Internal Control and Audit Focus for Regulatory Compliance	6	
	The Institute of Internal Auditors-Chinese Taiwan (IIA-Taiwan)	Building a Foundation for Stable Labor Relations: Key Points in Drafting Labor Contracts, Work Rules, and HR Policies	6	

Note 6: Status of internal audit related personnel acquiring relevant licenses designated by competent authority:

License	Issuing Organization	Number of personnel
Certified Internal Auditor (CIA)	Institute of Internal Auditors, IIA)	2

Note 7: The Company provides an explanation of the improvements made for the corporate assessment result of the Company and proposes enhancement measures for any issues that are yet to be rectified as follows:

I. Maintain shareholders' equity and fair treatment to shareholders

（1） To serve international investors, the Company has regularized the practice of issuing bilingual (Chinese and English) notices of general shareholders' meetings 30 days prior to the meeting date and uploading the English version of the annual report and financial statements 18 days prior to the convention of the annual general meeting.

（2） The Company has stipulated the "Regulations for Financial and Business Transactions with Related Parties," and significant transactions shall be submitted to the board of directors for resolution and to the shareholders' meeting for approval or report.

II. Strengthen the structure and operation of the board of directors

（1） To achieve a sound structure of the Board of Directors, during the election of the 2024 Board of Directors, based on the consideration of the diversity of the board members, the nominee roster of the Board of Directors will include one more independent director. An additional independent director and two female directors were added, raising the proportion of female directors to 23%. The Company will continue to actively seek qualified board candidates based on gender equality and aligned with the Company's operational needs, with the aim of strengthening board diversity.

（2） Sound succession and legacy mechanism: The Nomination Committee periodically assesses the succession plans for key management personnel, while the Human Resources team continuously conducts management talent cultivation and development, establishing a robust talent pipeline to support the Company's long-term sustainable development.

（3） The Company has established and disclosed the risk management policy and operation status and has also established the risk management committee in 2021. In addition, the "Risk Management Committee Charter" has been established to achieve sound risk governance and to enhance the function and power of the board of directors.

（4） The Company's "Rules for Performance Evaluation of Board of Directors" specify that an external evaluation shall be conducted at least once every three years. The second round of external performance evaluation for the board of directors was completed in 2023.

III. Enhancing Information Transparency

（1） Enhancing Financial Disclosure Timeliness: To ensure investors obtain comprehensive and accurate information in a timely manner, the Company's financial reports are publicly announced and uploaded as e-books on the same day of approval by the Board of Directors. This ensures that the investing public can simultaneously grasp the latest financial status.

（2） Deepening the Quality of Institutional Investor Relations: The Company hosts institutional investor briefings quarterly and provides full session recordings and presentation materials immediately on the same day. This ensures that non-attending investors can also access transparent and equitable operating information.

IV. Implementation of sustainable development

（1） The Company assigns the Human Resource Team of the Sustainable Development Committee to oversee the promotion of the corporate ethical management policy. In addition, the operation and execution status of the policy has been explained on the website.

（2） The Company has established the "Waste Contractor Appointment Management Regulations," and for the issues of environment, human rights and occupational safety and health etc., the Company conducts field survey, guidance and evaluation at the sites of the main supplier and contractor, to understand the ESG implementation status of suppliers.

（3） Net-Zero Transition and International Alignment

- Energy and Carbon Reduction: Formulated a roadmap for renewable energy development across production bases and formally committed to the Science Based Targets initiative (SBTi), ensuring that our carbon reduction pathway aligns with the international 1.5°C target.
- Climate Resilience: Fully implemented the Task Force on Climate-related Financial Disclosures (TCFD) framework to perform quantitative financial impact assessments of physical risks at manufacturing facilities, and continues to publish annual Sustainability Reports.

The Company has established OHS KPIs and implemented a digitalized training system for contractors. These initiatives are designed to comprehensively enhance safety management efficiency across all operational sites.

2.3.4 Formation, responsibilities and operation status of Remuneration Committee

(1) Information of Remuneration Committee members:

Identity (Note 1)	Name	Professional qualification and experience (Note 2)	Independence Status (Note 3)	Number of positions as Remuneration Committee member in other public companies
Independent Director (Convener)	Tian-Wei Shi	Ph.D. in Textile Engineering; University Professor; Independent Director and Remuneration Committee Member of Eastern Media International Corporation. Specialized in fiber materials, fiber composites, and smart textiles. Possesses academic expertise in the textile industry, contributing to the Company's product development and talent cultivation.	Compliant with the independence criteria stated in Note 3	1
Independent Director	Cheng-Ping Yu	Ph.D. in Textile Engineering from the University of Leeds, UK; Honorary Professor at Fu Jen Catholic University. Specializes in knitting technology, computer simulation and production management, and computer-aided design. Brings academic experience in the textile industry that supports the development of the Company's products and services, as well as talent cultivation. Advocates for corporate social responsibility to create corporate value.	Compliant with the independence criteria stated in Note 3	None
Independent Director	Nai-Ming Liu	Practicing CPA; Independent Director of several companies including Ever Supreme Bio Technology Co., Ltd. Equipped with professional capabilities in finance, accounting, taxation, business management, and corporate governance.	Compliant with the independence criteria stated in Note 3	2

Note 1: Please specify the related seniority, professional qualifications, experiences, and independence of each Remuneration Committee member in the Table. For members who are also independent directors, please refer to II-(I)-2 of II. Corporate Governance Report for disclosure of professional qualification of directors and supervisors and independence of independent directors. In the Identity field, each member is specified either as independent director or other (please mark the role of convener, if any).

Note 2: Professional qualification and experience: Describe the remuneration committee members of professional qualification and experience:

Note 3: Independence compliance status: Describe the remuneration committee members complying with independence status, including but not limited to whether the director of the company, his/her spouse, relative within the second degree of kinship acts as director, supervisor or employee of the Company or its affiliates; number of company shares held and holding percentage of the director, spouse, relative within the second degree of kinship (or under the name of others); whether he or she acts as director, supervisor or employee of the company having a special relationship with the Company (please refer to the provisions of Subparagraphs 5~8 of Paragraph 1 of Article 6 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange); remuneration amount collected for providing corporate commerce, legal, finance or accounting service to the Company or its affiliates in the most recent two years.

(2) Information of Operation Status of Remuneration Committee.

1. The Company's Remuneration Committee consists of 3 members.

The Remuneration Committee is responsible for assisting the Board of Directors in formulating and evaluating the Company's overall compensation and benefits policies. Based on a comprehensive consideration of factors such as business performance, individual performance, industry standards, and future risks, the Committee establishes performance evaluation criteria and remuneration policies for directors and managerial officers and conducts periodic assessments. For details on the Remuneration Committee Charter, please refer to the Company's website. According to the laws of the Republic of China, members of the Remuneration Committee are appointed by the Board of Directors.

2. Term of office of the current Committee members: 6th Term: From June 20, 2024, to June 11, 2027.

The Remuneration Committee held 3 meetings (A) in the most recent year. The qualifications and attendance of each member are as follows:

Title	Name	No. of meetings attended in person (B)	No. of meetings attended by proxy	In-person attendance Rate (%) (B/A)	Remark
Convener	Tian-Wei Shi	3	0	100%	Re-appointed on June 20, 2024
Member	Cheng-Ping Yu	3	0	100%	Re-appointed on June 20, 2024
Member	Nai-Ming Liu	3	0	100%	Newly appointed on June 20, 2024

Other matters that shall be recorded:

1. In the event where the Remuneration Committee’s proposal is rejected or amended in a board of directors meeting, please describe the date and session of the meeting, details of the proposal, the resolution of the board of directors, and how the company had handled the Remuneration Committee’s proposals (describe the differences and reasons, if any, should the board of directors approve a solution that was more favorable than the one proposed by the Remuneration Committee): None.
2. Should any member object or express qualified opinions to the resolution made by the Remuneration Committee, whether on-record or in writing, please describe the date and session of the meeting, details of the proposal, the entire members’ opinions, and how their opinions were addressed, the resolutions resolved in 2025 were as follows:

Remuneration Committee Meeting	Agenda Items and Resolution Results	Company's Handling of Remuneration Committee Opinions
6th Term, 3rd Meeting January 16, 2025	Agenda: Proposal for salary adjustment for all company personnel (including managerial officers). Resolution: All members unanimously agreed to pass the proposal without objection.	Submitted to the Board of Directors and approved unanimously by all attending directors.
	Agenda: Salary Adjustment of Assistant Vice President, Lien-Tsai Chen. Resolution: All members unanimously agreed to pass the proposal without objection.	Submitted to the Board of Directors and approved unanimously by all attending directors.
	Agenda: Proposal to establish the incentive bonus distribution standards for all personnel for each of the first three quarters of 2025. Resolution: All members unanimously agreed to pass the proposal without objection.	Submitted to the Board of Directors and approved unanimously by all attending directors.
	Agenda: Proposal for the distribution of 2024 year-end bonuses for directors, functional committee members, and senior executives. Resolution: All members unanimously agreed to pass the proposal without objection.	Approved by the Board of Directors; the interested director recused from voting due to a conflict of interest.
6th Term, 4th Meeting February 27, 2025	Agenda: Amendments to the “Salary Management Regulations.” Resolution: All members unanimously agreed to pass the proposal without objection.	Submitted to the Board of Directors and approved unanimously by all attending directors.
	Agenda: Implementation of Employee Stock Ownership Trust” Resolution: All members unanimously agreed to pass the proposal without objection.	Submitted to the Board of Directors and approved unanimously by all attending directors.

Remuneration Committee Meeting	Agenda Items and Resolution Results	Company's Handling of Remuneration Committee Opinions
6th Term, 5th Meeting August 8, 2025	Agenda: Proposal to amend the Company’s “Compensation Guidelines for Directors, Functional Committee Members, and Senior Executives.” Resolution: After the chair consulted all attending members, the revised wording was approved as submitted.	Submitted to the Board of Directors and approved unanimously by all attending directors.
	Agenda: Proposal to amend the Company’s “2025 First Three Quarters Operating Performance Bonus Regulations.” Resolution: After the chair consulted all attending members, the revised wording was approved as submitted.	Submitted to the Board of Directors and approved unanimously by all attending directors.

The Company's 2026 Remuneration Committee meeting dates, proposal contents and resolution results are disclosed on the Company’s website.

Note:

(1) Date of resignation is shown for members of the Remuneration Committee who had resigned prior to the close of the financial year. The percentage of actual attendance (%) is calculated based on the number of Remuneration Committee meetings held and the number of meetings actually attended during active duty.

(2) If a re-election of Remuneration Committee members had taken place prior to the close of the financial year, members of both the previous and the current Remuneration Committee will be listed; in which case, the remarks column will specify whether the committee member was elected in the previous board, the new board, or both. The percentage of actual (proxy) attendance (%) will be calculated based on the number of Remuneration Committees held during active duty and the number of actual (proxy) attendance.

2.3.5 Sustainable Development Committee Member Information and Operation Status: Sustainable Development Committee

(1) ESG committee appointment criteria and responsibilities:

This committee serves as the cross-departmental communication platform, decision-making center, and implementation unit for the Company’s sustainable development and long-term operations. The committee shall consist of no fewer than three members and shall be appointed by resolution of the Board of Directors. Committee members shall possess professional knowledge and capabilities in corporate sustainability, and at least one director shall participate in the committee for supervision. The current committee consists of four directors nominated by the Board of Directors as members. Its main responsibilities are as follows:

- Formulating sustainable development policies.
- Planning, executing, and reviewing corporate sustainability-related initiatives.
- Reviewing the goals, strategies, and action plans of the sustainability policies, and tracking the progress of various programs.
- Discussing issues of concern to stakeholders, including shareholders, customers, suppliers, employees, government agencies, non-profit organizations, local communities, and the media, and supervising the related communication plans.
- Compiling sustainable development reports.
- Reporting annually to the Board of Directors on the results of implementation for the current year and the work plan for the following year.

(2) ESG committee member professional qualification and experience and operation status:

- The Company’s 4th Sustainable Development Committee comprised four members, with terms from June 20, 2024, to June 11, 2027.
- ESG committee held 2 meeting (A) in the most recent year, and the member professional qualification and experience, attendance status and discussion matters are as follows:

Title	Name	Corporate Sustainability Professional Knowledge and Capabilities	No. of meetings attended in person (B)	No. of meetings attended By Proxy	In-person attendance Rate (%) (B/A)	Remark
Convener	Jui-Ting Hung	Note	2	0	100%	Newly appointed on June 20, 2024
Member	Shu-Wen Wang	Note	2	0	100%	Reappointed on June 20, 2024
Member	Cheng-Ping Yu	Note	2	0	100%	Reappointed on June 20, 2024
Member	Chiu-Chun Lai	Note	2	0	100%	Newly appointed on June 20, 2024

Other matters required to be recorded:

Describe the meeting date, session, agenda content of the main proposals of the ESG committee, ESG committee member recommendations or dissenting opinion content, ESG committee resolution result, and Company's handling of comments of ESG committee.

Sustainable Development Committee Resolutions in 2025:

ESG committee term number and date	Agenda content and resolution result	Company's handling of comments of ESG committee
February 27, 2025 (1st meeting of 2025)	Work reports for 2024 and work plans for 2025 were reviewed and approved.	Submitted to the board of directors for approval.
	Comprehensive recommendation of commissioner and each team: 1. Sustainable Environment Team (1) Conduct an inventory of brand and regulatory requirements to clarify chemical and carbon management standards, and implement a digital platform to track environmental issues for the execution of risk early-warning systems. (2) Provide concrete disclosures in the report regarding carbon management progress, platform architecture, and regulatory compliance status. 2. Human Resource Team (1) Strengthen the analysis of turnover causes to formulate targeted retention policies, and establish verifiable human capital development indicators to improve retention rates. (2) Evaluate and optimize the strategic ratio between expatriate management and localization strategies for overseas operations. (3) Formally incorporate the "Employee Stock Ownership Trust" (ESOT) plan into the report contents following Board of Directors approval. 3. Product and Service Team (1) Establish a verification mechanism following the implementation of the Digital Intelligent Manufacturing Execution System (MES); analyze employee user perspectives and production efficiency to evaluate the feasibility of a broader rollout. (2) Establish a color-matching information-sharing mechanism with sub-contractors; refine the vetting, performance evaluation, and phasing-out protocols for suppliers following assessment. 4. Social Participation Team Continuously evaluate the feasibility of promoting corporate volunteer initiatives in collaboration with local social welfare centers at overseas manufacturing sites.	Each team has implemented actions in line with the directions suggested by the committee members, and the related achievements have been disclosed in the Sustainability Report.

ESG committee term number and date	Agenda content and resolution result	Company's handling of comments of ESG committee
August 7, 2025 (2nd meeting of 2025)	Resolution passed to approve the 2024 Sustainability Report and submit to the Board of Directors for final approval.	The 2024 Sustainability Report was approved by the Board of Directors and has been filed with competent authorities and officially published.

Note:

Professional scope of ESG committee members: Please refer to Eclat Textile Co., Ltd. 2025 Annual Report 2.1.1 of II. Corporate Governance Report for disclosure of professional qualification of directors and supervisors and independence of independent directors.

In addition to continuing education, based on each committee member's field of expertise and academic/professional background, their ESG (Environmental, Social, Governance) expertise is summarized as follows:

Role	Name	Professional Field and Background	Environment (E)	Social (S)	Governance (G)
Director	Jui-Ting Hung	The General Manager of the Company holds a Master's degree in Materials Science and possesses extensive practical experience within the textile industry. He has long been dedicated to integrating data analytics with innovative strategies, effectively enhancing production efficiency while ensuring the protection of labor rights. Leveraging his keen market insights, he leads the R&D team in developing competitive, sustainable products, driving industrial innovation and creating exceptional long-term value for the Company.	Product development, innovation and technology promotion	Labor rights, team culture, quality customer service	Brand operation, market strategy, business development
Director	Shu-Wen Wang	The Chairman of the Board has served as a member of the Committee from the first through the third sessions, bringing profound experience in the long-term formulation of the Company's sustainability strategies. He is a licensed U.S. Certified Public Accountant (CPA) and holds a Master's degree in Financial Accounting, with deep expertise in financial risk management and global investment strategies. Leveraging exceptional data-driven and strategic thinking, he actively promotes vertical integration of the supply chain and R&D transformation, leading the enterprise to realize long-term value through digital innovation and sustainable development.	Supply chain transformation, sustainable business strategy	Global investment, talent development	Risk and financial management, corporate communication, data analysis
Independent Director	Cheng-Ping Yu	The Independent Director has served as a member of the Committee from the first through the third sessions, bringing extensive experience in the long-term formulation of the Company's sustainability strategies and ensuring policy continuity. Holding a Ph.D. in Textile Industries from the	Technological innovation and production process optimization for environmental protection	Product/service innovation, talent cultivation and academic heritage	Knitting technology, computer simulation and production management for decision support

Role	Name	Professional Field and Background	Environment (E)	Social (S)	Governance (G)
		University of Leeds (UK) and the title of Emeritus Professor at Fu Jen Catholic University, he specializes in knitting technology, computer-simulated production, and computer-aided design (CAD). Leveraging his exceptional academic achievements and industry foresight, he guides the long-term development of the Company's product R&D and talent cultivation, while actively advocating for corporate social care to deepen the core values of sustainable management.			
Independent Director	Chiu-Chun Lai	The Independent Director holds a Ph.D. in Polymer Engineering and is a Distinguished Professor. He specializes in interface science, textile nanomaterials, and functional processing technologies. With extensive experience in industry-government-university collaboration, he has served as a reviewer for government projects and as a senior researcher. Leveraging his forward-looking technical vision, he leads the Company's initiatives in sustainable textile innovation and green material development, effectively enhancing industrial competitiveness and driving the Company's sustainable transformation.	Nano textile materials, functional textile R&D	Industry-academia collaboration, industrial upgrading, technological innovation	Policy review, standard setting, corporate supervision

2.3.6 Nomination Committee Member Information and Operation Status:

Nomination committee member appointment criteria and responsibilities:

The purpose of this committee is to enhance the functionality of the Company's Board of Directors and to strengthen the human resources management mechanism. It is composed of five members appointed by the Board of Directors, including three directors and two individuals selected from among the Company's consultants, senior executives, or reputable figures from the community. Among the current committee members, two are independent directors. The main duties of the committee are as follows:

- Assist in the approval and nomination of the independent director candidate roster.
- Review the diversity background standards of professional knowledge, techniques, experience and gender necessary for senior managerial officers (including officers above the associate manager rank (inclusive), same for below), in order to approve the candidates for senior managerial officers.
- Perform senior managerial officer performance evaluation and periodically review successor plan.
- Consider the diversity background standard of professional knowledge, techniques, experience and gender necessary for managers, in order to approve the candidates for managers.

Nomination committee member professional qualification and experience and operation status:

- Nomination committee of the Company consists of five members.
- Term of office of the current Committee: From June 20, 2024, to June 11, 2027.
- The Nomination Committee held two meetings (A) in the most recent year. The members' professional qualifications and experience, attendance, and the matters discussed are as follows:

Title	Name	No. of Meetings Attended in Person (B)	No. of Meetings Attended by Proxy	Attendance Rate (%) (B/A)	Remarks
Convener	Shu-Wen Wang	2	0	100%	Newly appointed on 2024.6.20
Member	Kuo-Sung Hsieh	2	0	100%	Reappointed on 2024.6.20
Member	Cheng-Ping Yu	2	0	100%	Reappointed on 2024.6.20
Member	Jui-Ting Hung	2	0	100%	Newly appointed on 2024.6.20
Member	Nai-Ming Liu	2	0	100%	Newly appointed on 2024.6.20

Other matters required to be recorded: Describe the meeting date, session, agenda content of the main proposals of the nomination committee, nomination committee member recommendations or dissenting opinion content, nomination committee resolution result, and Company's handling of comments of the nomination committee.

2025 nomination committee resolutions are as follows:

Meeting Term and Date	Agenda Content and Resolution Result	Company's Handling of Committee Opinion
3rd Term, 2nd Meeting (Feb. 05, 2025)	Agenda: Appointment of Managerial Officers. Resolution: All members unanimously agreed to pass the proposal without objection.	Submitted to the Board of Directors and unanimously approved by all attending directors.
	Agenda: Dismissal of Senior Executives. Resolution: All members unanimously agreed to pass the proposal without objection.	Submitted to the Board of Directors and unanimously approved by all attending directors.
3rd Term, 3rd Meeting (Nov. 06, 2025)	Agenda: Appointment of Managerial Officers. Resolution: All members unanimously agreed to pass the proposal without objection.	Submitted to the Board of Directors and unanimously approved by all attending directors.

Note: Professional scope of nominee committee: Please refer to ECLAT TEXTILE CO., LTD. 2025 Annual Report 2.1.1 of II. Corporate Governance Report for disclosure of professional qualification of directors and supervisors and independence of independent directors.

2.3.7 Risk Management Committee Member Information and Operation Status: ：

Risk management committee member appointment criteria and responsibilities:

The objective of this committee is to improve risk governance and strengthen the board functions, and it is made up of five members elected by the board of directors. The committee members shall not be less than three, and more than half of the members shall be independent directors. Its main responsibilities are as follows:

- Review various risk management policies and frameworks, risk appetite and limit.
- Supervise the risk management mechanism operation.
- Review management report on material risk issues.
- Report on the risk management status to the board of directors timely.

Risk management committee member professional qualification and experience and operation status:

- The Company's Risk Management Committee consists of five members.
- Term of office of the current Committee: From June 20, 2024 to June 11, 2027.
- The Risk Management Committee held six meetings (A) in the most recent year. The members' professional qualifications and experience, attendance, and matters discussed are as follows:

Title	Name	No. of Meetings Attended (B)	Proxy Attendance	Attendance Rate (%) (B/A)	Remarks
Convener	Shu-Wen Wang	6	0	100%	Reappointed on Jun. 20, 2024
Member	Cheng-Ping Yu	6	0	100%	
Member	Nai-Ming Liu	6	0	100%	
Member	Jui-Ting Hung	6	0	100%	Newly appointed on Jun. 20, 2024
Member	Chiu-Chun Lai	6	0	100%	

Other matters required to be recorded:

Description of the meeting date, session, agenda item, content of member recommendations or objections, resolution results of the Risk Management Committee, and the Company's response:

Resolutions Passed by the Risk Management Committee in 2025:

Session & Date	Agenda Item and Resolution Result	Company’s Handling of Committee Opinion
2nd Term, 3rd Meeting Jan 16, 2025	Agenda: Ratification and discussion on accounts receivable credit limits. Resolution: Each case was discussed according to credit terms, and all members agreed to approve.	According to the “Customer Credit Investigation and Credit Management Guidelines,” as the customer credit authorization cases this time did not reach the threshold for board approval, they became effective upon unanimous approval by all attending committee members.
	Agenda: Customer credit authorization discussion. Resolution: Each case was discussed according to credit terms, and all members agreed to approve.	
2nd Term, 4th Meeting Feb. 27, 2025	Agenda: Customer credit authorization discussion. Resolution: Discussed according to the customer's credit terms and unanimously approved by all members.	According to the “Customer Credit Investigation and Credit Management Guidelines,” as the customer credit authorization cases this time did not reach the threshold for board approval, they became effective upon unanimous approval by all attending committee members.
	Extempore Motion: Medium-to-long-term risk assessment of Eclat Textile’s production bases in Vietnam. (Proposed by Independent Director, Cheng-Ping Yu) Resolution: The Company shall continue to collect relevant information in accordance with its Risk Management Policies to evaluate and monitor potential risks, ensuring effective management and response strategies are in place.	Identify risks in accordance with the "Risk Management Policies" and ensure continuous tracking.
2nd Term, 5th Meeting May 8, 2025	Agenda: Ratification of client cases approved via circular signing. Resolution: Each case was discussed according to credit terms, and all members agreed to approve.	According to the “Customer Credit Investigation and Credit Management Guidelines,” as the customer credit authorization cases this time did not reach the threshold for board approval, they became effective upon unanimous approval by all attending committee members.
	Agenda: Customer credit authorization discussion. Resolution: Each case was discussed according to credit terms, and all members agreed to approve.	
	Extempore Motion: Assessment of salary structures and risks following the redistricting of administrative regions in Vietnam. (Proposed by Independent Director Cheng-Ping Yu) Resolution: Following the redistricting in Vietnam, the company will monitor future changes and further collect information regarding environmental protection regulations to ensure risk control.	Identify risks in accordance with the "Risk Management Policies" and ensure continuous tracking.
2nd Term, 6th Meeting Aug. 7, 2025	Agenda: Customer credit authorization discussion. Resolution: Each case was discussed according to credit terms, and all members agreed to approve	According to the “Customer Credit Investigation and Credit Management Guidelines,” as the customer credit authorization cases this time did not reach the threshold for board approval, they became effective upon unanimous approval by all attending committee members.
2nd Term, 7th Meeting Nov. 6, 2025	Agenda: Approval for the implementation of Cloud Large Language Model (LLM) services. Resolution: Unanimously approved the adoption of Cloud LLM services. The implementation will utilize a UI interface and Enterprise Knowledge RAG established on-premises, while the LLM computation will be cloud-based. Microsoft Azure OpenAI (AOAI) Service is the recommended provider.	Submitted to the Board of Directors and approved unanimously by all attending directors.
	Extempore Motion: Discussion on customer credit cases (Proposed by the Finance Department). Resolution: Discussed based on customer credit terms; approved unanimously by all members.	According to the “Customer Credit Investigation and Credit Management Guidelines,” as the customer credit authorization cases this time did not reach the threshold for board approval, they became effective upon unanimous approval by all attending committee members.

Session & Date	Agenda Item and Resolution Result	Company's Handling of Committee Opinion
2nd Term, 8th Meeting DEC. 17, 2025	Agenda: Customer credit authorization discussion. Resolution: Each case was discussed according to credit terms, and all members agreed to approve	According to the "Customer Credit Investigation and Credit Management Guidelines," as the customer credit authorization cases this time did not reach the threshold for board approval, they became effective upon unanimous approval by all attending committee members.

To ensure the robust implementation of our risk management framework, the company periodically reports on the risk landscape, key management assessments, and mitigation measures during Risk Management Committee meetings. On January 15, 2026, the Chairperson of the Risk Management Committee presented a report on the 2025 risk management oversight status to the Committee. This report was subsequently submitted to and concluded at the first Board of Directors meeting of 2026.

Note: Professional scope of Risk Management Committee: Please refer to Eclat Textile Co., Ltd. 2025 Annual Report 2.2.1 of II. Corporate Governance Report for disclosure of professional qualifications of directors and supervisors and independence of independent directors.

2.3.8

Deviation of the Company's actual promotion of sustainable development execution status from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and cause thereof:

Item	Implementation status (Note 1)			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Y	N	Summary description (Note 2)	
I. Has the company established a governance structure to promote sustainable development, set up a dedicated (or designated) unit, delegated authority to senior management, and does the board of directors oversee the process?	V		The Company has established the "Sustainable Development Committee" by a resolution of the Board of Directors, consisting of at least three commissioners with professional knowledge and capabilities in corporate sustainability, including at least one director to participate in supervision. In 2025, four directors served as members. One convener was elected by all committee members, and Jui-Ting Hung, General Manager of the Company, was appointed to this role. The Convener further appointed a manager from the department responsible as the Team Leader of the Sustainability Task Force to promote the Company's sustainability efforts. It is divided into five teams of "Sustainable Environment Development", "Human Resources", "Corporate Governance", "Product and Service" and "Social Participation". The responsibilities of the Sustainable Development Committee are to identify sustainability topics, execute action plans, propose sustainability-related topics, and report to the board of directors at least once annually, to ensure the implementation of the Sustainable Development Best Practice Principles. The Company has also set up the "Sustainability Office", responsible for promoting ESG-related affairs of the Company's operations. Quarterly reports were delivered to the Board of Directors, totaling four times in 2025, including: progress of greenhouse gas inventory, impacts of sustainability-related regulations, international trends, strategic ESG goals, and plan execution status. After reviewing the team's reports, the Board of Directors evaluated the feasibility of the sustainability execution and instructed adjustments. Please refer to the "Sustainable Development Committee Organization System Diagram" on page 30 of the 2024 ESG Report (hereinafter referred to as the "Report") for details. In 2025, a total of 16 team meetings and 2 committee meetings were held. In addition, the ESG committee's 2025 work execution status and 2026 work plan were reported to the board of directors on March 05, 2026. Relevant information has been disclosed on the Company's website.	None
II. Has the Company conducted risk assessment on the environment, society and corporate	V		The Company establishes the ESG report and adopts the questionnaire and interview method, reviews the survey results of all units and senior officers, and assesses relevant operational risks according to the materiality principle, to specify the risks identified and revise them in the existing Risk Management Regulations. The scope of coverage focuses on the Company in principle, including operations in Taiwan, Vietnam, Cambodia and Indonesia. According to the risk assessed, relevant risk management policies or strategies have been established as follows:	None

Item	Implementation status (Note 1)			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Y	N	Summary description (Note 2)	
governance issues related to the company's operation according to the materiality principle, and has the company established relevant risk management policy or strategy? (Note 2)			(I) Customer risk: 1. Control the maximum revenue proportion from a single customer in order to reduce revenue concentration risk. 2. Implement diversified business strategies to mitigate business risk. 3. Reduce credit risk through credit rating, insurance and accounts receivable factoring. (II) Financial risk: 1. Enhance financial management and corporate control. 2. Strengthen currency and exchange rate risk management. 3. Improve transparency in customer communication, understand purchase policy changes. (III) Supply risk: 1. Require suppliers' output, quality, and R&D capabilities. 2. Conduct joint R&D with suppliers. 3. Adopt a diversified procurement strategy. (IV) Talent risk: 1. Improve basic training for employees. 2. Promote industry-academic collaboration to expand recruitment sources. 3. Enhance promotion mechanisms and leadership training. 4. Continuously track turnover rate and employee satisfaction and adjust systems accordingly. (V) Climate change risk: 1. Identify climate change opportunities and risks based on the TCFD framework. 2. Manage risks and seize opportunities. 3. Implement projects or training programs. 4. Track performance and conduct timely review and adjustment. 5. Formulate response procedures for repeated risks. (VI) Cyber risk: 1. Implement data center access control and regularly upgrade hardware equipment. 2. Use dedicated lines to ensure internal data security and stability. 3. Reduce remote handling and use project-based exceptions when needed. 4. Enhance firewall protection, patch vulnerabilities, and periodically rehearse software recovery procedures. 5. Apply multi-factor authentication (MFA). 6. Implement Privileged Account Management (PAM).	

Item	Implementation status (Note 1)			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Y	N	Summary description (Note 2)	
			For the operation status, please refer to section “1.2 Sustainability Strategy and Risk Management” on page 29 and section “1.4 Identification of Material Issues” on page 39 of the Report.	
III. Environmental Topic Does the Company have an appropriate environmental management system established in accordance with its industrial characteristics?	V		The Company truly understands that it is the joint responsibility of mankind to protect the earth’s environment; therefore, for all aspects of the management, the Company environmental protection. The Company has identified the material environmental topics, potential risks and opportunities as well as responsive measures according to the risk management policy, which has also been disclosed in the content of page 124 of Chapter 5 “Guardian of Environmental Resources” of the Report. (I) The appropriate environment management system establishment according to the industrial characteristics of the Company is as follows (please refer to “5.3 Energy Resource Utilization and Management” on page 127 of the Report for relevant descriptions): 1. Energy saving and carbon reduction In order to reduce carbon emissions, effective energy management and improved energy efficiency are key measures to achieve carbon reduction goals. Dayuan Plant was the first to participate in the 2017 Manufacturing Industry Energy Management Demonstration and Guidance Project of the Industrial Development Bureau, MOEA, and established an ISO 50001 energy management system. After successful implementation, external verification was completed. A new version of the verification process was finalized in 2020, and the certificate remains valid until 2027. The Vietnam fabric plant also began adopting the ISO 50001 energy management system in 2019 and obtained external verification certification in 2020, and the certificate remains valid until 2027. 2. Greenhouse gas emission reduction Under the promotion of the Greenhouse Gas Inventory Committee, all production sites have conducted inventory and verification according to ISO 14064-1 standards. 3. Reduction of water consumption In 2018, the Company established the water resource management policy. The factories implement daily meter readings, monthly analysis, and quarterly reviews to ensure effective early warning and management of water resource issues. Regarding water-saving strategies, the Company actively invests in eco-friendly processes and reduces water usage through R&D processes. For example, the large-scale implementation of low bath ratio equipment. For the Fabric Division, which consumes larger water volumes, a rainwater recycling system was constructed in 2016 and expanded to the Garment Division in 2019.	None

Item	Implementation status (Note 1)			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Y	N	Summary description (Note 2)	
			4. Waste management policy The Company values waste management and completed the policy formulation and publication in 2018. Regulatory compliance is the foundation of the Company's waste management practices. All industrial waste is declared and reported in accordance with local laws and regulations and is categorized and stored according to its characteristics. Each plant designates personnel to conduct inspections of waste storage areas and to report production and temporary storage volumes.	
Is the Company committed to achieving efficient use of resources, and using renewable materials that has less impact on the environment?	V		(II) The core business of the Company is fabric manufacturing; therefore, the Company cannot perform improvements on the raw materials as the upstream yarn suppliers, such as recycling raw materials for the reproduction of recycled yarn. Accordingly, our eco-friendly design method is to start from the processing method. Through the processing method, the R&D direction complying with quantity reduction, energy saving and carbon reduction is established, along with the use of recycled yarn designated by customers, in order to beneficially achieve the objective of an eco-friendly environment. Please refer to "4.1.1 Innovative R&D Advantages" on page 109 of the Report. The processing method improvements include the following: 1. Characteristic change Change of yarn processing method in order to achieve greater elasticity, increased filling power, and improved water delivery of the yarn. 2. Structure change (1) Flexible structure provides greater mechanical elasticity and softness to fabrics, and a better moisture conduction structural layer is constructed, in order to reduce the discomfort due to wet attachment of fabrics. Porous structure enhances the air permeability; (2) Quick adjustment of body temperature to increase drying speed; (3) Multi-layer structure increases the micro-climate effect between the fabric and the body, thereby increasing thermal resistance. 3. Change of yarn extraction and false twist technology The original yarn extraction is combined with new false-twist technology in order to simplify the manufacturing process, increase color fastness, reduce carbon emissions and water source use amount. 4. Subtraction design Selection of one single material and simple fabric composition can be beneficial to the clothing recycle and waste recycle process (including elastic fabric clothing requiring re-processing for recycling and reproduction into recycled yarn).	None

Item	Implementation status (Note 1)			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Y	N	Summary description (Note 2)	
			5. Energy Saving: Starting from 2020, the Company has progressively introduced low bath ratio equipment, resulting in water and energy conservation effects. The Company has also gradually replaced high-energy motors with more efficient ones to enhance energy utilization. The Company reviews the achievement of our goals every 3 years, with the energy reduction baseline set in 2020. The energy-saving objectives for the year 2026 are a 10% reduction in intensity for both divisions. Regarding the total electricity consumption, in comparison to the year 2020, there was an increase of 13,648,584 kWh in the year 2025 due to the ongoing growth of our company's operations.	

Electricity Consumption (Unit: kWh)

Baseline Year		
Year	Fabric	Garment
2020	65,881,315	23,189,719
Last 2 Years		
Year	Fabric	Garment
2024	69,949,092	30,620,858
2025	69,521,015	33,198,603

In 2025, electricity consumption intensity reduction results were as follows: the Fabric Division decreased by 20.2%, while the Garment Division increased by 0.54%.

Electricity Consumption Intensity (Unit: kWh):

Baseline Year		
Year	Fabric (per ton)	Garment (per thousand dozen)
2020	3,276.37	5,000.69
Last 2 Years		
Year	Fabric (per ton)	Garment (per thousand dozen)

<table>
<tr><td rowspan="2">Item</td><td colspan="3">Implementation status (Note 1)</td><td rowspan="2">Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons</td></tr>
<tr><td>Y</td><td>N</td><td>Summary description (Note 2)</td></tr>
<tr><td></td><td></td><td></td><td><table><tr><td>2024</td><td>2,712.99</td><td>5,133.55</td></tr><tr><td>2025</td><td>2,613.97</td><td>5,027.68</td></tr></table></td><td></td></tr>
<tr><td>Has the Company evaluated the climate change on the present and future potential risks and opportunities of the corporation, and has the company adopted responsive actions on climate related issues?</td><td>V</td><td></td><td>(III) The Company’s assessment of climate change-related risks and opportunities is managed by the headquarters Sustainable Development Committee, with the Board of Directors serving as the highest-level guiding authority. The Environmental Sustainability Task Force is responsible for designing the risk and opportunity identification templates and convenes factories and business units across domestic and overseas operations to conduct assessments based on TCFD (Task Force on Climate-related Financial Disclosures) indicators. Through this process, the team identifies and compiles risks and opportunities and develops a matrix of material risks and opportunities. Based on the analysis results of this matrix, the Company estimates the management costs and financial impact, in order to strengthen its climate change governance, systematically evaluate financial relevance, reduce risks, and seize potential improvement and transformation opportunities. Please refer to the “Identification and Assessment Table for Major Climate Risks”, the “Identification and Evaluation Table of Major Climate Opportunities” listed in Note 3 below, and section “5.2 Strengthening Climate Resilience” on page 129 of the Report.</td><td>None</td></tr>
<tr><td>Has the Company statistically analyzed the greenhouse gas emission, water usage and waste total weight over the past two years, and has the company established policies for energy saving, carbon reduction, greenhouse emission reduction, reduction of water usage or other waste management?</td><td>V</td><td></td><td>(IV) Statistical data on the greenhouse gas emission, water consumption and waste total weight in the last two years is summarized in the following Data Scope: "All figures include consolidated financial statements of parent and subsidiary companies." Individual reduction policies and goals are outlined as follows: (Please refer to the descriptions in Section 5.2.2 "Greenhouse Gas Management" on page 136, Section 5.3.2 "Water Resources Management" on page 142, and Section 5.4.3 "Waste" on page 147 of this report):

1. Greenhouse gas emission

Baseline year for greenhouse gas emissions is 2017. Carbon reduction goal for the year 2025: Both divisions aim to achieve a 20% reduction in emission intensity compared to the baseline year. Each year, external verification is commissioned from the reputable third-party organization SGS, and this verification process has been completed for the year 2025. The verification for the year 2025 has not yet been completed. The complete verification data will be disclosed in the Report.

Comparison with Baseline Year:

In 2025, compared with the baseline year, the greenhouse gas emission intensity decreased by 39.90% in the Fabric Division and 11.95% in the Garment Division.

Regarding the total greenhouse gas emissions, the combined Scope 1 and Scope 2 emissions in 2025 saw an increase in</td><td>None</td></tr>
</table>

Item	Implementation status (Note 1) Y	N	Summary description (Note 2)	Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
			absolute terms due to the continuous growth of the company's business. However, through the ongoing promotion and implementation of energy transition in recent years, the emissions increased by only 268.05 metric tons of CO_2e compared with the baseline year.	

Comparison with the Previous Year:

In 2025, the combined Scope 1 and Scope 2 total emissions decreased by 3,301.58 metric tons of CO_2e compared to 2024, representing a 2.62% reduction in absolute emissions. This was primarily due to the increased use of renewable energy, with solar energy consumption increasing by approximately 4.63 million kWh (a growth of 69.75%) over 2024. In terms of emission intensity, the Fabric Division saw a decrease of 8.23%, while the Garment Division decreased by 0.52%.

Greenhouse gas emission quantity (unit: tons CO_2e)

Baseline Year			
Year	Scope 1	Scope 2	Scope 3
2017	45,347.43	77,081.62	NA
Last 2 Years			
Year	Scope 1	Scope 2	Scope 3
2024	31,029.99	94968.69	10,535.73
2025	29,924.73	92,772.37	22,708.97

*The increase in Scope 3 emissions for 2025 was primarily due to the expansion of the GHG inventory scope (specifically the inclusion of the "employee commuting" category) aimed at optimizing management boundaries. This growth reflects an enhancement in reporting breadth rather than a significant increase in actual emissions performance.

Greenhouse gas emission intensity (unit: tons CO_2e)

Baseline Year		
Year	Fabric (per ton)	Garment (per thousand dozen)
2017	5.94	4.35

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			(see below)	

Last 2 Years		
Year	Fabric (per ton)	Garment (per thousand dozen)
2024*	3.89	3.85
2025	3.57	3.83

2. Water consumption

The company conducts a review of water consumption goals every 3 years, with the baseline year set at 2020. The reduction goal for the year 2026 is a 30% decrease in intensity for the Fabric Division. Water consumption is internally audited, and no formal arrangement has been made to commission impartial third-party verification. Compared to the baseline year, the water consumption reduction in 2025 reached 31.74%.

Regarding total water consumption, although the Company's total water usage in 2025 saw an increase compared to the 2020 baseline year due to continuous business growth, the total water consumption decreased by 68,591 cubic meters compared to 2024, primarily due to an increase in wastewater recycling.

Water consumption (unit: cubic meters)

Baseline Year			
Year	Headquarter	Fabric	Garment
2020	33,014	2,027,765	472,811
Last 2 Years			
Year	Headquarter	Fabric	Garment
2024	34,464	2,028,198	650,460
2025	33,465	1,830,730	737,986

Water consumption emission intensity (unit: cubic meters)

Baseline Year

<table>
<tr><td rowspan="2">Item</td><td colspan="3">Implementation status (Note 1)</td><td rowspan="2">Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons</td></tr>
<tr><td>Y</td><td>N</td><td>Summary description (Note 2)</td></tr>
<tr><td></td><td></td><td></td><td>

Year	Fabric (per ton)	Garment (per thousand dozen)
2020	100.84	101.96
Last 2 Years		
Year	Fabric (per ton)	Garment (per thousand dozen)
2024	78.66	109.05
2025	68.83	111.76

Since 2016, the Company has established a rainwater harvesting system to reduce the pressure on water resource development. In 2025, rainwater accounted for 3.38% of the total water consumption.

In addition, we have installed additional wastewater recycling systems to enhance water use efficiency. In 2025, wastewater recycling accounted for 25.63% of the Fabric Division’s total water consumption, which was higher than 20.42% recorded in 2024.

Looking ahead, the Company will continue to enhance the proportion of rainwater and recycled water usage, aiming to mitigate environmental impact and address water resource risks arising from climate change.

3. Waste management

The company conducts a comprehensive review of waste management goals every three years, using the year 2020 as the baseline. The reduction goal for the year 2026 focuses on a 10% decrease in emission intensity for both divisions. Waste quantity is internally audited, and no formal arrangement has been made to commission impartial third-party verification.

In 2025, compared to the baseline year, the Garment Division and the Fabric Division achieved reductions of 7.8% and 17.8% in emission intensity, respectively. However, due to continued business growth, the total waste volume increased by 1,861,221kg in 2025 compared to the baseline year.

Waste management

Non-hazardous waste (unit: kg)

Last 2 Years		
Year	Fabric	Garment

</td><td></td></tr>
</table>

Item	Implementation status (Note 1) Y	N	Summary description (Note 2)	Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons

2024	10,323,678	4,023,337
2025	9,651,834	4,449,098

Hazardous waste (unit: kg)

Last 2 Years		
Year	Fabric	Garment
2024	264,020	5,881
2025	284,880	8,883

Due to the type of waste specified by the local regulations in Vietnam, hazardous wastes only cover the Eclat Fabrics (Vietnam).

Waste weight (unit: kg)

Baseline Year		
Year	Fabric	Garment
2020	9,138,708	3,394,766
Last 2 Years		
Year	Fabric	Garment
2024	10,587,698	4,029,218
2025	9,936,714	4,457,981

Waste intensity (unit: kg)

Baseline Year		
Year	Fabric (per ton)	Garment (per thousand dozen)
2020	454.48	732.06
Last 2 Years		

<table>
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<tr><td>Y</td><td>N</td><td>Summary description (Note 2)</td></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><td>Year</td><td>Fabric
(per ton)</td><td>Garment
(per thousand dozen)</td></tr>
<tr><td>2024*</td><td>410.65</td><td>675.49</td></tr>
<tr><td>2025</td><td>373.62</td><td>675.12</td></tr>
</table>
In addition to the basic regulatory requirements, in 2016, the Taiwan plant site has established the “Waste Handling Contractor Survey Form” and “Waste Handling Contractor Audit Form” for the handling of wastes, and the scope of the survey includes document review, disposal capability and risk assessment (illegal events, public protest or complaint), and the audit items include disposal, storage, processing, final treatment and document review. In 2018, the Vietnam plant site has implemented the “Waste Handling Contractor Evaluation Regulations” in order to perform contractor evaluation. Through a complete review mechanism, the most optimal handling contractor is selected, thereby ensuring that the industrial wastes are handled via the most appropriate method.
</td><td></td></tr>
<tr><td>IV. Social Issues

A. Has the Company formulated the administrative policies and procedure in compliance with relevant laws and international convention on human right?</td><td>V</td><td></td><td>
A. The Company complies with the local laws of all its operating sites globally. In accordance with internationally recognized human rights standards—including the “International Bill of Human Rights,” the “Core Labor Standards of the International Labor Organization (ILO) Conventions,” the “International Covenant on Economic, Social and Cultural Rights (ICESCR),” and social responsibility standard systems—as well as local laws and regulations, the Company treats every current employee with respect and has established the “Human Rights Policy.”

Most importantly, the Company has established management mechanisms at both the policy and management levels to safeguard employee human rights. The Sustainability Department is responsible for the specialized planning and supervision of related operations, while the respective functional units carry out the actual implementation. Furthermore, the Human Resources Subcommittee under the Sustainability Steering Committee provides quarterly reports on human rights promotion and management performance to ensure continuous oversight.

The human rights policy and specific management actions of the Company is as follows:
<table>
<tr><td>Human Rights Policy</td><td>Management Actions</td></tr>
<tr><td>Safeguard Workplace Health and Safety

(in line with ergonomics to prevent occupational hazards)</td><td>1. Implement the ISO 45001 Occupational Health and Safety Management System to inspect health and safety management and prevent work-related injuries and illnesses.
2. Invest in equipment upgrades and introduce automated machinery to improve the work environment and reduce the occurrence of</td></tr>
</table>
</td><td>None</td></tr>
</table>

Item	Implementation status (Note 1)			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Y	N	Summary description (Note 2)	

	occupational hazards and illnesses. 3. Ensure a healthy and comfortable working environment and regularly conduct environmental monitoring. 4. Conduct occupational health and safety training on personal protective equipment usage, chemical hazard management, machine safety, firefighting, and emergency response. 5. Provide training and evaluation for onsite contractors to protect their operational safety within the premises.
Reasonable Working Hour Management	1. Strictly comply with local overtime regulations and never coerce unwilling employees into performing labor services. 2. Monitor employee attendance records via the clock-in system, and if abnormalities are detected, supervisors are promptly notified to pay attention to employee overtime. 3. After system reminders, computers of employees without approved overtime are automatically shut down to control working hours.
Prohibition of Violence and Unlawful Infringement	1. Formulate and announce the "Sexual Harassment Prevention Measures and Disciplinary Guidelines." 2. Prohibit all forms of violence, harassment, or abuse, including verbal, psychological, physical, or workplace bullying. 3. Provide regular training to employees and supervisors to enhance their ability to identify violence and harassment, and to familiarize them with complaint and handling procedures
Protection of Personal Data	1. Established an "Information Security Policy" and appointed dedicated personnel responsible for overseeing information security and protecting employees' personal data. 2. Conduct annual information security training and assessments for all employees, along with irregular promotional campaigns to raise

Item	Implementation status (Note 1)			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Y	N	Summary description (Note 2)	

	awareness.
Fair Employment and Non-Discrimination	1. The Company follows the Act of Gender Equality in Employment and the codes of conduct of various brands and announces the relevant ethical standards across all factory locations. We ensure that employees are not discriminated against or unfairly treated in employment, compensation, benefits, promotion, disciplinary action, termination, or retirement based on gender, gender identity, race, religion, age, disability, illness, marital status, pregnancy, sexual orientation, nationality, political views, social or ethnic background, or other factors. 2. Established sexual harassment prevention measures and set up grievance mechanisms.
Compliant Compensation and Benefits	1. The Company has established an "overall compensation and benefits structure," and determines adjustments to salaries for new hires, annual salary increases, promotion-based salary increases, quarterly performance bonuses, and year-end bonuses based on the Company's annual operational results and employee performance evaluations. 2. Provides compensation and benefits above the industry average to maintain competitiveness in the job market. 3. Established a daycare center at the headquarters to help employees balance work and family responsibilities, and provides daycare subsidies.
Responsible Recruitment	1. All foreign migrant workers employed at each facility are fully covered under the "zero recruitment fee" policy and are not required to pay recruitment-related fees, visa fees, residence permit costs, or medical examination expenses. 2. Ensures that each migrant worker has the right to retain personal documents (such as ID cards, passports, and bankbooks) and enjoys full freedom of movement. 3. Prior to departure from their home country, migrant workers are fully informed of all employment terms in their native language, to ensure

Item	Implementation status (Note 1)			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Y	N	Summary description (Note 2)	

	their rights are protected. 4. Conducts due diligence on recruitment agencies in the migrant workers' countries of origin.
Prohibition of Forced Labor	The Company complies with government labor regulations and international standards, strictly prohibiting the use of forced or coerced labor against a person's will, and forbids any restriction on personal freedom, including confiscation of personal documents.
Prohibition of Child Labor	1. The Company strictly prohibits the employment of child labor under the legal working age at any of its operating sites and throughout its supply chain and ensures that children do not enter the workplace. 2. The Company has established clear recruitment procedures to verify applicants' ages through ID document checks and interviews.
Freedom of Association and Collective Bargaining	1. Employees are respected and guaranteed the right to freely choose whether to join a labor union in accordance with local laws. 2. Employees are encouraged to freely organize clubs, and the Company provides subsidies to support their operation.
Provision of Diverse and Anonymous Grievance Mechanisms	1. In accordance with local labor and occupational health and safety regulations, as well as relevant international standards, the Company has established corresponding grievance policies and procedures. 2. The Company promotes two-way communication through routine business and production-sales meetings and conducts an annual employee satisfaction survey. 3. The Company has formulated the "Grievance Handling Procedure," and accepts complaints and feedback via a dedicated phone line and email inbox, which are handled and followed up by a designated unit.
Responsible Raw Material Procurement	1. Require suppliers to sign the Code of Conduct and ensure compliance with relevant local regulations.

Item	Implementation status (Note 1)			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Y	N	Summary description (Note 2)	
			<table><tr><td></td><td>2. Provide training to suppliers to enhance their awareness of human rights, occupational health and safety, and environmental management standards. 3. Conduct regular internal audits of suppliers to verify actual practices and review external audit reports. 4. Establish a supplier evaluation system to systematically assess their sustainability performance and regulatory compliance.</td></tr></table> Adhering to the spirit of the "International Bill of Human Rights" and the "Core Labor Standards of International Labor Convention", the Company has established the "Eclat Human Rights Policy." We have developed a standardized human rights due diligence process to identify, prevent, and mitigate potential risks such as labor disputes, workplace safety, and working hour management. (I) Issue Identification and Materiality Assessment We screened key human rights issues based on industry risks and internal operations. The Sustainable Development Committee and human rights officers evaluated these issues via questionnaires based on: Dimensions: "Likelihood of Occurrence" (frequency) and "Severity" (impact, remendability, and losses). Risk Matrix: Quantitative analysis was used to plot a matrix and prioritize management. Strategy: Preventive measures and remediation mechanisms are prioritized for high-materiality issues (see page 90, "3.2 Labor Human Rights Protection"). (II) Supply Chain Human Rights Management To ensure a sustainable supply chain, we manage subcontractors via four pillars: Compliance: Require adherence to local laws and the "Eclat Code of Integrity Management"; sign the "Supplier Code of Conduct"; and provide environmental permits. Risk Assessment: Require self-assessment reports to grade subcontractors on credit, quality, and human rights risks. On-site Audits and Guidance: Conduct field audits and document reviews to facilitate direct communication and follow-up improvements (see page 116, "4.3.3 Sustainable Supply Chain").	

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	Y	N	Summary description (Note 2)	
			This year, we conducted on-site audits of 30 subcontractors within the Fabric Business Division. While 25% of these subcontractors exhibited human rights deficiencies—primarily involving labor contracts that had not been updated with the current minimum wage and a lack of translated human rights policies for migrant workers—the improvement rate reached 100% following our intervention. We maintain a strict policy where non-compliant partners face re-audits or restricted cooperation. Through the identification of key issues and targeted guidance, we continue to reinforce labor rights management throughout our supply chain. For detailed findings and remedial measures, please refer to Item 4-(6) in the following table: "Whether the Company has established supplier management policies requiring compliance with environmental protection, occupational safety and health, or labor human rights regulations, and the implementation status thereof."	
B. as the Company established and implement reasonable welfare measures (incl. remuneration, vacation and other benefits), and properly based employees' remuneration on business performance?	V		B. The status of relevant employee welfare provided by the Company, employee safety and health as well as employee career development and training implementation is disclosed in the following. (Please refer to "2.3 Remuneration Welfare and Care" on page 61 of the Report.) **1. Continuous salary raises** From 2018 to 2024, the Company's performance continued to grow, with the exception of 2023 when industry conditions were uncertain. To reward our employees for their hard work, overall salary adjustments of 3% to 5% have been implemented for six consecutive years. Following the assessment of a market recovery, an overall salary adjustment was implemented in 2025. Furthermore, upon the achievement of performance targets for the first three quarters of 2025, incentive bonuses were granted to boost employee morale, as approved by the Board of Directors. **2. Addition of overseas staff's relative rental subsidy and education allowance** The maximum overseas staff's relative rental subsidy reaches USD 650 per month and the children's education allowance of USD 3,400 per academic year, allowing overseas employees to work securely in foreign places and increase the retention rate. **3. Flexible Make-up Workday Policy** If the Company meets its performance targets in the previous year, employees are granted additional leave on government-mandated make-up Saturdays, thus promoting better work-life balance. **4. Promoting Workplace Diversity and Gender Equality** The Company has established operations in Taiwan, Vietnam, Cambodia, and Indonesia. As of the end of 2025, the total number of employees across these four locations reached 21,582. In each location, female employees constitute the	None

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<tr><th>Y</th><th>N</th><th>Summary description (Note 2)</th></tr>
<tr><td></td><td></td><td></td><td>majority: 63.3% in Taiwan, 86.4%in Vietnam, 82.3% in Cambodia, and89.9% in Indonesia.
5. Ratio of Female Senior Executives
In 2025, 44.8% of the Company’s managers were female, and 20% of associate vice presidents and above were female.
6. Concrete Actions for a Diverse and Friendly Workplace
Most of the Company’s employees are female. In addition to enacting the Diversity, Equality and Inclusion Policy, the Company places particular emphasis on a female-friendly workplace. Facilities include a lactation room, breastfeeding breaks, and designated VIP parking spaces for pregnant employees. A childcare center is located on the ground floor of the headquarters. Employees who enroll their children in the center are eligible for childcare subsidies.
In light of the demand for infant care in the neighborhood of New Taipei City’s Xinzhuang subcenter, where the Company is headquartered, the center is also open for external enrollment. Currently, 31 children of employees and 4 children from the community are enrolled.
7. Promotion of Volunteer Leave
Implementing a Volunteer Incentive Mechanism: To encourage employees to engage in social participation during their time off, the Company has established a Volunteer Leave Grant System. Employees who volunteer for Company-organized activities are granted corresponding volunteer leave based on their service hours. Through these concrete actions, we support our employees in practicing social sustainability, achieving a balance between professional responsibilities and social contribution.</td><td></td></tr>
<tr><td>C. Has the Company provided a safe and healthy workplace, and delivered safety and health education to its workers periodically?</td><td>V</td><td></td><td>C. The Company provides a safe and healthy working environment for employees and regularly implements safety and health training as follows. (Please refer to Section 3.1 “Occupational Safety and Health” on page 76 of the Report.)
To strictly comply with national laws and labor site regulations, the Company has established the “Eclat Environmental, Safety, Health and Energy Policy,” and formulated the “Occupational Health and Safety Management System” in accordance with ISO 45001:2018, CNS 45001:2018, and TOSHMS. The system has been certified under ISO 45001 and TOSHMS certifications. The scope of verification encompasses all production sites in Taiwan, as well as select production sites in Indonesia and Vietnam. The validity periods of the certificates are listed in the table below:
<table>
<tr><th>ISO 45001 Certificate/ Factory</th><th>Start Date</th><th>End Date</th><th>Certification Body</th></tr>
<tr><td>Taiwan Da-Yuan Plant</td><td>Aug. 26, 2025</td><td>Aug. 26, 2028</td><td>SGS</td></tr>
<tr><td>Taiwan Hsi-Chou Plant</td><td>May 02, 2025</td><td>May 02, 2028</td><td>SGS</td></tr>
</table></td><td>None</td></tr>
</table>

Item	Implementation status (Note 1)			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
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Eclat Textile Co. Ltd. (Vietnam)	Dec. 04, 2024	Dec. 03, 2027	BSI
E-TOP (Vietnam) Co., Ltd.	Feb. 12, 2026	Mar. 08, 2029	BV
Colltex Garment Mfy Co., Ltd. (VN)	Dec. 24, 2024	Dec. 23, 2027	Intercert
PT Eclat Textile International	Nov. 02, 2024	Nov. 01, 2027	URS

Through a comprehensive PDCA-based sustainability and occupational safety and health management system, the Company regularly convenes Environmental and Occupational Safety and Health Committees to continually improve working conditions and fully prevent occupational injuries and illnesses. Personnel covered include employees (98.1%) and non-employees (1.9%) performing work under the Company's control. The Vietnam sites have adopted similar occupational safety and health standards to those in Taiwan to ensure consistency in working conditions.

2025 Number of employees of occupational accidents and ratio thereof (Excluding Commuting Accidents)

Region	Number of employees in occupational accidents	Occupational accident rate
Taiwan	2	0.11%
Vietnam	20	0.17%
Cambodia	31	2.01%
Indonesia	18	0.3%
Total	71	0.33%

In 2025, the Company's total investment in environmental improvements across all its sites was approximately NT$20.58 million. This included approximately NT$9.63 million in Taiwan, NT$8.08 million in Vietnam, NT$2.36 million in Cambodia, and NT$0.51 million in Indonesia to improve the working environment at each site. Beyond basic personal protective equipment (PPE), the improvement initiatives encompass the installation of ergonomic labor-saving devices and on-site fire safety systems, alongside enhancements to thermal environments and ventilation to elevate workplace comfort. Additionally, measures include the deployment of machine safety guards, optimization of facility lighting, structural repairs to plant environments, installation of staircase safety handrails, and the allocation of funds for safety culture competitions.

The Company provides regular occupational safety and health training every year. For details regarding the investment in

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<tr><th>Y</th><th>N</th><th>Summary description (Note 2)</th></tr>
<tr><td></td><td></td><td></td><td>employee safety and health training hours and expenses in 2025, please refer to Section 5, Business Overview / Labor Relations / (II) Employee Training Measures.

The number of fire incidents, casualties, and casualty rate as a percentage of total employees in 2025 is summarized in the following table.

<table>
<tr><th>Region</th><th>Number of Fire Incidents</th><th>Number of Casualties</th><th>Casualty Ratio</th></tr>
<tr><td>Taiwan</td><td>0</td><td>0</td><td>0%</td></tr>
<tr><td>Vietnam</td><td>0</td><td>0</td><td>0%</td></tr>
<tr><td>Cambodia</td><td>0</td><td>0</td><td>0%</td></tr>
<tr><td>Indonesia</td><td>0</td><td>0</td><td>0%</td></tr>
<tr><td>Total</td><td>0</td><td>0</td><td>0%</td></tr>
</table>

Every six months, we conduct regular disaster preparedness drills, and each production site also completes annual building fire safety inspections and tests on fire systems maintenance to ensure their smooth operation during emergencies. All factory colleagues undergo online occupational safety, health, and fire management basic courses to learn about fire and explosion risk identification, analysis, response strategies, and evaluation concepts, achieving the participation of all staff in fire prevention and enhancing fire safety awareness.

In Taiwan, quarterly patrols using infrared (IR) thermography are conducted on electrical panels to detect equipment abnormalities in advance. Upon identifying abnormal temperatures on the panels, investigations into the root causes are conducted, and improvements are made. If abnormal temperature points are detected, the facilities and electricians are promptly notified to rectify the abnormalities, and continuous monitoring is conducted to mitigate operational risks in the factories.</td><td></td></tr>
<tr><td>D. Has the Company offered effective training programs for vocational skills development to its workers?</td><td>V</td><td></td><td>D. The Company establishes effective career and skill development training program for employees as described in the following. (Please refer to the description of “2.2 Talent Cultivation and Development” on page 57 of the Report):

To ensure that employees receive training and knowledge that align with their professional and functional needs, each department head submits the following year’s training plan and budget based on their business and personnel needs at the end of each year. These are reviewed and approved by the Human Resources Department, which also provides necessary resources for implementation.

The human resource division is also responsible for the establishment of the Company’s education and training directives,</td><td>None</td></tr>
</table>

Item	Implementation status (Note 1)			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Y	N	Summary description (Note 2)	
			internal instructor training and tracking, and evaluation and review of education and training plans. Since 2019, the Company has launched the "Eclat e-School" program, and the internally prepared digital courses have increased 13 courses, such that employees' learning is not restricted by location and time. We also implement online and offline education, allowing employees to select the learning model most suitable to their needs.	
E. Has the Company conformed to relevant laws and international standards, and established policies on consumer rights protection and complaint system, in regard to the health and safety of its customers, client confidentiality, product marketing and labeling?	V		E. The product sales target of the Company refers to international brand makers, and the products provided by the Company must comply with relevant regulations and international standards. With regard to the research and development, procurement, manufacturing, operation and service processes, the Company establishes the inspection procedure, including the use of non-toxic dyes, metal testing probe, autonomous or third-party verification institution to conduct test reports etc. in order to ensure the rights and benefits of consumers. Please refer to"4.2 Service Quality and Customer Management" on page 109 of the report. Although the Company's business model does not involve direct sales to consumers—as international brand partners purchase the products outright and handle direct sales and consumer complaints—the Company, once its clients convey any consumer complaint to it, must investigate its cause and reply to its clients as soon as possible.	None
F. Has the Company enforced policies on supplier management that request the suppliers to comply with the regulations – incl. environmental protection, occupational safety and health and labor rights, etc. and that track their actual practice?	V		F. The Company's "Sustainable Development Best Practice Principles" stipulate those suppliers must sign the "Supplier Code of Conduct" in their contracts. The environmental and social impacts caused by suppliers are included in the evaluation. Suppliers are required not to violate the Supplier Code of Conduct. The Code covers 12 areas including: (1) environment, (2) human rights, (3) overtime work, (4) anti-discrimination, (5) prohibition of child labor, (6) anti-harassment, (7) occupational health and safety of work premises and workers, (8) compliance with environmental laws, (9) pollution prevention, (10) hazardous substance management, (11) wastewater and waste discharge management, and (12) air pollution management. In 2025, all contract renewals with outsourced processing suppliers were completed. Please refer to"4.3 Sustainability Value Supply Chain" on page 118 of the report. **Determine the severity of violations against sustainability issues by identifying specific requirements** <table><tr><th>Level</th><th>Type</th></tr><tr><td>No Issue</td><td>No defects</td></tr><tr><td>Needs Improvement</td><td>1. Written labor contract not signed. 2. Failure to retain salary records and attendance logs.</td></tr></table>	None

<table>
<tr><th rowspan="2">Item</th><th colspan="3">Implementation status (Note 1)</th><th rowspan="2">Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons</th></tr>
<tr><th>Y</th><th>N</th><th>Summary description (Note 2)</th></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><td></td><td>3. Over the hour limit of overtime
4. Salary is not paid on a regular basis
5. At least 1 day off every 7 days
6. Failure to lawfully establish and maintain the fire system in proper working condition.
7. Non-compliant management of chemical storage.
8. Non-compliance with machine equipment operation, education and training, or permits.
9. Lack of environmental-related permits or licenses.
10. Other labor or environmental health and safety deficiencies.</td></tr>
<tr><td>Critical</td><td>1. Discrepancy between registered business or factory address and actual location.
2. Physical or verbal violence, harassment, obstruction of freedom of association.
3. Lack of a clock-in system to track attendance and working hours.
4. Severe environmental issues: such as illegal discharge or burial of chemicals, wastewater, or waste.
5. Serious occupational health and safety problems: like unsafe building structures, failure to report safety inspections of fire evacuation equipment, lack of maintenance for fire equipment, insufficient emergency exits, dormitories not separate from production buildings and warehouses.</td></tr>
<tr><td>Zero Tolerance</td><td>1. Non-cooperation during investigations, providing false documents.
2. Utilizing subcontractors without proper authorization.
3. Operating without a business license, bribing auditors, retaliating or attempting to influence interviewed employees.
4. Failing to meet minimum wage requirements, not providing overtime pay.
5. Confiscating colleagues' passports, bankbooks, identification documents, etc.
6. Forced labor.
7. Withholding wages, compelling savings.
8. Use of child labor.</td></tr>
</table>
In 2025, 30 subcontractors located in Taiwan that handled specific customer orders underwent evaluation. The results indicated room for improvement; however, most deficiencies were identified as "non-critical" issues related to labor practices, fire safety, and Environmental Health and Safety (EHS). Under the guidance and support of Eclat, all</td><td></td></tr>
</table>

Item	Implementation status (Note 1)			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Y	N	Summary description (Note 2)	
			subcontractors successfully rectified these issues within the stipulated timeframe. Moving forward, we will continue to conduct annual follow-up audits to ensure ongoing compliance. All identified deficiencies were categorized as "non-critical," as detailed below:	

Aspect	Level	Deficiency	Remedial Measures
Business Ethics	N/A		
Labor	Non-critical	Incomplete employee attendance records	Retroactively updated and documented attendance records
		Labor contracts not updated with the latest minimum wage	Updated and revised labor contracts
		Human rights policy lacks versions in migrant workers' native languages	Provided translated versions of the human rights policy
Fire Safety	Non-critical	Building/Fire safety inspection reports were not updated	Commissioned third-party inspections
		Fire drill records missing or lacking photographic evidence and sign-in sheets	Conducted drills and completed all required documentation
		Obstructions in fire aisles or expired fire extinguishers	Removed obstructions and replaced/refilled expired extinguishers
		Emergency exits blocked; evacuation maps lack migrant worker languages or "You Are Here" markers	Cleared exit paths and updated evacuation maps with translations and current location markers
Environmental Health and Safety	Non-critical	Failure to appoint or provide certification for first-aid or occupational safety and health personnel	Assigned personnel for training and certification
		Lack of Safety Data Sheets (SDS) or on-site labeling for lubricants	Provided SDS documents and applied proper labeling
		First-aid kits contained expired items or over-the-counter (OTC) medications	Updated first-aid kit contents and removed inappropriate items

<table>
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<tr><td></td><td></td><td></td><td><table>
<tr><td rowspan="2"></td><td rowspan="2"></td><td>Latest labor-management meeting minutes not maintained</td><td>Updated and archived meeting records</td></tr>
<tr><td>Drive belt guards on sewing and fabric-dropping machines were not properly reinstalled</td><td>Reinstalled all safety guards</td></tr>
</table></td><td></td></tr>
<tr><td>V. Has the Company stipulated standards or guidelines according to the internationally accepted report, prepared corporate ESG report etc. and reports for disclosing non-financial information of the Company? Has the aforementioned reports obtained the assurance or guarantee opinions from a third verification unit?</td><td>V</td><td></td><td>The Company entrusts the independent Ernst & Young (EY) with credibility to assist the Company to perform limited assurance according to the report prepared by GRI Standards, Assurance Standards No. 1 “Non-historical Financial Information Audit or Review Assurance Cases” announced by the Accounting Research and Development Institute (established based on ISAE3000), and to issue the limited assurance report of independent auditor.</td><td>None</td></tr>
<tr><td colspan="5">VI. Where the Company establishes its own ESG according to the “Sustainable Development Best Practice Principles for TWSE/ TPEx Listed Companies”, please describe the discrepancy between its operation and the principles established: The Company has established a Sustainable Development Committee and formulated the “Sustainable Development Best Practice Principles,” which have been approved by the Board of Directors. This ensures that the Company’s various business development strategies further incorporate the concept of sustainable development and its implementation. various business development strategies of the Company to further comply with the concept of sustainable development and implementation of the execution thereof.</td></tr>
<tr><td colspan="5">VII. Other important information to facilitate the understanding of implementation of sustainable development initiatives

(1) Rooted in Taiwan:
The Company has established its new corporate headquarters in Xinzhuang District, New Taipei City, and operates factories in Da-yuan District, Taoyuan City and Houlong Township, Miaoli County, creating substantial local employment opportunities.

(2) Industry-academia collaboration:</td></tr>
</table>

Item	Implementation status (Note 1)			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Y	N	Summary description (Note 2)	

The Company collaborates with multiple universities to provide paid internships for 10 outstanding students. In addition, the Company has funded the establishment of the Eclat Education Foundation, which offers scholarships to outstanding students. Senior executives also participate as lecturers in various courses, aiming to cultivate new talent for the textile industry and provide students with practical experience.

(3) Investing in the development of domestic culture:

To nurture outstanding emerging Taiwanese fashion designers and enhance their international visibility, the Company donated NT$700,000 to the "FJU Talents Fundraising Project."

The Company has hosted the Eclat Fashion Design Competition for nine consecutive years to promote creative aesthetics in the sports and leisure apparel industry, discover outstanding local design talents, and invigorate the industry atmosphere. Together with the Eclat Education Foundation, the 10th competition in 2025 offered a total prize pool of NT$1,530,000, attracting around 300 talented designers to participate.

Over the years, the Company has frequently sponsored the “Taiwan Fashion Design Award (TFDA) New Talent Award” organized by the Taiwan Textile Federation.

(4) Community engagement:

Headquarters: To demonstrate our commitment to social responsibility, the Headquarters mobilized 150 employees along with their families and friends to participate in a beach cleanup at Dingliao Beach in Linkou, New Taipei City. Additionally, the Company invited "Hao Shi Sheltered Workshop" and "Green Sprout" to hold two charity sales in the employee cafeteria, raising approximately NT$60,000. Furthermore, a group of 30 employees was organized to volunteer at a local animal shelter to provide care for stray dogs.

Dayuan Plant: Adopted the upstream section of Laojie Creek in Taoyuan District, conducting regular patrols and cleanups to maintain the waterway.

Xizhou Plant: Sponsored multiple community engagement events in Houlong Township, including those involving local junior high and elementary schools, and volunteer police and firefighters, with a total investment of NT$385,000.

For more details, please refer to “3.3 Community and Social Co-Prosperity” on page 101 of the Report.

Note 1: If the Implementation Status is selected as “Yes,” please explain the key policies, strategies, measures taken and execution status; if Implementation Status is selected as “No,” please explain deviation and reasons in the field of “Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons”, and explain any relevant policy, strategy and measure planned for the future.

Note 2: Materiality principle refers to relevant environment, society and corporate governance issues having material impacts on the investors and other interested parties of the company.

Note 3: Climate change risk assessment results and the corresponding mitigation measures adopted:

Identification and assessment table for major climate risks

Type of Risk		Risks regarding climate	Risk Description	Financial Impacts	Impact boundary	Management strategies and goals
Physical risks	Long term	1. Changes in precipitation patterns and extreme changes in climate patterns	A severe water shortage may cause the following operational risks: 1. Limited water use leads to the obstacles of brewing raw materials procedure. 2. Reduced water usage in the dyeing process leads to a reduction in production. 3. If the air compressor lacks cooling water, it will stop production.	Decrease in revenue	Eclat Downstream	**Strategies: Response Measures** 1. Monitor water consumption, identify major water consumption stages and implement various water-saving measures. 2. Lay down response measures to limit water and increase the water recovery rate. **Goals:** 1. Enhance the water recycling rate. The Fabric Division achieved a recycling rate of 25.63% in 2025. 2. Raise the number of water towers to improve the water storage capacity of the plant.
Transition Risks	Policies and regulations	1. Increasing demands of revealing the carbon emission data	The increasing demand for carbon-related requirements from investors and customers have led to increased costs and profits reduction.	Cost of production may increase	Eclat	**Strategies: Response Measures:** To respond to customer demands as early as possible, we have been gradually replacing the high energy-consuming equipment with decentralized low energy-consuming equipment. **Goal:** Complete all equipment replacement and improvement in every garment factory.
		2. The laws and regulations regarding greenhouse gas are tightened; Carbon border tax	1. The requirements of the Taiwan Stock Exchange for disclosure of non-financial information in annual reports have become increasingly strict and detailed day by day. 2. If the greenhouse gas management law and regulations officially implement the carbon trading system, open	Cost of production may increase	Eclat	**Strategies: Response Measures:** 1. Trace and identify the related laws and regulations every month. 2. Closely pay attention to Carbon Border Adjustment Mechanism, CBAM. 3. Transform the energy and raise the using

Type of Risk		Risks regarding climate	Risk Description	Financial Impacts	Impact boundary	Management strategies and goals
			the carbon trading market, or start to impose carbon taxes, the purchase of carbon credits or the company's emission costs will increase. 3. “Renewable Energy Development Act.” If the Taiwanese government imposes a certain ratio of renewable energy on large-scale energy consumers, it will increase the costs for renewable energy consumption of the Company. 4. The border carbon tax will increase operating costs.			proportion of renewable energy to decrease product carbon footprint. **Goals:** 1. Taiwan Operations to achieve a renewable energy usage ratio of 10% by 2025. 2. Vietnam Operations to achieve a renewable energy usage ratio of 15% by 2025. Actual Achievement: 1. Taiwan Operations: 9.75%. 2. Vietnam Operations: 10.9%.
	Technology	3. Replace the existing products and services with low-carbon products 4. The cost for the transformation of low-carbon technology	Additional costs are incurred by implementation of new technology and equipment.	Cost of production may increase	Upstream Eclat	**Strategies: Response Measures:** Modify certain technologies and raw materials, invest in new equipment and technical personnel, and increase the proportion of renewable energy use in each factory. **Goal:** Once stabilized, costs in both energy allocation and technical operations will decrease, thereby reducing production costs.

Identification and Assessment Table of Major Opportunities of Climate

Opportunity category		Opportunities regarding climate	Opportunity Description	Financial Impacts	Impacted site	Management strategies and goals
Opportunities	Resource efficiency	a-1. Adopt a more efficient transportation approach	Prevent the cost and waste of manpower due to repeated transportation.	Production cost may reduce	Fabric Division	**Strategies: Response Measures:** Organize and combine the shipments at the same export location to reduce the number of shipments, as well as reduce carbon emissions caused by transportation. **Goal:** Organize and combine orders from all business departments for unified production scheduling.
			Encourage our suppliers to invest in the areas surrounding our factories to reduce the overseas shipping costs. The procurement cost of raw materials is expected to be reduced with shorter transportation distance and the greenhouse gas emissions in scope 3 of plants can also be reduced.	Production cost may reduce		**Strategies: Response Measures:** Invite and advise our close strategic alliance suppliers of the investment advantages and encourage them to establish factories in Vietnam. **Goal:** 80% of raw materials are locally purchased to form a clustering effect for the industry and enhance the vertical communication efficiency in the supply chain.
		a-2. Use more efficient processes of production and distribution	Prevent wasting resources (energy and human resources) from repeatedly producing the same product and reduce environmental loading (carbon emissions and wastewater).	Production costs may reduce.		**Strategies: Response Measures:** Through combining the end customers, integrate the orders and produce them at once. **Goal:** Improve production quality and reduce the rework rate. Simplify the production process and consolidate shipments.
		a-3. Reduce energy consumption and decrease emissions	Save the energy consumption for the company	Production cost may reduce	All production sites	**Strategies: Response Measures:** Reduce various kinds of energy use, increase energy efficiency. **Goal:** All factories finish replacing the high energy-consuming equipment, and all paper consumption reduces 50%.
	Energy sources	b. Use low-carbon energy	1. We replace some of our electricity sources with solar power by taking the advantage of the abundant sunshine in Vietnam. (The factory provides the roof areas, and the solar manufacturers are responsible for investment in the equipment and maintenance. Since we use the green energy produced by ourselves, the electricity costs can be discounted by 8%-10%). Despite increasing	Production cost may reduce	Vietnam production sites	**Strategies: Response Measures:** Evaluate the benefits and applicability of using solar power, gradually introduce green energy in each factory, and increase the proportion of renewable energy use. **Goal:** 1. In 2025, the use of renewable energy in the Taiwan Plant will account for 10%. 2. Overseas factories' renewable energy use will account for 15% in 2025.

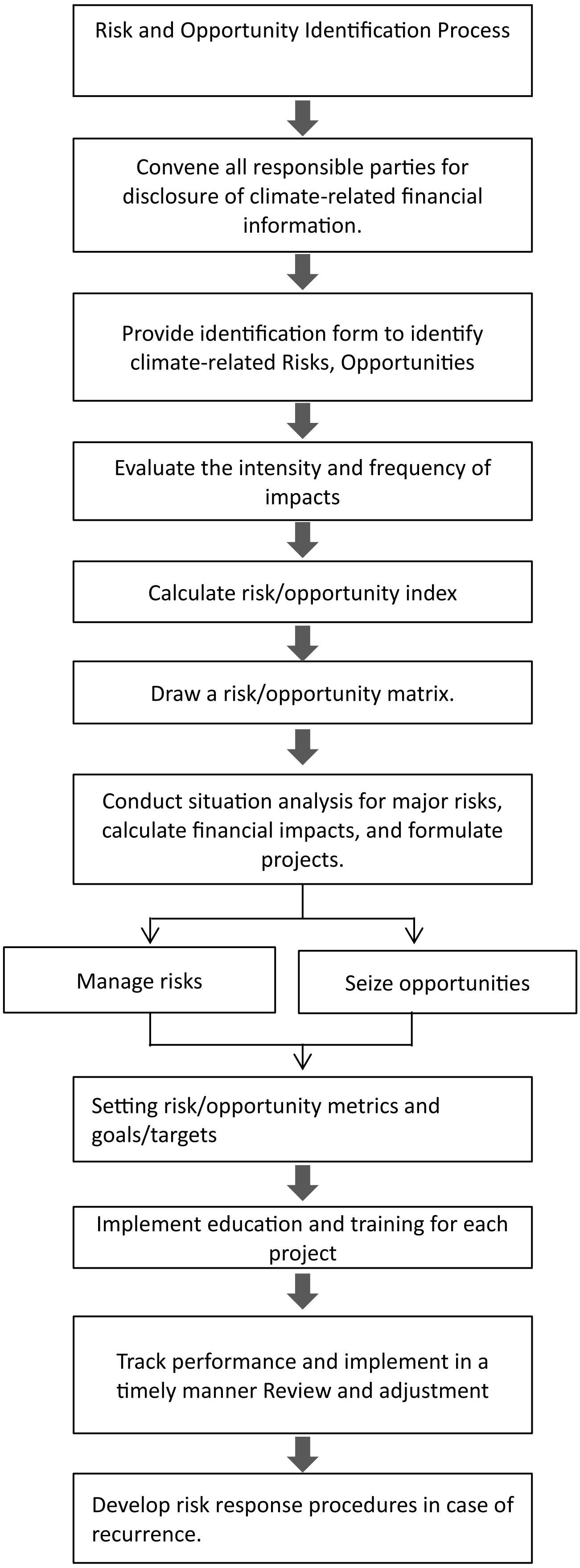
Opportunity category		Opportunities regarding climate	Opportunity Description	Financial Impacts	Impacted site	Management strategies and goals
			the rate of using green electricity, we can also get green electricity at preferred rates. 2. Moreover, it can also decrease the market-based emissions in scope 2, and the lower product emissions are beneficial to reduce the cost of the border carbon tax in the future.			
	Products and services	c. Develop and/or increase low-carbon products and services	The Carbon Footprint Verification of products set a goal for carbon reduction in the production process.	Revenue can increase	Fabric Division	Strategies and Response Measures: Conduct carbon footprint certification for major products to understand and improve energy consumption hotspots. Goals: Have 10% of self-developed products pass carbon footprint certification, understand energy consumption hotspots in the production process, and improve production energy efficiency by 10% within five years.
		d. R&D and innovation of developing new products and services	As the average temperature rises, the demands of moisture-wicking fabric have increased. Our company currently has developed functional fabric with better moisture absorption and perspiration performance. Temperature changes will indeed change consumers' preferences and demands for clothing. However, we cannot assure the change tendency of the temperature; thus, the transformation opportunity cannot ensure to be consistent.			**Strategies: Response Measures:** Continue to develop functional fabrics with better moisture absorption and perspiration performance. **Goal:** Increase the orders for moisture-wicking fabric.

Climate Change Risks and Opportunities Metric Disclosure Framework

Category	Metric	Corporate Governance Actions
Governance	a. Describe the board's oversight of climate-related risks and opportunities.	Climate change-related risks have been integrated into the scope of corporate risk management, and Eclat's "Climate Change Risk Management Procedure" has been approved by the Chairman. Sustainable Development Committee reports corporate risks and response measures to the Board of Directors on an annual basis.
	b. Describe management's role in assessing and managing climate-related risks and opportunities.	The Sustainable Development Committee manages climate change matters at the Company, with the Board of Directors as the highest-level decision-making unit, which reviews the status of the promotion of climate change related issues every quarter, and the Chairperson reports the implementation results of climate change-related issues directly to the Board of Directors annually.
Strategies	a. Describe the short-, medium-, and long-term climate-related risks and opportunities that have been identified by the organization.	Following Eclat's internal goal management timeline, climate risks and opportunities are defined within the framework of short-term (less than three years), medium-term (three to five years), and long-term (more than five years) periods.
	b. Describe the climate-related risks and opportunities that pose a significant impact on the organization's business, strategy and financial planning.	In accordance with the "Climate Change Risk Management Procedure," the "Climate Change Risk and Opportunity Identification Questionnaire" is used to identify material risks and opportunities related to climate change. This assessment helps to evaluate their potential operational and financial impacts on Eclat.
	c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or harsher scenario.	Eclat takes climate change scenarios into account to set strategies and short-, medium- and long-term goals for major risks and opportunities.
Risk Management	a. Describe the organization's processes for identifying and assessing climate-related risks.	The TCFD framework is used to identify climate risks and opportunities, and all departments and plant-related units are brought together to discuss and reach a consensus on the results of the annual significant climate risks, which are confirmed by senior management.
	b. Describe the organization's processes for managing climate-related risks.	This is conducted in accordance with the risk identification process of Eclat's "Climate Change Management Procedures".
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	In 2010, the Company formulated the Enterprise Risk Management (ERM) methodology, and the second revision was completed in 2018, incorporating climate change risk management into the scope of the ERM methodology, defining and identifying climate change risks and opportunities, evaluating their financial impacts, formulating climate risk management strategies, and proposing risk mitigation measures.
Metrics and Targets	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Reduce total greenhouse gas emissions, electricity consumption, and water consumption per unit of product; reduce landfill and incineration of waste, increase the reuse rate of waste, increase the proportion of renewable energy use, and minimize production interruptions due to climate disasters.

Category	Metric	Corporate Governance Actions
	b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	The Company conducts annual GHG inventories for Scope 1, 2, and 3 in accordance with the ISO 14064-1 standard, which are subject to independent third-party assurance.
	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Eclat has established specific strategies, management approaches, and targets for all material climate-related risks and opportunities. Please refer to the "Material Climate Risk and Opportunity Assessment Table" for details.

Climate Change Risk and Opportunity Identification Flowchart



(1) Climate-Related Information of TWSE/TPEx Listed Company

1. Implementation of Climate-Related Information

Item	Implementation status
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	The Company's Sustainable Development Committee at headquarters serves as the governing body for managing climate change, with the Board of Directors acting as the highest-level guiding unit. The Committee reviews the progress of climate-related initiatives on a quarterly basis, and the Chairperson reports the execution results of climate-related issues to the Board annually. The Environmental Sustainability Task Force designs a risk and opportunity identification table and convenes both domestic and overseas factories, as well as all relevant business management departments, to conduct indicator alignment based on the Task Force on Climate-related Financial Disclosures (TCFD) framework. Through comprehensive inventory and identification of various risks and opportunities, the Task Force develops a material risks and opportunities matrix. Based on the results of the matrix analysis, the Task Force estimates the management costs and financial impacts, accordingly, thereby strengthening the Company's climate governance. This systematic approach enables the Company to assess financial relevance, mitigate risks, and seize potential opportunities for improvement and transformation.
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	Refer to page 80-84, "Identification and assessment table for major climate risks" and "Identification and assessment table for major climate opportunities".
3. Describe the financial impact of extreme weather events and transformative actions.	Refer to page 80-84, "Identification and assessment table for major climate risks" and "Identification and assessment table for major climate opportunities".
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	Refer to page 86, "Climate Change Risk and Opportunity Identification Flowchart".
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	Refer to page 80-84, "Identification and assessment table for major climate risks", "Identification and assessment table for major climate opportunities", and "Disclosure Framework for Metrics and Targets of Climate Change".
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	Refer to page 80-84, "Identification and assessment table for major climate risks", "Climate Change Risks" and "Opportunities Metric Disclosure Framework".
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	We will continue to plan and improve in the future.

8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be	Refer to page 61, "D. Has the Company statistically analyzed the greenhouse gas emission, water usage and waste total weight over the past years, and has the company established policies for energy saving, carbon reduction, greenhouse emission reduction, reduction of water usage or other waste management?"
9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points 1-1 and 1-2 below).	

1-1. Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years

1-1-1 Greenhouse Gas Inventory Information Describe the emission volume (metric tons CO2e), intensity (metric tons CO_2e/NT$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years.

Information of the Company	
□Companies with a capital of 10 billion NT dollars or more, engaged in the steel and cement industries. □Companies with a capital of 5 billion NT dollars or more but less than 10 billion NT dollars. ■Companies with a capital of less than 5 billion NT dollars	*The Company's paid-in capital is less than NT$5 billion. Under the Sustainability Development Roadmap, the Company is required to disclose greenhouse gas inventory information for the parent company on a standalone basis starting from 2026. However, the Company proactively commenced and has disclosed standalone parent company and consolidated subsidiary inventory and assurance information since 2023.

Greenhouse Gas Inventory and Assurance Status for Year 2024

Scope 1	Emission Volume (metric tons CO2e)	Intensity (metric tons CO2e/NT$ million)	Assurance Institution	Assurance Information
Eclat Textile Co., Ltd.	8,586.062	0.23	SGS	The disclosed total greenhouse gas emissions of the Company amount to 136,534.41 metric tons of CO2e (constituting 100% of the total emissions) have been assured by a credible institution following the ISO 14064-3 standard. Further details on the reasonable assurance are provided.
Eclat Fabrics (Vietnam) Co., Ltd.	19,871.9564	0.54		
Colltex Garment Mfy Co., Ltd. (VN)	255.7842	0.01		
Eclat Textile Co. Ltd. (Vietnam)	736.6905	0.02		
Tai-Yuan Garments Co., Ltd.	150.8990	0.00		
E-TOP (Vietnam) Co., Ltd.	347.7518	0.01		
Eclat Textile (Cambodia) Co., Ltd	644.5491	0.02		
PT Eclat Textile International	436.2930	0.01		
Total	31,029.9857	0.84		
Scope 2	Emission Volume (metric tons CO2e)	Intensity (metric tons CO2e/NT$ million)		
Eclat Textile Co Ltd.	52,373.326	1.42		
Eclat Fabrics (Vietnam) Co., Ltd.	22,156.3053	0.60		
Colltex Garment Mfy Co., Ltd. (VN)	3,127.5072	0.08		
Eclat Textile Co. Ltd. (Vietnam)	6,929.9165	0.19		
Tai-Yuan Garments Co., Ltd.	1,482.0134	0.04		
E-TOP (Vietnam) Co., Ltd.	2,408.3213	0.07		
Eclat Textile (Cambodia) Co., Ltd	1,600.2722	0.04		
PT Eclat Textile International	4,891.0290	0.13		
Total	94,968.6911	2.58		
Scope 3	10,535.734			

Greenhouse Gas Inventory and Assurance Status for Year 2025

Scope 1	Emission Volume (metric tons CO2e)	Intensity (metric tons CO2e/NT$ million)	Assurance Institution	Assurance Information
Eclat Textile Co Ltd.	8246.8077	0.22	SGS	The Company has not obtained a complete greenhouse gas assurance opinion by the date of printing of the annual report; the verification by SGS is expected to be completed by May 31, 2026. Complete assurance information will be disclosed in the Sustainability Report.
Eclat Fabrics (Vietnam) Co., Ltd.	18,821.0716	0.50		
Colltex Garment Mfy Co., Ltd. (VN)	272.1588	0.01		
Eclat Textile Co. Ltd. (Vietnam)	768.6618	0.02		
Tai-Yuan Garments Co., Ltd.	126.6857	0.00		
E-TOP (Vietnam) Co., Ltd	385.6580	0.01		
Eclat Textile (Cambodia) Co., Ltd	669.6962	0.02		
PT Eclat Textile International	633.9896	0.02		
Total	29,924.7294	0.80		
Scope 2	Emission Volume (metric tons CO2e)	Intensity (metric tons CO2e/NT$ million)		
Eclat Textile Co Ltd.	49,459.7445	1.30		
Eclat Fabrics (Vietnam) Co., Ltd.	20,909.5227	0.55		
Colltex Garment Mfy Co., Ltd. (VN)	3,295.9064	0.09		
Eclat Textile Co. Ltd. (Vietnam)	7,229.9540	0.19		
Tai-Yuan Garments Co., Ltd.	1,511.9075	0.04		
E-TOP (Vietnam) Co., Ltd	2,642.4447	0.07		
Eclat Textile (Cambodia) Co., Ltd	1,508.4795	0.04		
PT Eclat Textile International	6214.4100	0.16		
Total	92,772.3692	2.44		
Scope 3	22,708.9747			

Note 1: Direct emissions (scope 1, i.e., emissions directly from sources owned or controlled by the Company), indirect energy emissions (scope 2, i.e., indirect greenhouse gas emissions from electricity, heat, or steam) and other indirect emissions (scope 3, i.e., emissions from company activities that are not indirect energy emissions, but originate from sources owned or controlled by other companies).

Note 2: The data coverage scope for direct emissions and indirect energy emissions shall comply with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations. Other indirect emissions information may be voluntarily disclosed.

Note 3: Greenhouse gas inventory standards: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the International Organization for Standardization (ISO).

Note 4: The intensity of greenhouse gas emissions may be calculated per unit of product/service or revenue, but at least the data calculated in terms of revenue (NT$ 1 million) shall be disclosed.

1-1-2 Greenhouse Gas Assurance Information

Describe the status of assurance for the most recent 2 fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion.

Greenhouse Gas Assurance Information for year 2024

Scope 1	Emission Volume (metric tons CO2e)	Intensity (metric tons CO2e/NT$ million)	Assurance Institution	Assurance Information
Eclat Textile Co Ltd.	8,586.062	0.23	SGS	The disclosed total greenhouse gas emissions of the Company amount to 136,534.41 tons of CO2e (constituting 100% of the total emissions) have been assured by a credible institution following the ISO 14064-3 standard. Further details on the **reasonable assurance** are provided.
Eclat Fabrics (Vietnam) Co., Ltd.	19,871.9564	0.54		
Colltex Garment Mfy Co., Ltd. (VN)	255.7842	0.01		
Eclat Textile Ltd. Co. (Vietnam)	736.6905	0.02		
Tai-Yuan Garments Co., Ltd.	150.8990	0.00		
E-TOP (Vietnam) Co., Ltd.	347.7518	0.01		
Eclat Textile (Cambodia) Co., Ltd	644.5491	0.02		
PT Eclat Textile International	436.2930	0.01		
Total	31,029.9857	0.84		
Scope 2	Emission Volume (metric tons CO2e)	Intensity (metric tons CO2e/NT$ million)		
Eclat Textile Co Ltd.	52,373.326	1.42		
Eclat Fabrics (Vietnam) Co., Ltd.	22,156.3053	0.60		
Colltex Garment Mfy Co., Ltd. (VN)	3,127.5072	0.08		
Eclat Textile Ltd. Co. (Vietnam)	6,929.9165	0.19		
Tai-Yuan Garments Co., Ltd.	1,482.0134	0.04		
E-TOP (Vietnam) Co., Ltd.	2,408.3213	0.07		
Eclat Textile (Cambodia) Co., Ltd	1,600.2722	0.04		
PT Eclat Textile International	4,891.0290	0.13		
Total	94,968.6911	2.58		
Scope 3	10,535.734			

Greenhouse Gas Assurance Information for year 2025

Scope 1	Emission Volume (metric tons CO2e)	Intensity (metric tons CO2e/NT$ million)	Assurance Institution	Assurance Information
Eclat Textile Co Ltd.	8246.8077	0.22	SGS	The Company has not obtained a complete greenhouse gas assurance opinion by the date of printing of the annual report; the verification by SGS is
Eclat Fabrics (Vietnam) Co., Ltd.	18,821.0716	0.50		
Colltex Garment Mfy Co., Ltd. (VN)	272.1588	0.01		
Eclat Textile Ltd. Co. (Vietnam)	768.6618	0.02		
Tai-Yuan Garments Co., Ltd.	126.6857	0.00		
E-TOP (Vietnam) Co., Ltd.	385.6580	0.01		
Eclat Textile (Cambodia) Co., Ltd	669.6962	0.02		

PT Eclat Textile International	633.9896	0.02		expected to be completed by May 31, 2026. Complete assurance information will be disclosed in the Sustainability Report.
Total	29,924.7294	0.80		
Scope 2	Emission Volume (metric tons CO2e)	Intensity (metric tons CO2e/NT$ million)		
Eclat Textile Co Ltd.	49,459.7445	1.30		
Eclat Fabrics (Vietnam) Co., Ltd.	20,909.5227	0.55		
Colltex Garment Mfy Co., Ltd. (VN)	3,295.9064	0.09		
Eclat Textile Ltd. Co. (Vietnam)	7,229.9540	0.19		
Tai-Yuan Garments Co., Ltd.	1,511.9075	0.04		
E-TOP (Vietnam) Co., Ltd.	2,642.4447	0.07		
Eclat Textile (Cambodia) Co., Ltd	1,508.4795	0.04		
PT Eclat Textile International	6214.4100	0.16		
Total	92,772.3692	2.44		
Scope 3	22,708.9747			

Note 1: This information shall be disclosed in compliance with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations. If the Company has not obtained a complete greenhouse gas assurance opinion by the date of printing of the annual report, it shall note that “Complete assurance information will be disclosed in the sustainability report.” If the Company does not prepare a sustainability report, it shall note that “Complete assurance information will be disclosed on the Market Observation Post System (MOPS),” and shall disclose the complete assurance information in the annual report of the following fiscal year.

Note 2: The assurance institutions shall meet the directions regarding assurance of sustainability reports prescribed by the TWSE and the TPEx.

Note 3: When preparing the disclosure content, the Company may refer to the best practice reference examples on the TWSE Corporate Governance Center website.

1-2 Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan

Specify the greenhouse gas reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets.
(1) Corporate Strategies for Climate Change Adaptation and Greenhouse Gas Management In response to the increasing threat of extreme climate disasters and the growing demand for stringent low-carbon sustainability regulations, evaluating the risks and opportunities posed by climate change and initiating energy-saving and carbon reduction management has become a crucial agenda for the Company. We commit to the following strategies as the guiding principles for addressing climate change. **Compliance with Local Regulations and Support for International Climate Initiatives** The Company complies with, and often exceeds, local greenhouse gas and carbon management regulations applicable to its facilities. It also responds to international carbon disclosure initiatives and meets sustainability disclosure requirements from brands and customers to fulfill client expectations and local societal demands. **Climate Risk Communication and Promotion of Climate Action** The Company convenes senior management from the Sustainable Development Committee and all relevant departments to emphasize the importance of addressing climate change and the urgency of climate risk management. Through this process, employees are encouraged to cultivate sustainable awareness and internalize the Company’s commitment to tackling climate risks. **Assessment of Major Climate Risks and Identification of Climate Opportunities** The Company evaluates the risks and opportunities brought about by climate change at each of its production sites. For significant risks and opportunities, it assesses the potential operational and financial impacts on the business.

Establishment of Risk Management Systems and Performance Indicators
Based on the prioritization of identified impacts and existing internal target timelines, the Company sets short-, medium-, and long-term goals for energy conservation and carbon reduction.
Development of Risk Mitigation Measures and Implementation of Energy-Saving Programs
Efforts are made to reduce equipment energy consumption and improve energy efficiency. Enhanced greenhouse gas reduction management and the promotion of low-carbon process planning are also key focuses.
Enhancing Climate Resilience and Implementing Adaptation Measures
To prevent operational disruptions at production sites due to climate change and extreme weather events, the Company establishes response guidelines and contingency plans based on identified physical risks such as droughts, typhoons, and floods, thereby minimizing the impact of climate-related disasters.
Achieving Energy Transition through the Use of Clean and Renewable Energy
The Company is phasing out coal usage and adopting cleaner alternatives such as natural gas, biomass, and other green energy sources. It is also installing solar power systems or purchasing renewable energy to increase the proportion of renewable energy used.

(2) Corporate Greenhouse Gas Emission Reduction Targets
Set the year 2017 as the baseline, the intensity target for the year 2025 is a 20% reduction. (As of 2025, the cumulative reduction in greenhouse gas (GHG) emission intensity reached 11.95% for the Garment Division and 39.9% for the Fabric Division.).

(3) Budget and Plan for Corporate Greenhouse Gas Emission Reduction
In response to internal and external carbon reduction expectations, the Company is actively pursuing energy transition by installing solar power facilities across its Taiwan, Vietnam, and Cambodia sites. Moving forward, we will continue to evaluate and expand solar capacity based on site conditions. In 2025, total renewable energy generation reached approximately 11.27 million kWh, resulting in a carbon reduction of 5,978.95 metric tons of CO_2e

(4) Carbon Reduction Effects of the Company Products or Services for Customers or Consumers
The Company will focus on locally sourcing raw materials to reduce indirect emissions caused by logistics and transportation. Additionally, efforts will be made to increase the usage of eco-friendly yarns, thereby reducing carbon emissions from the production of raw yarn. The development of low-carbon processes is prioritized to create environmentally friendly products.

Note 1: This information shall be disclosed in compliance with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations.

Note 2: The base year shall be the fiscal year in which the greenhouse gas inventory is completed based on the consolidated financial reporting boundary. For example, under the order issued under Article 10, paragraph 2 of the Regulations, a company with capital of NT$10 billion shall complete the inventory for its fiscal 2024 annual consolidated financial report in 2025, so the base year will be 2024. If a company has disclosed its inventory in its consolidated financial report in an earlier year, it may take the earlier fiscal year as its base year. Also, the data for the base year may be calculated based on a single fiscal year or the average of multiple fiscal years.

Note 3: When preparing the disclosure content, the Company may refer to the best practice reference examples on the TWSE Corporate Governance Center website.

2.3.9 Ethical Corporate Management – Implementation Status and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons:

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
1. Establishing ethical management policies and plans (I) Has the Company established the ethical management policies approved by the board of directors, and stated in its Memorandum or external correspondence about the policies and practices it has to maintain business integrity? Are the board of directors and the management level committed to fulfilling this commitment?	V		The Company has established the "Ethical Corporate Management Best Practice Principles", "Procedures for Ethical Management and Guidelines for Conduct" and has been approved by the board of directors. The board of directors and management of the Company uphold the principle of ethics to establish the Ethical Management Best Practice Principles, actively implement the ethical management policies.	None
(II) Has the Company establish a risk assessment mechanism against unethical conduct, analyze and assess on a regular basis business activities within their business scope which are at a higher risk of being involved in unethical conduct, and establish prevention programs accordingly and review their adequacy and effectiveness on a regular basis, which shall at least include preventive measures listed in Paragraph 2, Article 7 of "Ethical Corporate Management Best Practice Principles for TWSE/ TPEx Listed Companies"?	V		The Company has established a Code of Ethical Conduct and is progressively requiring suppliers to sign an Anti-Corruption Policy Statement to mitigate operational risks associated with unethical business practices. In the past, the Company provided onboarding training for new employees to promote awareness of the "Code of Conduct for Employee Business Practices." Following the training, employees were required to sign a declaration acknowledging their understanding of and commitment to comply with the code. Starting from 2024, the "Code of Conduct for Employee Business Practices" has been incorporated into the labor contract. New employees must agree to and comply with the contents of the code upon signing their employment contract.	None
(III) Has the company established any measures against unethical conduct? Are these measures supported by proper procedures, behavioral guidelines, disciplinary actions and complaint systems? In addition, is the aforementioned plan reviewed and revised periodically?	V		The Company performs educational trainings on employees in order to prevent unethical conducts. The operation status is proper, and in the employee, management rules, the rules specify relevant requirements. The Company has established the Complaint Handling Regulations in order to handle	None

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
			complaints from internal and external interested parties.	
2. Implement ethical policies (I) Does the Company evaluate the integrity of all counter parties it has business relationships with? Are there any integrity clauses in the agreements it signs with business partners?	V		For the business activities of the Company, dealings with parties with unethical records are prevented. Before dealings with suppliers, the suppliers are requested to sign “Suppliers Code of Conduct”, included the anti-corruption policy declaration in order to ensure ethical conducts.	None
(II) Does the Company have a unit established under the board of directors that specializes (or is involved) in business integrity? Does this unit report to the board of directors on a regular basis (at least once a year) for ethical policies, programs for preventing unethical conduct and implements on supervision?	V		The Company had established the “Sustainable Development Committee” in 2017, and under its organizational structure, it establishes the Human Resources” team to promote the corporate ethical management, and provides reports to the board of directors on relevant execution status regularly. The latest date reported to the BOD was Mar 05, 2026.	None
(III) Does the Company have any policy that prevents conflict of interest, and channels that facilitate the reporting of conflicting interests and is executed properly?	V		The Company provides appropriate communication channels to prevent conflict of interest or occurrence of unethical conducts.	None
(IV) Has the Company implemented effective accounting and internal control systems for the purpose of maintaining ethical operation? In addition, has the internal audit unit established relevant audit plan according to the risk assessment result of unethical conduct– and audited the status of compliance with the prevention against unethical conduct plan, or entrust CPA to audit?	V		To implement ethical management, the Company has established relevant accounting system, internal control system and audit unit to perform audits, and the operation status is proper.	None
(V) Has the Company provided internal and external educational training on ethical operation on a regular basis?	V		The Company has provided internal and external educational training on ethical operation on a regular basis.	None
3. Reporting of misconducts (I) Does the Company provide incentives and means for employees to report misconducts? Does the Company assign dedicated personnel to investigate the	V		The Company establishes the whistleblowing channel and punishment as well as complaint filing system for violation of ethical management rules, and the	None

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
reported misconducts?			operation status thereof is proper.	
(II) Has the Company implemented any standard procedures of investigations, follow-up measures after investigations of cases reported are completed and confidentiality mechanisms for handling reported misconducts?	V		The Company has implemented the standard procedures of investigations or confidentiality mechanisms for handling reported misconducts.	None
(III) Has the Company provided proper whistleblower protection from inappropriate handling?	V		The Company has provided proper whistleblower protection from inappropriate handling.	None
4. Enhance information disclosure Has the Company disclosed the content of the ethical corporate management best practice principles and their implementation results on its website and the MOPS?	V		Please refer to the official website of the Company.	None
5. If the Company establishes its own ethical corporate management best practice principles according to the "Ethical Corporate Management Best Practice Principles for TWSE/ TPEx Listed Companies", please describe the discrepancy between its operation and the Company's ethical corporate management best practice principles: The Company has established the "Ethical Corporate Management Best Practice Principles" and has been approved by the board of directors in order to ensure the directors, managerial personnel and employees of the Company properly comply with relevant rules, and it has been executed according to the regulations established.				
6. Other important information that is helpful in understanding the ethical corporate management operation of the Company? (Such as, the Company reviews the amendment of the ethical corporate management best practice principles etc.): (1). The Company has established the "Ethical Corporate Management Best Practice Principles" and has been approved by the board of directors on November 7, 2014; and has established the "Procedures for Ethical Management and Guidelines for Conduct" and has been approved by the board of directors on November 4, 2021. The corporate ethical management is promoted by the "Human Resources" team under the "Sustainable Development Committee". (2). Ethical management principle is implemented in various different aspects of the operation. In 2025, 5 online required education and training courses were opened, in order to educate the specific types of ethical management to all employees of the Company: 1. Based on the consideration that the Company is in the labor intense industry, for both its own factories and outsourced factories, a great number of first line of manpower is required in the field. Accordingly, to ensure that employees have a basic understanding of the labor criteria and human rights, the Company has created a human rights and social policy course, in order to allow employees to have a basic understanding of the human rights and social policy of the Company; 2. To ensure that gender equality can be implemented in the Company, and to convey information on the complaint filing method in case of occurrence of relevant incidents, the Company has opened sexual harassment prevention course; 3. The Company is a publicly listed company, and employees may access relevant internal information in the Company; however, if employees lack relevant understanding, they may engage in illegal conduct without knowing. Accordingly, the Company has opened the insider trading prevention course to provide explanation and review through actual example cases, allowing employees to have a basic understanding of possible types of insider trading. 4. Introduce the important contents of our company's "Ethical Corporate Management Best Practice Principles				

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	

" and "Procedures for Ethical Management and Guidelines for Conduct s" to ensure that the principles of integrity are implemented by every colleague in the company.

5. In the course of business operations, our employees frequently handle the personal data of customers and partners. To address this, a new training course was introduced in 2025. Through the analysis of practical cases, the course provides employees with a fundamental understanding of personal data protection regulations and common types of regulatory violations.

The implementation results as of December 31, 2025 are shown in the table below:

Course Name	Number of qualified persons	Qualification rate*	Total number of hours (hour)
Human rights policy and social	1,229	92.06%	347.71
Sexual harassment prevention	1,236	92.58%	134.61
Insider trading prevention	1,223	91.68%	248.99
Ethical Corporate Management and Anti-corruption	1,327	99.40%	125.17
Personal Data Protection	1,219	91.31%	126.00

* Average Attendance: 1,335.

(3). To prevent insider trading, the Company has explicitly specified that directors accessing the financial report or relevant business performance content of the Company shall not trade their stocks during the closed period of thirty days before the announcement of the annual financial report and fifteen days before the announcement of a quarterly financial report according to Article 10 of the “Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies”, and the Company also informs directors and insiders to pay special attention to the aforementioned regulations on a monthly basis. In addition, the Company also informs individual directors and insiders not to perform any equity trading on the stocks of the Company after confirmation of material information, 18 hours before or after the announcement of material information, according to Article 157-1 of the Securities and Exchange Act. Furthermore, before each quarterly board meeting, the Company proactively sends internal email notifications to remind insiders of the relevant trading restrictions and specific dates to mitigate the risk of regulatory violations.

The Company utilizes its internal communication channels and digital training platforms to implement systematic "Anti-Insider Trading" advocacy. The scope of these sessions covers all directors (including independent directors), managers, all employees, and staff of affiliated enterprises. These efforts aim to deepen internal stakeholders' understanding of equity trading laws and regulations, fostering a culture of compliant trading to ensure the sound development of corporate governance.

2.3.10 Other important information that helps to understand the operation of corporate governance may also be disclosed: None.

2.3.11 Disclosures relating to the execution of internal control policies:

1. Internal Control system Statement:
   The statement has been filed and disclosed on the information reporting website designated by the Financial Supervisory Commission. Relevant information can be found on the Market Observation Post System (MOPS) via the following path:
   MOPS > Listed Companies > Corporate Governance > Corporate Charter/Internal Control > Internal Control Statement Disclosure
   (Website: https://mops.twse.com.tw/mops/#/web/t06sg20)
2. If the internal control policy was reviewed by an external auditor, the result of such review must be disclosed: None.

2.3.12 Major resolutions made by the Shareholders' Meeting and the Board of Directors during the latest financial year up until the publication date of this annual report:

1. The 2025 Annual General shareholders' meeting was convened on June 13, 2025 in Miaoli. Resolutions of attending shareholders and execution status were as follows:

(1) Approval of the 2024 Business Report and Financial Statements.

Execution status: Approved through resolution.

(2) Approval of the 2024 Earnings Distribution Proposal.

Execution status: Approved. In accordance with the resolution of the Shareholders' Meeting, July 18, 2025 was set as the ex-dividend date. A cash dividend of NT$17 per share, totaling NT$4,664,240,887, was distributed.

(3) Approval of the Amendments to the Company's Internal Regulations: Articles of Incorporation.

Execution status: Approved. Relevant matters have been handled in accordance with the resolution, and the revised internal regulations have been published on the Company's website.

2. Major resolutions made by the Board of directors' Meeting for 2025 and up to the printing date of the annual report:

(1) Board of directors' meeting on January 16, 2025:

- Approval of incentive bonus distribution standards for the first three quarters of 2025.
- Approval of the distribution of 2024 year-end bonuses for Directors, Functional Committee Members, and Managers as reviewed by the Compensation Committee.
- Appointment of the auditor for the 2025 financial statements.
- Approval of non-assurance services to be provided by KPMG in 2025.
- Approval of loan limits for affiliated enterprises in 2025.
- Approval of financing limits with financial institutions for 2025.

Execution status: All resolutions implemented.

(2) Board of directors' meeting on February 27, 2025:

- Approval of the 2024 Business Report and Financial Statements.
- Approval of the 2024 Earnings Distribution Proposal.
- Approval of the 2024 Employees' Compensation Proposal.
- Approval of amendments to the "Articles of Incorporation."
- Approval of the convening of the 2025 Annual General Shareholders' Meeting.
- Approval of the assessment of the effectiveness of the 2024 Internal Control System and issuance of the Internal Control Statement.
- Approval of amendments to the "Salary Management Regulations."
- Approval of amendments to the "Payroll Section" in the Company's Payroll Cycle.

Execution status: The first four proposals were reported, approved, and resolved at the 2025 AGM; all other resolutions have been implemented.

(3) Board of directors' meeting on May 8, 2025:

- Approved the Dismissal of Senior Executives.
- Approved the Donation to the Eclat Education Foundation.
- Approval of the 2025 Q1 Consolidated Financial Statements.

Execution status: All resolutions implemented.

(4) Board of directors' meeting on August 7, 2025:

- Approval of amendments to the "Regulations Governing the Compensation of Directors, Functional Committee Members, and Managers."

- Approval of amendments to the Company's "Operational Performance Bonus Measures for the First Three Quarters of 2025."
- Approval of the 2024 Sustainability Report.
- Approval of the 2025 Q2 Consolidated Financial Statements.
- Approval of derivative financial instruments—forward exchange sell contracts.
- Approval of the 2025 credit facilities with financial institutions for the Company.

Execution status: All resolutions implemented.

(5) Board of directors' meeting on November 6, 2025:

- Approval of the 2026 Audit Plan.
- Approved the amendments to the Company's "Information Security Policy."
- Approved the amendments to the "Information Cycle" of the Company's Internal Control System and renamed it as the "Information Security Cycle."
- Approval of the 2025 Q3 Consolidated Financial Statements.
- Approved the investment project for the expansion of the garment factory in Indonesia.
- Approved the proposal to cancel the limits on loaning of funds to affiliated enterprises.

Execution status: Implemented.

(6) Board of directors' meeting on January 15, 2026:

- Approval of the "Operational Performance Bonus Measures" for the first three quarters of 2026.
- Approval of the distribution of 2025 year-end bonuses for Directors, Functional Committee Members, and Managers as reviewed by the Compensation Committee.
- Appointment of the auditor for the 2026 financial statements.
- Approval of non-assurance services to be provided by KPMG in 2026.
- Approval of financing limits with financial institutions for 2026.
- Approval of the 2025 Employees' Compensation Proposal.
- Approval of the convening of the 2026 Annual General Shareholders' Meeting.

Execution status: Proposal 5 is currently in progress; Proposal 6 is pending report to the shareholders' meeting; all other proposals have been implemented.

(7) Board of directors' meeting on March 05, 2026:

- Approval of the 2025 Business Report and Financial Statements.
- Approval of the 2025 Earnings Distribution Proposal.
- Approval of the assessment of the effectiveness of the 2025 Internal Control System and issuance of the Internal Control Statement.
- Approval of amendments to the Company's "Sustainable Development Best Practice Principles."
- Approval of amendments to the Company's "Corporate Governance Best Practice Principles."

Execution status: The first two proposals are pending approval or report at the Shareholders' Meeting; all other proposals have been implemented.

2.3.13 Documented opinions or written statement made by Directors or Supervisors against board resolutions in the most recent year, up till the publication date of this annual report: None.

2.4 Information on the Professional Fees of the Attesting CPAs

(I) Audit Fees:

The content of the amounts of both audit and non-audit fees and the details of the non-audit services for non-audit fees paid to the CPA, to the accounting firm of the CPA, and to any affiliated enterprise of such accounting firm are equivalent to one quarter or more of the audit fees paid:

Unit: NT$1,000

Name of CPA firm	Name of CPA	Period covered by the CPA audit	Audit fee	Non-audit fee	Total	Remark
KPMG	Hui-Chih Kou Hsin-Yi Kuo	January 1 to December 31, 2025	3,920	1,350	5,270	Non-audit fees include NT$720 thousand for tax compliance services, NT$500 thousand for transfer pricing services, and NT$130 thousand for other non-audit services.

Note: If the Company changed its CPAs or CPA firm during the current fiscal year, the audit periods shall be listed separately, and the reason for such changes shall be explained in the "Remarks" column. Audit and non-audit fees paid shall be disclosed in sequence, with a footnote explaining the nature of non-audit services: There was no change of CPAs during the current fiscal year; for details regarding the service content of non-audit fees, please refer to the "Remarks" column.

(II) When the accounting firm is changed and the audit fees paid for the financial year in which the change took place are lower than those paid for the financial year immediately preceding the change, the amount of the audit fees before and after the change and the reason shall be disclosed: None.

(III) When the audit fees paid for the current financial year are lower than those paid for the immediately preceding financial year by 10 percent or more, the amount and percentage of and reason for the reduction in audit fees: None.

2.5 Information on Replacement of Certified Public Accountant:

(I) Information relating to the former CPAs: None.

(II) Information relating to the successor CPAs: None.

(III) Replay of former auditor to item 1 and item 2-3 of Subparagraph 6 of Article 10 of these Regulations: Not applicable.

2.6 Where the company's chairperson, President, or any managerial officer in charge of finance or accounting matters has in the most recent year held a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm, the name and position of the person, and the period during which the position was held, shall be disclosed: None.

2.7 Any transfer of equity interests and/or pledge of or change in equity interests by a director, supervisor, managerial officer, or shareholder with a stake of more than 10 percent during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report:

The relevant information has been filed and disclosed on the information reporting website designated by the Financial Supervisory Commission. For details, please refer to the Market Observation Post System (MOPS):

Share Transfers:
MOPS > Individual Company > Shareholding Changes / Securities Issuance > Share Transfer Information > Post-reporting Statement of Insider Shareholding Changes
Website: https://mops.twse.com.tw/mops/#/web/query6_1

Changes in Share Pledge Status:
MOPS > Individual Company > Shareholding Changes / Securities Issuance > Insider Share Pledge / Release of Pledge > Announcement of Insider Shareholding Changes – Pledge/Release
Website: https://mopsov.twse.com.tw/mops/web/STAMAK03_1

2.8 Relationship among the Top 10 Shareholders

Name (Note)	Current shareholding		Spouse and Minor shareholding		Shareholding by Nominee Arrangement		Relationship characterized as spouse or the second degree relative or closer among the top 10 shareholders.		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relation	
Yih-Yuan Investment Corp. - Shih-Fan Chen	25,790,335	9.40%	-	-	-	-	Cheng-Hai Hung Ching-Fang Chen	Second degree kinship	-
	-	-	Note 2	Note 2	Note 2	Note 2			
Xinli Limited Company -Cheng-Shin Wang	13,566,000	4.94%	-	-	-	-	None	None	-
	612,472	0.22%	Note 2	Note 2	Note 2	Note 2			
Hsien-Chin Tsai	12,632,246	4.60%	-	-	Note 1	Note 1	Nu-Dan Co., Ltd	Major shareholders	
Fubon Life Insurance Co., Ltd.: Fu-Hsing Lin	10,554,000	3.85%	-	-	-	-	None	None	-
	-	-	Note 2	Note 2	Note 2	Note 2			
Ching-Fang Chen	9,543,332	3.48%	9,035,318	3.29%	-	-	Cheng-Hai Hung Shih-Fan Chen	Spouses Second degree kinship	-
Nu-Dan Co., Ltd-Hsien-Chin Tsai	9,337,914	3.40%	-	-	-	-	Hsien-Chin Tsai	The same person	
	12,632,246	4.60%	-	-	Note 1	Note 1			
HSBC Bank (Taiwan) Ltd., Custodian of Fidelity Funds Series VIII: Fidelity Emerging Markets Focus Fund Investment Account	9,195,000	3.35%	0	-	0	-	None	None	-
Cheng-Hai Hung	9,035,318	3.29%	9,543,332	3.48%	0	-	Ching-Fang Chen Shih-Fan Chen	Spouses Second degree kinship	-
Standard Chartered Bank (Taiwan) Limited, Brokerage Department in custody for T. Rowe Price Emerging Markets Discovery Stock Trust Fund	8,066,000	2.94%	0	-	0	-	None	None	-
Nan Shan Life Insurance Co., Ltd - Chung-Yao Yin	7,037,000	2.56%	0	-	0	-	None	None	-
	-	-	Note 2	Note 2	Note 2	Note 2			

Note : The top 10 shareholders should all be listed, and those who are corporate shareholders should list the name of the corporate shareholder and the representative separately.

Note 1: This shareholder owns 9,337,914 shares of the Company under the name of Nu-Dan Co., Ltd, with a shareholding ratio of 3.40%.

Note 2: Relevant information could not be obtained.

2.9 Comprehensive Shareholding Percentage

Unit: In Thousand Shares, %

Investee (note)	Held by the Company		Held by Directors, Supervisors, managers, and directly or indirectly controlled entities		Aggregate investment	
	Shares	%	Shares	%	Shares	%
GRAND ELITE HOLDINGS INC.	21	100%	—	—	21	100%
ECLAT CAYMAN ISLAND HOLDINGS	121,080	100%	—	—	121,080	100%
ECLAT TEXTILE (CAMBODIA) CO., LTD.	8,000	100%	—	—	8,000	100%
ECLAT ENTERPRISE LTD.	1	100%	—	—	1	100%
TAI-YUAN GARMENTS CO., LTD.	6,800	100%	—	—	6,800	100%
COLLTEX GARMENT MFY CO., LTD.(VN)	16,800	100%	—	—	16,800	100%
E-TOP (VIETNAM) CO., LTD	36,000	100%	—	—	36,000	100%
ECLAT TEXTILE CO., LTD. (VIETNAM)	22,000	100%	—	—	22,000	100%
ECLAT FABRICS (VIETNAM) CO., LTD.	40,000	100%	—	—	40,000	100%
PT ECLAT TEXTILE INTERNATIONAL	12,000	100%	—	—	12,000	100%

Note: For relevant detailed information on investee companies, please refer to: VI. Special Remarks

III. Information on Capital Raising Activities

3.1 Source of Capital and Shares

3.1.1. Source of capital

Year/ Month	Par Value (NT$)	Authorized capital		Paid-in capital		Remark		
		Shares	Amount (NT$)	Shares	Amount (NT$)	Source of capital	Capital Increased by Assets Other than cash	Others (Note 1)
1977.11	1,000	500	500,000	500	500,000	Registration	-	-
1981.09	1,000	1,000	1,000,000	1,000	1,000,000	Cash capital increase	-	-
1987.11	1,000	7,000	7,000,000	7,000	7,000,000	Cash capital increase	-	-
1988.08	1,000	52,000	52,000,000	52,000	52,000,000	Cash capital increase	-	-
1991.03	1,000	65,333	65,333,000	65,333	65,333,000	Capitalization of earnings	-	-
1992.03	1,000	110,333	110,333,000	110,333	110,333,000	Cash capital increase of NT$ 9,000,000 Capitalization of earnings of NT$ 15,000,000 Creditor's right for payment of shares of NT$ 21,000,000	-	-
1992.12	10	19,500,000	195,000,000	19,500,000	195,000,000	Cash capital increase of NT$ 44,667,000 Capitalization of earnings of NT$ 40,000,000	-	-
1997.06	10	160,000,000	1,600,000,000	72,430,896	724,308,960	Cash capital increase of NT$ 200,000,000 Capitalization of earnings of NT$ 156,000,000 Consolidated capital increase of NT$ 173,308,960	-	(1997) Tai-Tsai-Zheng(1) No. 51666 Letter
1998.09	10	160,000,000	1,600,000,000	79,673,986	796,739,860	Capitalization of earnings of NT$ 72,430,900	-	(1998) Tai-Tsai-Zheng(1) No. 59366 Letter
1999.08	10	160,000,000	1,600,000,000	86,047,896	860,478,960	Capitalization of earnings of NT$ 63,739,100	-	(1999) Tai-Tsai-Zheng(1) No. 63075 Letter
2000.09	10	160,000,000	1,600,000,000	91,210,766	912,107,660	Capitalization of earnings of NT$ 51,628,700	-	2000/7/12 (2000) Tai-Tsai-Zheng(1) No. 60720 Letter
2004.08	10	160,000,000	1,600,000,000	95,771,304	957,713,040	Capitalization of earnings of NT$ 45,605,380	-	2004/6/30 Tai-Tsai-Zheng(1)-Zi No. 0930128923
2005.06	10	160,000,000	1,600,000,000	109,179,286	1,091,792,860	Capitalization of earnings of NT$ 134,079,820	-	2005/6/16 Jin-Guan-Zheng-Yi-Zi No. 0940125666
2005.12	10	160,000,000	1,600,000,000	129,179,286	1,291,792,860	Cash capital increase of NT$ 200,000,000	-	2005/10/17 Jin-Guan-Zheng-Yi-Zi No. 0940148057
2006.07	10	160,000,000	1,600,000,000	143,389,007	1,433,890,070	Capitalization of earnings of NT$ 142,097,210	-	2006/7/13 Jin-Guan-Zheng-Yi-Zi No. 0950132152

Year/ Month	Par Value (NT$)	Authorized capital		Paid-in capital		Remark		
		Shares	Amount (NT$)	Shares	Amount (NT$)	Source of capital	Capital Increased by Assets Other than cash	Others (Note 1)
2007.06	10	250,000,000	2,500,000,000	159,161,797	1,591,617,970	Capitalization of earnings of NT$ 157,727,900	-	2007/6/21 Jin-Guan-Zheng-Yi-Zi No. 0960033202
2007.07	10	250,000,000	2,500,000,000	184,161,797	1,841,617,970	Cash capital increase of NT$ 250,000,000	-	2007/6/14 Jin-Guan-Zheng-Yi-Zi No. 0960032162
2008.09	10	250,000,000	2,500,000,000	189,686,651	1,896,866,510	Capitalization of earnings of NT$ 55,248,540	-	2008/7/4 Jin-Guan-Zheng-Yi-Zi No. 0970033483
2009.09	10	250,000,000	2,500,000,000	193,480,384	1,934,803,840	Capitalization of earnings of NT$ 37,937,330	-	2009/7/7 Jin-Guan-Zheng-Fa-Zi No. 0980033696
2010.09	10	250,000,000	2,500,000,000	199,284,795	1,992,847,950	Capitalization of earnings of NT$ 58,044,110	-	2010/7/28 Jin-Guan-Zheng-Fa-Zi No. 0990039425
2011.09	10	250,000,000	2,500,000,000	211,241,882	2,112,418,820	Capitalization of earnings of NT$ 119,570,870	-	2011/8/9 Jin-Guan-Zheng-Fa-Zi No. 1000036962
2012.09	10	300,000,000	3,000,000,000	226,028,813	2,260,288,130	Capitalization of earnings of NT$ 147,869,310	-	2012/7/10 Jin-Guan-Zheng-Fa-Zi No. 1010030287
2012.10	10	300,000,000	3,000,000,000	246,028,813	2,460,288,130	Cash capital increase of NT$ 200,000,000	-	2012/7/18 Jin-Guan-Zheng-Fa-Zi No. 1010030728
2013.09	10	300,000,000	3,000,000,000	250,949,389	2,509,493,890	Capitalization of earnings of NT$ 49,205,760	-	2013/7/25 Jin-Guan-Zheng-Fa-Zi No. 1020029077
2014.09	10	300,000,000	3,000,000,000	260,987,364	2,609,873,640	Capitalization of earnings of NT$ 100,379,750	-	2014/7/27 Jin-Guan-Zheng-Fa-Zi No. 1030027248
2016.02	10	300,000,000	3,000,000,000	268,987,364	2,689,873,640	Cash capital increase of NT$ 80,000,000	-	2015/11/27 Jin-Guan-Zheng-Fa-Zi No. 1040046754
2017.09	10	300,000,000	3,000,000,000	274,367,111	2,743,671,110	Capitalization of earnings of NT$ 53,797,470	-	Report effective date of June 22, 2017

Note：Please fill in the data for the current year up to the date of publication of the annual report.

Note1: Effective Date & Approval Document Number

Unit: share

Type of share	Authorized capital			Remarks
	Issued shares	Unissued shares	Total	
Common shares	274,367,111	25,632,889	300,000,000	Listed shares

Note：Listed company stock.

3.1.2.List of major shareholders:

List of major shareholders \ Shareholding	Number of shareholdings	Percentage of Shareholding
Yih-Yuan Investment Corp. - Shih-Fan Chen	25,790,335	9.40%
Xin-Li Co., Ltd.- Cheng-Hsin Wang	13,566,000	4.94%
Hsien-Chin Tsai	12,632,246	4.60%
Fubon Life Insurance Co., Ltd.- Fu-Hsing Lin	10,554,000	3.85%
Ching-Fang Chen	9,543,332	3.48%
Nu-Dan Co., Ltd.- Hsien-Chin Tsai	9,337,914	3.40%
HSBC Bank (Taiwan) Ltd., Custodian of Fidelity Funds Series VIII: Fidelity Emerging Markets Focus Fund Investment Account	9,195,000	3.35%
Cheng-Hai Hung	9,035,318	3.29%
Standard Chartered Bank (Taiwan) Limited, Brokerage Department in custody for T. Rowe Price Emerging Markets Discovery Stock Trust Fund	8,066,000	2.94%
Nan Shan Life Insurance Co., Ltd.- Chung-Yao Yin	7,024,000	2.56%

3.1.3 Dividend policy and implementation:

(1) Dividend policy specified in the Articles of Incorporation:

Where the Company has a profit (the term “profit” refers to the income before deducting the distribution of employee remuneration from the income before tax) in current year, if there is surplus after covering the accumulated loss, no less than 1% shall be appropriated for the employee’s compensation for the distribution according to the resolution adopted by a majority vote at a meeting of board of directors attended by two-thirds of the total number of directors, and be reported to the shareholders’ meeting. The distribution of employee compensation may be made in the form of shares or cash.

Where the Company has earnings in current year, after tax is paid according to the law, it shall be used to cover the accumulated loss first, following which, 10% thereof shall be set aside as the legal reserve; however, when the legal reserve has reached the paid-in capital of the Company, it may be exempted from such appropriation. For the remaining amount, after special reserve is further set aside or reversed according to the laws. It is combined with the undistributed surplus earnings at the beginning of the same period, for proposing to the shareholders’ meeting for resolution on the distribution.

The Company is now in the growth stage and has a plan to expand the product line. Due to the need for capital to fulfill the plan, the policy for dividend distribution should reflect factors such as investment planning, financial structure, future fund requirements, and status of earnings. In a normal consideration, the percentage of earnings distribution shall not be less than 50% of the net earnings of the current year after compensating for accumulated deficits, if any. The board of directors shall make the distribution proposal, and it is then approved at the shareholders’ meeting. The ratio for distributing cash dividends shall not be lower than 20% of the total distribution.

(2) Status of distribution of dividends proposed for resolution in the Board of Directors:

The Company's Articles of Incorporation were amended and approved by the shareholders’ meeting on June 14, 2022, authorizing the Board of Directors to distribute earnings in cash after the end of each fiscal year, subject to subsequent reporting to the shareholders’ meeting.

On March 05, 2026, the Board of Directors resolved to distribute a cash dividend of NT$4,115,506,665 for the fiscal year 2025 (NT$15 per share). The Chairman was authorized to determine and execute the ex-dividend date at his full discretion.

3.1.4 Impact to Business Performance and EPS Resulting from Stock Dividend: None.

3.1.5 Employees’ remunerations and remunerations of directors:

(1) The Articles of Incorporation specifies the percentage or range of the employees’ remuneration: The Company’s Articles of Incorporation do not specify the remuneration of directors and related explanations for employee remuneration please refer to 3. (1) for detail.

(2) Estimation of employees’ remuneration and remuneration of directors for the present period:

(A) The distribution amount proposed by the board of directors and the recognized expense annual estimation amount are as follows: (NT$)

Item	Distribution amount proposed by the board of directors	Recognized expense annual estimation amount	Difference
Employee cash remuneration	70,000,000	70,000,000	None
Remuneration of directors	0	0	None

(B) Cause of difference: Not applicable.

(C) Handling of difference amount: If the distribution amount approved by the shareholders' meeting differs from the amount proposed by the board of directors, the difference amount shall be recognized based on the accounting estimation after the approval of the shareholders' meeting.

(D) EPS recalculated: NT$ 20.10.

(3) Distribution of employees' bonus and remunerations of directors and supervisors for the previous year:

Item	Resolution of shareholders meeting Actual distribution Amount	Originally approved by the board of directors Proposed distribution Amount	Difference
(A) Distribution status: (Unit: NT$)			
Employees' cash remuneration	9,000,000	9,000,000	None
The remuneration of directors and supervisors	0	0	None

Cause of difference: Not applicable.

Handling of difference amounts: Not applicable.

(B) Information on EPS: (unit: NT$)

Original EPS	NT$ 24.20
Calculated EPS	NT$ 24.20

3.1.6. Repurchase of the Company's shares: *None.*

3.2 Issuance of Corporate Bonds (including overseas corporate bonds): *None.*

3.3 Issuance of Preferred Shares: *None.*

3.4 Issuance of Overseas Depository Receipts: *None.*

3.5 Status of Employee Stock Option Plan and Status of Employee Restricted Stock: *None.*

3.6 Issuance of New Shares in Connection with Mergers or Acquisitions or with Acquisitions of Shares of Other Companies: *None.*

3.7 Implementation of the Company's Capital Allocation Plans: *None.*

IV. An Overview of Operations

4.1 Business Activities:

4.1.1 Business Scope

1. Main areas of business operations:

   A. Manufacturing, processing, and trading of textile, dyeing and finishing of fabrics, garments, and textile raw materials.

   B. Manufacturing, processing, and trading of various textile products, including fabrics, garments, yarns, and synthetic fiber filaments.

   C. Relevant import and export business of aforementioned items.

2. Main Products and their Consolidated Revenue Percentage:

Item	2025 Operating Percentage
Knitted fabrics	33.61%
Garments	66.39%
Total	100.00%

3. Main products: Various elastic knitted fabrics and garments.

4. New products development:

   Product development direction aims at diverse and differentiated product characteristics, specialized in functional fabrics, and sportswear series in order to establish complete production lines, such that the Company is able to provide comprehensive and differentiated services in order to satisfy the customer demand for a one-stop shop for all. Continue to research and develop technologies, improve product quality, collect latest domestic and foreign information, provide latest market trends, fabric types and styles to customers, in order to use such information as reference guides in determining the consumer market demands and to satisfy the needs of consumers.

4.1.2 Industry Overview

（1） Industry Current Status and Development:

The Taiwan textile industry—which encompasses man-made fiber production, spinning, weaving, dyeing and finishing, garment manufacturing and retail—has developed for over 60 years. Driven by technological advancements and strong market demand, it has established a fully vertically integrated upstream, midstream and downstream production system. Regarding the upstream sector, the raw materials are plentiful and the processing techniques are skillful, it includes outstanding basis for the production scale and technologies of man-made fiber production that are extremely competitive internationally. It is also one of the main supply sources of man-made fiber products around the globe. The midstream sector has always achieved remarkable export business performance, and business operators in this sector have been the best cooperating partners of international brands. For the downstream sector, the garment industry has been one of the leading industries to establish operations worldwide under the pressure of labor wages.

Presently, the development of textile industry in Taiwan has gradually developed from the traditional labor-intensive clothes manufacturing factories (such as garment processing, sweaters etc.) into a complete textile production system from upstream, midstream to downstream sectors. In addition, the products manufactured have also expanded from traditional yarns, fabrics, man-made fibers and garments to non-woven fabrics with specific functions, industrial specialized fabrics, building material and furniture fabrics, etc. Therefore, it has indeed become an industry with diverse development. Furthermore, the textile industry development in Taiwan has also shifted from OEM manufacturing model into an international cooperative production and sales system with vertical integration and horizontal specialization, which has certainly established solid foundation in the global textile industry with undeniable contribution worldwide.

The Taiwan textile industry is highly export-oriented and serves as a major source of foreign exchange.

Downstream operators—seeking abundant labor—are often located overseas, yet they rely predominantly on high-functionality, high-quality fabrics imported from Taiwan, thereby driving the country’s upstream and midstream textile sectors. As shown in the table below, over the past 10 years, the export dependence of Taiwan’s textile and garment industry (calculated as export value divided by output value) has averaged 73%. In 2025, the import value of the textile and garment industry reached US$3.75 billion, with a trade surplus of US$2.48 billion. Textiles remain Taiwan’s third-largest source of trade surplus, following only "Machinery and Electrical Equipment" and "Plastics, Rubber and Articles Thereof." As one of the core industries driving Taiwan’s economic development and foreign exchange earnings, the textile sector continues to provide a critical contribution to the nation's balance of payments.

unit: in 100 million US$

Item	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Production value	133.6	121.3	126.4	129.1	116.6	97.8	123.3	115.1	104.5	106.8	104.8
Export value	108.0	99.3	100.7	100.7	91.8	75.3	90.2	88.4	66.3	67.3	62.2
Import value	34.6	33.4	33.6	36.8	35.5	33.7	38.6	39.4	36.5	36.5	37.5
Trade surplus	**73.5**	**65.9**	**67.1**	**63.9**	**56.3**	**41.6**	**51.6**	**49.0**	**29.8**	**30.8**	**24.8**
Export Dependency Ratio	**81%**	**82%**	**80%**	**78%**	**79%**	**77%**	**73%**	**77%**	**63%**	**63%**	**59%**

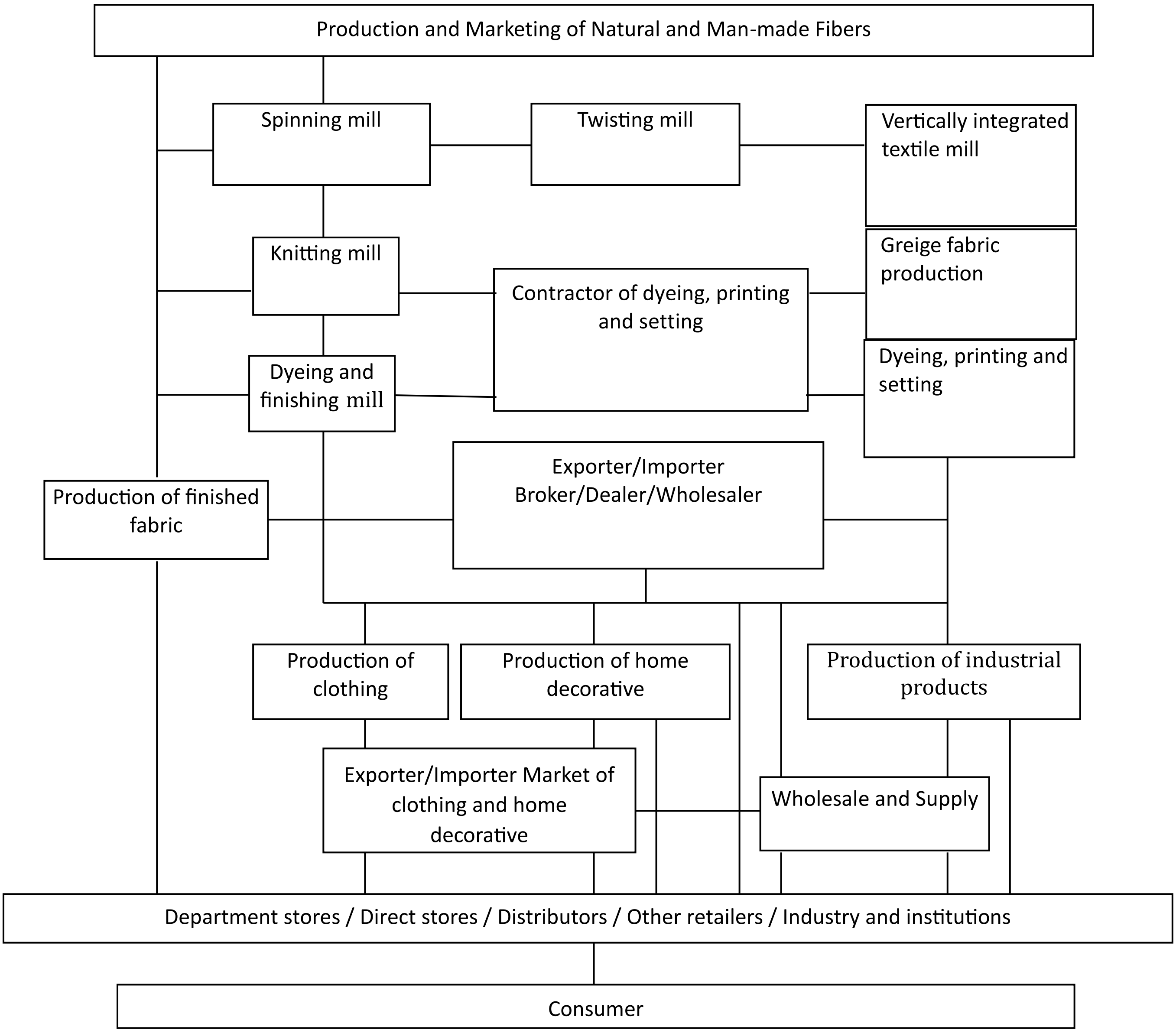
Source of Information: Department of Statistics, MOEA; Statistics of Customs Administration, MOF; Exchange rate based on the annual average exchange rate of Central Bank of R.O.C.; Summarized by Taiwan Textile Federation. The 2025 output value is an estimate provided by the Taiwan Textile Research Institute (TTRI).

Regional Integration and Overseas Capacity Relocation: Due to regional integration factors, manufacturers have increased overseas investments and capacity relocations to secure tariff preferences or lower production costs. Vietnam has been a particularly prominent destination for such investments. Functional and high-quality fabrics are hallmarks of Taiwan’s textile products. Manufacturers should continue investing in R&D, leveraging Taiwan’s abundant man-made fiber supplies and innovative weaving and dyeing technologies to build a value chain and cluster advantages for functional textiles. By focusing on differentiated, high value-added products, Taiwan textile firms can maintain their competitive edge. Facing competition from established players in Korea and Mainland China, as well as emerging competitors in Sri Lanka, India and other markets, Taiwanese textile companies must develop core capabilities in innovative R&D and niche-product manufacturing to enhance product value. They should establish rapid response mechanisms for upstream R&D and downstream customer demands, and integrate industry value chains and production clusters to bolster overall industry competitiveness.

Looking ahead to 2026, the political and economic environment remains volatile. Leading brands are consolidating their positions, demanding closer supply-chain collaboration, and prioritizing supplier capacity scale, geographic diversification, inventory management and corporate sustainability. Given that demand for high-end apparel is less sensitive to economic fluctuations, the Company will continue to innovate and develop high value-added products, swiftly respond to end-market needs, and concentrate on niche market expansion as the key to stable growth.

（2） Correlation among upstream, midstream and downstream in the industry:

Structure of Textile Industry



The textile industry encompasses a comprehensive production system spanning six major sectors: fiber, spinning, weaving, dyeing and finishing, garment manufacturing and retail. In Taiwan's domestic textile landscape, several medium to large enterprises leverage their competitive advantages to pursue the most suitable development paths in different sectors, forming vertically integrated operations and actively expanding internationally to establish their own textile footprints. Leading groups include Formosa Plastics Group (Nan Ya Plastics), Far Eastern Group, Shin Kong Group, Tainan Spinning Group and Eclat Textile Group.

（3） Product development trends:

As sports and health lifestyles become increasingly popular, comfortable, close-fitting athletic apparel has transitioned into a daily dressing trend. Many fashion labels and retail brands have already introduced related collections, demonstrating that the growth momentum of sportswear outstrips that of the overall apparel market.

In light of the rapid growth expected in the athleisure market and consumers' increasingly stringent requirements for functional products, domestic and international manufacturers are actively innovating their production technologies. In weaving and dyeing processes, they employ micro-porous membranes, high-density fabrics, and special finishing agents; in apparel manufacturing, they utilize advanced cutting and bonding techniques to achieve low resistance, high abrasion resistance, high tensile strength, lightweight warmth, UV protection, quick-dry moisture wicking, waterproof breathable, antimicrobial and deodorizing functionalities. In recent years, the German textile industry has successfully developed bio-medical and electronic-textile products by incorporating polymers and novel fibers to embed communication, information-processing, medical and sensing functions into fabrics. These "smart textiles" can detect toxic substances or gases, temperature, heart rate, pulse, pressure, displacement, respiration, self-cleaning, thermo-humidity regulation, protection and health-care effects—meeting consumers' demands for health, athletic performance and leisure.

Strategic Imperative for Taiwan's Textile Industry:

Often dubbed a "trillion-NT-dollar industry," Taiwan's textile sector has accelerated its global footprint under various regional trade agreements. Although domestic output has gradually declined, Taiwan's share of global order fulfillment continues to rise. With Mainland China and Southeast Asian countries leveraging abundant low-cost labor—exerting competitive pressure on general sports and leisure apparel—Taiwanese firms must leverage in-house R&D capabilities and continuous product and process innovation to shift from OEM towards differentiated, high-value-added ODM. This transformation is the critical competitive edge and the sustainable path forward for Taiwan's textile industry.

（4） Competition:

Competitiveness of the Company

A. Quality: Through years of manufacturing experience and an unwavering commitment to quality, the Company was awarded the "Q Mark" quality certification by DuPont in 1993, making it the first company in the Asia-Pacific region to receive this prestigious honor.

B. Technology:

(A). Knitting: Elastic knitted fabrics are produced by blending elastic yarns with non-elastic yarns. The technical challenge lies in harmonizing these two distinct yarn types to ensure they are tightly interwoven without interfering with each other, while simultaneously preserving the inherent characteristics of both filament and staple fibers. The Company possesses a comprehensive range of knitting machines with various specifications. Having collaborated with DuPont since 1989, the Company has achieved a high level of technological maturity and currently stands as a leader in the industry.

(B). Dyeing and Finishing: Since elastic fibers possess characteristics similar to rubber bands, high temperatures during the dyeing process can cause dye migration (smudging) or fabric wrinkling. Through continuous R&D and rigorous testing of temperature gradients and curves for dyeing solutions, the Company has achieved optimal control over these processes to ensure superior fabric stability.

(C). Garment: The Company has established a dedicated unit to collect global market trends. Furthermore, the headquarters houses Taiwan's largest Rapid Garment Sampling Center, equipped with high-end sewing machinery, advanced pattern-making software, and professional operators. This infrastructure enables the Company to provide customers with integrated solutions, including on-site fitting and ODM (Original Design Manufacturing) one-stop services.

(D). Lead Time: Acting as the Group's Global Logistics Center, the headquarters enables rapid order processing and strategically selects the most suitable production bases based on customer requirements, lead time, and cost considerations to maintain competitive advantages. Additionally, the Company strengthens collaborative relationships with raw material suppliers and processing partners to effectively master manufacturing cycles and ensure strictly controlled delivery dates.

(E). Research and Development (R&D): The Company stays ahead of fashion trends to develop technical fabrics utilizing advanced functional materials. We engage in collaborative development with customers to design garment styles that satisfy modern consumer demands for diverse and high-performance textile products.

(F). Consumer Demands: The Company actively participates in major domestic and international exhibitions to monitor seasonal themes and color trends. We also engage in projects and activities commissioned by the Ministry of Economic Affairs (MOEA) and other professional institutions to continuously enhance our design capabilities and global competitiveness.

4.1.3 Technology and R&D Status:

1. R&D expenses for the most recent year and up to the publication date of the annual report: Unit: NTD 1,000

	R&D budget invested	Current operating revenue	R&D budget to current operating revenue ratio
2025	175,775	37,989,751	0.46%

Note: As of the printing date of this annual report, the Company's financial report for the first quarter of 2026 is still under review; therefore, the relevant data has not been disclosed.

2. Successfully Developed Technologies and Products:

Product Type	Product Name	Usage and Description
Sustainable Series	**Carbon reduction and energy saving - Reduce**	
	Tencel® Cotton eco-friendly fiber product	In view of the focus of the international brands on environmental protection issue, Eclat and Lenzing Group have developed a range of materials with REFIBRA™. Its high-efficient closed-loop production technique is able to upgrade and reuse the large amount of cotton fabrics waste left from the garment production, such that the waste is blended with wood pulp to become raw material, thereby allowing it to be bio-degraded in the natural world and reducing impacts to the environment and the Earth. The material is comfortable and soft with the characteristics of skin-friendly feel, natural drape, and also blended with good moisture wicking synthetic fibers, making Tencel products to be equipped with both aesthetics and functionality. It can be applied to lifestyle apparel and yoga clothes, etc.
	Polypropylene eco-friendly fabric	Polypropylene fiber is an eco-material; its specific gravity is lighter than water, and it has low thermal conductivity, providing the advantages of being lightweight and warm. With hydrophobic fibers, the material can be presented in its original color without coloring during the dyeing process, such that the process also saves water resources. Its low moisture regain rate makes it suitable for developing quick-drying functional products that enhance wearing comfort. Materials are ideal for outdoor Base layer and running related products.
	Recycle and reuse	
	Recycled PET/Recycled Nylon eco-friendly fabric	Through consumer end waste recycle or industrial waste recycle with raw material treatment, eco-friendly fibers are obtained through recycle and reuse treatment processes. It features functions and characteristics for dryness and comfort. It can be applied to sports and leisure apparel series.
	Renew	
	Sorona® eco-friendly fabric	DuPont's Sorona fibers are made from glucose extracted from non-edible plant starch., which is different from man-made fibers using raw material extracted from petroleum. Sorona exhibits the characteristics of softness, wearing comfort, elasticity and restoration performance. It complies with the innovation concept of global sustainable development.
	Bio-energy nylon fiber series fabric	Eclat and the international giant manufacturer in Germany, BASF, have cooperated to launch the world's first bioenergy nylon textile. It uses 100% renewable raw material alternative production - regenerated from waste bio-oil, bio-waste, food industry waste substances of vegetable oil etc. Its production process is eco-friendly and is able to effectively reduce 35% of the greenhouse gas emission. It complies with the company's commitment in sustainable development.
Functional series	**Sunlight Management**	

Product Type	Product Name	Usage and Description
	BodyCare® UV Resistance series	BodyCare® is a trademark of Eclat Textile Company. The trademark registration includes the U.S.A., European Union, and Asia. Based on the main focus of wearing comfort and functionally, it utilizes the technology and development in fibers, interlacing or after-processing treatment in order to achieve the function of UV resistance. It is applied to outdoor sportswear products.
	FIR warmth series	With the utilization of the insulation and warmth characteristics of fibers, the fabrics can be made to have excellent insulation and wearing comfort. Through professional design, diverse applications can be provided for selection. This series is suitable for fall and winter outdoor sportswear.
	Reflection safety display series	This series of fabric provides safety protection for those who exercise in the morning or at night. The fabrics are equipped with the night luminous and light reflective functions in order to satisfy the demand of consumers during the outdoor walking or exercising, such that the fabric is equipped with the function for warning others while maintaining a pleasing appearance. Night luminous series: Through the utilization of yarns and special manufacturing process, light is absorbed in the fabric in order to maintain a certain level of effect. Light reflective series: Through special manufacturing process, the light reflection principle of vehicle headlights is utilized to achieve the light reflective effect. It is a fabric that is suitable to the exercises of jogging, cycling in the morning or at night.
	Air Management	
	BodyCare® Anti-bacterial series	BodyCare® is a trademark of Eclat Textile Company. The trademark registration includes the U.S.A., European Union, and Asia. This series of fabric mainly focuses on performance and functionality. It utilizes the technology and development in fibers, interlacing or after-processing treatment in order to allow the fabric to become a BodyCare® product with anti-bacterial function. It is widely used in sportswear, leisure wear, and loungewear products.
	Cool Sensation series	With the use of natural fibers or fibers with the addition of cool elements, textiles can have the characteristic of cool touch feeling. Increase the wearing comfort. It is suitable to wear under long period of sunlight exposure.
	3-in-1 multi-function series	Use of specially modified fibers, along with texture design in order to allow textiles to have the functions of UV resistance, heat isolation and deodorization. Deodorization function: Provides long-lasting reduction of odor caused by microorganisms. UV resistance function: Capable of isolating and reducing skin damages caused by UV radiation, capable of preventing skin sunburn, and suitable for outdoor sports. Heat isolation function: Equipped with UV shielding capability and reflecting visible light, reducing heat conduction speed in order to increase the wearing comfort of sportsman. It is designed for jogging, outdoor activities and athleisure.
	Moisture Management	

Product Type	Product Name	Usage and Description
	BodyCare® Moisture Management series	BodyCare® is a trademark of Eclat Textile Company. The trademark registration includes the U.S.A., European Union, and Asia. The material mainly focuses on performance and functionality. It utilizes the technology and development in fibers, interlacing or after-processing treatment in order to allow the fabric to have moisture-wicking functions. It can be applied to sportswear and recreation wear.
	Umorfil® skin-friendly series	Through nanotechnology, collagen peptide amino acid is applied to fiber. It increases moisture retention and wearing comfort of the material; in addition, it is an eco-friendly material. With the use of fibers and the moisture permeability knitting structure, the functionality related to the efficiency of moisture wicking and sweat absorption of the product is increased. With excellent skin-friendly properties, it is suitable for close-fitting apparel and loungewear.
	Aqua-Guide® moisture-wicking and quick-dry series	Aqua-Guide is a trademark of Eclat Textile Company. Faster moisture wicking and quick dry attributes. Moisture can be absorbed by the absorbing layer and transferred to the medium moisture storage layer for absorbing, which is then swiftly exhausted to the fabric surface layer. Consequently, it prevents moisture from seeping back, which stops the fabric from sticking to the skin and thus increases wearing comfort. It is applied to outdoor products of sportswear and athleisure wear.
	Drylight lightweight and highly breathable series	Product name of Eclat Textile Company Moisture transfer and fast drying performance allow the water absorption layer to absorb sweat and transfer to the fabric surface. 3D weaving structure provides high breathability, preventing the fabric from attaching to the skin after absorbing sweat, thereby increasing comfort when worn. It is applied to extreme sports, jogging, outdoor sports and recreation wear.
High Performance products	**Woveknit™**	
	Woveknit™ for mid-layer warmth series	It is a patented technology and a trademark of Eclat, and has received the recognition of Top 10 in the ISPO exhibition. With the utilization of fiber cross section principle, it is able to achieve insulation effect by preventing the loss of body heat, in conjunction with special fleece processing technology to enhance the warmth and breathable functions. High CLO value and pilling resistance characteristics in order to increase the added value of the textile. It can be used for hiking and mountain climbing activities.
	Woveknit™ for outer layer windproof series	It is a patented technology and a trademark of Eclat. This series of fabric has received the recognition of Outer Layer Top 10 in the ISPO exhibition. It utilizes Eclat's patented technology - Windbreaker knitted fabric. Compared to conventional windbreaker jackets on the market, this fabric is lighter, warmer, more comfortable, and elastic. It is applied to outdoor and travel clothing.
	Woveknit™ for baselaye	It is a patented technology of Eclat. In addition, this series of fabric has also received the recognition of Top 10 in the ISPO exhibition. It utilizes the high-density knitting method, along with elastic fiber series of characteristic in order to increase the wearing comfort during exercises. Through bonding techniques for making 2.5 Layers, 3 Layers bonded fabrics for protection type of products and it also utilizes environmentally friendly C6 and C0 coating chemicals for the product developments for consumers to choose. It is suitable for outdoor sports series products such as mountain climbing and cycling.

4.1.4 Long-term and Short-term Development

(1). Short-term development plan:

1. Systematically plan the training for new knitting technologies and ma-chine models, continue to innovate, increase productivity and competitiveness, remain rooted in Taiwan, and manufacture globally. Establish the design, research and development as well as the high-level production technical center in Taiwan, utilize raw materials of excellent quality and use quality system to improve the product competitiveness, achieve global market expansion, in light of increasing production capacity, reducing costs and shortening lead time.

2. Integration strategy for upstream, midstream and downstream:
   - Reduce the number of suppliers and centralize the management of suppliers, strengthening the cooperation relationship with suppliers.

   Establish raw material joint development model, improve quantity and quality, and increase value of suppliers.
   - Jointly develop new technologies and new materials with suppliers to strengthen supply chain capabilities and breadth.

3. Product development from fabric to garment:
   - Provide customers a complete service from fabric to garment, establish vertically integrated order receiving operation model.

   Obtain market trend, provide products satisfying customer demands, and establish service value of excellent quality and short lead time.
   - Cooperate with world first-class suppliers, utilize innovative technologies in research and development of fabrics and garment styles in order to increase the differentiation with competitors and to create values in the overall value chain.

(2).Long-term development plan:

1. Collaborate with customers in designs to create values jointly:
   - Deepen relationships with brand clients, cultivate small and medium-sized clients, and leverage their growth to drive the company's performance.
   - Cultivate a team of designers to co-design customized fabric patterns and garment styles with clients. Leverage professional production experience to jointly develop new products and markets with brand clients.
   - R&D personnel collaborate with customers in the development of fabrics, anticipate customer demands, coordinate production through the order and planned production methods in order to accelerate the product supply capabilities, to strengthen relationships with customers and to create joint value.

2. Development of eco-friendly sustainable textile:
   - Focus on the global trend on environmental protection awareness, actively develop products complying with the eco-friendly concept.
   - In 2006, the company has received the organic cotton manufacturing process certification from CONTROL UNION and IMO. Since Europe and American countries emphasize on the environmental protection issue more and more, the company has cooperated with the development strategy of brand manufacturers on organic cotton products in order to satisfy the market demand and to actively develop new products for business opportunities.

3. Responding to the global trend toward environmental consciousness, the Company obtained Bluesign certification in 2011 to comply with brand-owner standards, foster closer collaborative relationships, and reinforce its commitment to sustainable development.

4.2 An Analysis of the Market as Well as the Production and Marketing Situation

4.2.1 Market Analysis

1. Sales region:

Unit: NTD 1,000

Region \ Year		2023		2024		2025	
		Amount	%	Amount	%	Amount	%
Domestic Sales		135,426	0.44	123,400	0.34	325,604	0.59
Export Sales	America	14,439,220	46.90	18,496,249	50.22	19,325,129	50.87
	Asia	10,827,938	35.17	12,904,469	35.04	13,042,236	34.60
	Others	5,387,878	17.49	5,304,381	14.40	5,296,782	13.94
	Sub-total	30,655,036	99.56	36,705,099	99.66	37,664,147	99.41
Total		30,790,462	100.00	36,828,499	100.00	37,989,751	100.00

2. Market Share (%) of Major Product Categories in the Last Two Years

According to the Taiwan Top 2,000 survey by CommonWealth Magazine, in 2024, Eclat was ranked 117th in the manufacturing industry. Within the textile and garment industry, Eclat ranked 3rd in operating revenue, 3rd in net income after tax, and 4th in profitability. Since 2025, the monthly production capacity for knitted fabrics of the company reaches above 15 million yards, and the monthly production capacity for garments reaches above 13.45 million pieces. The production capacity scale of Eclat is also ranked high among the top domestic manufacturers.

3. Market Analysis of Major Product Categories:

(1). Future market supply and demand – weaving and dyeing & finishing industry:

For spun, with the fast-emerging origins of natural fiber raw materials of China, Pakistan and Indonesia etc., and due to the excessive fac-tory expansion by the domestic manufacturers, production capacity is in excess. This has led to price competition and significant reduction in profit for domestic natural fiber yarns and textiles manufacturers, such that a great number of manufacturers move out of the country. Regarding filament fibers, in terms of woven fabrics, with the significant in-crease in the demand for functional textiles, and since such type of functional textiles are mostly made from the modification and processing from man-made fibers, the future market for functional textiles is expected to continue to grow. Post-processing fabrics are closely related to the market information trend.

Regarding the knitted fabrics, in recent years, due to the short product life cycle of knitted fabrics, low entrance barrier and the trend of low product price in the international market, traders and distributors tend to seek sources in the regions of China and Southeast Asia. Under the influence of technical guidance over the past years, the manufacturers in the regions of China and Southeast Asia are now able to produce products of competent level to the products made by Taiwanese Manufacturers. Despite of the fact that the quality of products from China and Southeast Asia are still unstable, their prices are nevertheless far more attractive than Taiwanese products, such that the domestic export quantity of knitted fabrics is decreasing year after year.

Countermeasure and required criteria:

The countermeasures that can be adopted by the weaving, dyeing, and finishing industry include strengthening differentiation, technology alliances, market penetration, brand management, and global market expansion. The required criteria include product planning and innovative research and development abilities; investment in research and development budget; increase of successful rate in new products; maintaining excellent cooperation relationship with vendors; market keen-ness and ambition of leaders; excellent financial ability; equipped with market development type of sales talents; outstanding management team; and the ability to completely satisfy the demands of branded customers and purchasers in terms of the criteria of quality, price, research and development, service, lead time, human rights, environmental protection etc.

(2) Market future supply and demand outlook -- garment industry:

Garment industry is characterized by its labor-intensive industry, and the factory establishment cost and capital technology level are relatively low. In recent years, due to the continuous increase of the wage in Taiwan, the basic employee labor supply is clearly insufficient such that garment manufacturing operation environment is difficult. In addition to the cheap labor cost advantages in new emerging countries, manufacturers in the industry continue to move out of Taiwan.

Countermeasure and required criteria:

The strategy combinations recommended to be adopted by the garment industry include the three strategies of global market expansion, branding management and local market rooting etc. The required criteria include sound financial standing, outstanding management talents, market keenness and ambition of leaders, equipped with product planning and R&D talents, and the ability to satisfy the basic demands of branded customers in terms of the criteria of quality, price, research and development, service, lead time, human rights, environmental protection etc. completely.

Future growth:

The main products of the company include elastic knitted fabrics and professional/functional clothes. The main raw materials of such fabrics and clothes are natural fiber yarns, man-made fiber yarns and elastic fiber yarns. Since the petrochemical industry in Taiwan is mature, there is no concern on the semi-finished petroleum raw materials. With the complete industry structure, the production capacity for fibers and processed yarns is ranked high worldwide. As a result, the raw materials can be obtained relatively easily, the source of supply is abundant, and the quality is also stable. Regarding elastic fibers, Eclat mainly uses the elastic fibers of “Lycra” produced by Invista, and such elastic fiber is at the leading position in the industry. In terms of the market demand, all developed and emerging countries worldwide are gradually focusing on recreation lifestyles, and the outdoor activity time generally increases. This is particularly so in developed countries in Europe and America, which place great emphasis on health and recreational lifestyles. So much so that the demand for recreation, functional and healthy wear is being driven to increase, and the scale of relevant market is expanding significantly. With characteristics such as small-volume large-variety production and diverse fabric structures, knitted fabrics have earned great recognition from professional designers such that knitted fabric is used as the material for high-end fashion wear and is of great potential in fashion trend development. The outlook of the elastic fabric of the company demonstrates great market potential.

4. Competitive niche and favorable, unfavorable factors in future development outlook and countermeasures:

Competitive niche:

The main products of the company include circular elastic knitted fabric and garment manufacturing thereof, which utilizes elastic yarn and conventional synthetic fiber and spun mixed knitting as well as special post-processing fabric treatment technology. The company is active in the research and development of trendy, sporty, recreational, eco-friendly, health and multi-functional fabric in conjunction of trendy style designs. This allows the company’s fabrics to be widely applied to diverse product series of sportswear, recreation wear, underwear and pajamas, yoga wear etc., for sales to all well-known brands, department stores and major retailers worldwide.

Main competitive advantages:

1) Provide excellent brand reputation to customers, establish reliable partnership.
2) Own factory with complete vertical integration (from knitting→dyeing→setting→garment) as a key in earning customer trust.
3) Production reaches the economies of scale, equipped with greater price bargain power in raw material purchase, along with the utilization of Taiwan's mature filament fiber industry to obtain high-quality raw materials at low prices.
4) Technology integration with upstream vendors in order to reduce production errors, improve quality and increase product competitiveness.
5) Product innovation ability and high added value, excellent and stable production quality, equipped with relatively greater competitiveness; Strong global logistics management capabilities enable swift delivery, satisfying customers' comprehensive service needs from raw materials to finished products.
6) The operation management level of the company is committed to the sustainable operation.

Favorable factors for business development:

A. Stable raw material source:

(a) Filament fibers: In recent years, due to the flourishing development of the petrochemical industry, the production capacity of down-stream man-made fibers and textured yarns has gradually expanded.

(b) Spun fibers: The annual output and price of natural fibers fluctuate due to the impact of global climate change. To ensure a stable supply of raw materials, in addition to long-term cooperation with well-known manufacturers such as Tai Yuen Textile and Far Eastern New Century, the Company also collaborates with upstream suppliers to secure stable yarn sources, coordinate with production schedules, and arrange lead times.

(c) Elastic fiber yarns: The elastic fiber yarns used by the company mainly refer to the elastic fiber yarn of “Lycra” manufactured by Invista. In addition, the company signs contracts with suppliers for planned procurement such that the expected procurement quantity is arranged according to the annual order demand on a quarterly basis, and reasonable prices are negotiated in order to ensure the quantity and quality of elastic yarns of the company.

B. Leading technology:

(a) Knitting technology: Since elastic knitted fabrics are made from elastic yarns and general non-elastic yarns, to blend the two types of elastic and nonelastic yarns and to allow them to interlace with each other firmly without interferences while maintaining the original characteristics of synthetic fiber and spun, it is clear that requirements for the technology level are high. Since 1989, the company has cooperated with DuPont and accepted the technical guidance of DuPont engineers. Presently, the technology of the company is mature and is at the leading position in the industry.

(b) Dyeing technology: Since elastic fibers behave in a way similar to rubber bands, and dyeing on rubber band is known to be difficult. This is mainly due to the reason that at high temperatures, the dye on the elastic yarn can bleed or the fabric can develop wrinkles. Through continuous research and development as well as testing for different high/low dyeing solution temperatures, curve graphs, the company has been able to achieve most optimal control on such process.

C. Strong R&D department:

The company established its R&D unit in 1993, which is currently under the Fabric Business Unit, which is in charge of the research and development of new fabrics. This includes knitting, dyeing and post-processing treatment technologies. In addition, the company also establishes the Test Center for testing various qualification standards of textiles, such as: shrinkage rate test, color fastness test, physical test etc. The Planning and R&D Departments irregularly participate in the international textile trade shows, including the ISPO in Germany, Functional Fabric Fair in US etc., in order to provide fabrics successfully developed by and garment styles from Eclat on its own for buyer's selection, creating excellent brand image and reputation for the company as well as establishing reliable partnership with customers or branded manufacturers.

D. Global market expansion:

The Company positions the headquarters in Taiwan as the business center. Product development and business promotion are achieved through the utilization of technologies, in order to understand the consumer market status, to collect fashion trend information, and to receive orders and service customers without space limitation. In addition, in all major consumer markets worldwide, the company has agents in a long-term relationship with the company in order to represent the company in the business and sales of fabrics and garments.

Regarding the production site, for the production of knitted fabrics, due to the factors that the production technology requirement is high, investment cost is large, and customer designates for products made in Taiwan, Eclat has established knitting, setting, digital printing and quality inspection packaging factories in Hsichou, Miaoli, and dyeing factory in Dayuan, Taoyuan. In terms of overseas factories, there is a knitting and dyeing factory, Eclat Fabrics (Vietnam) Co., Ltd in Vietnam. Regarding the production of garments, the company has established Eclat Textile Co., Ltd (Vietnam), Colltex Garment Mfy Co., Ltd. (Vietnam), E-Top (Vietnam) Co., Ltd, Tai-Yuan Garments Co., Ltd. (Vietnam), Eclat Textile (Cambodia) Co., Ltd. and PT Eclat Textile International (Indonesia) in order to Hsi chou diversify the risk of concentrated production bases and expand the production scale to meet the demand for production capacity. In addition, the company has also established strategic alliance OEM factories in various areas of Lesotho of South Africa, Vietnam and China. Presently, the company production site layout is as shown in the table below:

Operating Offices	Taiwan Taipei Headquarters	
Production Sites	Fabrics	Garments
	Hsichou knitting, setting, digital printing, and quality inspection & packaging factory; Tashan knitting mill; Dayuan dyeing & finishing mill; Tashan knitting fac-tory, Dayuan dyeing factory, Eclat Fabrics (Vietnam) Co., Ltd.	Eclat Textile Co., Ltd (Vietnam), Colltex Garment Mfy Co., Ltd. (VN), E-Top (Vietnam) Co., Ltd., Tai-Yuan Garments Co., Ltd., (Vietnam), Eclat Textile (Cambodia) Co., Ltd., PT Eclat Textile International (Indonesia) and strategic alliance OEM factories in Lesotho, Vietnam and China, etc.

Unfavorable factors affecting future development and countermeasures:

A. Unfavorable factors:

a. For the textile market, the price competition is more intense due to the low-price products from Southeast Asia countries, such as Vietnam, India, Pakistan, and countries of Korea and China etc.

b. After the global market expansion, the localization ratio of the management team is insufficient, causing difficulty in the management thereof.

c. Competition in labor recruitment, coupled with annually increasing labor costs, results in slim OEM profits.

d. Formation of regional economy, leading to greater trade protection.

B. Countermeasures:

a. Production innovation:

1. Innovation in production design:

R&D personnel shall obtain the trend information at all times, perform self-development or collect latest products, and provide such products to sales personnel.

2. Innovation in marketing and sales:

Sales personnel shall provide services based on the customer-oriented approach, and cooperate closely with the R&D personnel in order to jointly design and provide products demanded by the customers, or even generate additional customer demand.

3. Innovation in administrative operation:

By implementing smart manufacturing in selected product lines, the Company utilizes smart monitoring devices for data collection. In coordination with Artificial Intelligence (AI) and Automated Optical Inspection (AOI), we achieve real-time integration of production and shipping schedules with collaborating partners, synchronized directly to the Company's ERP system. By replacing repetitive visual management and manual supervision with intelligent equipment, we attain our goal of operational management optimization.

This further provides customers and suppliers with a high-efficiency business model characterized by rapid innovation, rapid R&D, rapid production, and rapid marketing. Through the cultivation of a corporate innovation culture and the assistance of global logistics digitalization, the Company enhances product value-added and strengthens overall global competitiveness.

b. Marketing and sales strategy:

Short-term:

Prompt response, close to market, enhance the cooperation with customers, establish close relationship with customers as partners, and increase the efficiency of the supply chain. In addition, when customers choose to cooperate with suppliers with advanced operation procedures and systems in the future, the company is able to reduce the risk, lower the production development cost and improve the production capability.

Medium-term:

Based on the concern of a more efficient supply chain management, European and American customers will shift their procurement subjects to suppliers with the vertical integration ability and capable of providing the complete service from raw material to finished product or even design service. Accordingly, the company will exploit its advantage in vertical integration as a supplier in order to provide a complete solution and service in ODM model to customers such that the relationship with customers is strengthened further.

Establish “Brand Partner”. Based on the consideration of the trend that large scale of international buyers and brand retailers tend to become greater in scale, the primary markets will be gradually dominated by several large brand companies. Regardless of whether it is for the agency of foreign brands, seeking agency for new brands, obtaining licensed production from foreign well-known brand manufacturers, the company will provide a one-stop shop for all model of production service from finished fabrics to finished garments in order to satisfy the demands of customers completely.

Long-term:

Establish excellent branding reputation as an ODM supplier, and improve product added values. Actively establish the global logistics channel mapping, spread out the production locations, and choose a production region with competitiveness for manufacturing. Regarding strategy, Taiwan serves as the operation center in charge of design, research and development, order receiving, management of order distribution and customer service in Taiwan. In addition, in view of the global regional economy development, the company will establish domestic factories for production for countries with greater tariff advantages in order to increase competitiveness.

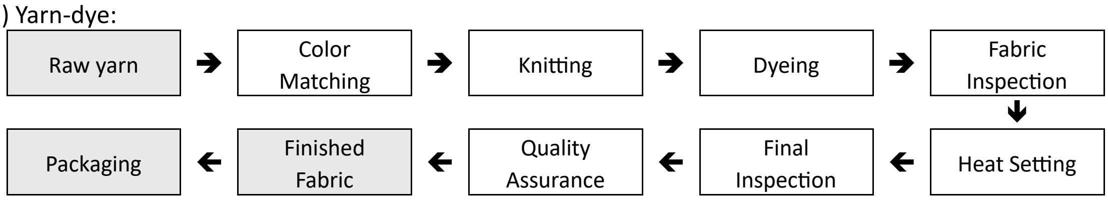
4.2.2 Production Procedures of Main Products:

1. Key purpose of main products

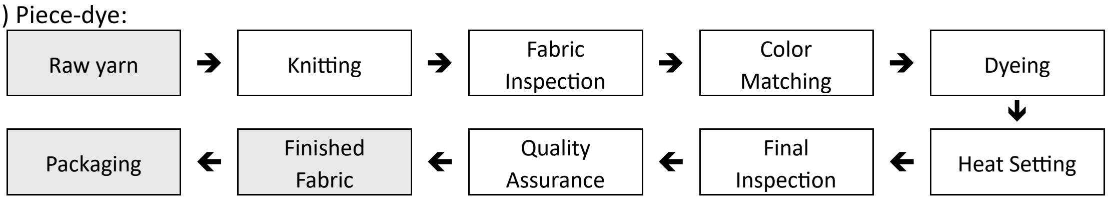
The main products of the company include fabrics for garments that are made from man-made fibers, and blended yarn fibers; among which, circular knitting elastic knitted fabric is a key product of the company. The fabrics manufactured by the company are widely used in recreation wear, sportswear and yoga wear etc. following the latest fashion trend in the market.

2. Production process of main products

(1) Yarn-dye:

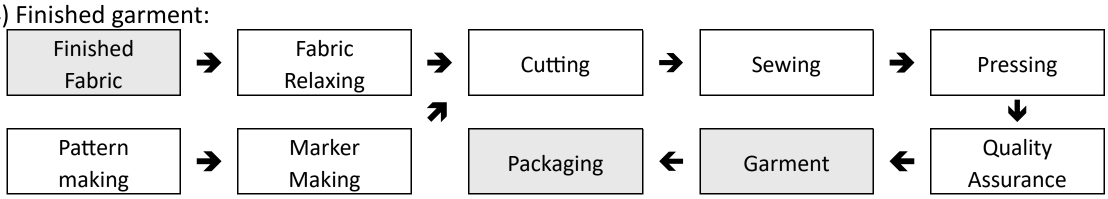


(2) Piece-dye:



(3) Post-processing: According to different types of fabrics, additional processes such as printing, embossing, pleating, burnout, brushing, sanding, and shearing are incorporated as needed.

(4) Finished garment:



4.2.3 Supply Status of Main Materials:

Main Division	Product Name	Main Raw Material		
		Raw materials	Main Sources	Supply Status
Knitting Division	Knitted Fabric	Raw Yarn	Taiwan and Vietnam	Stable
		Elastic Yarn	Singapore, Vietnam and Taiwan	Stable
Garment Division	Ready to Wear (RTW)	Finished Fabric	Self-produced, Taiwan, China and Vietnam	Stable

4.2.4 Name of Customers Accounted for More Than 10% Of Total Purchase/Sales Amount of The Company in The Most Recent Two Years or In Any Year and The Purchase/Sales Amount and Ratio:

1.Name of customers accounted for more than 10% of total sales amount of the company in the most recent two years and its sales amount and ratio:

Unit: NTD 1,000

Item	2024				2025				Up to the last quarter of 2026			
	Company Name	Amount	Percent	Relation with Issuer	Company Name	Amount	Percent	Relation with Issuer	Company Name	Amount	Percent	Relation with Issuer
1	A	5,200,401	14.12	-	A	6,244,893	16.44	-	A	1,792,431	18.63	-
2	B	3,461,748	9.40	-	B	3,451,740	9.09	-	B	965,676	10.04	-
	Others	28,166,350	76.48	-	Others	28,293,118	74.47	-	Others	6,862,963	71.33	-
	Net sales amount	36,828,499	100.00	-	Net sales amount	37,989,751	100.00	-	Net sales amount	9,621,070	100.00	-

The main products of the company are knitted fabrics and garments, and the main customers are mainly brands and distributors with good credit and stable operation. In recent years, it has been committed to collaborative development and design with customers, and provided vertically integrated one-stop purchase services from fabrics to garments. Benefiting from the centralized procurement policy of customers, the proportion of major customers has increased year by year.

2.Name of suppliers accounted for more than 10% of total purchase amount of the company in the most recent two years and its purchase amount and ratio: In the last two fiscal years, no single supplier accounted for more than 10% of the total purchase amount; therefore, disclosure is not required.

The main raw materials for the Company's knitted fabrics are filament, spun, and elastic yarns. For elastic fibers, the Company uses "Lycra" manufactured by The Lycra Company, and spandex manufactured by Formosa Asahi and Hyosung. For filament yarns, the main suppliers include Toung Loong, Zig Sheng, Nan Ya, Italon, and Shin Kong. For spun yarns, they are sourced from well-known manufacturers that cooperate with the Company. The Company has good cooperative relationships with the suppliers, and supply sources are stable with no concern of shortage, interruption, or over-concentration of supply.

The company is made to order, and the amount of supplier purchases fluctuates according to customer order requirements.

The company is made to order, and the amount of supplier purchases fluctuates according to customer order requirements.

4.3 Human Resources:

Year		2024	2025	As of the annual report publication date of the current year
Number of employees	Direct labor	15,305	14,352	14,253
	Indirect labor	3,334	4,758	4,814
	Company staff	2,029	2,472	2,301
	Total	20,668	21,582	21,368
Average age		31.31	31.40	32.00
Average service year		4.37	4.83	4.96
Education%	PhD	0	0	0
	Masters's Degree	1	1	1
	College/University	10	10	10
	Senior High School	41	41	40

Year		2024	2025	As of the annual report publication date of the current year
	Below Senior High School	48	48	49

4.4 Disbursements for Environmental Protection

1. Any loss or penalty due to environmental pollution during the most recent fiscal year and up to the date of publication of the annual report (including compensation and violations of environmental protection laws found in environmental protection inspections, specifying the date of disposition, disposition number, the articles of the law violated, the content of the law violation, and the content of the disposition), and disclosure of the estimated amount and countermeasures for current and possible future occurrences. If a reasonable estimate cannot be made, an explanation shall be provided:

2. As of the most recent fiscal year and up to the date of publication of this annual report, no such incidents have occurred.

4.5 Labor Relations

4.5.1 Employee Welfare

As part of the operation principles, the company values humanity and the care of people. To take care of employees both physically and provide the employee welfare rights. With these employees are able to be cared for and be focused on their working performance. Furthermore, the Employee Welfare Committee is established to plan and execute welfare related activities for all employees. The current employee welfare programs mainly consist of the following:

1. Regular benefits:

   National health insurance, labor insurance, group insurance, traveling safety insurance, appropriation of pension reserve, appropriation of overdue wage repayment fund and appropriation of occupational disaster insurance.

2. Special benefits:

   "Happiness Day" per week with an early departure option one hour before regular closing; flexible working hours; annual health examinations; on-site parking for cars and motorcycles (car spaces allocated on application); dormitories for non-local employees (application required); meal subsidies; a company library; a gymnasium and yoga studio; an employee cafeteria; a nursing room; housing allowances and children's education subsidies for overseas personnel; childcare subsidies and an on-site daycare center at the company headquarters; an 80% reinstatement rate after parental leave without pay; free massages provided by visually impaired therapists; and newly established volunteer leave for 2025.

3. Employee Welfare Committee activities:

   Birthday cash gifts; biannual departmental staff dinners; subsidies for club activities; celebration cash gifts for weddings, funerals and festive occasions; maternity subsidies; three major festival welfare bonuses; agreements with preferred merchants; occasional issuance of gift vouchers; and gift boxes.

4. Employee incentive reward:

   The Company is committed to establishing a competitive compensation system. Since 2021, the Board of Directors has approved and implemented the performance bonus policy for five consecutive years based on annual operating results. In light of the exceptional performance in 2025, the Board further resolved to distribute quarterly bonuses based on performance achievements. This initiative directly shares the Company's success with all employees, effectively enhancing organizational cohesion and driving sustained business growth.

5. Employee Stock Ownership Trust:

   To enhance employee welfare and strengthen organizational cohesion, the Company launched the "Employee Stock Ownership Trust (ESOT)" program in 2025. This initiative aims to share the fruits of the Company's success with employees and ensure their post-retirement financial stability. Currently, 799 employees have participated, with total contributions amounting to NT$5,579,000.

4.5.2 Employee Development and Training Programs:

The Company provides training courses to employees timely, including the new employee orientation, on-the-job training (OJT), management skills training and other advanced trainings. In addition, the company also provides customized training on professional knowledge and skills to employees of different job functions.

In 2025, the training (including internal and external trainings) organized by the company have a total of 196,809 people in staff participation; approximately 301,030 training hours; the annual training expense is approximately NT$ 4,754,000.

Employee Development Programs:

Training Program	Description
New Employee Orientation Training	Goal: Familiarize new employees with organizational systems and norms and build fundamental industry knowledge and competencies. Objective: All new employees. Participants & Training Impact in 2025: 63,198 hours. Key Development Areas: Assist all new hires in transitioning to their workplace roles and adapting to the environment; cultivate basic work skills and requisite competencies, enabling them to find their role and stage within the Company.
On-the-Job Professional Training	Goal: Strengthen professional knowledge and skills through systematic training to improve work accuracy, efficiency and quality. Objective: Qualified incumbent employees. Participants & Training Impact in 2025: 90,117 hours. Key Development Areas: The Company values talent cultivation, offering a series of professional training courses to foster employees' independent thinking and problem-solving abilities; encourage innovative thinking and process improvements; and promote cross-departmental communication and collaboration through blended learning design.
First-line Management Competency Training	Goal: Assist junior managers in transitioning from "individual contributors" to "team drivers." Objective: 109 junior managers: 34 males and 75 females Participants & Training Impact: in 2025: 1,725 hours. Key Development Areas: 1. Effective Leadership Communication: Shifting the focus from mere task delegation to acting as "coaches and bridges." Through practical tools and role-playing exercises, managers learn to balance interpersonal relationships with task execution, ensuring seamless organizational communication. 2. Mentoring and Talent Retention: Emphasizing the importance of timely guidance and constructive feedback. By building mutual trust, managers help subordinates enhance their capabilities, adjust behaviors, and achieve performance goals, ultimately reducing turnover rates and securing the Company's human capital.
Middle Management Competency Training	Goal: Strengthen the key competencies of middle managers in their core role as a "bridge between levels," and build a resilient and forward-looking leadership team through systematic learning. Objective: 55 middle managers: 29 males and 26 females. Participants & Training Impact: in 2025: 440 hours. Key Development Areas: 1. Leading and Motivating Multi-generational Teams: Focused on bridging generational communication gaps and fostering an inclusive culture to significantly enhance employee engagement across the organization. 2. Strategic Thinking and Growth Initiatives: Empowering managers to proactively identify new opportunities, optimize operational processes, and drive organizational growth. The curriculum also emphasizes logical reasoning and analytical judgment, enhancing decision-making quality and organizational agility when navigating complex challenges.

4.5.3 Retirement Program and Status quo:

The Company handles the employee retirement program in accordance with relevant laws of competent authority, and the retirement program covers all officially employed staff. According to the requirements of the regulations, the "Labor Standards Act" is applicable to the payment of employee pension fund, and the calculation of the pension is based on the base figure obtained from the service period and the average of monthly salary of six months before the retirement. Regarding the aforementioned number of bases, two bases are given to each full year of service rendered for the service of the first 15 years, and starting from the sixteenth year, one base is given to each full year of service rendered. Under such retirement regulations, the full amount of the pension payment is completely borne by the company.

Since the implementation of the “Labor Pension Act” (hereinafter referred to as the “new system”) on July 1, 2005, employees may choose to apply the “Labor Standards Act” or choose to use the new system and reserve the service years before the application of the Act. For employees with the applicability of the original “Labor Standards Act” choose to the use of the new system for the service year or employees on board at work after the implementation of the new system, then their service years are changed to the defined contribution plan, and the payment of the pension is handled by the company through the appropriation of no less than 6% of the monthly wage on a monthly basis for saving into each worker's individual pension account.

4.5.4 Labor-Management Agreements, Employee Rights Protection, and Engagement Surveys：

The Company is committed to establishing transparent and open communication channels to foster harmonious labour–management relations, allowing employees to voice concerns and provide suggestions. Guided by a principle of autonomous management and full participation, department heads regularly engage in two-way communication with staff through business and production–sales meetings. This year, new employees reported an average satisfaction level of “satisfied” or above. Periodic surveys are also conducted to gauge satisfaction with the employee cafeteria and gymnasium, with the aim of continuously improving the work environment.

Since 2022, to better understand the needs and opinions of Taiwanese staff, the Company has commissioned an external consultant annually to conduct anonymous online satisfaction surveys, achieving an average response rate exceeding 80%. After each survey, results are reported to senior management, and relevant units propose and implement improvement measures.

Target Audience	HQ-based Taiwanese employees and overseas Taiwanese expatriates.
Core Dimensions	The survey evaluates 8 key areas: Employee Experience, Leadership, Compensation & Benefits, Collaboration, Work Efficiency, Career Development, Brand Advocacy, and Sustainability.
Coverage Rate	Out of 882 eligible employees, the coverage rate was 74%, calculated based on HQ-based Taiwanese employees and overseas Taiwanese expatriates.
Reporting Period	January 1, 2024 – December 31, 2024 (Annual frequency)
Survey Results	The Company demonstrated steady growth in Compensation & Benefits. Through structural salary adjustments and the optimization of performance bonuses, our indicators show a robust upward trend, reflecting our market competitiveness in attracting and retaining top talent.
Improvement Initiatives & Action Plans	1. Strengthening Leadership and Collaboration We are launching a series of Leadership Development Programs to enhance two-way communication between managers and subordinates, thereby reinforcing team cohesion and mutual trust. 2. Enhancing Work Efficiency and Career Development In response to digital transformation, we are integrating AI technologies to boost employee "Work Efficiency." By automating workflows, we aim to reduce operational burdens and maximize output. To ensure long-term retention, the Company has unveiled a "Dual-Track Career Path." This system provides clear promotion trajectories for both "Management Leadership" and "Technical Specialists," ensuring diverse talents have ample room for professional growth. 3. Elevating Employee Experience and Sustainability Alignment The Company officially introduced a "Paid Volunteer Leave" policy, encouraging employees to contribute their expertise to social causes. In 2025, 136 employees participated in environmental conservation and social welfare activities. This initiative not only alleviates workplace stress but also strengthens alignment with our corporate sustainability vision, embodying our culture of "Common Good." 4. Workplace Environment Upgrades Based on employee feedback, we have optimized our HQ infrastructure: Dining Facilities: Added single-occupancy seating in the cafeteria to improve space utilization and comfort. Office Zoning: Re-evaluated floor density and reconfigured office layouts to provide a more ergonomic and spacious working environment.

	5. Competitive Remuneration Structure To further enhance pay competitiveness, we have integrated attendance bonuses into the base salary structure. Furthermore, we continue to reflect corporate performance through annual merit increases, quarterly bonuses, and year-end incentives. All other employee suggestions are addressed through official announcements and internal briefings to ensure transparent and effective communication.

The Company also maintains an employee suggestion mailbox and grievance channels, managed by designated personnel who promptly address employee feedback and ensure that employee rights are protected.

4.5.5 Employee Turnover Rate

Breakdown of Turnover Rate by Gender and Age (Taiwan Plants, 2025)				
Age group	Male		Female	
	Number of Employees	Ratio	Number of Employees	Ratio
Below30years old	50	3%	97	6%
31 to 50 years old	38	2%	46	2%
51+ years old	6	0%	6	0%
total	94	5%	149	8%
Ratio	39%		61%	
Breakdown of Turnover Rate by Gender and Age (Taiwan Plants, 2024)				
Age group	Male		Female	
	Number of Employees	Ratio	Number of Employees	Ratio
Below30years old	52	3%	91	5%
31 to 50 years old	25	1%	52	3%
51+ years old	11	1%	6	1%
total	88	5%	149	9%
Ratio	37%		63%	

Note 1: Employee Turnover Rate = Number of departures in each category / Total headcount at year-end.

Note 2: Turnover Rate by Gender = Number of departures of each gender / Total number of departures.

Note 3: Employee departures include voluntary resignation, retirement, severance, dismissal, and completion of internship.

The Company actively implements talent-friendly policies. In 2025, the overall turnover rate of our Taiwan plants decreased by 6% compared to 2024. Given that female employees constitute our primary labor force, the Company is committed to addressing childcare needs. Through com-prehensive support systems, including onsite childcare centers and child-care subsidies, we have successfully and significantly reduced the turnover rate among female employees aged 31-50.

In terms of the structural analysis of turnover reasons, the fluctuations among male employees primarily reflect the routine departure of foreign contract workers upon the expiration of their labor contracts. Meanwhile, the data variations among young female employees are associated with the Company's strategy to expand academic-industry collaboration and in-crease the scale of internship programs. Overall, the trends in the Company's turnover rate align with our talent structure and industrial manpower allocation plans, demonstrating stable operations.

4.5.6List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to labor disputes (including any violations of the Labor Standards Act found in labor inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, the substance of the legal violations, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided:

There were no material violations of laws or regulations, and no penalties were imposed by competent authorities during the reporting period.

4.5.7Gender Equality and Diversity:

To uphold gender equality and respect for individual dignity, the Company not only complies with the Gender

Equality in Employment Act but also proactively adopts the ethical conduct codes of our brand partners, publishing the relevant standards across all facilities. We emphasize that employees will not face discrimination in recruitment, compensation, benefits, promotion, rewards and punishments, or termination and retirement based on gender, gender identity, race, religion, age, disability, illness, marital status, pregnancy, sexual orientation, nationality, political views, social or ethnic background, or any other factors.

As of 2025, Taiwanese nationals account for 73.7% of our Tai-wan-based workforce (1,360 Taiwanese; 486 foreign nationals).

In addition, the Company employs 26 persons with disabilities, exceeding the statutory requirement of 20. In accordance with regulations, each employee with a severe disability is counted as two individuals; under this weighted calculation, the Company consistently exceeds legal mandates, demonstrating our commitment to inclusive employment.

Region	Percentage of Female Employees	Percentage of Female Managers
Taiwan	63.3%	57.4%
Vietnam	86.4%	71.1%
Cambodia	82.3%	76.1%
Indonesia	89.9%	75%

To prevent and address sexual harassment, we have established a dedicated grievance channel (help@eclat.com.tw) and formulated and published rules for sexual harassment prevention, grievance and disciplinary measures. An annual online training course on sexual harassment prevention is also conducted.

4.6 Cyber Security Management:

(1) Describe the cyber security risk management architecture, cyber security policy, specific management solution and resources invested in cyber security management.

- Management structure of information security
  1. Senior information security officer: Manage information security policy promotion, cross-department coordination and resource allocation. Verify information security strategic plan and objective, provide resources, and review important information security management measures.
  2. Digital Development Department: Responsible for planning, executing and promoting information security. Conduct independent and objective assessment periodically each year to reflect the latest status quo of the Company's information security management policy, regulation, technology and business, so as to ensure the effectiveness and feasibility of information security practical operation.
  3. Audit Function: Both external and internal auditors conduct scheduled and ad hoc information security audits. The audit findings are reported to the Audit Committee and subsequently submitted to the Board of Directors.
  4. All the staff: Complying with all kinds of information security policies, non-disclosure agreement procedures and operation requirements.
  5. It is established according to Article 9-1 of the "Regulations Governing Establishment of Internal Control Systems by Public Companies" and Secondary Standard of OTC Companies in order to enhance the security of Eclat and its subsidiaries and to achieve a balance between rigorous measures and maintenance of autonomy. To further enhance this commitment, on September 7, 2023, an Information Security Officer was appointed by the Board of Directors, and a dedicated information security team was established.
  6. Board Supervision: The Information Security Officer reports to the Eclat Board of Directors annually, presenting the status of cybersecurity risk implementation and proposing recommendations for improvement.

- Policy of information security

  To ensure the appropriate protection of the confidentiality, integrity, and availability of its information operations, and to safeguard against internal or external threats—whether deliberate or accidental—Eclat Textile Co., Ltd. (hereinafter referred to as "the Company") has established this Policy to support the sustainable operation and development of the enterprise.

  The Company has implemented the ISO 27001 Information Security Management System (ISMS) and passed the third-party verification audit in March 2026. The certificate is valid until 2029.

- Objectives of information security
  7. Protect the confidentiality of information assets through proper access controls, ensuring that information is accessible only to authorized personnel.
  8. Maintain the integrity of information and system by preventing unauthorized modification.
  9. Ensure the continuous availability and operation of information services.
  10. Cultivate strong information security awareness among all our employees.

- Cybersecurity intelligence assessment, response and participation

  To strengthen the public company's information security status sharing, to improve the information security event reporting and response abilities, the Company has applied to become a member of the Taiwan Computer Emergency Response Team / Coordination Center (TWCERT/CC) in order to obtain information security early warning related information, information security threat and voluntarily information.

- Information security management measures
  1. Develop and maintain clear information security guidelines and procedures as the foundation for Eclat information security practices.
  2. Maintain and grow our dedicated information security division to drive and continually improve our ISMS.
  3. Apply physical security measures to protect our workplace and prevent theft or damage to information assets.
  4. Implement appropriate technical controls to address risks derived from information security vulnerabilities.
  5. Establish business-continuity arrangements to minimize disruption in the event of an information security incident, and safeguard customer interests.
  6. The measures of information security are listed below:

Item	Description	Measures Plan and Resources
Physical and environmental security	• Server room environment maintaining and management • Network disconnection and interruption risk • Regulate equipment procurement and services contract • Regulation compliance	• Information server room checklist and server room access registration record • Environmental control system management • Server room access control • Establish backup circuit lines • IT equipment destroys procedures • Rules for data provision, query, and destruction
System availability	• System status reporting • Abnormal status process • Disaster immediate recovery	• System and internet status surveillance • Data and offsite backup • Regular disaster recovery drills
Access control	• Data access control measures • Connection equipment control • Remote access control	• Authority set up • Personnel and special authority account management • Regulate portable access devices • Blocking connection of unsecured equipment • Logging of user activity trails / Maintaining audit trails of operations • Isolation of network segment • Remote access double authentication implementation
Internal and External threats	• System vulnerability detection and remediation • Establish protection measurements • Improve personnel information security awareness • Intranet equipment risk management	• Construction of firewalls, virus protection, malware detection and blocking • Enhance personnel information security education and control • Email filtering mechanism • Organize mail social engineering and system vulnerability scans periodically • Advanced Persistent Threat (APT) defense measures • Corporate network connection equipment risk control platform • Core system endpoint threat detection and protection

- Cyber security risks and responsive measures

Despite that the Company has implemented detection, protection, prevention, backup equipment and software according to the information security management requirements, network attack techniques continue to evolve and the Company cannot completely assure that the system is secured from all attacks such that system crashes may still occur, leading to improper internal operation, and data effective transmission can be affected. The scope of impact includes the aspects of sales, production, shipping and accounting, such that the operation and business reputation of the Company can be adversely affected. The Company will continue to enhance the information security protection measures and will also timely implement protective devices and systems and request all employees of the Company and cooperating suppliers to comply with the information security principles rigorously, in order to prevent computer virus infection, phishing events that may lead to the disclosure of information or occurrence of network blackmails, thereby reducing the possible impact caused by information security risk to the minimum.

- Annual review

This Policy is reviewed at least annually to ensure ongoing compliance with applicable laws and regulations and to align with the latest developments in information operations. Amendments will be implemented as necessary.

(2) Up to the printing of the annual report, Loss from Major Information Security Incidents, Potential Impact, and Corresponding Response Measures or Major cyber security events: None.

4.7 Important Contracts: None.

V. Review and Analysis of Financial Position, Financial Performance, and Risk Assessment

5.1 Analysis of Financial Position:

Unit: NT$ 1,000

Item \ Year	2024	2025	Variance	
			Amount	Percentage
Current Assets	21,508,022	21,367,075	(140,947)	(0.66%)
Property, Plant and Equipment	12,993,610	12,323,370	(670,240)	(5.16%)
Intangible Assets	26,838	20,016	(6,822)	(25.42%)
Other Assets	1,336,650	1,326,452	(10,198)	(0.76%)
Total Assets	**35,865,120**	**35,036,913**	**(828,207)**	**(2.31%)**
Current Liabilities	6,766,856	5,262,865	(1,503,991)	(22.23%)
Other Liabilities	176,603	136,911	(39,692)	(22.48%)
Total Liabilities	**6,943,459**	**5,399,776**	**(1,543,683)**	**(22.23%)**
Share Capital	2,743,671	2,743,671	0	0.00%
Capital Surplus	3,769,803	3,769,803	0	0.00%
Retained Earnings	22,080,917	22,937,042	856,125	3.88%
Foreign Currency Translation Adjustments & Others	327,270	186,621	(140,649)	(42.98%)
Total Equity	**28,921,661**	**29,637,137**	**715,476**	**2.47%**

Major Variance Explanations

For variances exceeding NT$10,000 thousand in amount and 20% in rate:

1. Decrease in Current Liabilities by NT$1,504 million (-22.23%): Primarily due to the reduction of external borrowings as a result of sufficient funds.
2. Other liabilities decreased by NT$39,690 thousand (-22.48%): This was primarily attributable to the fluctuation in exchange rates, which resulted in a decrease in exchange differences on translation of foreign operations, and a corresponding reduction in deferred tax liabilities.
3. Foreign Currency Translation adjustments and others decreased by NT$141 million (-42.98%): Mainly due to the impact of exchange rate fluctuations on the exchange differences arising from the translation of financial statements of foreign operations.

5.2 Analysis of Financial Performance

Unit: NT$ 1,000

Year / Item	2024	2025	Variance	Percent Variance
Operating revenue, net	36,828,499	37,989,751	1,161,252	3.15%
Operating cost	25,459,513	27,108,151	1,648,638	6.48%
Gross profit	11,368,986	10,881,600	(487,386)	(4.29%)
Operating expenses	3,613,561	3,789,680	176,119	4.87%
Operating profit	7,755,425	7,091,920	(663,505)	(8.56%)
Non-operating income and expenses	595,503	(126,350)	(721,853)	(121.22%)
Profit before tax from continuing operations	8,350,928	6,965,570	(1,385,358)	(16.59%)
Income tax expense	1,710,076	1,450,633	(259,443)	(15.17%)
Net income	6,640,852	5,514,937	(1,125,915)	(16.95%)
Other comprehensive income (net, after tax)	313,928	(135,220)	(449,148)	(143.07%)
Total comprehensive income	6,954,780	5,379,717	(1,575,063)	(22.65%)

Major Variance Explanations

For variances exceeding NT$10,000 thousand in amount and 20% in rate:

1. Non-operating Income and Expenses: Primarily due to the difference in foreign exchange gains and losses between the two periods, which was affected by exchange rate fluctuations.
2. Other Comprehensive Income increased due to currency translation differences from foreign operations.
3. Total Comprehensive Income: Decreased primarily due to the impact of exchange rate fluctuations on exchange gains/losses and exchange differences arising from the translation of financial statements of foreign operations.

5.3 Analysis of Cash Flow

5.3.1 Liquidity analysis for the last 2 years

Item \ Year	2024	2025	Percent Variance
Cash Flow Ratio	69.76	143.84	106.19%
Cash Flow Adequacy Ratio	98.13	108.84	10.91%
Cash Reinvestment Ratio	2.62	7.27	177.48%

For the percent variance exceeds 20%, the causes are analyzed as follows:

1. Cash Flow Ratio：The increase in the cash flow ratio was primarily attributable to the implementation of accounts receivable advances starting from 2025, which effectively accelerated collections and increased cash inflows from operating activities, thereby boosting the cash flow ratio.
2. Cash Reinvestment Ratio：The rise in the cash reinvestment ratio was mainly driven by the execution of accounts receivable advances since 2025, which significantly boosted net cash inflows from operating activities. After the deduction of cash dividends, the remaining funds available for reinvestment increased, resulting in the growth of this ratio.

5.3.2 Cash liquidity analysis for the next year

Unit: NT$ 1,000

Cash and Cash Equivalents, Beginning of Year (1)	Net Cash Flow from Operating Activities (2)	Cash Outflow (3)	Cash Surplus (Deficit) (1)+(2)-(3)	Leverage of Cash Deficit	
				Investment Plans	Financing Plans
3,409,474	5,701,987	5,058,407	4,053,054	—	—

1. Operating Activities: Based on orders received to date and projected operations, net cash from operating activities is expected to remain positive.
2. Investing Activities: In 2025, the Company invested in the expansion of its Indonesia plant, resulting in a cash outflow of NT$2,068,850 thousand. For 2026, construction of Indonesia Plant 3 is scheduled to commence in the second half of the year. With the expected payment of related construction costs, the net cash outflow from investing activities is estimated to be NT$942,900 thousand.
3. Financing Activities: Cash dividends of NT$ 4,115,507 thousand are planned, resulting in net financing outflows of the same amount.

No remedial measures are required given the positive ending balance.

5.4 The Effect upon Financial Operations of Any Major Capital Expenditures During the Most Recent Fiscal Year: None.

5.5 The Company's Reinvestment Policy for the Most Recent Fiscal Year

Unit: NT$ /US$1,000

Description / Item	Investment Amount	Reinvestment policy	Profit or loss Main reasons	Improvement plan	Investment plan for next year
Eclat Cayman Islands Holdings (Cayman)	3,941,511 (USD 125,406)	To accelerate the global garment production layout and seek more cost-effective manufacturing bases, the Company is actively expanding its footprint in Vietnam. This includes garment plants such as ECLAT TEXTILE (VN), COLLTEX, E-TOP (VN), TAI-YUAN (VN), and FABRICS mills, which serve as core production hubs for apparel and knitwear to enhance overall product competitiveness.	In 2025, sustained demand and new client orders drove continuous revenue growth and full-year profitability.	None	None
Grand Elite Holdings Inc. (Grand Elite)	267,784 (USD 8,520)	To vertically integrate production capacity by indirectly investing in ECLAT TEXTILE (CAMBODIA), expanding overseas garment manufacturing footprint.	ECLAT TEXTILE (CAMBODIA) reported an operating loss for the year. This was due to workers' unfamiliarity with new orders, coupled with increased costs from local tax and customs audits.	None	None
PT Eclat Textile International	3,771,600 (USD 120,000)	To diversify production-base concentration risk by investing in an Indonesia garment plant, expanding capacity and supply-chain integration to optimize global strategic footprint.	Profitability at the Indonesia garment plant surged in the first half due to efficiency and capacity gains, driving strong full-year growth.	None	1,640,000 (USD 50,000)

5.6 Analysis and Assessment of Risk Factors.

1. The effect upon the company's profits (losses) of interest and exchange rate fluctuations and changes in the inflation rate, and response measures to be taken in the future:

(1) Interest rates: As of December 31, 2025, the Group’s short-term borrowings totaled NT$547,353 thousand. A 1% increase or decrease in interest rates, all else equal, would increase or decrease interest expense by approximately NT$5,474 thousand.

Future countermeasures:

Strengthen product development, business expansion and cost control to boost internal cash generation, thereby reducing borrowing needs and interest expense. The Group will also regularly review and negotiate bank financing rates to secure more favorable terms, mitigating interest-rate risk.

(2) Regarding the exchange rate fluctuation:

The Group’s net foreign-currency exposures at year-end were USD 171,457 thousand, VND (178,092,232) thousand and IDR (45,657,136) thousand. A 1% depreciation or appreciation of the NT dollar against these currencies, all else equal, would change after-tax net income by approximately NT$40,711 thousand.

Future countermeasures:

Actively reduce net foreign-currency positions by timely selling foreign-currency receivables and employing forward contracts and other hedging instruments to cushion exchange-rate volatility.

(3) Regarding the inflation:

To date, the impact of inflation on the Group has been negligible. However, given global economic uncertainties and the potential for the U.S.-Iran conflict to drive up oil prices and petrochemical raw material costs, the Company cannot guarantee that future inflationary or deflationary shifts will not significantly dampen consumer confidence and spending, thereby adversely affecting operations. Nevertheless, through diversified sourcing and long-term supplier partnerships, the Company has mitigated the risk of material shortages. By implementing selective stockpiling for key raw materials, we ensure that overall operations remain stable.

2. The company's policy regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future:

The Company does not engage in high-risk or highly leveraged investment activities. Fund loans to subsidiaries are solely to meet their working capital needs and are not expected to expose the Group to material financial risk. Given that all subsidiaries currently have sufficient funds and credit lines to meet their operational needs, the Company's Board of Directors passed a resolution on November 6, 2025, to cancel the total credit line for loans to related parties.

3. Research and development work to be carried out in the future, and further expenditures expected for research and development work:

(1) High Value-Added Textiles Development:

Integrating aesthetics with functionality, focusing on environmental sustainability, the Company is developing high-performance elastic knit fabrics. From raw-material design through production-process innovation and precise dye-chemical formulation—often via cross-industry collaboration—the goal is to meet each seasonal performance target. Environmental friendliness, comfort, safety, health and aesthetics constitute the five R&D pillars,

Environmental protection

To implement the company's environmental policy of "Reduce our impact on the environment", during the production process, the company uses low-pollution or renewable objects or energies as much as possible in order to achieve continuous improvement through the environmental management system. Each year, through the certifications of Bluesign® and ISO 14001, the company ensures the production factory site properly fulfills the responsibility on the environmental protection. In addition, Eclat Da-Yuan dye house has participated in the 2017 manufacturing industry energy management demonstrative guidance project of the Industrial Development Bureau, MOEA, in order to construct the ISO 50001 energy management system. In addition, the Company also successfully reduces the energy use through change of corporate energy strategy. The goal of 10% reduction of energy consumption by 2020 originally established had been achieved in 2016, and the total energy use reduction achieved 27.95%. In 2019, the Company continued to implement the plans of replacement of light fixtures and equipment update etc. in order to management the use of energy. In 2020, equipment for the wastewater treatment, the fixed smoke and waste gas treatment and the pad printing activated carbon filtering system, etc. were additionally installed in order to reduce the impacts of wastes on the environment.

Comfort

Based on the main focus of lightweight, warm and comfort, the artificial fiber raw material processing technique is adopted to change the physical structure and to cope with the knitting weave change, in order to increase the moisture absorption rate of fabric, to reduce the moisture content of the fabric, and to increase the insulation continuity. With the combinational application of weave and yarn, fabric can be made to transfer sweat in one direction swiftly and to increase the fabric thickness while maintaining its light weight, thereby increasing the heat convection between the body heat and textile. Accordingly, greater natural elastic characteristics can be provided to cotton-feel material and change the skin-friendliness of functional fabric.

Health

Further improvement of biomimetic fiber integrates the cotton-feel artificial fiber design and adopts the weaving design of inner and outer separate layers, and the purpose of such design is to provide different skin feeling in order to provide functional needs through weaving for sports activities. The functionality includes the regulation of apparent temperature and high air permeability.

Appealing

Fashion design elements integrated with sports products will become the mainstream of the garment industry. The appearance demanded by sports brands will also become higher and broader. Design concepts will be obtained from the fashion clothing brands for application to functional clothing products. The double-side and single-side computer jacquard technique is utilized in conjunction with pattern design, yarn type and finishing process, the fabrics can be applied to more casual styles with different function attributes.

Safety

Application of high visibility reflective material and printing technology. Through cross-sector collaboration and technology exchange, develop reflective textiles with higher visibility, such that products can be equipped with safety as well as the comfort and functionality of functional fabrics at the same time. With the pattern arrangement and layout, diverse variations of patterns can be presented, thereby integrating aesthetics and fashion elements with the safety protection function field of functional clothing.

(2) High performance textiles development project:

a. For the development of high thermal insulation functional fabric, through the collaboration project with Industrial Technology Research Institute (ITRI), photothermal powders are injected into the fiber drawing process. The thermal insulators can absorb far/middle/near infrared and reflect heat. The third generation of photothermal powders is equipped with a faster temperature rising effect to increase the warming sensation with greater long-lasting insulation performance. To satisfy the demand and trend of lightweight products, the Company's development direction will head toward the one-side 3D pattern structure along with the reduction of the use ratio of elastic fibers in order to increase the heat storage space and shape-retaining capability of the structure.

b. Jacquard-like fabric technology development; Products equipped with both fashion and recreation elements are being actively developed by all international major sports brands for the consumer market. The demand for freedom of changes in the appearance of the products is higher and broader. To increase the diversity of patterns and structure dimension on jacquard, front and back sides with different up and down patterns are provided for visual play and unique hand-feel, allowing the brand designer to achieve greater amusement and technique on the design. The material structure includes single side and double side patterns. Various types of thickness are provided for different yarn specifications, such that the fabric is suitable for all seasons.

In 2026, the Company implements the functional fabric and garment development projects and it is expected to invest an amount of NT$ 176 million in the budget for the product development and promotion.

4. Effect on the company's financial operations of important policies adopted and changes in the legal environment at home and abroad, and measures to be taken in response:

Impacts	Impact of Regional Economic or Bilateral Free Trade Agreements (FTAs): Variations in the content of various FTAs (such as AGOA) may impact the Company's export market competitiveness and export tax rates across production bases. The Company is closely monitoring significant legal developments regarding U.S. tariff authority. Following the U.S. Supreme Court’s ruling on February 20, 2026, which declared the reciprocal tariffs imposed under the International Emergency Economic Powers Act (IEEPA) unconstitutional and void, the U.S. administration subsequently invoked Section 122 of the Trade Act of 1974. This resulted in a 150-day temporary tariff on all global goods imported into the U.S., effective February 24, 2026. As of the report publication date on April 17, in response to these short-term policy shifts, the Company is closely tracking Congressional developments prior to the 150-day expiration. Simultaneously, we are monitoring potential tax refund claims from brand customers following the IEEPA invalidation, as well as potential litigation regarding the legitimacy of invoking Section 122 of the Trade Act of 1974. Furthermore, the Company is proactively evaluating the optimization of its production base layout to mitigate associated risks. Local Regulatory Changes: Amendments to human-rights, minimum-wage or pollution-control laws at production sites may increase operating costs. Quality-Certification Standards: Changes in foreign import quality-certification requirements for textiles could necessitate upgrades to raw-material processing and manufacturing technologies.
Countermeasures	Regarding the information on the changes in domestic/foreign important policies and laws, the company has established a dedicated unit in charge of timely collect and summarizes responsive solutions in order to provide such solutions to the management level for decision-making.

	All business units and production sites of the company comply with various regulations of local and external laws.

5. Effect on the company's financial operations of developments in science and technology (including cyber security risks) as well as industrial change, and measures to be taken in response:

Impacts	In terms of the raw materials, changes in technologies can allow the terminal products to have broader applications. In terms of the manufacturing, changes in technologies can improve textile manufacturing as well as dyeing equipment and technology such that the production capacity and energy saving of the company can be further improved. Garment manufacturing has a high labor reliance percentage. The impact of technology change is mainly on the utilization of information equipment, as well as the management tools and technologies for enhancing the industrial engineering.
Countermeasures	Engage in joint development of customized raw materials and equipment with raw material suppliers and manufacturing process equipment suppliers in order to control the manufacturing know-how. Utilize information technology to continuously improve ERP system and to increase management performance.

6. Effect on the company's crisis management of changes in the company's corporate image, and measures to be taken in response:

Impacts	Since the establishment of the company, the company has valued integrity as the cornerstone with the commitment in providing services and products of excellent quality to customers in order to create the greatest value for customers, employees and shareholders. Up to the present day, the company has not faced any cooperate operational crisis caused by change of cooperate image. The Company honorably receives the certification of “Sports Enterprise” issued by the Sports Administration, MOE, and one of the Top 300 enterprises in Asia by the Nikkei.
Countermeasures	For any unjust and non-objective reports on the company reported by the media, the company will provide clarification immediately. If it is considered to be significant information, public announcement will be made according to the law immediately. The company values the relationship with its customers, suppliers and investors. For the corporate governance, the company upholds the principle of transparent and open information in order to establish proper image of the company.

7. Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken:

Expected benefit	Expand production scale, exploit the benefits of economies of scale. Promptly establish own production capacity, actively seize market business opportunities.
Possible risk	Whether the managing team, system and culture can swiftly accept and adapt to the merger. Whether there is an error in the prior assessment due to insufficient information or experience. Operation performance not reaching the expected level.
Countermeasures	To allow the merger to achieve synergy, before the merger, the reserve management team shall establish the plan for system and culture incorporation in order to reduce the mutual fusion time. Careful selection in subject matter for merger, actively consult professional institutions of accountants and attorneys etc. in order to prevent erroneous information or insufficient experience.

8. Expected benefits and possible risks associated with any plant expansion, and mitigation measures being or to be taken:

Expected benefit	Expand production scale to exploit the benefits of economies of scale. Replacement of obsolete equipment in order to increase production performance.

Possible risk	Whether financial planning is appropriate. Operation performance not reaching the expected level.
Countermeasures	Establish sufficient and proper financial planning in order to prevent impacts on the operating capital. The three aspects of expansion of business, manufacturing of niche products, establishment of own production capacity shall cooperate with each other in order to achieve the operational growth target, strengthen the production technical team of the company and protect the manufacturing process technologies for niche products in order to maintain cooperate competitiveness.

9. Risks associated with any consolidation of sales or purchasing operations, and mitigation measures being or to be taken:

The product sales of the current session of the consolidated company are mainly centralized at the regions of America and Asia. The customers of the product sales are not overly centralized, and the sales amount of one single customer is not accounted for more than 10% of the consolidated revenue total amount of the company as much as possible. In addition, the purchase amount of the largest supplier of raw yarn and garment fabric is not to be more than 10% of the total consolidated purchase amount of the company, as far as possible. During the material incoming, the company evaluates the supply quality, price of suppliers and also considers the market status in order to determine the incoming material suppliers. In view of the above, there are no possible risks for the company caused by overly centralized material incoming or product sales.

10. Effect upon and risk to the company in the event a major quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10 percent stake in the company has been transferred or has otherwise changed hands, and mitigation measures being or to be taken: None.

11. Effect upon and risk to company associated with any change in governance personnel or top management, and mitigation measures being or to be taken: None.

12. Litigious and non-litigious matters. List major litigious, non-litigious or administrative disputes that: (1) involve the company and/or any company director, any company supervisor, the general manager, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10 percent, and/or any company or companies controlled by the company; and (2) have been concluded by means of a final and unappealable judgment, or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the company's securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of publication of the annual report: None.

13. Other important risks, and mitigation measures being or to be taken: In order to elevate risk management of information security, the Company has “Program of Information Security Operation” based on the “Risk Management Regulation” by adopting PDCA (Plan-Do-Check-Act) measurements. Effectiveness and Feasibility are supervised under the “Information Security Checklist”. For information on risk management countermeasures of cyber security, please refer to “4.6 Cyber Security Management” in IV. Operational Highlights. Up to the printing date of the annual report, no material cyber security events have occurred in the Company.

5.7 Other important matters: None.

VI. Other Items Deserving Special Mention

6.1. Information Related to the Company's Affiliates:

The relevant information has been filed and disclosed on the information reporting website designated by the Financial Supervisory Commission. For details, please refer to the Market Observation Post System (MOPS) via the following path:

MOPS > Individual Company > Electronic Document Download > Disclosure Section for the Three Statements of Affiliated Enterprises

Website: https://mopsov.twse.com.tw/mops/web/t57sb01_q10

6.2. Private placement of securities in the most recent fiscal year and up to the date of publication of the annual report: None.

6.3. Other Matters that Require Additional Description: None.

6.4. Matters with a material impact on shareholders' equity or security prices during the most recent fiscal year and up to the date of publication of the annual report: None.

Eclat Textile Co., Ltd.

Chairman: Shu-Wen, Wang