Stock No: 5906
MOPS Website:
http://mops.twse.com.tw/
Official Website:
http://www.tainancayman.com

TAINAN ENTERPRISE (CAYMAN) CO., LIMITED
2025 ANNUAL REPORT

Date of Annual Shareholders' Meeting: June 10, 2026
Meeting Location: 1F, No. 297, Sec. 2, Dongmen Rd., East Dist., Tainan City
Published on April 30, 2026

1. The name, title, telephone number, and e-mail address of the spokesman or acting spokesman
   Name of Spokesman: Huang, Chih-Yuan
   Title: Chief Accounting Officer
   Tel: +886-6-200-6277
   Email: kevin.huang@mail.tainancayman.com

   Name of Acting Spokesman: Chen, Hui-Shu
   Title: General Manager
   Tel: +886-6-200-6277
   Email: vicky.chen@mail.tainancayman.com

2. Information of the Head Office, Branch and Subsidiary
   Head Office Name: TAINAN ENTERPRISE(CAYMAN) CO., LIMITED
   Address of the Head Office: P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands.
   Head Office Tel: +886-6-200-6277

   Branch Name: British Cayman Islands Business Tainan Enterprise (Cayman) Limited Taiwan Branch
   Address: 1F., No. 297, Sec. 2, Dongmen Rd., East Dist., Tainan City
   Tel: +886-6-200-6277

   Branch Name: British Cayman Islands Business Tainan Enterprise (Cayman) Limited Tainan Branch
   Address: 14F., No. 297, Sec. 2, Dongmen Rd., East Dist., Tainan City
   Tel: +886-6-209-2205

   Subsidiary name: Nelson Sport Co., Ltd.
   Address: 2F., No. 556, Sec. 4, Wenxin Rd., Beitun Dist., Taichung City
   Tel: +886-4-2232-5855

   Subsidiary name: Tainan Development Co., Ltd.
   Address: 1F., No. 297, Sec. 2, Dongmen Rd., East Dist., Tainan City
   Tel: +886-6-200-6277

   Subsidiary name: Focus Fashion Co., Ltd.
   Address: No. 63, Sec. 2, Zhongyi Rd., West Central Dist., Tainan City
   Tel: +886-6-221-3000

   Subsidiary name: Overtop Sport Co., Ltd.
   Address: 10F., No. 92, Sec. 5, Nanjing E. Rd., Songshan Dist., Taipei City
   Tel: +886-2-2528-6800

   Subsidiary name: RBK Sport Taiwan Co., Ltd.
   Address: 1 F., No. 556, Sec. 4, Wenxin Rd., Beitun Dist., Taichung CityTel: +886-2-2745-7115

   Subsidiary name: Koche Creative Co., Ltd. (Koche Creative)
   Address: 1 F., No. 166, Zhongshan Rd., West Central Dist., Tainan City
   Tel: +886-6-211-3888

III. Name, address, website, and contact number of share administration agency:
Name: Stock Agency Department / Shareholder Service Department, Taishin Securities Co., Ltd.
Address: B1, No. 96, Jianguo N. Rd., Sec. 1, Zhongshan Dist., Taipei City
Website: http:// https://www.tssco.com.tw
Tel: +886-2-2504-8125

IV. Name of CPAs, accounting firm, address, website and TEL for the financial reports of the most recent year
Certified CPA: CPA, Wu, Chang-Chun; CPA, Yang, Chao-Chin
Name of CPA: Deloitte & Touche
Address: 13F., No. 189, Sec. 1, Yonghua Rd., West Central Dist., Tainan City
Website: http://www.deloitte.com.tw
Tel: +886-6-213-9988

V. Name of overseas exchange where securities are listed and the methods for inquiring the foreign-listed securities: None

VI. Corporate Website: http://www.tainancayman.com

VII. Members of the Board of Directors

Title	Name	Nationality or place of registration	Experience (Education)
Chairman	Yang, Ching-Hon	Taiwan R.O.C.	Department of Economics, National Chung Hsing University Chairman of Tainan Enterprise
Director	Koche Development Co., Ltd.	Taiwan R.O.C.	—
	Corporate representative: Wang, Fang-Chung	Taiwan R.O.C.	MBA Program, National Chengchi University Chairman of Jing Da Development Co., Ltd.
Director	Koche Development Co., Ltd.	Taiwan R.O.C.	—
	Corporate representative: Chen, Hui-Shu	Taiwan R.O.C.	Master of International Business Administration, Tainan University of Technology Assistant Manager of the Development Department, JLL Taiwan Chairman of Koche Development Co., Ltd.
Director	Tainan Enterprise (BVI) Co., Limited	British Virgin Islands	—
	Corporate representative: Wu, Tao-Chang	Taiwan R.O.C.	Department of Civil Engineering at Chung Yuan Christian University Director of Tainan Enterprise

Title	Name	Nationality or place of registration	Experience (Education)
Independent director	Wang, Ming-Long	Taiwan R.O.C.	Doctor of Finance, The City University of New York Associate Dean, College of Management; Director, Department of Accountancy and Graduate Institute of Finance; CEO, EMBA, National Cheng Kung University Independent director, Ton Yi Industrial Corporation Director and independent director, Catcher Technology Co., Ltd. Independent director, KMC (Kuei Meng) International Inc. Independent Director, Hanpin Electron Co., Ltd. Director and independent director, Chinese Gamer International Corp. Independent Director, Tang Eng Iron Works Co., Ltd. Supervisor, Taiyen Biotech Co., Ltd.
Independent director	Ho, Yao-Hong	Taiwan R.O.C.	Master Degree in Industrial System Engineering, Ohio State University Independent director, Leadtek Research, Inc. Independent director, Advanced International Multitech Co., Ltd. General Manager, Ledtech Electronic Corp. Senior Associate Director, PWC Consulting Services Taiwan Co., Ltd. General Manager, ETP Leadership Coach Consulting Ltd. Company Executive Vice President & Partner, KPMG Advisory Services Co., Ltd. CEO, Deloitte & Touche Consulting Co. Vice President, Asia Pacific - IMPAC Productivity Inc.

Title	Name	Nationality or place of registration	Experience (Education)
Independent director	Chen, Hui-Chu	Taiwan R.O.C.	Department of Law, Tunghai University Institute of Public Affairs Management, National Sun Yat-sen University Qualification of the Senior Examination for Lawyers Qualification of Senior Examination for the Civil Service Qualification of Junior Professional and Technical Examinations Second Examination Division, National Taxation Bureau of Taipei, Ministry of Finance Legal Affairs Division, National Taxation Bureau of the Southern Area, Ministry of Finance Director, executive director, supervisor, executive supervisor, Tainan Bar Association Lecturer, Chang Jung Christian University Lawyer, Gong Dao Law Firm Managing Partner, Prosper Name Law Firm

VIII. Name, title, contact number and e-mail address of the designated agent in the Republic of China

Name: Chen, Hui-Shu

Title: General Manager

Tel: +886-6-200-6277

Email: vicky.chen@mail.tainancayman.com

Table of Contents

Page

One. A Report to the Shareholders

Dear Shareholders,

First, on behalf of the Company's operating team, we would like to thank all shareholders for your support and concern for the Company in many years. The Company merged Nelson Sport Co., Ltd., the agent of FILA in Taiwan, in August 2017. This transaction made a great contribution to the business performance and profitability of the Company. In addition, our subsidiary Nelson Sport Co. Ltd. and Overtop Marketing Co., Ltd. in November 2019 jointly set up Overtop Sport Co. Ltd. to focus on marketing and selling activities for leisure brands, which have helped in expanding our market presence and raising the overall sales volume. Our subsidiary Tainan Development Co., Ltd. and Overtop Marketing Co., Ltd. in June 2022 jointly set up the RBK Sport Taiwan Co., Ltd. to manage Reebok branded merchandise, which has injected profitability into our operations. Koche Creative Co., Ltd. was established in April 2024, and invested in a shopping mall in Kaohsiung's Kaohsiung Pop Music Center (Jiaoqun District) to expand its business territory and create greater benefits. Tainan Enterprise (Cayman) will place more focus on the strategy of “multiplier” to introduce more global brands with potentials.

To position ourselves as a company engaging in multiple daily life business categories of food, clothing, housing, transportation, education, and entertainment, we changed our name to Tainan Enterprise (Cayman) Co., Ltd in June 2020. to increase the brands and channels for these businesses and pursue the growth and sustainable development of the Company.

I. Operating Results in 2025

(I) Operating result of business plans

The company's consolidated net revenue for 2025 was NT$1,681,725 thousand, a decline of 7.04% compared to the net revenue of NT$1,809,168 thousand in 2024. This decrease was due to overseas travel trend, US reciprocal tariffs and currency appreciation. There were also inflation in the domestic market, uncertainty about the future economic outlook, and conservative consumption to impact domestic demand. Furthermore, the gas explosion at SKM Department Store in Taichung after Chinese New Year in February 2025 had severely impacted the department store's sales, to result in a decline in sales for the first half of this year compared to the same period last year. The consolidated net profit for 2025 was NT$41,399 thousand, a decrease of 51.87% compared to the consolidated net profit of NT$86,022 thousand in 2024. Overall, 2025 was a challenging year, and we will work even harder in 2026.

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(II) Budget implementation:

This section is not applicable, since the Company did not release its financial forecasts in 2025.

(III) Financial income and expenditure, and profitability analysis

1. Financial income and expense:

Unit: NT$ thousand

Analytical items	2024	2025
Cash flow from operating activities	86,758	121,798
Cash flow from investing activities	(79,577)	(65,621)
Cash flow from financing activities	20,533	(61,017)

2. Profitability analysis

Analytical items		2024	2025
ROA (%)		3.77	2.56
ROE (%)		8.59	5.33
Ratio to issued capital stock (%)	Operating profit	24.54	11.58
	Income before taxation	22.40	12.34
Net profit rate (%)		3.24	2.08
Earnings per share (NT$)		1.64	0.98

(IV) Research and development

In view of the wearing apparel manufacturing for the future fashion trends with its growing demand, continuous innovation and development are needed to respond to the trend and to develop brand models that belong to different customer groups and to achieve the needs of various consumer groups in the market fast in order to improve the Company's commodity market share and acquire the greatest satisfaction for its consumers. As of Q4, 2025, the cost of the Company's commodity design department accounted for approximately 1.88% of the consolidated operating income and expected that the future investment in product design or agency fees will change with the Company's development.

II. Summary of the 2025 Operational Plan

(I) Operating policy and important production and marketing policy:

We will formulate our operating strategies based on market attributes and lifestyle industry-oriented platform to expand the Group's scale. The strategy for the market in Taiwan will focus on the youth market, assessment as an agency of other quality brands, and online-to-offline integration to develop more channels for the brands. This approach aims to optimize our existing business investments and maximize the effectiveness of our brand and distribution channels.

(II) Estimated sales volume and its basis:

The Company does not publish financial forecasts. Projected sales volumes are estimated based on future market trends and consumption patterns, considering the overall industry and economic conditions, as well as the Company's established goals. We aim to expand our lifestyle industry platform's reach, enhance resource integration within the Group, and seek utilization and collaboration with government resources. By leveraging the advantages of our subsidiaries, we replicate successful operating models to expand the Group's territory.

III. Company development strategy in the future

(I) Short-term financial business development plan

(1) Stable profits for dividends distribution
(2) Search/cultivation of the next top brand.
(3) Evaluation of cooperation with government resource
(4) Reinforcement of the operation of e-commerce distribution channels
(5) Effectiveness of digital reinforcement/big data analysis/optimized business management
(6) Cross-industry joint marketing and sales activities

(II) Medium-term and long-term financial business development plan

(1) Development of diversified business related to the lifestyle industry/expansion of group scale
(2) Becoming the platform for brands and channels
(3) Seeking and developing strategic partners
(4) Acquisition of long-term brand management
(5) Legal compliance and ESG promotion

IV. Impact of the external competitive environment, regulatory environment and the overall business environment

The Company pays close attention to investing in local regulatory environmental requirements and assesses the extent of possible impacts continuously and takes necessary management and control measures at any time in response to changes in the law; through the instant response and adjustment of professional division of labor of the Company's operating team, avoiding the significant impact on the Company's financial business due to changes in the domestic and international regulatory environment.

In the face of high inflation of raw materials, industry peer competition, and external counterfeiting, the Company encounters numerous challenges and difficulties. However, through continuous enhancement of internal communication and the close cooperation of the Group's team, we aim to cultivate sufficient flexibility and persistence. Despite these challenges, the Company will do our best to achieve the annual target and bring the highest benefit to the shareholders.

First, on behalf of the Company's operating team, we would like to thank all shareholders for your support Looking forward to the future, we will do our best to actively improve the operating performance and company values. We would like to express our greatest appreciation for the support and encouragement from all shareholders!

Chairman: Yang, Ching-Hon | General Manager: Chen, Hui-Shu | Chief Accounting Officer: Huang, Chih-Yuan

Two. Company Profile

I. Date of Establishment and Group Profile

(I) Date of Establishment: February 8, 1999

Tainan Enterprise (Cayman) Co., Ltd. (hereinafter referred to as the Company, the Group or Tainan Cayman) was established in 1999. The Company's products then included the design, development, production and sale of personalized men's and women's wear, urban fashion men's and women's wear, casual men's and women's wear, sportswear, dresses and accessories, which all belong to the brand clothing industry and our products are positioned in the middle and high-end series of clothes.

In 2004, the Company established Guanjia (Shanghai) Fashion Co., Ltd. with mature women's wear brand - Emely is marketed in mainland China and in 2008 established another young women's brand - Emely Sweetie. The Company has acted as an agent for the well-known Korean brand VOV apparel since June 2011. In 2016, Korean G-cut, a trendy brand for the youth, was successfully introduced to meet the demands of the Greater China market. However, our profitability was not good as the competition of the brands from the China market has become fiercer in recent years. For this, we terminated our brand clothing business gradually and completely withdrew from the China market in 2021.

Beginning in August 2017, the Group has been incorporated into Fila Sport Taiwan, the representative of the well-known Italian sporting goods brand Fila in Taiwan. It has been the sales representative of Fila branded apparel and accessories for ten years and is currently one of the leading sporting brands.

Since January 2019, the Group has incorporated Focus Fashion Co., Ltd. whose main business is the HAYASHI, the cultural and creative historic department store with the longest history and the smallest area. In December, 2019, Fila Sport Taiwan and Overtop Marketing Co., Ltd. established Overtop Sport Co., Ltd. as a joint venture for the distribution and whole sale of FILA and Champion sports shoes.

Our subsidiary Tainan Development Co., Ltd. and Overtop Marketing Co., Ltd. in June 2022 jointly set up the RBK Sport Taiwan Co., Ltd. to manage Reebok branded merchandise.

In April 2024, the Tainan City Government approved the establishment of a subsidiary, Koche Creative Co., Ltd. which will mainly operate the Kaohsiung Pop Music Center shopping mall.

To position ourselves as a company engaged in multiple daily life business categories of food, clothing, housing, transportation, education and entertainment, we changed our name to Tainan Enterprise (Cayman) Co., Ltd in June 2020. to strive for more international brands and develop strategic partners and keep the Company growing on an ongoing basis.

II. Company History

Date	Date Important notes on the history of the Group and the Company
February 1999	Established TAINAN ENTERPRISE (CAYMAN) CO., LTD (Tainan Cayman) with a capital of US$ 4,722,500
May 1999	Tony Wear (Shanghai) Clothing Co., Ltd. was established with a market in mainland China under the TONY WEAR brand
September 1999	Opened the first TONY WEAR flagship store in Beijing
July 2000	Opened TONY WEAR Shanghai flagship store in Huaihai Zhong Road, Shanghai
February 2002	Developed the TONY JEANS brand and represented German camel active brand clothing
March 2003	Opened the first multi-brand store in Shanghai Wandu Building — TONY TOWN
May 2004	Guanjia (Shanghai) Fashion Co., Ltd. was established to market in mainland China the brand of " Emely "
December 2004	Represented the French NEW MAN brand clothing
September 2006	Introducing the Tony uomo brand
March 2008	Introduced the TJL women's brand
September 2008	Introduced the young, stylish and sweet beauty Emely Sweetie brand
May 2009	Represented the French U by Ungaro brand clothing
October 2010	Introduced the TW. Design brand

Date	Date Important notes on the history of the Group and the Company
June 2011	Representing Korea Voice Of Voices (VOV) brand clothing
October 2011	Cash injection of NT$ 78,150,000 was performed. After the capital injection, the capital was NT$ 651,198,680. The Company's stock is officially listed on Taiwan Stock Exchange.
December 2011	Ended representing the French U by Ungaro brand clothing
January 2013	The cash injection was NT$ 300,000,000, after the capital injection the capital was NT$ 963,232,700
December 2015	Ended representing Germany's Camel active brand clothing
March 2016	Represented Korea G-cut brand clothing
May 2016	For the reduction by NT$ 663,232,700, after the capital reduction the capital was NT$ 300,000,000
July 2017	For private placement of NT$ 195,000,000, after the capital injection the capital was NT$ 600,000,000
August 2017	Transferred investment to Fila Sport Taiwan
December 2017	Established Taiwan Branch and Fila Branch
May 2018	Capital reduction of NT$ 300,000,000 was performed. After the capital reduction, the capital was NT$ 300,000,000
January 2019	Re-invested in Focus Fashion Co., Ltd.
March 2019	Ended representing the Korean clothing brand, G-cut
December 2019	Establishment of the Overtop Sport Co., Ltd.
December 2019	Sale of the Tony Wear (Shanghai) Fashion Co., Ltd.
February 2020	Ended representing the Korean clothing brand, VOV
June 2020	The annual shareholders' meeting adopted a resolution to change the Company's current Chinese name "Tainan Enterprise (Cayman) Co., Ltd." to "Tainan Life (Cayman) Co., Ltd."
May 2021	The Board of Directors adopted a resolution to set up a new subsidiary in Taiwan
August 2021	The subsidiary Nelson Sport Co., Ltd. adopted a resolution to invest in Jinyu Investment Co., Ltd.
September 2021	The cash injection in earnings transferred to capital was NT$24,000,000. After the capital injection, the capital was NT$324,000,000.
April 2022	The Company signed a contract on the Reebok brand with 338 Fashion Co. Limited, a Hong Kong company
June 2022	The Company jointly established a new company, RBK Sport Taiwan Co., Ltd., to manage and operate the Reebok brand, which contributed steadily to the Group's business
June 2022	Guanjia Company, a subsidiary in China, applied for dissolution and liquidation
December 2022	The Board of Directors approved the long-term investment by Nelson Sport Co., Ltd. in Jing Yu Development Co., Ltd.
May 2023	The Company has appointed a Corporate Governance Officer
September 2023	The cash injection in earnings transferred to capital was NT$9,720,000. After the capital injection, the capital was NT$333,720,000
April 2024	Established Koche Creative Co., Ltd.. and invested in a shopping mall in the Kaohsiung Pop Music Center (Jiaoqun District) in Kaohsiung City
August 2024	The company sign an agency agreement with ABG Group (Authentic Brands Group LLC) for the new brand "Eddie Bauer."
September 2024	The cash injection in earnings transferred to capital was NT$16,686,000. After the capital injection, the capital was NT$350,406,000
September 2025	The cash injection in earnings transferred to capital was NT$7,008,120. After the capital injection, the capital was NT$357,414,120
March 2026	The Board of Directors approved to sign distribution agreement of Champion brand with Belle Fashion Group

III. The Group's structure

Please refer to sub-paragraph 1, paragraph 7 of this Annual Report (page72).

IV. Analysis of risk matters

Please refer to sub-paragraph 6, paragraph 6 of this Annual Report (page 68).

Three. Company Corporate Governance

I. Background Information of Directors, General Manager, Deputy General Managers, Assistant Managers and the Heads of Various Departments and Branches

(I) Information on the directors Please refer to sub-paragraph 1, paragraph 7 of this Annual Report (page 68).

April 12, 2026 Unit: share; %;

Title	Nationality or place of registration	Name	Gender Age	Election (Appointment) Date	Duration	Inauguration date	Shares at Election		Current shareholding		Current Shares Held by Spouse and Dependents		Shareholding under the title of a third party		Major (academic degree) experience	Current duties in The Company and in other companies	Other Chief, Supervisors or Directors with a Spouse or Other Immediate Relative			Remarks
							Quantity	Ratio of Shareholdings	Quantity	Ratio of Shareholdings	Quantity	Ratio of Shareholdings	Quantity	Ratio of Shareholdings			Title	Name	Relation	
Chairman	Taiwan R.O.C.	Corporate representative: Yang, Ching-Hon	Male 71–80	2025.6.11	3 years	2010.5.11	0	0	0	0.00	0	0.00	0	0.00	Department of Economics, National Chung Hsing University Chairman of Tainan Enterprise	Note 1	Director	Wu, Tao-Chang	Related by marriage.	
Director	Taiwan R.O.C.	Koche Development Co., Ltd.	–	2025.6.11	3 years	2016.10.18	6,307,308	18.00	6,433,454	18.00	0	0.00	0	0.00	–	–	–	–	–	
	Taiwan R.O.C.	Corporate representative: Wang, Fang-Chung	Female 61–70	2025.6.11	3 years	2016.3.31	0	0.00	0	0.00	0	0.00	1,753,877 (Note 2)	4.91	MBA Program, National Chengchi University Chairman of Jing Da Development Co., Ltd.	Note 3	Chairman	Yang, Ching-Hon	Spouse	
Director	Taiwan R.O.C.	Koche Development Co., Ltd.	–	2022.6.14	3 years	2016.10.18	6,307,308	18.00	6,433,454	18.00	0	0.00	0	0.00	–	–	–	–	–	
	Taiwan R.O.C.	Corporate representative: Chen, Hui-Shu	Female 61–70	2025.6.11	3 years	2023.05.2	0	0.00	0	0.00	0	0.00	0	0.00	Master of International Business Administration, Tainan University of Technology Assistant Manager of the Development Department, JLL Taiwan Chairman of Koche Development Co., Ltd.	Note 4	None	None	None	
Director	BVI.	Tainan Enterprise (BVI) Co., Limited	–	2025.6.11	3 years	2010.5.11	4,336,515	13.38	4,783,738	13.38	0	0.00	0	0.00	–	–	–	–	–	
	Taiwan R.O.C.	Corporate representative: Wu, Tao-Chang	Male 71–80	2025.6.11	3 years	2010.05.11	0	0.00	0	0.00	0	0.00	0	0.00	Department of Civil Engineering at Chung Yuan Christian University Director of Tainan Enterprise	Note 5	Chairman	Yang, Ching-Hon	Related by marriage.	

Title	Nationality or place of registration	Name	Gender Age	Election (Appointment) Date	Duration	Inauguration date	Shares at Election		Current shareholding		Current Shares Held by Spouse and Dependents		Shareholding under the title of a third party		Major (academic degree) experience	Current duties in The Company and in other companies	Other Chief, Supervisors or Directors with a Spouse or Other Immediate Relative			Remarks
							Quantity	Ratio of Shareholdings	Quantity	Ratio of Shareholdings	Quantity	Ratio of Shareholdings	Quantity	Ratio of Shareholdings			Title	Name	Relation	
Independent director	Taiwan R.O.C.	Wang, Ming-Long	Male 61–70	2025.6.11	3 years	2003.07.31	0	0.00	0	0.00	0	0.00	0	0.00	Doctor of Finance, The City University of New York Associate Dean, College of Management; Director, Department of Accountancy and Graduate Institute of Finance; CEO, EMBA, National Cheng Kung University Independent director, Ton Yi Industrial Corporation Director and independent director, Catcher Technology Co., Ltd. Independent director, KMC (Kuei Meng) International Inc. Independent Director, Hanpin Electron Co., Ltd. Director and independent director, Chinese Gamer International Corp. Independent Director, Tang Eng Iron Works Co., Ltd. Supervisor, Taiyen Biotech Co., Ltd.	Director, Hanpin Electron Co., Ltd. Director, Chinese Gamer International Corp. Adjunct Professor, Center for General Education and Academy of Innovative Semiconductor and Sustainable Manufacturing, National Cheng Kung University	None	None	None	
Independent director	Taiwan R.O.C.	Ho, Yao-Hong	Male 61–70	2025.6.11	3 years	2023.6.14	0	0.00	0	0.00	0	0.00	0	0.00	Master Degree in Industrial System Engineering, Ohio State University, USA Independent director, Leadtek Research, Inc. Independent director, Advanced International Multitech Co., Ltd. General Manager, Ledtech Electronic Corp. Senior Associate Director, PWC Consulting Services Taiwan Co., Ltd. General Manager, ETP Leadership Coach Consulting Ltd. Company Executive Vice President & Partner, KPMG Advisory Services Co., Ltd. CEO, Deloitte & Touche Consulting Co. Vice President, Asia Pacific - IMPAC Productivity Inc.	Independent director, Leadtek Research, Inc. Independent director, Advanced International Multitech Co., Ltd. General Manager, Ledtech Electronic Corp. Executive director, Taiwan ITRI New Venture Association General Manager, ETP Leadership Coach Consulting Ltd. Company	None	None	None	

Title	Nationality or place of registration	Name	Gender Age	Election (Appointment) Date	Duration	Inauguration date	Shares at Election		Current shareholding		Current Shares Held by Spouse and Dependents		Shareholding under the title of a third party		Major (academic degree) experience	Current duties in The Company and in other companies	Other Chief, Supervisors or Directors with a Spouse or Other Immediate Relative			Remarks
							Quantity	Ratio of Shareholdings	Quantity	Ratio of Shareholdings	Quantity	Ratio of Shareholdings	Quantity	Ratio of Shareholdings			Title	Name	Relation	
Independent director	Taiwan R.O.C.	Chen, Hui-Chu	Female 61–70	2025.6.11	3 years	2025.6.11	0	0.00	0	0.00	0	0.00	0	0.00	Department of Law, Tunghai University Institute of Public Affairs Management, National Sun Yat-sen University Qualification of the Senior Examination for Lawyers Qualification of Senior Examination for the Civil Service Qualification of Junior Professional and Technical Examinations Second Examination Division, National Taxation Bureau of Taipei, Ministry of Finance Legal Affairs Division, National Taxation Bureau of the Southern Area, Ministry of Finance Director, executive director, supervisor, executive supervisor, Tainan Bar Association Lecturer, Chang Jung Christian University Lawyer, Gong Dao Law Firm Managing Partner, Prosper Name Law Firm		None	None	None	

Note 1: Chairman of Tainan Enterprise Co., Ltd., Qing Feng Investment Co., Ltd., Nelson Sport Co., Ltd.; Tainan Development Co., Ltd; Koche Global Co., Ltd., Tony Wear, Koche Development Co., Ltd.(Samoa), Tainan Enterprise (Virgin) Co., Ltd., PT Tainan Enterprise Indonesia, Tainan Enterprise (Vietnam) Co., Ltd., Yixing Koche Garment Co., Ltd., Zhoukou Tainan Garment Co., Ltd., ACE Limited; and PT.CAHAYA INDAH GLOBAL, director of Nelson Sport Co., Ltd.; Tainan Development Co., Ltd; Koche Development Co., Ltd., Changzhou Koche Shopping Center Co., Ltd., and Koche (Nanjing) Shopping Center Co., Ltd.; supervisor of Jing Da Development Co., Ltd., Da Yi Investment, and Jing Zhong Investment.

Note 2: The shares of Tainan Enterprise (Cayman) Co., Ltd. are held in the name of Jing Da Development Corporation, Da Yi Investment Co., Ltd., Jing Zong Investment Co., Ltd., and Qing Feng Investment Co., Ltd.

Note 3: Chairman of Jing Da Development Co., Ltd., Da Yi Investment Co., Ltd., and Jing Zong Investment Co., Ltd.; director of Koche Global Co., Ltd., Changzhou Koche Shopping Center Co., Ltd., Koche Development Co., Ltd., Tainan Development Co., Ltd., Koche (Nanjing) Shopping Center Co., Ltd.; supervisor of Focus Fashion Co., Ltd., Nelson Sport Co., Ltd., RBK Sport Taiwan Co., Ltd., Koche Creative Co., Ltd., Qing Feng Investment Co., Ltd. and Koche (Nanjing) Shopping Center Co., Ltd.; the representative of the supervisor, Overtop Sport Co., Ltd.

Note 4: Chairman of Focus Fashion Co., Ltd.; Koche Development Co., Ltd.; Overtop Sport Co., Ltd. (Overtop Sport); RBK Sport Taiwan Co., Ltd., Koche Creative Co., Ltd.; director of Overtop Sport Co., Ltd.; Tainan Development Co., Ltd.; Focus Fashion Co., Ltd.; Nelson Sport Co., Ltd.; RBK Sport Taiwan Co., Ltd; Koche Creative Co., Ltd.

Note 5: Chairman of Liang Dao Investment Co., Ltd.; a director of Qingfeng Enterprise Co., Ltd., Changzhou Koche Shopping Center Co., Ltd., and Koche (Nanjing) Shopping Center Co., Ltd.; a supervisor of Koche Creative Co.,Ltd.; the representative of T&G Fashion Co., Ltd. as designated by T&G Fashion Co., Ltd.

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1. Major Shareholders of Corporate Shareholders

April 12, 2026

Corporate shareholder Name	Major Shareholders of Corporate Shareholders
Koche Development Co., Ltd.(Samoa)	CHEN,HUI-SHU (41.11%); He Fang Zhi (31.88%), and other shareholders, each with less than 10% of the shareholdings (27.01%)
Tainan Enterprise (BVI) Co., Limited	Tainan Enterprise Co., Ltd. (100%)
Koche Development Co., Ltd.	Da Yi Investment Co., Ltd. (19.04%); Qing Feng Investment Co., Ltd. (19.04%); Jing Da Development Co., Ltd. (17.49%)Jing Zong Investment Co., Ltd. (16.16%), Tainan Enterprise Co., Ltd. (13.58%), , Da Yi Investment Co., Ltd. (19.04%), , and other shareholders with less than 10% of the shareholding (14.69%).
Koche Global Co., Ltd.	Jing Da Development Co., Ltd. (19.47%), Da Yi Investment Co., Ltd. (19.26%), Qing Feng Investment Co., Ltd. (19.26%), Jing Zong Investment Co., Ltd. (16.98%), Tainan Enterprise Co., Ltd. (10.73%), and other shareholders with less than 10% of the shareholdings (14.3%).

2. Major Shareholders of Major Corporate Shareholder:

April 12, 2026

Name of corporate shareholder	Corporate shareholders' main shareholders
Tainan Enterprise Co., Ltd.	CMC Magnetics Co., Ltd. (9.24%) Zhong Jia International Investment Co., Ltd. (6.52%) Nelson Sport Co., Ltd. (Nelson Sport) (5.23%) Xinwangai Investment Co., Ltd. (4.45%) Liangdao Investment Co., Ltd. (4.21%) Jing Zong Investment Co., Ltd.(4.01%) Baohong Investments Co., Ltd (3.85%) Tseng-Li, Yu-Lien (3.09%) Bao Luo Investment Co., Ltd. (3.22%) Rifu Investment Co., Ltd. (3.06%)
Jing Da Development Co., Ltd.	Da Yi Investment Co., Ltd. (99.99%) and other shareholders with less than 10% shareholding (0.01%).
Da Yi Investment Co., Ltd.	Wang, Fang-Chung (97.09%) and other shareholders holding less than 10% of shares (2.91%)
Qing Feng Investment Co., Ltd	Jing Da Development Co., Ltd. (99.99%) and others shareholders with less than 10% shareholding (0.01%).
Jing Zong Investment Co., Ltd.	Wang, Fang-Chung (68.78%), Jing Da Development Co., Ltd. (18.66%) and others shareholders with less than 10% shareholding (12.56%).

3. Disclosure of director's professional qualifications and independence information

April 12, 2026

Conditions / Name	Professional qualifications and experience	Independence	Number of public companies where the person holds the title as independent director
Yang, Ching-Hon	Served as chairman and general manager of a number of manufacturing companies, with capabilities in textile brand as an agent and manufacturing, garment self-branding operations, operational judgement, management, leadership and decision-making, as well as working experience required for the company's business. Not under any categories stated in Article 30 of the Company Act.	N/A	None
Corporate representative of Koche Development Co., Ltd.: Wang, Fang-Chung	Serves a director of various investment companies, and has expertise in investment and business operations, operational judgement, industry knowledge, and leadership and decision-making skills. Not under any categories stated in Article 30 of the Company Act.	N/A	None
Juridical Person of Koche Development Co., Ltd.: Chen, Hui-Shu	She has a long history of working in related industries such as department stores and retail, Jones Lang LaSalle Incorporated's market development division, and as the chairman and general manager of Koche Development Co., Ltd. She has the ability to make operational judgements, management leadership and decision-making, as well as the working experience necessary for the company's business. Not under any categories stated in Article 30 of the Company Act.	N/A	None
Tainan Enterprise (BVI) Co., Limited Corporate representative: Wu, Tao-Chang	Served as chairman and general manager of a number of companies, with capabilities in textile brand as an agent and manufacturing, garment self-branding operation expertise, operational judgement, management leadership and decision-making, as well as working experience and professional knowledge required for the company's business. Not under any categories stated in Article 30 of the Company Act.	N/A	None
Wang, Ming-Long	Doctor of Finance, of the City University of New York, independent director, Hanpin Electron Co., Ltd., independent director, Chinese Gamer International Corp., and adjunct professor of EMBA, National Cheng Kung University, has the ability to make operational judgements, industry knowledge, management leadership and decision-making, as well as working experience and professional knowledge required for the company's business. Not under any categories stated in Article 30 of the Company Act.	None of the individual, his spouse, or his relatives within the second degree of kinship (or by nominee arrangement) hold any shares of the Company, nor are they under any of the circumstances stipulated in Article 3, paragraph 1 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies; thus, he is in compliance with independence criteria. The Company has obtained a statement of independence issued by each independent director.	1
Ho, Yao-Hong	Graduate programs in industrial and systems engineering at Ohio University, USA, General Manager of ETP Leadership Coach Consulting Ltd., and Board Member of Taiwan ITRI New Venture Association, has the ability to make operational judgements, business management, leadership, decision-making, and the working experience and professional knowledge required for the company's business. Not under any categories stated in Article 30 of		2

	the Company Act.		
Chen, Hui-Chu	Graduated from Department of Law, Tunghai University and Institute of Public Affairs Management, National Sun Yat-sen University She is managing partner of Prosper Name Law Firm with the ability to make operational judgements, business management, legal expertise, leadership, decision-making, and the working experience and professional knowledge required for the company's business. Not under any categories stated in Article 30 of the Company Act.		None

4. Diversification and independence of the Board of Directors
   (1) Diversity policies, specific management objectives and implementation:
   (i) Diversity policies of the board of directors' members:

The nomination of the Company's directors is conducted in accordance with the provisions of the Articles of Incorporation, adopting a candidate nomination system to evaluate candidate's educational and experience, professional background, integrity, and relevant professional qualifications. The candidates will be submitted to the shareholders' meeting for election after resolution by the board of directors.

The composition of the Board of Directors shall be determined by taking diversity into account. It is advised that the number of directors serving concurrently as the managers of the Company not exceed one-third of the directors, and that an appropriate diversity policy be formulated based on the Company's business operation, business type, and development needs. It is advised that the policy include, without being limited to, the following two general criteria:

A. Basic requirements and values: Gender, age, nationality, culture, etc.
B. Professional knowledge and skills: A professional background (e.g. law, accounting, industry, finance, marketing or technology), professional skills and industrial experience.
   Each member of the Board of Directors shall have the necessary knowledge, skills, and experience to perform his/her duties. To achieve the ideal objectives of corporate governance, the whole Board of Directors shall possess the following abilities:
   a. Ability to make judgments about operations.
   b. Accounting and financial analysis ability. c. Business management ability.
   d. Crisis management ability. e. Knowledge of the industry.
   f. An international market perspective. g. Leadership ability.
   h. Decision-making ability.

The implementation of the board diversity policy is as follows:
The Board of Directors consists of seven directors (including three independent directors). The directors have extensive experience and expertise in the fields of finance, business, and management. Three of them are over 70 years old; another three are over 60 years old and under 70 years old, and the remaining one are over 50 years old and under 60 years old. Among them, the directors who are also the Company's managers do not exceed one-third of all directors.
In addition, we pay attention to gender equality among the board members and have two female director serving on the board. We will actively seek appropriate female director candidates in the future to increase the number of female directors on the board.

(ii) Specific management objectives of diversity policies of the board of directors:

The board of directors shall guide the Company's strategy, supervise management, and be accountable to the company and shareholders. All operations and arrangements of corporate governance shall ensure that the board of directors exercises the duties in accordance with laws, the company's articles of association, or shareholder resolutions. Specific management objectives are as follows:

A. The Company pays attention to gender equality among the board members and has three female directors serving on the board.

B. The board of directors emphasizes abilities about operation judgment, business management, and crisis management, and over two-thirds of the board members satisfy the relevant core project capabilities.

C. Each independent director shall not serve more than three consecutive terms in order to maintain the independence.

D. The board members including lawyers and business operators with expertise in industry, academia, and knowledge to provide professional advices from various perspectives and greatly contribute to improve the Company's operation performance and management efficiency.

(iii) Implementation of diversity policies of the board of directors:

The Board of Directors consists of seven directors including three independent directors to ensure the independence of the Board. There are two employees representing 28.57% of the directors and three female directors to achieve gender equality. One independent director is a lawyer specializing in legal expertise, and other directors with extensive experience in operation management, industry, and market strategies, and relevant professional backgrounds to perform their duties.

Implementation of diversity policies:

Name	Nationality	Gender	Age	Serving an independent director less than 9 years	Core diversity items								
					operation judgment abilities	Accounting and financial analysis skills	Legal expertise	business management abilities	crisis management abilities	Industry knowledge	International market perspective	Leadership	Decision-making ability
Yang, Ching-Hon	Taiwan R.O.C	Male	71-80	NA	●			●	●	●	●	●	●
Wang, Fang-Chung	Taiwan R.O.C	Female	61-70	NA	●	●		●	●	●	●	●	●
Chen, Hui-Shu	Taiwan R.O.C	Female	61-70	NA	●			●	●	●	●	●	●
Wu, Tao-Chang	Taiwan R.O.C	Male	71-80	NA	●			●	●	●	●	●	●
Wang, Ming-Long	Taiwan R.O.C	Male	61-70	●	●	●		●	●	●	●	●	●
Ho, Yao-Hong	Taiwan R.O.C	Male	61-70	●	●	●		●	●	●	●	●	●
Chen, Hui-Chu	Taiwan R.O.C	Female	61-70	●	●		●	●	●	●	●	●	●

(iv) Specific management objectives and implementation of diversity policies:

Management objectives	Status
Diversity of professional knowledge and skill of board members	Achieved
Concurrently serve as managers in the Company shall not exceed one-third of board members	Achieved
Independent director shall not serve more than three consecutive terms	Achieved
Independent directors shall not be less than one-third of board members	Achieved
Including three female directors	Achieved

(2) Board independence:
We have three independent directors on the board, accounting for 3/7 of all directors. We have internally reviewed the independence of independent directors in accordance with Article 26-3, paragraphs 3 and 4 of the Securities and Exchange Act and filled out the qualifications checklist for independent directors when they were taking office (being elected); we did not discover any violations of the regulations.
The company elected three independent directors to form the sixth audit committee on June 11, 2025. To ensure that the independent directors be objective to perform their duties and to avoid to compromise their independence due to long tenure, the term of office for each independent director is set to not exceed three terms.

(II) The General Manager, Deputy General Managers, Assistant Managers, and the chiefs of all the company’s divisions and branch units April 12, 2026

Title	Nationality	Name	Election (Appointment) Date	Gender	Status of shareholding		Shares Held by Spouse and Dependents		Shareholding under the title of a third party		Major (academic degree) experience	Positions with other companies	Spouse or kin within the second pillar under the Civil Code and who is a manager			The acquisition of ESO by managers Unit (Thousands)	Remarks
					Quantity (Thousand Shares)	Ratio of Shareholding (%)	Quantity (Thousand Shares)	Ratio of Shareholding (%)	Quantity (Thousand Shares)	Ratio of Shareholding (%)			Title	Name	Relation		
General Manager of Tainan Enterprise (Cayman) Co., Ltd	Taiwan R.O.C.	Chen, Hui-Shu	2022.07.01	Female	0	0.00	0	0.00	0	0.00	Master of International Business Administration, Tainan University of Technology Assistant Manager of the Development Department, JLL Taiwan General Manager of Koche Development Co., Ltd.	Note 1	None	None	None	None	
CEO of Enterprise Development Office, Cayman	Taiwan R.O.C.	Chen, Hang	2024.01.01	Male	0	0.00	0	0.00	0	0.00	Executive MBA, National Chengchi University (NCCU) Senior Business Director, Greater China, Converse Sporting Goods(China)Co.,Ltd. National Sales Director, NIKE Sports (China) Co., Ltd.	Note 2	None	None	None	None	
CEO of Brand Division, Cayman	Taiwan R.O.C.	Lin, Chun-Ru	2025.04.01	Female	0	0.00	0	0.00	0	0.00	Department of Statistics, National Cheng Kung University General Manager of Fila Sport Taiwan	Note 3	None	None	None	None	
General Manager, Nelson Sport Co., Ltd.	Taiwan R.O.C.	Cheng, Chia-Hsin	2025.04.01	Male	0	0.00	0	0.00	0	0.00	Department of Business Administration, Feng Chia University Associate Vice President, Nelson Sport Co., Ltd. (Nelson Sport)	Note 4	None	None	None	None	
General Manager of Overtop Sport	Taiwan R.O.C.	Ko, Shih-Chao	2022.10.01	Male	0	0.00	0	0.00	0	0.00	Department of Plant Medicine, National Pingtung University of Science and Technology Business Director, Nike Taiwan	None	None	None	None	None	
Deputy General Manager of RBK Sport Taiwan Co., Ltd	Taiwan R.O.C.	Chen, Shang-Wen	2022.04.01	Male	0	0.00	0	0.00	0	0.00	MBA, University of Tennessee General Manager, Wacko Enterprise Co., Ltd.	None	None	None	None	None	

Title	Nationality	Name	Election (Appointment) Date	Gender	Status of shareholding		Shares Held by Spouse and Dependents		Shareholding under the title of a third party		Major (academic degree) experience	Positions with other companies	Spouse or kin within the second pillar under the Civil Code and who is a manager			The acquisition of ESO by managers Unit (Thousands)	Remarks
					Quantity (Thousand Shares)	Ratio of Shareholding (%)	Quantity (Thousand Shares)	Ratio of Shareholding (%)	Quantity (Thousand Shares)	Ratio of Shareholding (%)			Title	Name	Relation		
Chief financial officer	Taiwan R.O.C.	Lien, Huang-Hua	2019.11.05	Female	0	0.00	0	0.00	0	0.00	Department of Economics, National Chi Nan University Accounting Head of Poli Spare Parts Manufacturing Co., Ltd. Deputy Accounting Head of TJ Group Deputy Accounting Manager of Tainan Enterprise (Cayman) Co., Ltd.	None	None	None	None	None	
Chief Accounting Officer	Taiwan R.O.C.	Huang, Chih-Yuan	2019.01.02	Male	0	0.00	0	0.00	0	0.00	Department of Accounting, Chang Jung Christian University Deputy Manager, Accounting Dept., Yih Dah Co., Ltd.	None	None	None	None	None	
Chief Internal Auditor	Taiwan R.O.C.	Yu Hsin Mei	2019.01.02	Female	0	0.00	0	0.00	0	0.00	Department of Accounting, National Taipei University Deputy Manager of Audit Division, PwC Taiwan Junior Manager, Underwriting Department, First Securities Inc.	None	None	None	None	None	

Note 1: Chairperson (representative) of Focus Fashion Co., Ltd., chairperson (representative) Koche Creative Co., Ltd., chairperson (representative) of Koche Development Co., Ltd., chairperson (representative) of RBK Sport Taiwan Co., Ltd., chairperson (representative) of Overtop Sport Co., Ltd., director (representative) of Nelson Sport Co., Ltd., director (representative) of Tainan Development Co., Ltd.

Note 2: Director (Legal Representative) of RBK Sport Taiwan Co., Ltd. (RBK Co.)

Note 3: Supervisor (Legal Representative) of Tainan Development Co., Ltd. (Tainan Development Co., Ltd.); director (Legal Representative) of Nelson Sport Co., Ltd. (Nelson Sport)

Note 4: Director (Legal Representative) of Nelson Sport Co., Ltd. (Nelson Sport), Director (Legal Representative) of Overtop Sport Co., Ltd. (Overtop Sport), Director (Legal Representative) of RBK Sport Taiwan Co., Ltd. (RBK Co.)

If the Chairman of the Board and the President (or an equivalent top managerial position) are the same person, or are spouses or first-degree relatives, the reasons, rationality, necessity, and responsive measures shall be explained: Not applicable. There is no such situation.

II. Remuneration of directors, the general manager, and the deputy general manager in the most recent year

(I) Remuneration of directors and independent directors

December 31, 2025; Unit: NT$ thousands

Title	Name	Remuneration to Directors								The sum of A, B, C and D in proportion to Earnings		Remuneration in the capacity as employees								The sum of A, B, C, D, E, F and G in proportion to Earnings		Remuneration paid to directions from an invested company other than the company's subsidiary or the parent company
		Director fees (A)		Pension (B)		Remuneration to directors (C)		For services (D)				Salaries, bonus and special subsidies (E)		Pension (F)		Remuneration to employees (G)						
		The Company	All companies mentioned in the financial statements	The Company	All companies mentioned in the financial statements	The Company	All companies mentioned in the financial statements	The Company	All companies mentioned in the financial statements	The Company	All companies mentioned in the financial statements	The Company	All companies mentioned in the financial statements	The Company	All companies mentioned in the financial statements	The Company		All companies mentioned in the financial statements		The Company	All companies mentioned in the financial statements	
																Cash	Stock	Cash	Stock			
Director	Yang, Ching-Hon	-	-	-	-	787	787	30	30	817 2.33%	817 2.33%	2,400	3,360	-	-	819	-	1,598	-	4,036 11.52%	5,775 16.48%	-
	Koche Development Co., Ltd. Representative: Wang, Fang-Chung	1,802	1,802	-	-	787	787	30	30	2,619 7.48%	2,619 7.48%	-	-	-	-	-	-	-	-	2,619 7.48%	2,619 7.48%	-
	Koche Development Co., Ltd. Representative: Chen, Hui-Shu	-	-	-	-	787	787	30	30	817 2.33%	817 2.33%	1,280	3,094	-	-	161	-	1,062	-	2,258 6.45%	4,973 14.2%	
	Tainan Enterprise (BVI) Co., Limited Representative: Wu, Tao-Chang	-	-	-	-	786	786	30	30	816 2.33%	816 2.33%	-	-	-	-	-	-	-	-	816 2.33%	816 2.33%	-
Independent director	Lin, Chi-Yuan	-	-	-	-	-	-	318	318	318 0.91%	318 0.91%	-	-	-	-	-	-	-	-	318 0.91%	318 0.91%	-
	Hsu, Shih-Hsuan	-	-	-	-	-	-	312	312	312 0.89%	312 0.89%	-	-	-	-	-	-	-	-	312 0.89%	312 0.89%	
	Ho, Yao-Hong	-	-	-	-	-	-	630	630	630 1.80%	630 1.80%	-	-	-	-	-	-	-	-	630 1.80%	630 1.80%	
	Wang, Ming-Long	-	-	-	-	-	-	318	318	318 0.91%	318 0.91%	-	-	-	-	-	-	-	-	318 0.91%	318 0.91%	
	Chen, Hui-Chu	-	-	-	-	-	-	318	318	318 0.91%	318 0.91%	-	-	-	-	-	-	-	-	318 0.91%	318 0.91%	

1. The payment policy, system, standard and structure for the remuneration of independent directors shall be specified. Moreover, the relevance between the remuneration amount and the responsibility he/she holds, risk and invested time shall be specified: except for the payment of the executive compensation, the remuneration of directors shall be paid in compliance with Article 67 of the Articles of Incorporation.
2. In addition to the above disclosure, the compensation received by directors of the Company in the most recent year for the provision of services for all the companies listed in the financial statements (e.g., acting as a consultant who is not an employee for all the invested businesses stated in the financial statements of the parent company): none.

Note: Re-election of directors on June 11,2025

Classification of remuneration

Remunerations to individual directors in respective brackets along the salaries scale	Name of Directors			
	Total (A + B + C + D)		Total (A + B + C + D + E + F + G)	
	The Company	All companies contained in the financial report H	The Company	All companies mentioned in the financial statements I
Less than NT$1,000,000	Yang, Ching-Hon; Wu, Tao-Chang; Chen, Hui-Shu; Lin, Chi-Yuan; Hsu, Shih-Hsuan; Ho, Yao-Hong; Wang, Ming-Long; Chen, Hui-Chu	Yang, Ching-Hon; Wu, Tao-Chang; Chen, Hui-Shu; Lin, Chi-Yuan; Hsu, Shih-Hsuan; Ho, Yao-Hong; Wang, Ming-Long; Chen, Hui-Chu	Wu, Tao-Chang; Lin, Chi-Yuan; Hsu, Shih-Hsuan; Ho, Yao-Hong; Wang, Ming-Long; Chen, Hui-Chu	Wu, Tao-Chang; Lin, Chi-Yuan; Hsu, Shih-Hsuan; Ho, Yao-Hong; Wang, Ming-Long; Chen, Hui-Chu
NT$1,000,000 (inc.) to NT$2,000,000 (exc.)				
NT$2,000,000 (inc.) to NT$3,500,000 (exc.)	Wang, Fang-Chung	Wang, Fang-Chung,	Wang, Fang-Chung, Chen, Hui-Shu	Wang, Fang-Chung
NT$3,500,000 (inc.) to NT$5,000,000 (exc.)			Yang, Ching-Hon	Chen, Hui-Shu
NT$5,000,000 (inc.) to NT$10,000,000 (exc.)	—	—	—	Yang, Ching-Hon Chen, Hui-Shu
NT$10,000,000 (inc.) to NT$15,000,000 (exc.)	—	—	—	—
NT$15,000,000 (inc.) to NT$30,000,000 (exc.)	—	—	—	—
NT$30,000,000 (inc.) to NT$50,000,000 (exc.)	—	—	—	—
NT$50,000,000 (inc.) to NT$100,000,000 (exc.)	—	—	—	—
Above NT$100,000,000	—	—	—	—
Total	9 people	9 people	9 people	9 people

(II) Remuneration to General Manager and Deputy General Managers

Unit: NT$ thousand

Title	Name	Salaries (A)		Pension (B)		Bonuses and allowances etc (C)		Remuneration to the employees (D)				The sum of A, B, C and D in proportion to Earnings (%)		Remuneration paid to directions from an invested company other than the company's subsidiary or the parent company
		The Company	All companies mentioned in the financial statements	The Company	All companies mentioned in the financial statements	The Company	All companies mentioned in the financial statements	The Company		All companies mentioned in the financial statements		The Company	All companies mentioned in the financial statements	
								Cash	Stock	Cash	Stock			
Chairman of Fashion and Creative of Tainan Enterprise (Cayman) Co., Ltd. Chairman of RBK Sport Taiwan Co., Ltd. (RBK Co.) and Overtop Sport Co., Ltd. (Overtop Sport)	Chen, Hui-Shu	960	2,534	–	–	320	560	162	–	1,062	–	1,442 4.12%	4,156 11.86%	–
CEO of Tainan Enterprise (Cayman) Co., Ltd.	Chen, Hang	1,440	1,440	–	–	360	360	242	–	242	–	2,042 5.83%	2,042 5.83%	–
CEO of Brand Division, Cayman (Note 1)	Lin, Chun-Ru	1,080	1,080	–	–	270	270	182	–	182	–	1,532 4.37%	1,532 4.37%	–
General Manager of Nelson Sport Co., Ltd. (Nelson Sport) (Note 2)	Cheng, Chia-Hsin	–	2,234	–	–	–	755	–	–	928	–	–	3,917 11.18%	–
General Manager of Overtop Sport	Ko, Shih-Chao	–	2,100	–	–	–	700	–	–	–	–	–	2,800 7.99%	
Deputy General Manager of RBK Sport Taiwan Co., Ltd. (RBK Co.)	Chen, Shang-Wen	–	1,631	–	–	–	544	–	–	–	–	–	2,175 6.21%	–

Note 1: Lin, Chun-Ru was appointed CEO of Brand Division, Cayman on April 1, 2025.
Note 2: Cheng, Chia-Hsin was appointed General Manager of Nelson Sport Co., Ltd. (Nelson Sport), Cayman on April 1, 2025.

Classification of remuneration

The brackets of remunerations to all General Managers and Deputy General Managers of the Company	Name of the General Managers and Deputy General Managers	
	The Company	All companies mentioned in the financial statements E
Less than NT$1,000,000	—	—
NT$1,000,000 (inc.) to NT$2,000,000 (exc.)	Chen, Hui-Shu; Lin, Chun-Ru	Lin, Chun-Ru
NT$2,000,000 (inc.) to NT$3,500,000 (exc.)	Chen, Hang	Chen, Hang; Ko, Shih-Chao; Chen, Shang-Wen
NT$3,500,000 (inc.) to NT$5,000,000 (exc.)	—	Chen, Hui-Shu; Cheng, Chia-Hsin
NT$5,000,000 (inc.) to NT$10,000,000 (exc.)	—	—
NT$10,000,000 (inc.) to NT$15,000,000 (exc.)	—	—
NT$15,000,000 (inc.) to NT$30,000,000 (exc.)	—	—
NT$30,000,000 (inc.) to NT$50,000,000 (exc.)	—	—
NT$50,000,000 (inc.) to NT$100,000,000 (exc.)	—	—
Above NT$100,000,000	—	—
Total	3 people	6 people

(III) Remuneration Amount of the Top 5 Managers with the Highest Remuneration

Unit: NT$ thousand

Title	Name	Salaries (A)		Pension (B)		Bonuses and allowances etc. (C)		Remuneration to the employees (D)				The sum of A, B, C and D in proportion to Earnings		Remuneration paid to directions from an invested company other than the company's subsidiary or the parent company
		The Company	All companies mentioned in the financial statements	The Company	All companies mentioned in the financial statements	The Company	All companies mentioned in the financial statements	The Company		All companies mentioned in the financial statements		The Company	All companies mentioned in the financial statements	
								Cash	Stock	Cash	Stock			
Chairman of Fashion and Creative of Tainan Enterprise (Cayman) Co., Ltd. Chairman of RBK Sport Taiwan Co., Ltd. (RBK Co.) and Overtop Sport Co., Ltd. (Overtop Sport)	Chen, Hui-Shu	960	2,534	–	–	320	560	162	–	1,062	–	1,442 4.12%	4,156 11.86%	–
General Manager of Nelson Sport Co., Ltd. (Nelson Sport) (Note 2)	Cheng, Chia-Hsin	2,234	–	–	–	755	–	–	928	–	–	3,917 11.18%	2,234	–
General Manager of Overtop Sport	Ko, Shih-Chao	2,100	–	–	–	700	–	–	–	–	–	2,800 7.99%	2,100	
Assistant Manager of Nelson Sport Co., Ltd. (Nelson Sport)	Ko, Hsin-Chin	1,654	–	–	–	414	–	–	365	–	–	2,433 6.95%	1,654	
General Manager of RBK Sport Taiwan Co., Ltd. (RBK Co.)	Chen, Shang-Wen	1,631	–	–	–	544	–	–	–	–	–	2,175 6.21%	1,631	

(IV) Name of the managers received remuneration and the distribution of remuneration

December 31, 2025; Unit: NT$ thousands

	Title	Name	Stock	Cash	Total	As a percentage of net profit after tax (%)
Manager	General Manager of Cayman/General Manager of Focus Fashion/ General Manager of Koche Creative Co., Ltd. (Koche Creative)	Chen, Hui-Shu	－	1,062	1,062	3.03
	Chief Executive Officer of Enterprise Development Office, Cayman Tainan Enterprise (Cayman) Co., Ltd.	Chen, Hang	－	242	242	0.69
	CEO of Brand Division, Cayman	Lin, Chun-Ru	－	182	182	0.52
	General Manager of Nelson Sport Co., Ltd. (Nelson Sport)	Cheng, Chia-Hsin	－	928	928	2.65
	General Manager of Overtop Sport	Ko, Shih-Chao	－	－	－	－
	Deputy General Manager of RBK Sport Taiwan Co., Ltd. (RBK Co.)	Chen, Shang-Wen	－	－	－	－

(V) Individually explain and compare the total remunerations to the directors, supervisors, general manager, deputy general managers of the Company and the companies in the consolidated financial statements in the last 2 years in proportion to the corporate earnings of individual entities or individual financial statements and the analysis and description of the policy, standard, and combination, decision-making procedure of the remunerations, and the association with operation performance and risks of the future:

1. The analysis of the ratio of remunerations for directors, general manager, and deputy general manager in the recent two years in after-tax net profit:

Title	Ratio of total remuneration to net income (%)	
	2024	2025
	All companies mentioned in the financial statements	All companies mentioned in the financial statements
Director	31.33	45.90
General Manager, Deputy General Manager	32.50	47.45
After-tax net profit (NT$ thousand)	58,689	35,031

2. The compensation policy, standard, combination of compensation items, and codify the procedures of compensation determination and the linkage between compensation:

    The Company's remuneration for directors and managers is based on their participation in the Company's operations, qualifications, performance and consideration of the Company's future risks, which are usually based on the industry's current standards; the remuneration is based on the Company's articles of association and reference to the same industry standard. The remuneration of the manager must be approved by the Remuneration Committee before being submitted to the Board of Directors for approval.

III. Corporate Governance

(I) Functionality of the Board of Directors

1. The board of directors called 6 (A) meetings in 2025. The attendance of directors is specified as follows:

Title	Name	Actual number of attendance (B)	Attend through proxy	Percentage of actual attendance [B/A]	Remarks
Chairman	Representative of Koche Development Co., Ltd.: Yang, Ching-Hon	3	–	100%	Discharged on June 11, 2025
Chairman	Yang, Ching-Hon	3	–	100%	Elected on June 11, 2025
Director	Representative of Koche Global Co., Ltd.: Wang, Fang-Chung	3	–	100%	Discharged on June 11, 2025
Director	Representative of Koche Development Co., Ltd.: Wang, Fang-Chung	3	–	100%	Elected on June 11, 2025
Director	Representative of Koche Development Co., Ltd.: Chen, Hui-Shu	6	–	100%	Re-elected on June 11, 2025
Director	Representative of Tainan Enterprise (BVI) Co., Limited: Wu, Tao-Chang	5	1	83.33%	Re-elected on June 11, 2025
Independent director	Lin, Chi-Yuan	3	–	100%	Discharged on June 11, 2025
Independent director	Hsu, Shih-Hsuan	2	1	66.67%	Discharged on June 11, 2025
Independent director	Ho, Yao-Hong	6	–	100%	Re-elected on June 11, 2025
Independent director	Wang, Ming-Long	3	–	100%	Elected on June 11, 2025
Independent director	Chen, Hui-Chu	3	–	100%	Elected on June 11, 2025

Other notes:

I. The matters set in Article 14-3 of the Securities and Exchange Act and other independent directors objections or retained opinions and the Board of Directors resolution matters with a record or a written statement shall be stated the date of the Board of Directors, the period, the content of motions and all independent directors dealing with the opinions of the independent directors: There are no resolutions of the Board of Directors against the independent directors' objects or retained opinions.

II. With respect to the avoidance of conflicting interest agendas, describe the names of directors, details of the relevant agendas, reasons for avoiding conflicting interest, and the voting decisions:

(1) On January 17, 2025, the Board of Directors discussed the executive director bonus proposal of the Company. As Chairman Yang, Ching-Hon and Director Wang, Fang-Chung had a conflict of interest in the matter, they recused themselves from the voting process.

(2) On January 17, 2025, the Board of Directors discussed the proposal regarding the execution fees for independent directors. As Independent Directors Lin, Chi-Yuan, H Hsu, Shih-Hsuan, and Ho, Yao-Hong had a conflict of interest in the matter, they recused themselves from the voting process.

(3) On June 11, 2025, the Board of Directors discussed the proposal regarding the execution fees for independent directors. As Independent Directors Wang, Ming-Long, Ho, Yao-Hong and Chen, Hui-Chu had a conflict of interest in the matter, they recused themselves from the voting process.

III. A company that is listed on the Taiwan Stock Exchange (TWSE) or the Taipei Exchange (TPEx) shall disclose the period and time of the self (or peer) evaluation among directors, the method of and the item in the evaluation. Moreover, the implementation of the evaluation for the Board of Directors shall be stated.

The Company evaluated the performance in accordance with "Rules for Performance Evaluation of Board of Directors" and proposed the result to the Board of Directors. The Company also conducted the 2025 "Self-evaluation or peer review of the Board of Directors" in February 2026 and reported to

<table>
<tr><th>Title</th><th>Name</th><th>Actual number of attendance (B)</th><th>Attend through proxy</th><th>Percentage of actual attendance [B/A]</th><th>Remarks</th></tr>
<tr><td colspan="6">the Board of Directors on March 5, 2026.The results of self-evaluation were “Excellent”. Please refer to the implementation status of the evaluation of the Board of Directors on Page 20.
IV. Enhancements to the functionality of the Board of Directors in the current and the most recent year (e.g. the establishment of an Audit Committee, improving information transparency, etc.), and the progress of such enhancements:
(1) The Company has “Rules of Procedure for the Board of Directors” as the basis for the operation of the Board of Directors.
(2) Regularly or irregularly announce significant financial and business information of the Company in accordance with the provisions of the Act to enhance information transparency.
(3) The Company established the Audit Committee to oversee the fair presentation of the financial statements, the effectiveness of the implementation of internal controls, the compliance of relevant laws and regulations and the Company’s existing or potential control risk on May 11, 2010. On June 11, 2025, we elected three new independent directors for the 5th Audit Committee to continue the implementation of relevant works.</td></tr>
</table>

2. Implementation status of the evaluation of Board of Directors:

Evaluation period	Evaluation time	Scope of the evaluation	Evaluation method	Items in the evaluation
Once a year	2025.06.11-2025.12.31	Performance Evaluation of the Board of Directors, Individual Directors, and Functional Committees	Self-evaluation of Board of Directors and Board members	(1) Evaluation of Board of Directors: Including the engagement in the operation of the company; decision making quality of the Board of Directors; formation and structure of the Board of Directors; election of directors and their continuing education; and internal control. (2) Evaluation of individual directors: understanding of the objectives and missions of the Company; awareness of the duties of a director; involvement in the operations of the Company; management of internal relationship and communication; professional knowledge and continuing education of directors; and internal control. (3) Performance evaluation of Audit committee: engagement in the operations of the Company; aware of the duties of the Audit committee; decision-making quality of the Audit committee; formation of the Audit committee and election of committee members; and internal control. (4) Performance evaluation of Remuneration Committee: engagement in the operations of the Company; aware of the duties of the Remuneration Committee; decision-making quality of the Remuneration Committee; formation of the Remuneration Committee and election of committee members.

Note: Evaluation period is form re-elected of directors on June 11,2025 and less than one year.

(II) The operation of the Auditing Committee

(i) Powers by Auditing Committees

a. To establish and amend internal auditing system in accordance with Article 14-1 of the Securities and Exchange Act.
b. Effectiveness assessment of internal auditing system
c. To establish and amend procedures of acquisition or disposal of assets, engaging in derivatives trading, funding loans to others, and endorsements or guarantees for others in accordance with Article 36-1 of the Securities and Exchange Act
d. Matters involving a director's personal interest.
e. Major trading in assets and derivatives.
f. Major funding loans, endorsements or guarantees.
g. Offering, issuance, or private placement of equity-based securities.
h. Engagement, discharge, or compensation of an attesting CPA.
i. Appointment or discharge of a financial, accounting, or internal auditing officer.
j. Annual financial reports audited and attested by a CPA are signed or sealed by the chairperson, manager, and accounting officer.
k. Any other material matter is required by the company or the regulations of Competent Authority.

(ii) Operations of the Audit Committee

The Auditing Committee convened for 5 times (A) in 2025. The attendance of independent directors is shown below:

Title	Name	Actual number of attendance (B)	Attend through proxy	Percentage of actual attendance [B/A]	Remarks
Independent director	Lin, Chi-Yuan	2	–	100%	Discharged on June 11, 2025
Independent director	Hsu, Shih-Hsuan	1	1	50%	Discharged on June 11, 2025
Independent director	Ho, Yao-Hong	5	–	100%	Re-elected on June 11, 2025
Independent director	Wang, Ming-Long	3	–	100%	Elected on June 11, 2025
Independent director	Chen, Hui-Chu	3	–	100%	Elected on June 11, 2025

Other notes:

I. Where any of the following circumstances occur in the operations of the Audit Committee, the date, term and proposal of the Audit Committee meeting as well as the dissent, reservation or major suggestion of any independent director, the Audit Committee resolution, and how the Company manage the Committee's opinions shall be described:

(I) The content of the particulars inscribed in Article14-5 of the Securities and Exchange Act.

Date	Session	The proposal and the resolution results	Article14-5 of the Securities and Exchange Act	Motions without the approval of the Audit Committee but with the approval of more than 2/3 of the Board of Directors.
2025.03.04	The 15th meeting of the 5th Committee	1. The resolution of the Company's2024 business report and financial statements. 2. The proposal regarding the change of certified public accountants was made in coordination with internal adjustments at Deloitte Taiwan. 3. Assessment of the Independence and Competency of the Company's Certifying Certified Public Accountants. 4. Appointment and Remuneration Proposal for the Company's Certifying Certified Public Accountants for 2025. 5. The resolution of the Company's Proposal for Earnings Distribution in 2023. 6. Discussion on the Proposal for Capital Increase through Earnings Capitalization and Issuance of New Shares for 2024.	V	None

		7. Proposal for the Issuance of the Internal Control System Statement for 2024. 8. Proposal for 2025 Annual Budget of the Company. 9. Proposal for Amendments to Articles of Incorporation. 10. Proposal for organization restructuring in the Company. 11. Proposal for appointment of CEO of Brand division of the Company..		
2025.05.06	The 16th meeting of the 5th Committee	1. The resolution of the Company's consolidated financial statements in Q1, 2025. 2. The company intends to provide a guarantee for its second-tier subsidiary.	V	None
2025.06.11	The 1st meeting of the 6th Committee	1. Appointment of convenor for the 6th Audit Committee election. 2. Appointment of executive director of the Company.	V	None
2025.08.15	The 2nd meeting of the 6th Committee	1. The resolution of the Company's consolidated financial statements in Q2, 2025. 2. Proposal for the endorsement and guarantee for Reebok Sports Co., Ltd., which is second-tier subsidiary the Company owned 80% shares.	V	None
2025.11.04	The 3rd meeting of the 6th Committee	1. The resolution of the Company's consolidated financial statements in Q3, 2025. 2. The Company's audit plan in 2026.	V	None

(ii) In addition to the aforementioned motions, other motions without the approval of the Audit Committee but with the resolution of more than 2/3 of the Board of Directors: None

II. The implementation of independent directors' abstention from matters involving conflicts of interest should specify the names of the independent directors, the content of the proposal, the reason for abstention, and the participation in the voting process: The company confirms that there have been no instances where independent directors were required to abstain from voting on matters involving conflicts of interest.

III. Performance of communications by and between independent directors, internal audit head and Certified Public Accountant(s) (should include the Company's financial, business operation affairs, issued, methods and outcomes of communications among them).

The Company invites accountants to attend the Audit Committee according to the needs of the agenda, to consult and provide professional advice on financial accounting related proposals and to provide independent directors and accountants to contact the pipeline, at any time by independent directors; the Company's internal audit director also regularly or irregularly as well as independent directors report and discuss the results of internal control execution, and their communication channels are smooth. Please refer to "Corporate Governance" on our official website for the communication between independent directors, the internal audit supervisor, and CPA.

(III) How The Company's actual governance differs from The Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies and why

Items for evaluation	Implementation Status			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies
	Yes	No	Summary	
1. Will the Company based on the "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" set up and disclose the Company's corporate governance best-practice principles?	✓		The Company has formulated the "Corporate Governance Best-Practice Principles," the latest revision of which was made in March 2023, to assist the Company in establishing an effective corporate governance structure and a good corporate governance system, and disclosed them on the Company's website. It has performed the relevant matters in accordance with the spirit of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.	No significant difference
2. Shareholding structure and shareholders' equity				
(1) Will the Company have the internal procedures regulated to handle shareholders' proposals, doubts, disputes and litigation matters; also, have the procedures been implemented accordingly?	✓		(1) Setting email mailboxes and spokespersons, stocks and other units to deal with shareholders' suggestions, doubts or disputes.	No significant difference
(2) Will the Company possess the list of the Company's major shareholders and the list of the ultimate controllers of the major shareholders?	✓		(2) Keeping abreast of the holdings and changes of directors, managers and major shareholders holding more than 10% of the shares.	No significant difference
(3) Will the Company establish and implement the risk control and firewall mechanisms with the concerned parties?	✓		(3) Each of the concerned companies operates independently and has a "Regulations for the Trading of Related Persons, Specific Companies and Group Enterprises" to clarify the management operations related to business operations, business and finance.	No significant difference
(4) Will the Company set up internal norms to prohibit insiders from utilizing the undisclosed information to trade securities?	✓		(4) The "Regulations for Management of the Prevention of Insider Trading" have been established to prevent the occurrence of insider trading.	No significant difference
3. The constitution and obligations of the Board of Directors				
(1) Has the Board of Directors diversified policies and concrete management goals and implemented substantively according to the composition of the members?	✓		(1) The Board of Directors of the Company have expertise in different fields and the percentage of women members is close to half and the composition of the structure has reached a level of diversification.	No significant difference
(2) Does the Company, in addition to setting the Remuneration Committee and Audit Committee lawfully, have other functional committees set up voluntarily?	✓		(2) Except for the establishment of the Remuneration Committee and the Audit Committee according to law, the rest of the corporate governance operations are handled by each department according to their respective functions, the functional committees have not been set up yet and the evaluation will be set as needed in the future.	No significant difference
(3) Has the Company established a method for evaluating the performance of its Board of Directors on an annual basis, reported the results of performance to the Board of Directors and used the results as reference for directors' remuneration	✓		(3) The Company established the self- or peer evaluation of the performance for members of the Board of Directors. Besides, the performance of the Board of Directors is reviewed regularly to gradually improve corporate governance of the Company.	No significant difference

Items for evaluation	Implementation Status			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies
	Yes	No	Summary	
and nomination for re-appointment? (4) Does the Company have the independence of the public accountant evaluated regularly?	✓		(4) Audit Committee of the Company assesses the independence and competence of the appointed certifying accountants once a year. In addition to requiring the CPAs to provide an "Independence Statement" and "Audit Quality Indicators (AQIs)," the Company also conducts evaluations in accordance with the criteria in Note 1 and the AQI which confirmed that the CPAs have no other financial interests or business relationships with the Company, excepting for fees related to auditing and tax, the CPAs' family members do not violate independence requirements, and based on AQI indicator, the Company has confirmed that the CPAs and their firm possess sufficient audit experience and training hours, and have continued to adopt digital auditing tools to enhance audit quality. The most recent annual evaluation was reviewed and approved by the Audit Committee on March 5, 2026, and subsequently submitted to and approved by the Board of Directors on the same date for the independence and qualifications of the CPAs.	No significant difference
4. Have the listed companies establish an appropriate number of personnel designated to handle the corporate governance related matters (including but not limited to providing necessary data to directors and supervisors for business operation, assisting directors and supervisors for law compliance, lawfully handling the Board meetings and shareholders' meeting related matters and preparing the minutes of Board meetings and shareholders' meetings)?	✓		On May 2, 2023, the Company approved the appointment of HUANG, CHIH-YUAN, the Head of Accounting, to concurrently serve as the Corporate Governance Officer. His primary responsibilities include: (1) Handling matters related to the Board of Directors and shareholders' meetings in accordance with the law. (2) Preparing minutes of the Board of Directors and shareholders' meetings. (3) Assisting directors with onboarding and continuing education. (4) Providing directors with necessary information required for business execution. (5) Assisting directors in complying with relevant laws and regulations. (6) Other matters stipulated in the Articles of Incorporation or relevant agreements. Continuing Education for 2025: The Corporate Governance Officer participated in training organized by the Accounting Research and Development Foundation, including: "Preparation of ESG reports and relevant analysis of internal control" (6 hours) "Practical analysis of internal control for corporate greenhouse gas inventory" (6 hours)	No significant difference
5. Has the Company established a communication channel with the stakeholders (including but not limited to the shareholders, employees, customers and suppliers), set up a stakeholder	✓		The Company has a spokesman and deputy spokesman, and the relevant information contact is following the prescribed notice in the MOPS and announcing the relevant information of financial and stock affairs on the	No significant difference

Items for evaluation	Implementation Status			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies
	Yes	No	Summary	
section on the Company's website, and responded appropriately to the important corporate social responsibilities raised by the stakeholders?			Company's website, to establish a good communication channel with investors, and to enable them and stakeholders to quickly understand the Company's operating conditions in order to maintain its rights.	
6. Has the Company commissioned a professional stock service agent to handle shareholders' affairs?	✓		The Company has appointed a professional service agency –Department of Stock Affairs Agency of Taishin Securities Co., Ltd., to handle stock affairs of the Company. The Company established the "Regulations Governing the Administration of Shareholder Services" for related matters.	No significant difference
7. Disclosure of information (1) Does the Company have a website setup and the financial business and corporate governance information disclosed?	✓		(1) The Company's website is: http://www.tainancayman.com, which discloses the Company Profile, basic information and various financial and business information.	No significant difference
(2) Has the Company adopted other information disclosure methods (such as, establishing an English website, designating a responsible person for collecting and disclosing information of the Company, substantiating the spokesman system, placing the juristic person seminar program on the Company's website, etc.)?	✓		(2) The Company has a specific staff responsible for the collection and disclosure of various information about the Company; and has set a spokesperson and an agent spokesperson, which is subject to inquiry by the outside and the shareholders' meeting to implement the spokesperson system; and set up a website to announce the corporation conference and other related information.	No significant difference
(3) Has the Company published and reported its annual financial statements within two months after the end of a fiscal year and published and reported its financial statements for the first, second and third quarters as well as its operating status for each month before the specified deadline?		✓	(3) The Company publishes and reports its annual financial statements within 75 days after the end of a fiscal year, and publishes and reports its financial statements for the first, second and third quarters as well as its operating status for each month before the specified deadline.	No significant difference
8. Are there any other important information (including but not limited to the interests of employees, employee care, investor relations, supplier relations, the rights of stakeholders, the advanced study of directors and supervisors, the implementation of risk management policies and risk measurement standards, the execution of customer policy, the purchase of liability insurance for the Company's directors and supervisors) that are helpful in understanding the corporate governance operations of the Company?	✓		(1) Employees' rights and care to employees: The Company has always protected the rights and interests of our colleagues, in addition to lawful protection, we also provide good welfare measures, smooth communication channels and multiple complaint channels. (2) Investor relations: The Company fully discloses information on the MOPS to let investors understand the Company's operating condition, and communicates with investors via shareholders' meetings and spokespersons. (3) Supplier relations: The Company is in accordance with the principle of equality establishes long-term close relationships with suppliers, synergy, mutual trust and mutual benefit and common pursuit of sustainable win-win growth. (4) Rights of stakeholders: The Company keeps a smooth communication channel with our	No significant difference

<table>
<tr><th rowspan="2">Items for evaluation</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>correspondent banks, employees, customers and suppliers and respects and protects its legal rights and interests, a spokesperson system is established to answer investor questions with a view to providing highly transparent financial business information to investors and stakeholders.
(5) Continued education of directors and supervisors:
The Company encourages the Board of Directors to participate in further education with a positive attitude, moreover, the initiative to appoint professional institutions to handle the courses for the Board of Directors, the relevant further education situations are handled in accordance with the provisions of the law.
(6) Risk management policies and risk assessment standards:
The Company has always adopted a prevention policy for risk management, in addition to the establishment of the strict internal control system according to law and internal auditing checks regularly and periodically and reports on the implementation of the situation.
(7) Execution status of customer policies:
The Company has full-time specific personnel to provide customer complaint handling and after-sales service, providing relevant services and guarantees for the rights and interests of customers.
(8) The Company shall purchase liability insurance for directors and supervisors:
The Company has purchased liability insurance for directors on May 1, 2026.</td><td></td></tr>
<tr><td colspan="5">9. Please describe the improvement performed according to the corporate governance evaluation results published by the Corporate Governance Center of Taiwan Stock Exchange in the most recent year and propose the matters with priority for improvement and the respective measures.
Improvements that have already been made: The information is disclosed on the official website.
The Company will continue to evaluate possible improvement solutions for the unscored items.</td></tr>
</table>

Note1:

Evaluation Item	Evaluation Result	Compliance with independence
1. There is no direct or significant indirect financial interest relationship between the certified accountant and the company.	Yes	Yes
2. The certified accountant has no financing or guarantee arrangements with the Company or its directors.	Yes	Yes
3. There is no close commercial relationship and potential employment relationship between the certified accountant and the company.	Yes	Yes
4. The certified accountant and audit team do not serve as a director, manager, or any position that exerts significant influence on the audit work within the company in the preceding two years.	Yes	Yes
5. The certified accountant does not provide any non-audit services to the Company that could directly affect the audit work	Yes	Yes
6. The certified accountant does not provide services for the brokerage of shares or other securities issued by the Company.	Yes	Yes
7. The certified accountant does not act as an advocate for the Company or represent the Company in coordinating conflicts with other third parties.	Yes	Yes
8. The certified accountant is not related to the Company's directors, managers, or personnel with significant influence on the audit cases.	Yes	Yes
9. Neither the certified accountant, nor his/her spouse or minor children, have any investment or share financial interests with the Company or its affiliates.	Yes	Yes
10. The certified accountant has not provided audit services to the company for seven consecutive years.	Yes	Yes
11. Whether the certified accountant has complied with the independence standards of Accountant Professional Ethics Bulletin No. 10 and obtained the "Auditor Independence Declaration " issued by the certified accountant.	Yes	Yes

(IV) If the Company has established the Remuneration Committee or Nomination Committee, disclosed the composition, function and state of operations.

1. Information on the members of the Remuneration Committee December 31, 2025

By identity	Conditions / Name	Professional qualifications and experience	Independence	Number of public companies where the members of the Remuneration Committee are also the members of the remuneration committees of these companies
Convener of independent directors	Wang, Ming-Long	Director, Hanpin Electron Co., Ltd. Director, Chinese Gamer International Corp. Adjunct Professor, EMBA, National Cheng Kung University	Complies with the provisions of Article 3 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies."	1
Independent director	Ho, Yao-Hong	Graduate Institute of Industrial and Systems Engineering, The Ohio State University, USA; General Manager of Horxenway Executive Management Consulting Co., Ltd.; Executive Director of the Taiwan Industrial Technology Start-up Association.	Complies with the provisions of Article 3 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies."	2
Independent director	Chen, Hui-Chu	Department of Law, Tunghai University Institute of Public Affairs Management, National Sun Yat-sen University Managing Partner, Prosper Name Law Firm	Complies with the provisions of Article 3 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies."	0

2. The authority and responsibility of the Remuneration Committee are as follows:
   (1) Evaluation and supervision of the overall remuneration policy of the Company.
   (2) Evaluation and supervision of the remuneration level for directors (including the Chairman).
   (3) Evaluation and approval of the remuneration level for the General Manager and the supervisor with the rank above Assistant Manager.
   (4) Evaluation and approval of the remuneration level for the managers of the Company and subsidiaries.
   (5) Occasional review of the remuneration of directors (including the Chairman) and executive managers (including the General Manager and the supervisor with the rank above Assistant Manager) based on the Company's objective, business performance and other factors such as the competitive environment.

3. Information on the operations of the Remuneration Committee

(1) The Remuneration Committee of the Company is consisted of 3 persons.

(2) The term of the member of this Committee: June 11, 2025 to June 10, 2028. The Remuneration Committee held 2 (A) meetings in 2025. The qualification and attendance of the members are as follow:

Title	Name	Actual number of attendance (B)	Attend through proxy	Percentage of actual attendance (B/A)	Remarks
Convener	Lin, Chi-Yuan	2	—	100%	Discharged on June 11, 2025
Committee	Hsu, Shih-Hsuan	2	—	100%	Discharged on June 11, 2025
Committee	Ho, Yao-Hong	2	—	100%	Re-elected on June 11, 2025

Other notes:

I. The Board may not accept the recommendations of the Remuneration Committee or revise the recommendations, specify the date of the Board meeting, the term, the content of the motion, the resolution of the Board, and the response of the Board towards the opinions of the Remuneration Committee (*e.g.,* the remuneration package passed by the Board is superior to the recommendation of the Remuneration Committee, specify the difference and the reasons): none.

II. If any of the members of the Remuneration Committee hold adverse opinion or qualified opinions with record or in written declaration against the resolutions of the committee, specify the date and the session of the committee meeting, the content of the motion, the opinions of all members and the response to the opinions of the members: Not applicable.

III. Information on the meetings of the Compensation Committee.

Other Disclosures:

1. If the Board of Directors does not adopt or modifies the recommendations of the Compensation Committee, the Company shall disclose the date of the board meeting, meeting session, content of the proposal, resolution result of the board meeting, and how the Company handled the Compensation Committee's opinion (for example, if the compensation approved by the Board is more favorable than that recommended by the Compensation Committee, the differences and reasons shall be stated): No such circumstances.
2. If any member of the Compensation Committee expresses dissenting or reserved opinions with written statements or records during the decision-making process, the Company shall disclose the date of the Compensation Committee meeting, meeting session, content of the proposal, opinions of all members, and how the Company handled the dissenting opinions: No such circumstances.
3. Information on the meetings of the Compensation Committee

Date	Session	Proposal Content	Resolution Result	Company's Handling Compensation Comn Opinion
2025.01.17	The fifth Term – the 2nd temporary Meeting	1. Proposal on the distribution amount of year-end bonuses and dividends for senior executives of the Company's subsidiaries included in the consolidated financial statements 2 Proposal on the allocation of employee and director remuneration for the fiscal year 2024 3. Proposal on executive director bonuses	All attending committee members unanimously approved the discussed proposals and submitted them to the Board of Directors for resolution.	The proposals were subsequently approved b attending committee members.
2025.03.04	The fifth Term – the 9th Meeting	1. Remuneration Proposal for the Chief Operating Officer of Brand Division of the Company.	All attending committee members unanimously approved the discussed proposals and submitted them to the Board of Directors for resolution.	The proposals were subsequently approved b attending committee members.

(V) The implementation of sustainable development and the deviations from the “Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies” and reasons

Item	Implementation status			Deviation and causes of deviation from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary	
I. Has the Company established a governance framework for sustainable development and set up a designated (concurrent) unit for the implementation of the sustainable development? Does the Board of Directors authorize the top management to take the responsibility for this matter and how does the Board of Directors conduct the supervision?	✓		The Company has established a governance framework for promoting sustainable development, and reported to the Board on March 5, 2024. The Company has established a governance framework to advance sustainable development, and General Manager serves as the chief convener. Sustainability Development Team is responsible for the overall planning and execution of sustainability-related initiatives with six working groups: Corporate Governance, Employee Care, Social Engagement, Environmental Sustainability, Supply Chain Management, and Brand Management. Each group is composed of department heads and team members, enabling effective resource integration and the implementation of sustainability strategies across all functions, and reports its sustainability strategies and the performance of the project to the Board of Directors at least once a year.	No significant difference
II. Does the Company perform risk assessments on environmental, social and corporate governance issues with regard to the operation of the Company according to the materiality principle and establish relative risk management policies or strategies?	✓		The Company occasionally holds discussions and performs risk assessment on environmental, social and corporate governance issues with regard to the Company’s operation according to the materiality principle. Besides, professional instructors are hired to give lessons to the management of the Company.	No significant difference
III. Environmental issues (I) Does the Company have an appropriate environmental management system established in accordance with its industrial character?	✓		(I) The Company does not belong to the manufacturing industry, but we still maintain the working environment and the natural environment in accordance with relevant regulations.	No significant difference
(II) Is the Company committed to enhancing the energy efficiency and using renewable materials that have lower impact on the environmental?	✓		(II) The Company does not belong to the manufacturing industry, but we are still committed to enhancing the utilization efficiency of resources and using renewable materials that have lower impact on the environmental.	No significant difference
(III) Does the Company evaluate the Company’s potential current and future risk and opportunity resulting from the climate change and take countermeasures for related climate issues?		✓	(III) The Company has not yet reached a conclusion for the Company’s potential current and future risks and opportunities resulting from the climate change and has not taken countermeasures for related climate issues.	To set up according to the Company’s size and needs in the future
(IV) Does the Company collect data for greenhouse gas emissions, water usage and waste quantity in the past two years, and set energy conservation, greenhouse gas emissions reduction, water usage reduction and other waste management policies?		✓	(IV) The Company does not belong to the manufacturing industry, but we try our best to save energy and reduce carbon footprint, reduce greenhouse emissions, water use and other wastes to maintain the working environment and protect natural environment.	To set up according to the Company’s size and needs in the future

Item	Implementation status			Deviation and causes of deviation from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary	
IV. Social issues				
(I) Does the Company have relevant management policies and procedures stipulated in accordance with the relevant laws and regulations and international conventions on human rights?	✓		(I) The Company follows relative labor legislations to protect the employee's legal rights. The Company established the work rules, code of conduct and relative management rules for the employee. Moreover, the Company provides information for labors for them to understand local regulations in the country where the business is operating.	No significant difference
(II) Has the Company established appropriately managed employee welfare measures (include salary and compensation, leave and others) and link operational performance or achievements with employee salary and compensation?	✓		(II) The Company follows relative labor legislations to establish regulations for leaves. A company trip is held annually. The Company has regulations for compensation and rewards and reflect the business performance or results on the employee's remuneration as appropriate.	No significant difference
(III) Does the Company provide employees with a safe and healthy work environment and provide safety and health education to employees regularly?	✓		(III) To enhance employee safety and health of the working environment in the following methods: 1. The Company complies with occupational safety and health regulations as well as domestic occupational safety and health management systems. It has established safety and health policies and actively promotes related measures, including access control and surveillance systems, as well as labor safety and disaster prevention training. Hayashi Department Store undergoes annual fire safety inspections. The Company regularly conducts office cleaning and disinfection to maintain a hygienic working environment. Annual employee health checkups are also conducted to prevent and manage occupational injuries and illnesses. These efforts aim to mitigate risks and continuously provide a safe and friendly workplace. 2. The Company has appointed an Occupational Safety and Health Administrator (Class B certification) and a Supervisor of Occupational Safety and Health Affairs (Class A certification). Hayashi Department Store has a designated Fire Prevention Manager who has obtained a valid Fire Prevention Manager training certificate. 3. No major occupational safety incidents or fire accidents occurred within the Company during the current year.	No significant difference
(IV) Does the Company have an effective career capacity development training program established for the employees?	✓		(IV) The employees communication department of the Company is the administration unit and regularly arrange high positions of the Company to discuss with whole employees, explain to the Company's prospect and understand the employees' ideas. The Company arranges classes for the employees to improve their capability.	No significant difference

Item	Implementation status			Deviation and causes of deviation from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary	
(V) Does the Company's product and service comply with related regulations and international rules for the issues on customers' health and safety, privacy, sales, labelling and set forth polices to protect the rights of the consumers or customers and ensure appeal procedures?	✓	✓	(V) The Company has established clear internal control procedures for its R&D and procurement processes to safeguard consumer rights. In terms of customer privacy, the Company complies with relevant laws and regulations and conducts confidentiality operations in accordance with the "Personal Data Protection Management Regulations." Regarding product safety and labeling, all practices are carried out in accordance with the regulations and guidelines of relevant national authorities. In addition, the Company provides complaint channels such as the email address: info@mail.tainancayman.com.	No significant difference
(VI) Does the Company set supplier management policy and request suppliers to comply with related standards on the topics of environmental, occupational safety and health or labor right and their implementation status?	✓		(VI) The Company has not yet established management policies for the supplier.	If the supplier violates regulations with regard to environmental protection, occupational safety and health or labor human rights and the circumstances are significant, the Company will terminate the cooperation with the supplier and will not continue the contract.
V. Does the Company refer to international reporting rules or guidelines to publish sustainable development reports to disclose non-financial information of the Company? Has the said Report acquired certification or statement of assurance from a third party verifying unit?		✓	The Company does not refer to international reporting rules or guidelines to publish sustainable development reports to disclose non-financial information of the Company.	It will be established according to the Company's operating conditions and scale.
VI. If the Company has established sustainable development best practice principles in accordance with the "Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies," please describe the current practice and any deviations from the established principles: No significant difference.				
VII. Other important information that will be helpful for the understanding of the implementation of sustainable development: none.				

(VI)The Company’s Climate-Related Information - Implementation of Climate-Related Information

<table>
<tr><th>Item</th><th>Implementation Status</th></tr>
<tr><td>1 Governance and Oversight: The Board of Directors and management are actively engaged in the oversight and governance of climate-related risks and opportunities. This includes incorporating climate considerations into strategic planning and regularly reviewing relevant risk assessments and mitigation measures.</td><td>The Board of Directors of Tainan Enterprise (Cayman) Co., Ltd. serves as the highest authority for formulating climate strategies, approving action plans, and reviewing the performance outcomes of climate-related initiatives. The Board has authorized the Tainan Enterprise (Cayman) Co., Ltd. Sustainability Task Force to be responsible for evaluating and planning matters related to climate risks and opportunities. The Task Force is required to report to the Board at least once annually, reviewing the effectiveness of annual operations related to climate change issues and outlining future work plans, including the advancement of ESG initiatives and information disclosure.
Key focuses include enhancing climate data assessments, aligning with international frameworks, improving data credibility and communication, and learning from industry best practices. When necessary, the Task Force may consult with external experts and advisors. To raise awareness of climate risks among senior management and employees, relevant personnel will be encouraged to participate in risk management-related training courses and forums.</td></tr>
<tr><td>2 Impact on Business, Strategy, and Financial Planning: The Company has identified specific climate-related risks and opportunities and evaluated their potential impacts on business operations, strategic direction, and financial performance over the short-, medium-, and long-term horizons. These factors are integrated into the Company's business strategy and financial planning processes to ensure long-term sustainability and resilience.</td><td>
<table>
<tr><td colspan="5">Climate-Related Risks and Opportunities: Issues and Response Strategies</td></tr>
<tr><td>Aspect</td><td>Issue</td><td>Time Horizon</td><td>Current Status of Climate Risks and Opportunities</td><td>Response Strategies and Management Measures</td></tr>
<tr><td>Transitional Risk</td><td>General Environmental Regulations</td><td>Short Term (1–3 Years)</td><td>According to the subsidiary legislation under Taiwan’s Climate Change Response Act promulgated by the Ministry of Environment, the country will officially enter a “carbon pricing” era starting on January 1, 2025. In the initial phase, carbon fees will be imposed on major emitters whose annual emissions exceed 25,000 metric tons. Although the Company is not subject to regulation in the first wave, it has included this risk in its assessments, taking into consideration the potential lowering of the carbon fee threshold in the future, which could result in increased operating costs.</td><td>■ When replacing old equipment, energy-efficient equipment will be purchased to gradually improve the energy usage efficiency of the equipment.
■ Implement an annual routine carbon inventory system for each subsidiary, requiring them to conduct greenhouse gas inventories annually in accordance with the Greenhouse Gas Protocol, and obtain third-party verification, in order to effectively manage the company's total carbon emissions.</td></tr>
</table>
</td></tr>
</table>

		Customer Behavior Change	Medium-Term (3-5 Years)	With climate change and the rising public awareness of sustainability, the low-carbon economy is emerging, which may lead to shifts in consumer preferences. If not addressed in a timely manner, this could result in customer loss, leading to a decline in market share and, consequently, a reduction in operating revenue.	■ Deepen localized production and supply of products to reduce the carbon footprint (the direct and indirect greenhouse gas emissions generated throughout the product's life cycle). ■Select environmentally friendly raw materials and products for procurement to strengthen the company's image as a provider of low-carbon products.	
		Rising Procurement Costs	Medium-Term (3-5 Years)	Climate change may trigger issues related to natural resources, food security, and public health, potentially indirectly affecting local political situations. This could disrupt the stability of raw material supply, leading to increased procurement costs or even supply interruptions.	Deepen localized production and supply of products, thereby shortening product lead times, reducing transportation costs, and lowering carbon emissions during transportation. Establish a "partnership" with suppliers rather than just a business relationship, fostering better communication, mutual trust, and co-prosperity.	
	Physical Risk	Rising Average Temperatures	Long Term (Over 5 Years)	The rise in global average temperatures will lead to increased energy consumption for air conditioning and cooling systems at retail locations, thereby resulting in higher operating costs.	■ Gradually phase out outdated equipment to improve energy efficiency ■ Actively promote energy-saving and carbon reduction awareness among employees	

	Opportunity	Low-Carbon Products and Services	Medium Term (3–5 Years)	Develop low-carbon products and services to align with future shifts in consumer preferences. The Company will also gradually evaluate obtaining certifications such as carbon footprint labels, low-carbon labels, or energy-saving labels for its products and services to enhance consumer recognition and drive revenue growth.	■ Deepen localized production and supply of products to reduce their carbon footprint ■ Encourage suppliers to adopt measures for carbon footprint reduction, waste minimization, and circular economy practices
		Changes in Consumer Preferences	Medium Term (3–5 Years)	As public awareness among citizens increases, consumers are becoming more involved in social causes and paying closer attention to environmental issues. This shift in consumer behavior directly impacts the company's operations.	■ Increase the development and exposure of low-carbon products to strengthen the company's sustainable image ■ Continuously invest in diverse social welfare activities to promote sustainable social development

3.Explain the financial impact of extreme climate events and transition actions.	In response to potential disruptions to business operations caused by extreme weather events—such as flooding that may result in damage to facilities and products—as well as the costs associated with transition actions (e.g., compliance with carbon reduction policies and regulations), the company has established and ensures the effectiveness of adaptation measures. These efforts aim to maintain stable service across all operations, enhance customer trust, and reduce operational losses. To properly manage the risks related to extreme weather events and the transition to a low-carbon economy, the company incorporates climate change risks into its operational decision-making. At the same time, it acknowledges the global crises of global warming and resource depletion, and is fully committed to energy conservation and carbon reduction initiatives through both mitigation and adaptation actions.
4.Describe how the processes for identifying, assessing, and managing climate risks are integrated into the overall risk management system.	(1) The Company will establish a comprehensive risk management organizational structure, policies, and management guidelines. The scope of risks covered includes operational risks, legal and compliance risks, as well as environmental risks. The areas of consideration encompass Environmental (E), Social (S), and Governance (G) factors. The Company will incorporate environmental risks into its risk management policies, signifying that climate change is regarded as a strategic business risk. Accordingly, the identification, assessment, and management of climate-related risks will be integrated into the Company’s overall risk management processes. (2) The Company has established a cross-departmental project team, coordinated by the Sustainable Development Group, which convenes senior executives from various departments for cross-departmental communication. The team addresses climate change issues and, referencing the framework for climate-related financial disclosures, identifies relevant risks and opportunities. The team defines high, medium, and low risks and categorizes them into short-term (1-3 years), medium-term (3-5 years), and long-term (more than 5 years) classifications. (3) The climate risk management process is planned to consist of four main steps: risk identification, assessment, monitoring, and reporting, in order to

	effectively establish a management mechanism.
5.Use scenario analysis to assess resilience to climate change risks, and specify the scenarios, parameters, assumptions, analytical factors, and the main financial impacts used.	As of the date of the annual report publication, the company has not used scenario analysis to assess its resilience to climate change risks, therefore it is not applicable.
6.If there is a transition plan for managing climate-related risks, describe the content of the plan, as well as the indicators and targets used to identify and manage physical and transition risks.	As of the date of the annual report publication, the company has not completed the transformation plan to manage climate-related risks. Relevant details will be disclosed on the company's official website once completed.
7.If internal carbon pricing is used as a planning tool, explain the basis for determining the price.	As of the date of the annual report publication, the company has not used internal carbon pricing as a planning tool, therefore it is not applicable.
8.If climate-related targets have been set, the covered activities, greenhouse gas emission scopes, planning timeline, and annual progress should be disclosed. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve the targets, the sources and quantities of the carbon offsets or the number of RECs used should also be specified.	As of the date of the annual report publication, the company has not set any climate-related targets.
9. Greenhouse Gas Inventory and Assurance Status, Reduction Targets, Strategies, and Specific Action Plans (to be filled in Sections 1-1 and 1-2).	The company is currently conducting self-greenhouse gas inventory and has not been verified or assured,

1-1. Greenhouse Gas Inventory and Assurance Status in the Past Two Years

1-1-1. Greenhouse Gas Inventory Information

Provide the greenhouse gas emissions for the most recent two years (in metric tons of CO2e), emission intensity (in metric tons of CO2e per million), and the scope of data coverage.

The company has conducted the greenhouse gas inventory for the group (including subsidiaries) starting from the year 2024. The greenhouse gas inventory report is prepared based on the GHG Protocol standard and follows the operational control approach to define the organizational boundaries.

The greenhouse gas emissions are as follows:

Year	2024	2025
Scope	(CO2e)	(CO2e)
Scope 1	95.4737	40.6988
Scope 2	1025.712	1199.8348
Total Emissions	1121.1857	1240.5336
Emission Intensity	0.6197	0.7375

Note 1: Direct emissions (Scope 1) refer to emissions from sources that are owned or controlled by the company. Energy indirect emissions (Scope 2) refer to greenhouse gas emissions resulting from the generation of purchased electricity, heat, or steam consumed by the company. Other indirect emissions (Scope 3) refer to emissions resulting from company activities that are not included in Scope 2 and occur from sources owned or controlled by other entities.

Note 2: The data coverage for direct emissions and energy indirect emissions shall follow the timeline specified by the authority in accordance with Paragraph 2, Article 10 of these Guidelines. Disclosure of other indirect emissions may be done on a voluntary basis.

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

Note 4: Emission intensity may be calculated per unit of product/service or revenue. However, at a minimum, the calculation based on revenue (in NT$ million) must be disclosed.

1-1-2. Greenhouse Gas Assurance Information

Provide a description of the greenhouse gas assurance status for the most recent two years as of the date of the annual report publication, including the scope of assurance, assurance provider, assurance standards, and assurance opinion.
As of the date of publication of this annual report, the Company is not classified as a company meeting the specified criteria; therefore, this requirement is not applicable.

Note 1: In accordance with the timeline specified by the authority under Paragraph 2, Article 10 of these Guidelines, if the company has not obtained a complete greenhouse gas assurance opinion by the date of publication of the annual report, it shall state: "The complete assurance information will be disclosed in the sustainability report" if the company prepares such a report, or "The complete assurance information will be disclosed on the Market Observation Post System (MOPS)" if the company does not prepare a sustainability report. The complete assurance information shall be disclosed in the following year's annual report.

Note 2: The assurance provider shall comply with the relevant regulations on sustainability report assurance bodies as stipulated by the Taiwan Stock Exchange Corporation and the Taipei Exchange.

Note 3: For disclosure content, please refer to the best practice reference examples available on the Taiwan Stock Exchange Corporate Governance Center website.

1-2. Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans

State the base year and corresponding data for greenhouse gas (GHG) reduction, the reduction targets, strategies, specific action plans, and the progress or status of achieving the reduction targets.
As of the date of publication of this annual report, the Company is not classified as a company meeting the specified criteria; therefore, this requirement is not applicable.

Note 1: The process should be carried out according to the timeline specified by the authority under Paragraph 2, Article 10 of these Guidelines.

Note 2: The base year should be the year in which the greenhouse gas inventory was completed based on the boundaries of the consolidated financial report. For example, according to the regulations specified in Paragraph 2, Article 10 of these Guidelines, companies with a paid-in capital of NT$10 billion or more should complete the inventory of the 2024 consolidated financial report by 2025, making 2024 the base year. If the company has already completed the inventory for the consolidated financial report ahead of schedule, the earlier year can be used as the base year. Additionally, the data for the base year can be calculated using either a single year or an average of multiple years.

Note 3: For disclosure content, please refer to the best practice reference examples available on the Taiwan Stock Exchange Corporate Governance Center website.

(VII)The implementation of ethical corporate management and the deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and reasons

Items for evaluation	Implementation Status			Difference with other companies listed in TWSE/ GTSM in best-practice principles of business integrity
	Yes	No	Summary	
1. The establishment of ethical management policies and plans (1) Has the Company established the ethical management policies and does the Company have the ethical management policy and method declared explicitly in the Articles of Incorporation and external documents; also, the commitment of the Board of Directors and the executive management to actively implement the operating policies?	✓		(1) The Board of Directors approved the ethical management policies as well as the operation procedures and codes of conduct for ethical management on March 17, 2020. The Company has hold up to the business culture of ethic and integrity and considered them our business philosophy.	No significant difference
(2) Does the Company establish an assessment mechanism for the risk of unethical conduct; regularly analyze and evaluate within a business context, the business activities with a higher risk of unethical conduct; have formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies?	✓		(2) The Company has established “Employee Code of Conduct” measures as a guide and specification for employees to perform company operations.	No significant difference
(3) Does the Company have respective operating procedures, behavioral guidelines, disciplinary actions and complaints system declared explicitly in the prevention program for any fraud stipulated; also have it implemented substantively, reviewed and amended regularly?	✓		(3) In order to ensure the implementation of ethical corporate management, the Company has established an effective accounting system and internal control system and internal auditors will check the compliance of the previous system regularly. All employees are not allowed to accept rebates, commissions or valuable gifts and luxury hospitality provided by customers, manufacturers or relevant personnel. The Company provides a safe and healthy working environment and a fair opportunity to maintain a fair and legal relationship between customers and suppliers for a win-win partnership. Established an independent board mechanism and implemented corporate governance.	No significant difference
2. The Materialization of Business Integrity (1) Does the Company have the integrity of the trade counterparty assessed and with the code of integrity expressed in the contract signed?	✓		(1) Prior to establishing a business relationship, first assess the cooperation of the person in question and whether there has been a record of dishonesty to ensure that the business management is fair, transparent and does not require, offer or accept bribes.	No significant difference
(2) Does the Company set up a unit that is dedicated to promoting the Company’s ethical standards and that regularly (at least once a year) reports directly to the Board of Directors on its ethical corporate management policy and relevant matters and program to prevent unethical conduct and monitor its implementation?	✓		(2) The Company has set up a designated unit to promote ethical corporate management and report the implementation to the Board of Directors regularly. Besides, the Company has established an independent Board of Directors’ mechanism. The Audit Office is responsible for the formulation and supervision of the Company’s ethical corporate management policies and prevention programs.	No significant difference
(3) Does the Company have developed policies to prevent conflicts of interest, provided adequate channel for communication and substantiated the policies?	✓		(3) The Company has established a policy to prevent conflicts of interest in the “Employee Code of Conduct,” and if it is found to be in violation of regulations, it may report to the manager or person in charge.	No significant difference

Items for evaluation	Implementation Status			Difference with other companies listed in TWSE/ GTSM in best-practice principles of business integrity
	Yes	No	Summary	
(4) Does the Company establish effective accounting and internal control systems, audit plans based on the assessment of unethical conduct to implement relevant policies on ethical conducts and is its ethical conduct program audited by internal auditors or CPAs periodically? (5) Has the Company organized corporate management internal and external education and training programs on a regular basis?	✓ ✓		(4) The accounting system of the Company refers to the Securities and Exchange Act, the Regulations Governing the Preparation of financial statements by Public Issuing Companies, the International financial statements Standards, International Accounting Standards, Interpretations, Interpretations and other relevant laws and regulations approved by the Financial Supervisory Committee and is subject to the Company for their establishment according to the actual business situation; the internal control system was established in accordance with the relevant provisions of the "Regulations Governing Establishment of Internal Control Systems by Public Companies" and was implemented completely. The audit department also regularly checks the compliance of the accounting system and the internal control system and reports to the Board of Directors. (5) The Company holds regularly education training or propaganda of ethical corporate management.	No significant difference No significant difference
3. The operations of the Company's Report System (1) Does the Company have a specific report and reward system stipulated, a convenient report channel established and a responsible staff designated to handle the individual being reported? (2) Does the Company have the standard investigating procedures, measures that shall be taken after the completion of investigation and related confidentiality mechanism established for the incidents being reported? (3) Has the Company taken proper measures to protect the whistle-blowers from suffering any consequence of reporting an incident?	✓ ✓ ✓		(1) The Company was in "Employee Code of Conduct" and established that report corrections system and the other for the prosecution case will send all dedicated person handling the investigation. (2) The Company's opinion communication and response measures clearly establish that the relevant supervisor has the responsibility to keep the party's information confidential. (3) The grievance handling process absolutely protects the parties to the appeal and prevents the reporter from being improperly disposed of due to the report.	No significant difference No significant difference No significant difference
4. Enhancing Information Disclosure Does the Company disclose the ethical management policies and the results of the implementation on its website and the Market Observation Post System?	✓		The ethical management policies as well as the operating procedures and codes of conduct for ethical management are disclosed on the website.	No significant difference
5. Where the Company establishes its own ethical management policies in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies," it shall elaborate on the implementation and the difference from the aforementioned policies: No significant difference.				
6. Other vital information that helps to understand the practice of business integrity of the Company (e.g., the review and revision of the best-practice principles of the Company in business integrity): None.				

(VIII) If the Company has established the ethical management policies and related regulations, it shall disclose the way of inquiry:

They are disclosed on the Company website http://www.tainancayman.com/.

(IX) Other important information that will help understand the implementation of the Company's corporate governance

The Company has established the Regulations for Handling Material Inside Information and Managing Insider Trading Prevention as the basis for the Company's significant information processing and disclosure mechanism and reviewed irregularly whether the Measures meet current legal and substantive management needs. The Measures are also announced in the Internal Document Management System. It is available for managers and employees to check at any time, and at the same time, we notify the internal personnel of the Company about important relevant internal information matters.

(X) Internal control

1. Declaration of Internal Control Policies

Tainan Enterprise (Cayman) Co., Ltd.

Statement of Declaration of Internal Control System

Date: March 5, 2026

The following declaration is based on the 2025 self-audit on the Company's internal control policies:

I. The Company is aware that the establishment, execution, and maintenance of its internal control policies are the responsibilities The Company's board of directors and managers. These policies were implemented throughout The Company. The purpose is to provide reasonable assurance on the achievement of operating effectiveness and efficiency (including profits, performance and assets safeguarding) and on the reporting of matters with reliability, timeliness, and transparency and compliance with the relevant law and regulations.

II. Internal control policies are prone to limitations. No matter how robustly designed, effective internal control policies merely provide reasonable assurance to the achievements of the three goals above. Furthermore, environmental and situational changes may affect the effectiveness of internal control policies. However, self-supervision measures were implemented within the Company's internal control policies to facilitate immediate rectification once procedural flaws have been identified.

III. The Company has based on the criteria of the internal control system effectiveness in the "Regulations Governing the Establishment of Internal Control System by Public Companies" (referred to as the "Regulations" hereinafter) to determine the effectiveness of the internal control system design and implementation. The criteria introduced by "The Governing Principles" consisted of five major elements, each representing a different stage of internal control: 1. Control environment, 2. Risk evaluation and response, 3. Procedural control, 4. Information and communication, 5. Supervision. Each element further contains several items. Please refer to "The Governing Principles" for details.

IV. The Company adopted the abovementioned criteria to validate the effectiveness of its policy design and execution.

V. The Company, according to the aforementioned check results, thinks that the Company's internal control system (including the supervision and management over the subsidiaries) on December 31, 2025, including understanding the effectiveness and efficiency of operations, reporting the internal control design and implementation with effectiveness, timeliness, transparency and compliance with the relevant requirements and regulations and laws; therefore, a reasonable assurance on the achievement of the aforementioned goals is provided.

VI. This declaration forms part of the main contents of the company's annual report and prospectus, and shall be disclosed to the public. Any misrepresentation or concealment of the aforementioned disclosures shall be liable to violation of Articles 20, 32, 171 and 174 of the Securities and Exchanges Act and the legal consequences thereof.

VII. This declaration was approved by the Board of Directors of the Company on March 5, 2026 with the consent of the seven attending directors for the declaration, as is hereby declared.

Tainan Enterprise (Cayman) Co., Ltd. Signature

Chairman: Yang, Ching-Hon Signature

General Manager: Chen, Hui-Shu Signature

2. If the internal control policy was reviewed by an external auditor, the report of such a review must be disclosed: Not applicable.

(XI) Important Resolutions of the Shareholders' Meeting and Board of Directors in the Most Recent Year and Up to the Date of Publication of the Annual Report

1. The resolutions adopted by all the shareholders present at the annual shareholders' meeting on June 11, 2025 and their implementation status

Resolution	Implementation status
(1) Ratification of the 2024 business report and financial statements.	The ratification was approved. The submission for reference and application for announcement of the Company's books and documents to the competent authority have been conducted pursuant to the Company Act and other regulations.
(2) Ratification of the proposal for the distribution of the earnings in 2024.	According to the proposal for making up the deficit and distribution in 2024, the cash dividends for the shareholders was NT$0.8 per share and the stock dividend was NT$0.2 per share. They were distributed on October 17, 2025
(3) The proposal of the Company's capitalization of retained earnings by issuing new shares in 2024.	With respect to the issuance of new shares for the capitalization of retained earnings in 2024, 20 shares for every 1,000 shares were distributed as stock dividends to shareholders, and the distribution was completed on October 17, 2025.
(4) Partial Amendments to the Company's "Article of Incorporation"	The resolution was approved, and the amended articles have been disclosed on the Company's website and implemented in accordance with the revised procedures.
(5) Re-election of directors of the Company.	The change registration for the re-election of the Company's directors has been approved by No. 11430095600 letter issued by Ministry of Economic Affairs on June 26, 2025.
(6) Proposal for the relief of restrictions on competition for new directors and their representatives.	The resolution was approved, and processed related operations

2. Important Resolutions of the Board of Directors from the 2025 up to April 30, 2026.

Date	Meeting	Important resolutions
2025.01.17	Interim Board of Directors	1.Proposal on the Year-End Bonus and Dividend Distribution Amounts for Senior Executives of Subsidiaries in the Company's Consolidated Financial Report. 2.Proposal on Employee and Director Compensation for t 2024. 3.Proposal on Executive Director Bonuses. 4.Proposal on the Business Execution Fee for the Fifth Term Independent Directors for 2025.
2025.03.04	Board of Directors	1. The resolution of the Company's 2024 business report and financial statements. 2. The "CPA replacement in coordination with internal adjustments of Deloitte Taiwan" case. 3. The proposal for assessment the independence and suitability of the Company's CPAs. 4. The resolution of the Company's CPA appointment fee in2025. 5. The resolution of the proposal for the distribution of the earnings in 2024. 6. The Company's capitalization of retained earnings by issuing new shares in 2024. 7. The resolution of the 2024 internal control system declaration of the Company. 8. The resolution of the Company's budget in 2025. 9. Proposal on the Amendment of Certain Articles in the Company's Articles of Incorporation. 10. Proposal on Organizational Structure Adjustment of the Company. 11. Proposal on the Appointment of the CEO for the Company's Brand Business Division. 12. Proposal on the Salary and Compensation for the CEO of the Company's Brand Business Division. 13. Proposal on the Full Re-election of Directors in the Company. 14. Proposal on the Qualification Review of Director and Independent Director Candidates. 15. Proposal on Lifting the Non-Compete Restrictions for the New Directors and Their Representatives. 16. Proposal to Convene the Company's 2025 Annual Shareholders' Meeting. 17. Proposal on the Period for Accepting Shareholder Proposals and Nominations for Director Candidates for the 2025 Shareholders' Meeting.

Date	Meeting	Important resolutions
2025.05.06	Board of Directors	1. Proposal on the Company's Consolidated Financial Statements for Q1, 2025. 2. Proposal to Re-appoint the Representative of the Corporate Director and Supervisor of Nelson Sport Co., Ltd. (Nelson Sport). 3. Proposal to Re-appoint the Representative of the Corporate Director and Supervisor of Tainan Development Co., Ltd. (Tainan Development Co., Ltd.). 4. Proposal on the information about Greenhouse Gas Inventory in 2024. 5. Proposal on Applying for Financing Facilities from the Company's Correspondent Banks. 6. Proposal on Providing Endorsement and Guarantee for a second-tier subsidiary.
2025.06.11	Board of Directors	1. Proposal for re-election of 6th Chairman of the Company. 2. Proposal for Appointment of Chief Strategy Officer 3. Proposal for the Election of the 6th Term Remuneration Committee Members 4. Proposal on assignment of Executive Director. 5. The proposal for the Company's 2025 business execution fees for 6th independent directors.
2025.08.15	Board of Directors	1. Proposal on the Company's Consolidated Financial Statements for the Second Quarter of 2025. 2.Matters Relating to the Record Date for Capital Increase from Earnings and Distribution of Cash Dividends 3. The Company' ESG Report in 2024. 4. Proposal on Applying for Financing Facilities from the Company's Correspondent Banks. 5. Proposal for the endorsement and guarantee for Reebok Sports Co., Ltd., which is second-tier subsidiary the Company owned 80% shares.
2025.11.04	Board of Directors	1. The resolution of the Company's consolidated financial statements in Q3, 2025. 2. The Company's audit plan in 2026. 3. Proposal on Applying for Financing Facilities from the Company's Correspondent Banks.
2026.01.29	Board of Directors	1. Proposal on Year-End Bonus and Profit Sharing Amounts for Senior Executives of Subsidiaries Included in the Company's Consolidated Financial Statements. 2.Proposal on Employee and Director Remuneration for 2025. 3.Proposal on Executive Director Bonus. 4. The resolution of the proposal for the Company's 2026 business execution fees for 5th independent directors.
2026.03.05	Board of Directors	1. The resolution of the Company's 2025 business report and financial statements. 2. The proposal for assessment the independence and suitability of the Company's CPAs. 3. The resolution of the Company's CPA appointment fee in 2026. 4. The resolution of the proposal for the distribution of the earnings in 2025. 5. The Company's capitalization of retained earnings by issuing new shares in 2025. 6. The resolution of the 2025 internal control system declaration of the Company. 7. The resolution of the Company's budget in 2026. 8. Proposal on the amendment of "Rules of Procedure for Shareholders Meetings". 9. Proposal on the amendment of "Sustainable Development Best Practice Principles" 10. Proposal on Applying for Financing Facilities from the Company's Correspondent Bank. 11. Proposal to Convene the Company's 2026 Annual Shareholders' Meeting. 12. Proposal on the Period for Accepting Shareholders' Proposals for the 2026 Shareholders' Meeting.
2026.03.17	Board of Directors	The proposal to sign distribution agreement of Champion brand with Belle Fashion Group.

(XII) For the most recent fiscal year and up to the date of the annual report's publication, if any director or supervisor has expressed dissenting opinions on important resolutions passed by the board of directors, with records or written statements, the main content is: None.

IV. Disclosure of the CPAs' Remuneration

Unit: NT$ thousands

Firm Name	CPA Name	Accountant's Review Period	Auditing fee	Non-Auditing fee	Total	Remarks
Deloitte & Touche	Wu, Chang-Chun	2025	4,133	933	5,066	–
	Yang, Chao-Ching	2025				

Non-Audit Fee: business registration fee NT$564 thousand, travel expense NT$114 thousand, printing and postage expense NT$ 105 thousand and the public funding for the project on reducing packaging materials for online shopping NT$ 150 thousand.

(I) Where the commissioned CPAs Firm is replaced and the auditing fee paid in the year of replacement is less than the auditing-fee paid in the prior year: None.

(II) Where the audit fee was reduced by more than 10% from the previous year: None.

V. Information on CPA Replacement

None

VI. Any of the Company's Chairman, General Manager, or managers involved in financial or accounting affairs being employed by the auditor's firm or any of its affiliated company within the recent year

None

VII. Shareholding transfers and share collateralization in the most recent year and up to the publication date of this annual report, initiated by directors, supervisors, managers and shareholders with more than 10% ownership interest

(I) Shareholding changes of directors, managers, and major shareholders

Unit: shares

Title	Name	2025		As of April 12 in the current year	
		Increase (decrease) in No. of Shares	Increase (decrease) in No. of Pledged Shares	Increase (decrease) in No. of Shares	Increase (decrease) in No. of Pledged Shares
Chairman	Yang, Ching-Hon	–	–	–	–
Director / major shareholder	Koche Development Co., Ltd. (Representative: Wang, Fang-Chung)	126,146	–	–	–
Director / major shareholder	Koche Development Co., Ltd. (Representative: Chen, Hui-Shu)	126,146	–	–	–
Director / major shareholder	Tainan Enterprise (BVI) Co., Limited (Representative: Wu, Tao-Chang)	93,798	–	–	–
Major Shareholder	Koche Development Co., Ltd.(Samoa)	216,854	–	–	–
Independent director	Wang, Ming-Ling	–	–	–	–
Independent director	Ho, Yao-Hong	–	–	–	–
Independent director	Chen, Hui-Chu				
General Manager	Chen, Hui-Shu	–	–	–	–
Chief financial officer	Lien, Huang-Hua	–	–	–	–
Chief Accounting Officer	Huang, Chih-Yuan	–	–	–	–
CEO	Chen Hang	–	–	–	–
CEO of Brand Division	Lin, Chun-Ru				

(II) Transfer of shareholding: https://mops.twse.com.tw/mops/#/web/query6_1

(III) Shares collateralized: https://mopsov.twse.com.tw/mops/web/STAMAK03_1

VIII. Information of the Company's top ten shareholders with the relationship of spouses, second degree relatives or closer relatives

April 12, 2026

Name	Own shareholdings		Shares Held by Spouse and Dependents		Shareholdings under the title of a third party		If there are related parties, spouses, kindred within the 2nd tier under the Civil Code among the top 10 shareholders, give the names and affiliations of such shareholders		Remarks
	Quantity	Ratio of Shareholdings	Quantity	Ratio of Shareholdings	Quantity	Ratio of Shareholdings	Name	Relation	
Koche Development Co., Ltd.(Samoa)	11,059,583	30.94%	–	–	–	–	Representative: Yang, Ching-Hon	The representative is the Chairman of the Company	–
Koche Development Co., Ltd.	6,433,454	18.00%	–	–	–	–			–
Tainan Enterprise (BVI) Co., Limited	4,783,738	13.38%	–	–	–	–	Representative: Yang, Ching-Hon	The representative is the Chairman of the Company	–
Citi Trusts Mitsui & Co., Ltd. Investment Account	1,971,089	5.51%	–	–	–	–	–	–	–
Tseng-Li, Yu-Lien	1,798,127	5.03%	–	–	–	–	–	–	–
Lai, Yung-Sung	1,780,836	4.98%	–	–	–	–	–	–	–
Jing Da Development Co., Ltd.	1,654,126	4.63%	–	–	–	–	Representative: Wang, Fang-Chung	The representative is a director of the Company, the spouse of the Chairman spouse	–
Baohong Investments Co., Ltd	951,406	2.66%	–	–	–	–	–	–	–
Koche Global Co., Ltd.	403,792	1.13%	–	–	–	–	Representative: Yang, Ching-Hon	The representative is the Chairman of the Company	–
Chang, Te-Ming	328,126	0.92%	-	-	-	-	-	-	-

Source: The most recent shareholding ratio is based on the shareholding data on the final day for stock transfer and is computed based on the total 35,741,412 shares after a capital reduction on April 12, 2026.

IX. Investments jointly held by the Company, the Company's directors, supervisors, managers and enterprises directly or indirectly controlled by The Company. Calculate shareholding in aggregate of the above parties.

December 31, 2025 Unit: Thousand shares

Investee	Invested by The Company		Held by directors, supervisors, managers and directly or indirectly controlled enterprises		Combined investment	
	Quantity	Ratio of Shareholdings	Quantity	Ratio of Shareholdings	Quantity	Ratio of Shareholdings
Nelson Sport Co., Ltd.	19,713	100.00	—	—	19,713	100.00
Tainan Development Co., Ltd.	10,000	100.00	—	—	10,000	100.00
Focus Fashion Co., Ltd.	5,730	100.00	—	—	5,730	100.00
Overtop Sport Co., Ltd.	6,503	51.00	—	—	6,503	51.00
RBK SPORT TAIWAN CO., LTD.	8,479	80.00	—	—	8,479	80.00
Koche Creative Co., Ltd. (Koche Creative)	3,800	100.00	—	—	3,800	100.00

Four. Funding Status

I. Capital and outstanding shares

(I) Capital Sources

1. Process where the share capital was formatted

April 12, 2026

Year and month	Issue rice	Authorized shares capital		Paid-in shares capital		Remarks		
		Quantity (Thousand Shares)	Amount (NT$ Thousand)	Quantity (Shares)	Amount (NT$)	Sources of shares and dividends	Paid in properties other than cash	Others
1999/02	USD1	10,000	USD10,000	4,722,500	USD4,722,500	Issuance of common stock for cash	None	Note 1
2004/04	USD2.02	10,000	USD10,000	7,198,500	USD7,198,500	Issuance of common stock for cash	None	Note 2
2006/11	USD 0.87	10,000	USD10,000	8,089,250	USD7,911,100	Issuance of common stock for cash	None	Note 3
2007/12	USD5.56	10,000	USD10,000	9,100,407	USD8,922,257	Issuance of common stock for cash	None	Note 4
2010/03	USD1	50,000	USD50,000	16,304,203	USD16,126,053	Capital surplus transferred to capital	None	Note 5
2010/04	USD1	50,000	USD50,000	17,159,697	USD16,981,547	Issuance of common stock for cash	None	Note 6
2010/05	NTD10	159,950	NTD1,599,500	52,157,144	NTD521,571,440	Denomination conversion	None	Note 7
2010/05	NTD10	159,950	NTD1,599,500	54,893,868	NTD548,938,680	Conversion	None	Note 8
2010/06	NTD27.7	159,950	NTD1,599,500	57,304,868	NTD573,048,680	Issuance of common stock for cash	None	Note 9
2011/10	NTD10	159,950	NTD1,599,500	65,119,868	NTD651,198,680	Issuance of common stock for cash	None	Note 10
2011/12	NTD10	159,950	NTD1,599,500	66,323,270	NTD663,232,700	Recapitalization of earnings	None	Note 11
2013/01	NTD10	159,950	NTD1,599,500	96,323,270	NTD963,232,700	Issuance of common stock for cash	None	Note 12
2016/05	NTD10	159,950	NTD1,599,500	30,000,000	NTD300,000,000	Capital reduction	None	Note 13
2017/08	NTD10	159,950	NTD1,599,500	60,000,000	NTD600,000,000	private placements for cash injection	None	Note 14
2018/05	NTD10	159,950	NTD1,599,500	30,000,000	NTD300,000,000	Capital reduction	None	Note 15
2021/09	NTD10	159,950	NTD1,599,500	32,400,000	NTD324,000,000	Recapitalization of earnings	None	Note 16
2023/09	NTD10	159,950	NTD1,599,500	33,372,000	NTD333,720,000	Recapitalization of earnings	None	Note 17
2024/09	NTD10	159,950	NTD1,599,500	35,040,600	NTD350,406,000	Recapitalization of earnings	None	Note 18
2025/09	NTD10	159,950	NTD1,599,500	35,741,412	NTD357,414,120	Recapitalization of earnings	None	Note 19

Note 1: Registered the Company in the Cayman on February 8, 1999, and authorized share capital of 10 million shares, par value of US$ 1 and the total is US$ 10 million.

Note 2: Cash injection on April 8, 2004 in US$ 2.02 per share, 2,476,000 shares par value of US$ 1.

Note 3: Cash injection on November 30, 2006, in US$ 0.87 per share 890,750 shares, par value of US$ 0.8.

Note 4: Cash injection on December 7, 2007 in US$ 5.56 per share, 1,011,157 shares per value of US$ 1 and completed the registration in March 2008.

Note 5: The capital reserve was transferred to 7,203,796 shares in March 2010.

Note 6: Cash injection on April 6, 2010 passed a cash capital increase 855,494 shares by the resolution of the Board of Directors and the shareholders' meeting.

Note 7: Converted to a par value of NT $ 10 denominations from denominated in US dollars into NT dollars on May 11, 2010.

Note 8: Tainan Cayman signed a Share Exchange Agreement with (i) Firstlink Business Limited to acquire GUANJIA (SHANGHAI) FASHION CO, LTD's 10% equity by per share US$ 2.636 on May 11, 2010, (ii) signed a share swap agreement with First Global Worldwide Limited to acquire 5% equity in TONY WEAR (SHANGHAI) FASHION CO., LTD., with a total of 2,736,724 shares.

Note 9: Cash injection in June 2010 in US$ 2.77 per share, 753,673 shares per value of US$ 1 and completed the registration on July 29, 2010. (After the conversion of the denomination, approximately 2,411,000 shares were issued in cash and the denomination of NT$ 10 per share was issued at a price of NT$ 27.7per share)

Note 10: Cash injection 7,815,000 shares on October 24, 2011.

Note 11: Cash injection in earnings transferred to capital 1,203,402 shares on December 8, 2011.

Note 12: Cash injection 30,000,000 shares on January 24, 2013.

Note 13: A capital reduction in 66,323,270 shares was performed on May 14, 2016.

Note 14: Private placements of 30,000,000 shares for cash injection on July 27, 2017.

Note 15: A capital reduction in 30,000,000 shares was performed on May 14, 2018.

Note 16: Cash injection in earnings transferred to capital 2,400,000 shares on September 30, 2021.

Note 17: Cash injection in earnings transferred to capital 972,000 shares on September 15, 2023.

Note 18: Cash injection in earnings transferred to capital 1,668,600 shares on September 13, 2024.

Note 19: Cash injection in earnings transferred to capital 700,812 shares on September 18, 2025.

2. Stock Type

April 12, 2026; Unit: shares

Stock Type	Authorized shares capital			Remarks
	Outstanding shares	Un-issued Shares	Total	
Common stock	35,741,412	124,208,588	159,950,000	None

3. Relevant information of Shelf Registration System: not applicable.

(II) List of major shareholders

Shareholders or equity ratios with a shareholding ratio of more than 5% account for the top ten shareholder names, shareholdings and proportions:

April 12, 2026

Stock / Name of Principle shareholder	Shares	Ratio of Shareholdings
Koche Development Co., Ltd.(Samoa)	11,059,583	30.94%
Koche Development Co., Ltd.	6,433,454	18.00%
Tainan Enterprise (BVI) Co., Limited	4,783,738	13.38%
Citi Trusts Mitsui & Co., Ltd. Investment Account	1,971,089	5.51%
Tseng-Li, Yu-Lien	1,798,127	5.03%
Lai, Yung-Sung	1,780,836	4.98 %
Jing Da Development Co., Ltd.	1,654,126	4.63%
Baohong Investments Co., Ltd	951,406	2.66%
Koche Global Co., Ltd.	403,792	1.13%
Chang, Te-Ming	328,126	0.92%

(III) The company’s dividend policies and execution

1. Dividend policies stated in The Company’s Articles of Incorporation

The Company established the dividends policies in the Company’s Articles of Incorporation:

Article 109:

Subject to the Statute, and subject to these Articles and any direction of the Company in general meetings, the Board of Directors, after obtaining Ordinary Resolution or in the case of Article 32(a), Supermajority Resolution, the Board of Directors may from time to time declare dividends and distributions to be paid to the shareholders and authorize payment of the same out of the funds of the Company lawfully available therefor. The Company may authorize the distributable dividends and bonuses to be paid in cash after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders’ meeting. Subject to the rights of persons, if any, entitled to Shares with special rights as to dividends or distributions, if dividends or distributions are to be declared on a Class of Shares such dividends or distributions shall be declared and paid according to the amounts paid or credited as paid on the Shares of such Class issued on the record date for such dividends or distribution as determined in accordance with these Articles.

Article 110:

In determining the surplus that the Company should retain and the dividends payable to shareholders, the Board of Directors should consider the future capital expenditures and operating capital of the Company and the need to use the retained earnings.

Article 111:

(1) The Company’s earnings per fiscal year, after the completion of the tax payable and the accumulated losses of the previous year, and when the shares of the Company are traded on any of the Republic of China stock exchanges, they shall be in accordance with the requirements of the applicable law of the public company.,(i) First, 10% is the statutory surplus reserve (hereinafter referred to as “statutory surplus reserve”), and (ii)Any special reserve that is required by the Competent Authority of the Republic of China (including but not limited to the FSC or any applicable securities market in the Republic of China), the order of the special surplus reserve should be after the statutory surplus reserve.

(2) Before the Board of Directors distributing dividends or capital distribution, a provision from the Company for which it is deemed appropriate or for any purpose of the Company's business.

(3) When the Company has a surplus in each fiscal year's settlement, the surplus shall be paid before the tax payable and the accumulated losses of the previous year, and shall be provided after the surplus reserve, special reserve and other reserves (hereinafter referred to as "the current distributable surplus") in accordance with the provisions of paragraphs (a) and (b) of Article 111 of the Articles of Association, it can be distributed as dividends distributed to shareholders. The current distributable surplus and the accumulated undistributed surplus earnings in the previous year can be used to distribute dividends to shareholders. The Company's dividend policy is in line with current and future development plans, considering the investment environment, capital needs and domestic and international competition and taking into account the interests of shareholders, the Board of Directors should decide to recommend the payment or payment of dividends and the dividend should not be less than 30% of the "distributable surplus for the current period." The distribution of shareholder dividends can be made in cash or in stock, where the ratio of cash dividends is not less than 10% of the total dividends.

(4) Dividends distribution or capital distribution does not include the interest.

2. Dividend distribution proposed for the next annual general meeting:

The Board of Directors reached a resolution on March 5, 2026 to distribute a cash dividend of NT$0.2 per share and a stock dividend of NT$0.5 per share from the earning of 2025. The Board of Directors will submit the distribution to the annual shareholders' meeting for ratification on June 10, 2026.

3. Estimated major changes in the dividend policy: None.

(IV) Impacts on business performance and earnings per share if the stock dividend proposal is approved during the annual general meeting

According to the "Regulations Governing the Publication of Financial Forecasts of Public Companies" and "Standards for Determining Whether or not a TPEx listed Company Shall Publish Complete Financial Forecasts," the Company is not affected by the disclosure of the predictive financial information because the Company has not disclosed the complete 2025 financial forecasts.

(V) Remuneration for directors and supervisors

1. The percentage or scope of remuneration to the employees, Directors, and Supervisors as stated in the Articles of Incorporation

(1) Employee remuneration:

Under the premise of the Company to obtain permission of the Board of Directors of the Company and all of its subordinate employees who are entitled to annual profit situation of not less than one percentage (1%) of the employee rewards, the reward is cash or stock or the combination of the two, the Board of Directors must decide on the implementation of the relevant employee remuneration. In the event that the company incurs accumulated losses, it shall be covered. The annual profitability refers to the pre-tax profit of the year minus the benefits before the employees' remuneration and directors' remuneration.

(2) The number or scope of remuneration for directors and supervisors:

The remuneration of directors shall be determined by the Board of Directors in accordance with the value of the degree and contribution of the Company's operations and the remuneration of other companies in the industry. Directors' remuneration should be calculated on a monthly basis. The directors have the right to request the Company to pay for the travel expenses, accommodation and other expenses that are reasonably paid for attendance at the Board of Directors, the committee under the Board of Directors, the shareholders' meeting of the Company or the Company's business or the fixed amount of allowance from the Board of Directors at any time or the merger system of partial project reimbursement and partial project fixed subsidy was adopted.

In addition to the above-mentioned remuneration, prior to the permission of the Board of Directors, all directors are entitled to a director's remuneration of not more than 7 percent (7%) in the current year's profitability, which is limited to cash payments. In the event that the company incurs accumulated losses, it shall be covered. The annual profitability refers to the pre-tax profit of the year minus the benefits before the employees' remuneration and directors' remuneration.

2. The estimation basis of remuneration to employees, directors for the current period and the accounting process when there is discrepancy between the calculation basis and actual distribution amount of employee remuneration distributed by shares and the estimated value:
   (1) The basis for the remuneration of employees and the amount of remuneration for directors is based on the pre-tax benefits of the current year, taking into account the statutory surplus reserve and other factors, and is based on the number determined by the articles of association.
   (2) Accounting handling when "employee remuneration and director remuneration amount estimation basis, dividend share distribution calculation basis" and "actual amount distributed and estimated" differ:
      a. The estimated basis for the employee's remuneration and the amount of remuneration of the directors is based on the range of the Company's articles of association.
      b. Calculation basis for distributing dividends shares: The Company did not distribute stocks as remuneration to employees in 2025
      c. If there is a discrepancy between the actual distribution amount and the estimated number of shares as determined by the shareholders' meeting, it is regarded as a change in accounting estimates and is included in the profit or loss of the actual distribution year.
3. Remuneration to be distributed as resolved in the board of directors:
   (1) The Company's Board of Directors reached a resolution on January 29, 2026 with respect to the remuneration of NT$ 2,800,131 to the employees and NT$ 3,147,464 to the directors in 2025. There was no difference from the recognized remuneration to the employees and directors.
   (2) The proportion of the proposed distribution of employee stocks approved by the Board of Directors to the total profit of the period and the total amount of employee remuneration.

   The Board of Directors of the Company does not propose the distribution of employee stocks and therefore does not apply.
4. Actual status of distributing remuneration to employees, directors and supervisors in the previous year, difference number, reasons and process status if there is discrepancy between the actual amount and the amount recognized:

   There was no difference between the recognized and actually distributed remuneration to the employees, directors and supervisors in 2024.

(VI) Shares repurchased by The Company:

The Company has not re-purchased the Company shares in 2025 up to the publication date of this annual report.

II. Disclosure related to corporate bonds: none.

III. Disclosure relating to special shares: none.

IV. Disclosure relating to depository receipts: none.

V. Employee stock warrants: none.

VI. The new shares from restricted employee stock options: none.

VII. Disclosure on new shares issued in exchange for other company shares: none.

VIII. Progress on the use of funds: not applicable.

Five. Business Performance

I. Content of business

(I) Business scope

1. The main contents of the business of the company and its subsidiaries:

The Company was established on February 8, 1999 with the main business of clothing design, development, production and sales with our own brand, sales agents of foreign brands of clothing, and operations of daily life business.

Name	Principal business
The Company	Representing Eddie Bauer brand design and development, marketing, sales services
Nelson Sport Co., Ltd. (Nelson Sport)	Representing FILA brand design and development, marketing, sales services
Focus Fashion Co., Ltd.	Sale/purchase business in the department store
Overtop Sport Co., Ltd.	Distribution of FILA spots shoes and clothes
RBK SPORT TAIWAN CO., LTD.	Sales as an agent of Reebok
Koche Creative Co., Ltd. (Koche Creative)	Department store transactions

2. Business weightage

Unit: NT$ thousand

Year / Department (commercial) products	2024		2025	
Sales revenue	Amount	%	Amount	%
Sports and leisure	1,768,437	97.75%	1,636,134	97.29%
Department store and shopping mall	40,731	2.25%	45,591	2.71%
Total	1,809,168	100.00%	1,681,725	100.00%

3. The current commodity project of the Company

The international brand that the Company is the agent:

Brand	Market positioning
FILA	Elegant sports brand. To become the first choice for fashion professionals who love work and enjoy leisure life.
Reebok	It leads the global sports styles with an American style as a trendy brand in fitness for women. Meanwhile, it is committed to innovating sports product designs with continuous creativity and an ability to taken on new challenges.
Eddie Bauer	It was founded in 1920 in Seattle, USA, and is dedicated to producing high-quality, functional outdoor and casual products.
Champion	It was founded in 1919 in New York State, USA, and is dedicated to producing men's and women's sportswear.

4. New products planned for development

The Company will continue to increase the agency categories of international clothing and daily life business brands.

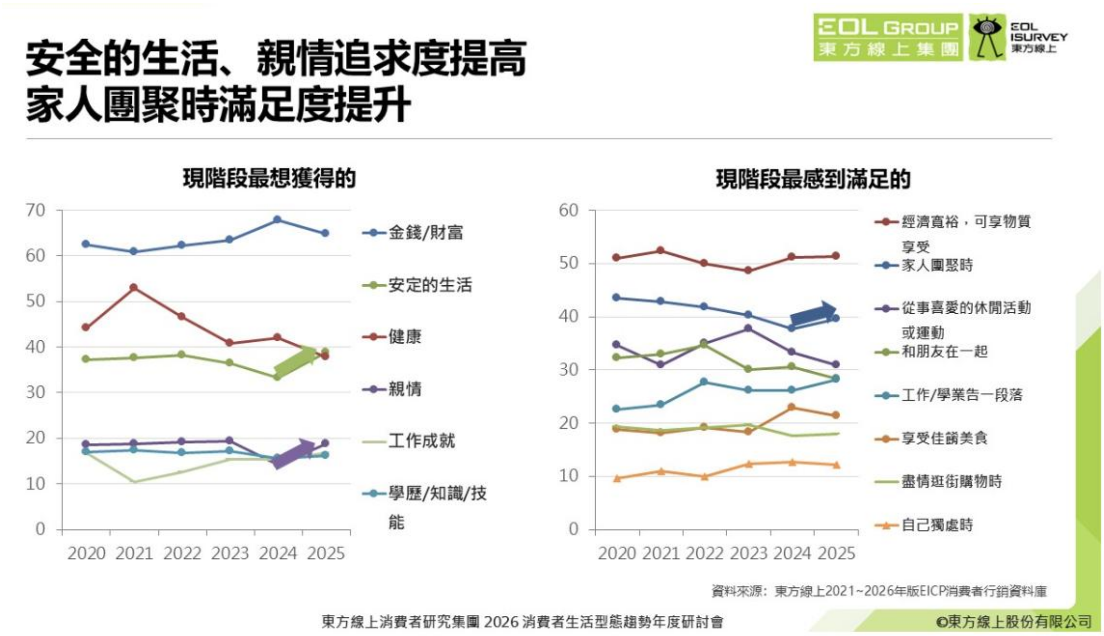
(II) Industry overview

1. Present state of the industry and development

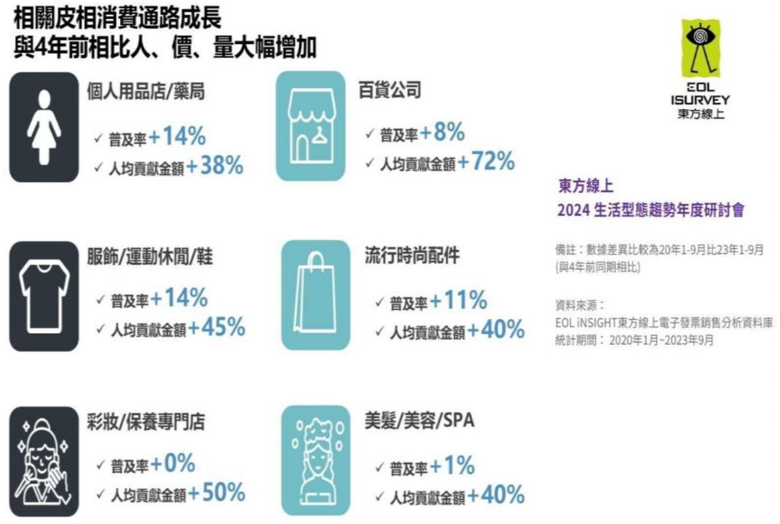
(1) Current status and development of the leisure life market

As the awareness of health becomes more popular in Taiwan, many people are engaged in leisure and tourism activities and recreational sports to realize their living quality as well as value and meaning of life, and “leisure” has become a common word to provide favorable conditions for the development of the domestic leisure market. Taiwan’s sports industry was mainly based on the manufacture of sporting goods. With the implementation of the two-day weekly rest, people have more time for leisure, which, together with the support of international trends, national policies and corporate promotions, has led to a gradual increase in the popularity of sports and leisure. According to the Sports Administration’s Annual Sports Consumer Expenditure Survey, Taiwan’s consumer spending on sports has been on a continuous growth trend in recent years.

With the economic development, the consumers’ consumption habits are becoming more mature. Their consumption demand is getting more diverse and personalized; therefore, different market segmentations are formed. In recent years, many consumers have become less satisfied with their life in the comfort zone such as getting along with their family, interacting with their friends and engaging in their favorite activities. They prefer to pursue “relaxation externally” and find satisfaction in material comfort and enjoyment of window shopping to the full.



Taking the consumables for daily life as an example, when faced with so many brands in the market, consumers usually take the opportunity to try new brands although they may trust the more famous ones. The characteristics of the consumer to accept different brands at the same time are obvious. However, whether or not small and new brands can become one of the options in the “brand basket” of the consumers for a long period of time rather than a temporary consumer product for earlier adopters and flash mobs are a challenge that they must overcome. Observed from the “EOL iNSIGHT Electronic Invoice Sales Analysis Database” and analyzed by Eastern Online, after three years of pandemic, people are facing the crowd and the future again, and appearance anxieties are forcing investments in appearance to rise. Consumer channels related to “appearance” have grown dramatically in terms of people, volume, and price. Sports aesthetics and outdoor style have also been emphasized, with an increase in the number of people who spend money on sports. The amount of money spent on sports has also grown.



(2) Current status and development of the global sportswear industry

The global apparel brands' business performance and market trends in recent years have shown that the international sports apparel brands, whether in terms of marketing activities, budget, or business revenue, have achieved better performance than fashion brands, mainly due to the popularity of sports and drastic climate change promoting consumers who originally purchased fashion brands to attempt to purchase from functional sporting brands that still retain their fashion design elements, leading to an increase in sports brand apparel sales. Both apparel planning and design and marketing approaches of communication with consumers head toward the major direction of the "Athleisure" sport and leisure trend. Sports and leisure apparel refer to casual clothing suitable for engaging in sports and for general use. This trend originated from European countries and the United States in their pursuit of physical and mental health. On the other hand, urban people with a hectic schedule all day can put on comfortable functional product items with confidence and handle various occasions with ease, whether riding a bicycle to the office or going for a drink after work. The trend of sport leisure has swept the world off its feet to become a fashion trend in European countries and the United States, and a fashion icon for celebrities. Sport leisure is no longer just focused on function, but is a style and a way of life not limited to the gym, but an attitude of dressing in leisure living. In addition, according to a US survey on apparel retailing, when consumers become accustomed to comfortable, functional and fashionable clothing, it is hard for them to switch back to conventional formal attire. Hence, it is no wonder the global custom-made attire sales figures showed declines, shirts and pants included and that only leisure sport clothing met the consumer demand. It is without a doubt that the future sport and leisure fashion will retain the main growth momentum for the apparel retail industry. For the apparel sales part, the sport leisure style will continue to be the main point of entry.

(3) Technological Innovation Enhancing Business Efficiency and Development

Technological innovation will be applied deep into the different aspects of the apparel industry chain and product design and production in all aspects will widely apply new materials and smart equipment to enhance product quality. For warehouse logistic aspects, automated information systems will be fully used to enhance efficiency; for the retail store aspects, smart stores will be gradually established to enhance sales scale and obtain customer information feedback and big data computing and other new technologies will cover all aspects of the industrial chain to achieve smart industrial chain integration.

Automation and data analysis help a new generation of start-ups carry out make-to-order production with agility. Therefore, mass producers follow the same way to respond to the trend and consumer needs quickly. In the future, increase of JIT, decrease of inventory and small-batch production cycle. Back then, design and production were often tedious and cumbersome. It usually took almost a year from product planning to launch. The rise of social media implies that lots of trends nowadays, in a certain degree, can be created from consumers instead of retailers or editors.

In the past, purchase, production and sales depended on the prediction by designers and buyers on consumer needs in the future. Traditionally, products were produced and sold in certain "seasons." Nowadays, purchase, production and sales correspond to customer needs. In this ever-changing era, corresponding to the ever-changing requirements and carrying out MTO accordingly are the keys to success. Fashion is facing a huge change. Products will be launched based on consumer needs instead of the so-called best prediction.

"ODM" can bring positive and negative impacts from the economy perspective. The good thing about ODM is that it requires low capital, leading to less inventory and greater flexibility. Shorter cycle reduces uncertainty of needs and achieves sustainable small-batch production. However, production cost is usually high for small batch. Transportation cost is also high except for near-shore manufacturing. According to McKinsey statistics, 60% of the enterprises expect to achieve over 20% near-shore purchase before 2025. Back then in the fashion industry, it was mostly fashion design from the first world and production in the third world. The biggest advantage is low cost, but the disadvantage is being slow. Numerous management problems can be easily incurred by long-distance supply chain, such as overproduction. Major brands will not adopt MTO right away because it costs too much to implement radical supply chain transformation. However, an MTO trend is gradually formed.

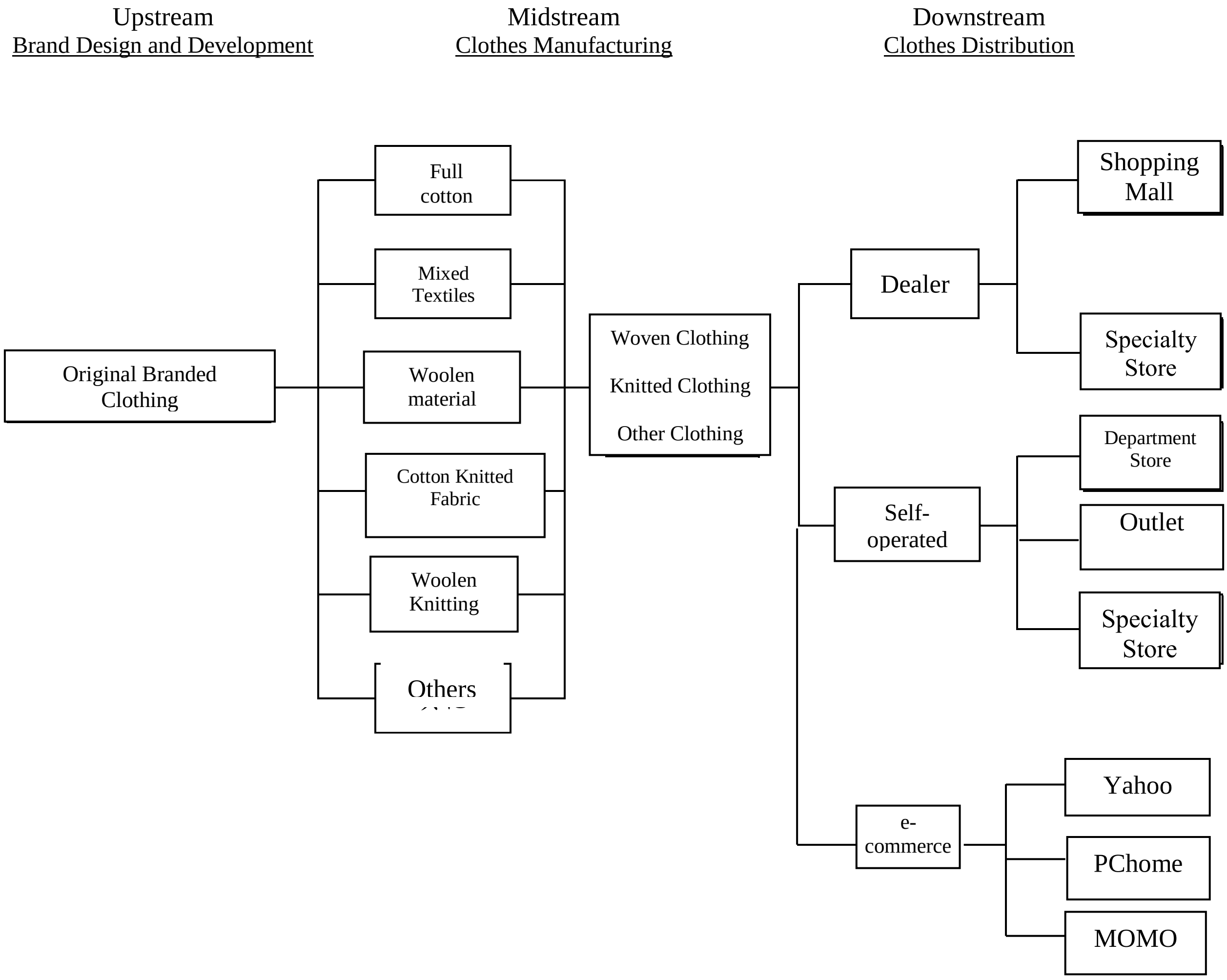
It is estimated that the emerging of MTO will cause a sharp rise of personalization trend. Digital printers and laser cutters can integrate with local automation equipment to perform reprocessing for basic low-cost clothes purchased overseas. These two machines, integrated 3D knitting machines, digital virtual proofing machines, semi-auto sewing machines, micro plants (quick sample production) and automated logistics reduce labor costs, provide personalized services, achieve nearshore production, reduce lead time and redefine customization.

Current retailers are more open to the introduction of intelligence equipment. The benefits during inventory management and commodity circulation will be more significant. E-tags, monitor carriers and monitoring equipment are used to reduce cumbersome labor work. Labor cannot be fully replaced by intelligence equipment. However, it will be transformed to use other intelligence applications to stimulate the consumption. For offline use, the purchase location is transformed to improve the consumption flow and speed up spreading of production information. For online use, the apps are developed to implement into various applications of virtual-physical integration. The use of intelligence equipment aims to help people adapt to and accept intelligence shop services. It will transform people into members and enhance brand attachment. Naturally, it will be helpful for extensive promotion of other product services. This shows that the purpose of intelligence development of shop service is not just about cost down. The more important thing is to keep track of the business opportunity of precision marketing.

Marketing of clothing brands will be changed from traditional advertising to crossover and diverse marketing, which is based on using new media to expand product marketing, join the fan economy and utilize self-media and short video for business. Therefore, marketing becomes more precise. Clothing products can only satisfy customer needs when consumers try them on in stores. The growth of the profit in e-commerce slows down. The CAC of mainstream platforms increases. Therefore, industries enter the era of online-offline integration. Fashion brands must learn to adapt to the era, and adopt flexible business models, supply chains and distribution channels. They will need to satisfy varied, diverse consumption needs without losing their personality.

2. Association between upstream, midstream, and downstream industry participants

The context diagrams of the upper, middle and lower reaches of the brand clothing industry are listed as follows:



3. The development trends for each product

The consumer market for brand clothing has become a consumer-oriented era, a refined and popular consumer era is coming as the Company is mainly engaged in brand clothing and positioned at medium and high prices. Because the target customer layer has higher basic characteristics, the high-quality, popular and famous brands are the focus of the Company’s customers.

The trend of brand clothing development will be closely integrated with the lifestyle of the customer base, which include the continuous innovation of fabric materials, brand value appear, customer pre-sales and after-sales service and creative economy orientation. These years, automation and data analysis help a new generation of enterprises carry out make-to-order production with agility. Therefore, mass producers follow the same way to respond to the trend and consumer needs quickly. In the future, increase of JIT, decrease of inventory and small-batch production cycle.

4. Brand competitive situation

The Company's subsidiary's main operating projects are agent FILA brand of sportswear, footwear, and accessories. The main competitors in each market are summarized as follows:

Main competitors	Main projects	Brand images
NIKE	Sports shoes, clothing and sports equipment	The sports shoes focus on professional features such as ventilation, shock absorbers and lightweight.
Adidas	Sports shoes and sports goods	Safe, comfortable and combining fashion and functional sports goods.
Under Armour	Sportswear, accessories and casual wear	To emphasis on the function of the functional wear, pay attention to close-fitting, perspiration, breathable and smooth and comfortable, resulting in a more radiant performance of the athletes.

The brand FILA enjoys international resources. The brand combines sports clothing with fashion elements and makes sports clothing more than just functional. FILA allows sports clothing to present your style and attitude toward life. From product design, development, production, sales and channel, we have a complete retail supply chain and strive to highlight the character and style of the brand. Meanwhile, we actively evaluate the distribution of other great brands. Our retail supply chain and brand distribution help lower our competing risk.

(III) Technological research and development

1. R&D expenses invested in the most recent year and the end of the Annual Report are the annual R&D expenses

Unit: NT$ thousand

Item	2025	Up till March 31, 2026
Research and development expenses	31,550	6,387

2. Technology and products that have been successfully developed in the most recent year and the end of the Annual Report.

Year	Brand projects	Market positioning
2017	FILA	Elegant sports brand. To become the first choice for fashion professionals who love work and enjoy leisure life.
2022	Reebok	It leads the global sports styles with an American style as a trendy brand in fitness for women. Meanwhile, it is committed to innovating sports product designs with continuous creativity and an ability to taken on new challenges.
2025	Eddie Bauer	It was founded in 1920 in Seattle, and is dedicated to producing high-quality, functional outdoor and casual products.

(IV) Long and short term business development plans

We will formulate our operating strategies based on market attributes. The strategy for the market in Taiwan will focus on the youth market, assessment as an agency of other quality brands, and online-to-offline integration. For the market in China, the Company will make a reassessment. In the future, the company will develop into an emerging industry platform that combines fashion, technology, life and taste with a variety of complex elements. Its operating strategy is as follows:

(I) Short-term financial business development plan

(1) Stable profits for dividends distribution

(2) Search/cultivation of the next top brand.

(3) Evaluation of cooperation with government resource

(4) Reinforcement of the operation of e-commerce distribution channels

(5) Effectiveness of digital reinforcement/big data analysis/optimized business management

(6) Cross-industry joint marketing and sales activities

(II) Medium-term and long-term financial business development plan

(1) Development of diversified business related to the lifestyle industry/expansion of the group's scale

(2) Becoming the platform for brands and channels

(3) Seeking and developing strategic partners

(4) Acquisition of long-term brand management

(5) Legal compliance and ESG promotion

II. Market and Sales Overview

(I) Market analysis

1. Sales (provide) areas of main products (service)

Unit: NT$ thousand

Year / Region	2024		2025	
	Amount	%	Amount	%
Taiwan	1,809,168	100.00%	1,681,725	100.00%

2. Market share

The Company is mainly engaged in clothing brand, design, development and sales business, since it was established in 1999, the Company has been focusing on the business of the industry. We have been striving to expand the development and sales channels of fashion clothing using multiple brands and different market segments to increase the market share, quickly accumulate loyal customers and specific consumer groups and establish a good long-term relationship with department stores.

According to the sports expense survey conducted by the Sports Administration, the Ministry of Education, the consumption amount of sportswear and shoes in Taiwan in 2024 was NTD 39.77 billion. The annual revenue of Nelson Sport, our subsidiary, and Overtop Sport was NTD 1.636 billion in 2025. Based on these statistics, we estimated that our market share is 4.11%.

3. Future market supply/demand and growth potentials

(1) Demand aspect

In recent years, sports has become indispensable in daily life, leading to the emergence of functional fabrics and clothes. The need for functional clothes is still huge. The barrier between sports and leisure wear has been broken creating a new compound word called athleisure a combination of athletic and leisure. Nowadays athleisure clothes have become a niche fashion market and gained a foothold on the cutting edge of the new generation of clothing.

Fortune reported that the sales of non-sportswear stayed flat in the past years. On the contrary, the sales of sportswear increased continuously. Experts believe that people are inclined to healthy, athletic lifestyle. Therefore, people become interested in athleisure clothes physically and mentally.

(2) Supply side

In Taiwan's sports brand market, most of the internationally famous big brands, such as NIKE, New Balance, Adidas, PUMA, Converse, LOTTO, MIZUNO, UnderArmour (UA), SKECHERS, K-SWISS, ASICS, etc. Others such as 361°, LACOSTE, JUMP, DIADORA, KAPPA, etc. are also actively attacking the Taiwan sporting goods market.

(3) Future growth

The clothing industry is a fully competitive industry with low barriers to entry and a large number of companies. The Company is working on expanding new markets in Taiwan. The product line will extend from the current series of young sports and leisure products to children's wear, footwear, children's products and the development of younger sub-brands, as well as the construction of a more complete line of related accessories to provide consumers with a one-time purchase service to maximize the value of the brand for maximum synergies. The Company still needs to accelerate the steps of adjustment and enhance its competitive advantage, so that the Company can better face the market competition and achieve stable growth in performance to achieve profitability goals.

4. Competitive advantage
   (1) Sales channels throughout each main city.
   (2) To adopt a successful multi-brand strategy to target different consumer groups.
   (3) To develop a diversified channel business model.
   (4) From the product design, development, production, sales and access, with a complete retail supply chain.
   (5) A high-end sports brand with history, the leisure sportswear market is competitive.
   (6) The concept of health is prevalent and the sports population is growing steadily.
   (7) The management team with ample experience
5. Favorable and unfavorable factors and response policy of development vision
   (1) Favorable factors:
      A. Excellent R&D design capability
      B. Multi-brand extension market depth and breadth
      C. Perfect marketing channels
      D. Perfect logistics system
   (2) Unfavorable factors:
      A. Need to compete with international brands

      Responsive strategies:

      By cooperating with international famous brands, learning the development of popular products, the establishment of international distribution system and improving the quality of design and materials, after years of development, the Company's brand is integrated into the local life with marketing channels in the market, quality management and design styles and it has achieved a brand status with internationally famous brands and has a relatively stable consumer group.

      B. To prepare product specifications and stocks

      Responsive strategies:

      The Company will be keenly aware of the market's popular dynamics and consumer preferences, designing clothing styles that are in line with the popular consumers of the season, a small number of various models to reduce the risk of inventory backlog.

C. The risk of creating a new brand

Responsive strategies:

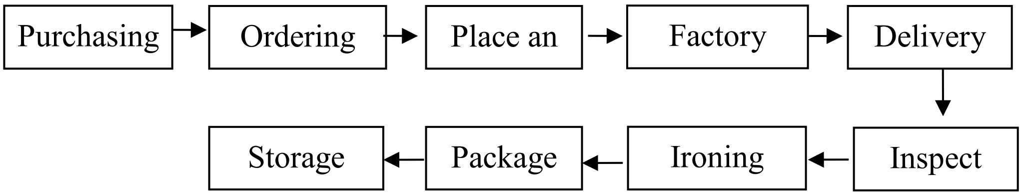
Creating a new brand usually takes three to five years. It costs more to promote the brand in early stage. The following development of new brand requires continuous investment. It is uncertain that a brand can be created successfully. Therefore, we will stay close to the market. Our product development will meet consumption needs. We will perform innovative marketing, increase brand reputation and reduce the risk of creating a new brand.

(II) Intended use and production processes of the main products

1. The function of key products

Our main distributed products are mid and high-end menswear and womenswear brands and FILA sportswear, shoes and accessories.

2. The production process of the main products: The Company’s products are currently based on import procurement, the relevant process is as follows:



(III) Main product supply status

Both the Company and its suppliers pay the purchase price regularly according to the trading conditions and have maintained good cooperative relations over the years, so that the supply of goods has always been stable.

(IV) List of manufacturers and customers who have accounted for more than 10% of the net amount of goods sold in the previous two years:

1. List of major purchasers

Unit: NT$ thousand; %

year	2024				2025				Up to the preceding quarter of 2026			
Item	Name	Amount	Percentage of the net purchase of the year (%)	Relationship with the issuer	Name	Amount	Percentage of the net purchase of the year (%)	Relationship with the issuer	Name	Amount	Percentage of net purchases up to the preceding quarter of the current fiscal year (%)	Relationship with the issuer
1	Tristate	156,629	17.90%	None	Tonghe	62,026	8.41%	None	MISTO	18,988	10.02%	None
2	FILA Hong Kong	80,118	9.16%	None	FILA Hong Kong	59,015	8.00%	None	Tonghe	18,240	9.62%	None
3	Yeuli	77,918	8.90%	None	Yeuli	53,899	7.31%	None	Haoxin	17,664	9.32%	None
4	Tonghe	74,761	8.54%	None	Rongyu	52,097	7.06%	None	Junjie	12,214	6.44%	None
5	Haoxin	43,031	4.92%	None	Junjie	44,820	6.08%	None	Yeuli	11,270	5.94%	None
6	Junjie	43,030	4.92%	None	Tristate	41,541	5.63%	None	Aowei	8,980	4.74%	None
7	Rongyu	35,260	4.03%	None	Haoxin	40,465	5.49%	None	Changwang	8,440	4.45%	None
8	Shizu	27,052	3.09%	None	Shizu	34,432	4.67%	None	Rongyu	7,525	3.97%	None
9	Dayue	23,407	2.67%	None	Aowei	31,339	4.25%	None	Tainan Enterprise	6,965	3.67%	None
10	Jiaqi	22,914	2.62%	None	Tainan Enterprise	27,759	3.76%	Entities with significant influence over the Company	Shizu	6,694	3.53%	Entities with significant influence over the Company
–	Sub-total	584,120	66.75%	–	Sub-total	447,393	60.65%	–	Sub-total	116,980	61.70%	–
–	Others	292,243	33.25%	None	Others	290,301	39.35%	None	Others	72,601	38.30%	None
–	Net purchase	876,363	100.00%	–	Net purchase	737,694	100.00%	–	Net purchase	189,581	100.00%	–

The top ten suppliers varied slightly depending on the proportion of footwear and apparel imports each year.

2. List of key customers for sale

Unit: NT$ thousand; %

year	2024				2025				Up to the preceding quarter of 2026			
Item	Name	Amount	Percentage of the net sales of the year (%)	Relationship with the issuer	Name	Amount	Percentage of the net sales of the year (%)	Relationship with the issuer	Name	Amount	Percentage of net sales up to the preceding quarter of the current fiscal year (%)	Relationship with the issuer
1	Shin Kong Mitsukoshi Department Stores	136,330	7.54%	None	Shin Kong Mitsukoshi Department Stores	99,209	5.90%	None	Shin Kong Mitsukoshi Department Stores	26,965	6.27%	None
2	Far Eastern Department Stores	92,472	5.11%	None	Far Eastern Department Stores	81,868	4.87%	None	Gloria outlets	23,577	5.48%	None
3	Pacific SOGO Department Stores	88,434	4.89%	None	Mercuries & Associates, Holding Ltd. (Family Shoes)	79,684	4.74%	None	Mercuries & Associates, Holding Ltd. (Family Shoes)	23,418	5.44%	None
4	Yangyi	81,862	4.52%	None	Gloria outlets	72,274	4.30%	None	Far Eastern Department Stores	19,986	4.65%	None
5	Mercuries & Associates, Holding Ltd. (Family Shoes)	77,669	4.29%	None	Kailun	66,349	3.95%	None	Mitsui Outlet Park Taichung port	19,778	4.60%	None
6	Gloria Outlets	69,271	3.83%	None	Yangyi	64,363	3.83%	None	Lihpao Outlet Mall	16,116	3.75%	None
7	Mitsui Outlet Park Taichung port	58,926	3.26%	None	Lihpao	61,802	3.67%	None	Pacific SOGO Department Stores	13,515	3.14%	None
8	Lihpao Outlet Mall	54,852	3.03%	None	Pacific SOGO Department Stores	59,998	3.57%	None	Dream Mall	11,091	2.58%	None
9	Kailun	45,187	2.50%	None	Mitsui Outlet Park Taichung port	59,463	3.54%	None	Mitsui Outlet Park Tainan	10,547	2.45%	None
10	Dream Mall	40,724	2.25%	None	Hsinchan	51,494	3.06%	None	Kailun	9,647	2.24%	None
—	Sub-total	745,727	41.22%	—	Sub-total	696,504	41.42%	—	Sub-total	174,640	40.60%	-
—	Others	1,063,441	58.78%	None	Others	985,221	58.58%	None	Others	255,623	59.40%	None
—	Net sales	1,809,168	100.00%	—	Net sales	1,681,725	100.00%	—	Net sales	430,263	100.00%	-

None of our customers has gross sales of over 10% in 2024 and 2025.

III. The information of employees in the last 2 years up till the publication date of this annual report

Year		2024	2025	As of April 30, 2026
Employee No.	Main management	10	10	13
	General employee	402	392	420
	Production line employee	0	0	0
	Total	412	402	433
Average age		42	42	43
Average seniority (year)		6.1	6.4	5.9
Education Background (%)	Master	3.40	4.42	4.62
	Bachelor	44.66	44.23	41.11
	Specialist (inclusive)	51.94	51.35	54.27
	Total	100.00	100.00	100.00

IV. Environmental Protection Expenditure.

The loss arising from pollution of the environment in the most recent year and up to the publication date of this annual report (including the indemnity; the violations against environmental protection regulations indicated in the audit result of environmental protection; the punishment date and document number; applicable legal clauses and their requirements; and the scope of the punishment), the estimated amount incurred currently and in the future and countermeasures; give a description if it is impossible to make reasonable estimation:

The Company is a clothing brand company. The main operating activities are not caused by special pollution and it is not subject to the disposal of environmental protection agencies, so there are no major environmental issues or expenditures.

V. Employer and employee relationships

(I) The implementation of employee welfare policy, continuing education and training and retirement system and labor-management coordination and the protection of the rights of the employees

1. Employee working environment and personal safety

The Company handles all aspects of labor safety and health management, implements automatic inspection and measurement of operating environment, continuously improves various safety and health measures and escape equipment and conducts employee health checks every year to create a safe, healthy, comfortable and friendly working environment.

2. Assessment for employee behavior ethics

The Company sets the “Employee Code of Conduct,” which includes personal responsibility, group responsibility, and responsibility for the Company and other stakeholders. Its purpose is to prevent misconduct and to promote its behavior in accordance with the following requirements:

(1) Honesty and ethics.
(2) Maintain business secrets.
(3) Do not take private interests.
(4) Protect the Company assets and use them normally.
(5) Avoid conflicts of interest.
(6) Ensure that it is responsible for complying with this “Employee Code of Conduct.”

3. Employee welfare policy

(1) The Company timely cultivates and promotes employee development and promotion.
(2) Employees have annual holidays every year.
(3) Conduct excellent employees appraisal every year and give recognition.
(4) During the employees’ employment, a health checkup is conducted every year to ensure the physical and mental health of the employees.
(5) Encourage the enthusiasm of employees by giving them excellent results in production.
(6) The Company pays social insurance for employees regularly in accordance with local policies in mainland China.

4. Employee continuing education and training

(1) The Company carries out the induction training for all employees to improve their personal qualities and work skills for the future.
(2) At the same time, provide internal or external professional training opportunities for full-time employees as needed.
(3) For the development needs and in combination with the employee’s personal development plan, the company regularly carries out professional training for employees to improve their individual abilities and improve their grand total quality.

5. Pension system:

The Company makes monthly payments in accordance with relevant laws and regulations in mainland China, and paid five funds such as pension insurance for employees to the local Social Security Bureau. Employees can apply for a pension from the Social Security Bureau after they reach the statutory retirement age. The Company also handles relevant retirement procedures for employees who have reached the statutory retirement age in accordance with the relevant regulations of the local government.

6. Agreement between labor and management and various employee rights maintenance measures

The Company always attaches great importance to the rights and interests of employees, actively communicates with employees, strives for humanized management, pays attention to the rights and interests of employees and immediately handle related issues of employees. The relevant base of operations or subsidiaries of the Company are in compliance with the relevant laws and regulations of the local labor.

(II) The loss arising from labor disputes in the most recent year and up to the publication date of this annual report (including the violations against Labor Standards Act indicated in the labor inspection results; the punishment date and document number; applicable legal clauses and their requirements; and the scope of the punishment), the estimated amount incurred currently and in the future and the countermeasures; give a description if it is impossible to make reasonable estimation:

since the establishment of the Company, labor relations have been congruous and they can work together for the Company's prospect. As of now, the Company has not suffered significant losses due to labor disputes.

VI. IT and communication security management:

(I) The IT and communication security risk management structures, IT and communication security policies, concrete management plans, and IT and communication security resources:

1. The Company establishes appropriate information security approaches, constructs a fire wall and uses protection software to reduce the risk of infection and attack by malicious programs. In addition, the Company establishes the "Management Regulations Regarding the Protection of Personal Information" to manage the information use and maintain the security.
2. To prevent unexpected events from happening and to ensure the effective use of the database, the security system operates stably. Database backup is implemented daily to prevent the damage of the system or database. When interruptions of operation and other unexpected events occur, the operation may be resumed in a short time to avoid the risk.
3. The Company has listed the Computer Information Control Operations as the annual audit items. The audit unit will perform at least one audit every year to evaluate and improve the Company's information system.

(II) The losses arising from material IT and communication security events in the most recent year and up to the publication date of this annual report, possible impacts and countermeasures; give a description if it is impossible to make reasonable estimation:

The Company did not find any Internet attack that might bring major disadvantageous impacts on the business and operation of the Company in 2025 up to the publication date of this annual report.

VII. Major contracts

The Company enters into non-disclosure agreements with our upstream brand suppliers and, thus, is not allowed to disclose relevant information. In addition, there are no relevant contracts as the Company does not currently have significant engineering projects.

Six. Review of financial status, business performance, and risk management issues

I. Financial status

Unit: NT$ thousand

Account titles \ Year	2024	2025	Variation	
	Amount	Amount	Amount	%
Current assets	951,019	906,189	(44,830)	(4.71%)
Property, plant and equipment	109,742	181,149	71,407	65.07%
Intangible assets	29,675	20,020	(9,655)	(32.54%)
Other assets	889,475	811,872	(77,603)	(8.72%)
Total assets	1,979,911	1,919,230	(60,681)	(3.06%)
Current liabilities	914,020	973,587	59,567	6.52%
Non-current liabilities	263,562	275,610	12,048	4.57%
Total liabilities	1,177,582	1,249,197	71,615	6.08%
Equity of the parent company	719,617	593,141	(126,476)	(17.58%)
Capital stock	350,406	357,414	7,008	2.00%
Capital surplus	0	87	87	0.00%
Retained earnings	219,789	220,958	1,169	0.53%
Other equity	149,422	14,682	(134,740)	(90.17%)
Predecessor Equity under joint controls	0	0	0	0.00%
Non-controlling interest	82,712	76,892	(5,820)	(7.04%)
Total equity	802,329	670,033	(132,296)	(16.49%)

Explanation and analysis of the reasons why the change ratio of assets, liabilities and shareholders' equity in the past two years has exceeded 20%:

1. Increase in property, plant and equipment: Mainly attributable to the construction of new shopping mail of subsidiaries.

2.Decrease in Other Equity: Primarily due to decrease in the fair value of financial assets measured through other comprehensive income as of the end of the period.

II. Financial Performance

(I) Analysis of financial differences

Unit: NT$ thousand

Year / Account titles	2024	2025	Variation	
	Amount	Amount	Amount	%
Operating revenue	1,809,168	1,681,725	(127,443)	(7.04%)
Gross profit	1,003,885	925,832	(78,053)	(7.78%)
Operating profit (loss) - net	86,022	41,399	(44,623)	(51.87%)
Non-operating revenues and expenses	(7,530)	2,723	10,253	136.16%
Net profit (loss) before tax	78,492	44,122	(34,370)	(43.79%)
Net income or loss for current period	55,402	29,211	(26,191)	(47.27%)
Explanation and analysis of the reasons for the change ratio of more than 20% in the last two years: 1.Decrease in Operating Profit, Profit Before Tax, and Net Profit for the Period: Primarily due to continuously decline in domestic spending on sport products. 2. Increase in Non-operating Income and Expenses: Mainly due to dividend income increased in the current year compared to the previous year.				

(II) Expected sales volume and the related reference

The Company has not publicly released its financial forecast. The estimated sales volume is based on the future market conditions and assessment of the consumer spending trend. It also takes into account the overall industrial and economic conditions and the objectives set by the Company to be achieved. As the pandemic is now effectively under control and consumption momentum has been restored, the business objectives for 2025 are expected to be higher than those of 2024.

(III) The possible impacts on the Company’s future financial business and its response plans

In the future, the Company will expand its market share based on changes in market demand, improve the whole operating performance and profitability of the Company, and the future financial business should continue to grow.

III. Cash flow

(I) Cash flow analysis in the most recent year

Unit: NT$ thousand

Year / Account titles	2024	2025	Variation	
	Amount	Amount	Amount	Proportion
Operating activities	86,758	121,798	35,040	40.39%
Investing activities	(79,577)	(65,621)	13,956	17.54%
Finance activities	20,533	(61,017)	(81,550)	(397.17%)
Explanation and analysis of the reasons for the change rate of the amount in the last two years exceeding 20%: Increase in Cash Inflows from Operating Activities: The increase was primarily due to slower sales had led to an increase in inventory in the previous year. There is no such events occurred in the current year. Decrease in Cash Inflows from Financing Activities: Primarily due to the repayment of short-term bills payable and long-term borrowings.				

(II) Liquidity analysis for the coming year and corrective measures to be taken in response to illiquidity

Unit: NT$ thousand

Beginning of year cash balance	Expected net operating cash flow for the whole year	Annual cash inflow (outflow)	Cash surplus (deficit)	Remediation measures against expected cash flow deficit	
				Investment	Wealth management
146,764	24,362	(960)	170,166	-	-

IV. Material capital expenditures in the most recent year and impacts on business performance
(I) The implementation of major capital expenditures and the sources of funds: none.
(II) Expected effects: none.

V. The major causes for profits or losses incurred by investments in the most recent year; rectifications and investment plans for the next year
(I) Investment policy in the most recent year

The Company focuses on the industry and will actively expand market. For the transfer of investment business management and financial business transactions of the Company, in addition to the relevant measures of the Company's internal control system, and also set a separate "Measures for monitoring the operation of subsidiaries."

(II) Main reason for profit or loss from direct investment, and the plan for improvement in the most recent year

Our subsidiary, gained profits in 2025. The main reason is that, in 2025, FILA strived to connect its brand with fashion and luxury, actively expanded the young people's market, and enhanced brand awareness in Taiwan. This business strategy allows the brand to be accepted and recognized by the market; furthermore, customers poured into Hayashi Department Store due to tourists return by border reopening and Tainan 400 event, the brand performance has become the biggest driving force for overall revenue growth. However, the subsidiary, RBK Sport Taiwan Co., Ltd., suffered a loss due to intense brand competition in the market. In We will continue to increase operating performance and formulate operating strategies based on the market attribute. We will formulate our operating strategies based on market attributes. The strategy for the market in Taiwan will focus on the market of daily life merchandise, assessment for the agency of other quality brands and online-to-offline integration, aiming to achieve steady corporate growth and sustained profitability.

(III) Investment plan for the coming year

The Company will carefully assess long-term strategic investment opportunities based on market development and financial conditions.

VI. Risk disclosure
(I) Impacts of interest rates, exchange rates, and inflation to The Company's earnings, and the responsive measures

1. Interest rate

Our interest rate risk comes from short and long term loans (including the current portion of loans payable and borrowings-current portion). We bear the risk of cash flow interest rate risk due to the floating rate loan. Some risks can be offset by the financial asset based on the floating rate. We acquire the fund beneficial to us according to the cooperation with the Company and actual interest rate trend. The interest rate change does not have any major impact on us. Besides, we keep a close contact with the Company, strive for the best rate and use the interest rate with the short and mid-term credit financing and pay attention to the change in the market to acquire the better interest rate on borrowings

In the future, the Company will continue to rely on market changes and multi-party comparisons to borrow from lower-cost financing instruments.

2. Exchange rate

(1) The five subsidiaries of the Company, Nelson Sport, Focus Fashion, Overtop Sport, RBK Sport and Koche Creative, whose main income and expenses are mainly based on the local currency, therefore have a relatively high proportion of natural hedging,

so the impact of exchange rate fluctuations on profit and loss is quite limited.

(2) The exchange rate and market information are collected by daily, and the senior executives are immediately reported to take appropriate measures in case of unexpected situations. Maintaining close contact with main banks, fully to hold the changes in the foreign exchange market, and provide relevant personnel with the basis for the price quoted, in order to reflect the exchange rate changes in a timely situation.

(3) Reviewing regularly the exposed parts of foreign currency and rationally allocate foreign currency assets according to the exchange rate changes to reduce the exchange rate risk arising from the Company's business operations.

3. Inflation / currency deflation

In response to the international situation, every country adopted the easing monetary policy to substantially decrease interest rates for avoiding the currency deflation. However, the price fluctuation of crude oil and raw material does not have much effect on us. We maintain a good, stable, relationship with suppliers and customers. Therefore, we will keep a close eye on inflation and deflation and always pay attention to the price index to adjust the price and inventory of the product.

(II) The main reasons for the high-risk, high-leverage investment, loan of funds to others, endorsements guarantees and derivative commodity trading, profit or loss and the corresponding measures

1. The main reason for the high-risk, high-leveraged investment policy, profit or loss and the corresponding measures.

The Company focuses on the operations of the industry, does not cross over to other high-risk industries, and the financial policy is based on the principles of being stable and conservative, and does not make high-leverage investment, so the risk is still limited.

2. The main reasons for the policy of loan of funds to others, profit or loss and the corresponding measures

Our board meeting and shareholders' meeting approved the "Procedures for Lending Funds to Other Parties". We lend funds to other parties based on relevant regulations. We did not lend funds to other parties up to the publication date of this annual report.

3. The main reason for the policy of endorsements guarantees, profit or loss and the corresponding measures

The Company did not provide endorsements or guarantees in the most recent year and up to the publication date of this annual report. The Board of Directors and the shareholders' meetings of the Company have passed the "Regulations Governing Making of Endorsement and Guarantees" and the operation of the endorsements guarantees is handled in accordance with the relevant regulations.

4. The main reasons for the policy, profit or loss of derivative commodity trading and the failure to respond to the measures

The Company has not engaged in the trading of derivative commodities in the most recent year and the date of publication of the Annual Report.

(III) Future research and development plans, and the projected expenses

In view of the ever-expanding demand for fashion trends in the apparel industry, the Company needs constant innovation and development to comply with the trend, and always hold the market pulsation, and to develop a brand model that belongs to different customer groups, to achieve the rapid satisfaction of the needs of the consumer groups in the market, in order to improve the Company's commodity market share and acquire the greatest satisfaction of consumers. Therefore, we continue to invest labor and funds into product design and development. In 2025, the fund we invested into our Department of Product Design was about 1.88% of the consolidated operating revenue. It is expected that the proportion of the cost for product design in the operating revenue will be changed along with our development.

(IV) The effect of major changes in policies and legal practices, whether domestic or foreign, to the company's financial and business performance, and the responsive actions:

The Cayman Islands is only a registered place of the Group and has no real economic activities and the main operations are in mainland China and Taiwan. The Cayman Islands has financial services as its main economic activity, its economy is open and there is no exchange control, the political and economic environment is stable, and changes in the political and legal environment of the mainland and Taiwan will have an impact on the Company. If the political situation or economic development of the mainland China or Taiwan changes, which in turn affects the Company's customers or suppliers, it may affect the business of the Company's operating entities.

(V) Effects of technological and industrial changes (including IT and communication security risk) on the Company's financial and business performance and the response actions.

1. Technology changes (including IT and communication security risk)

The Company is a design, development, production and sales company of sports and leisure brand wear and the technology change can provide the Company's innovative new products and bring a wide range of business opportunities, which should have no material adverse impact on the Company's financial business.

2. Industry change

The manufacturing areas of the garments have changed rapidly. In the past, the policy of open-door economics made China the manufacturing base of the global garment industry and the market with the most development potential. However, the labor cost in China has soared up as the economy developed at a super-high speed and the advantages as a world factory has gone away gradually due to the China–United States trade war and COVID-19 in recent years. China's economy faces dual pressure from the complicated external environment and the decreasing growth of the internal market demand and the economic situation remains severe. As affected by the alteration of the pandemic, the brands and supply chains that survived may have to adapt themselves to a long-term change in consumer habits. Termination of the pandemic means a start of the transfer to another exemplary industrial structure. Therefore, the industrial changes have an upward trend in the company's financial business. Mastering the brand and channel advantages will be the best niche for the company to adapt to industry changes.

(VI) Impacts of changes in corporate image to the company's crisis management, and the responsive measures

We have created a corporate image as a fashion womenswear brand successfully since founding. In February 2018, we were awarded the "Innovative Transformation Demonstration Award" in Shanghai. We acquired the distribution right of Nelson Sport in Taiwan in August 2017. The elegant athleisure brand image of Nelson is widely accepted in the market. In addition, the Hayashi Department Store under Focus Fashion was acquired in January 2019. The new image of the cultural and creative monumental department store is well accepted in the market as well. In May 2022, the Company became Reebok's agent in Taiwan. It leads the global sports styles with an American style as a well-known trendy brand in fitness for women. Koche Creative Co., Ltd. was established in April 2024, and invested in a shopping mall in Kaohsiung's Kaohsiung Pop Music Center (Jiaoqun District) to expand its business territory and create greater benefits. The Company always pays attention to design quality and continuously strengthens brand and corporate reputation, and the Company has established a good corporate image in Taiwan in the most recent year and the date of publication of the Annual Report, and there has been no significant change.

(VII) Expected benefits, possible risks and response measures for M&A (mergers and acquisitions)

The Company currently has no plans for M&A.

(VIII) The expected effect and possible risk of the plant expansion and the response measures

The Company has no plans to expand the plant.

(IX) The risk of concentrated purchase or sales and the response measures

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

The Company's main market is Taiwan. Mainland China and Taiwan are the production centers of the textile and garment industry, and their supply chains are relatively mature. Under the situation that garment manufacturers are fully competitive, the Company selects suppliers with stable delivery, high degree of cooperation and high quality and the suppliers of such products are available each year based on future fashion popular styles.

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

   The Company's sales channels are mainly divided into self-employed counters, specialty stores and agency and self-employed counters are mainly located in department stores or shopping malls, however, since the actual sales target is the consumer of the department store, the department store only plays the role of providing sales channels. The Company's sales to a single department store or distributor in the last two years is no more than 10%, so there is no risk of concentration of sales.

(X) Directors, supervisors or major shareholders holding more than 10% of the shares, the impact or risks, and mitigation measures being or to be taken of a large number of shares transferred or replaced on the Company.

Up to the publication date of this annual report, the shareholders and directors of the Company with a shareholding ratio of more than 10% have no significant transfer or replacement of their shares.

(XI) The effects, risks and responsive measures associated with changes in management

The Company has not engaged in change of the right to operate of the Company in the most recent year and the date of publication of the Annual Report.

(XII) A litigation or non-litigation event shall state the company and the company's directors, supervisors, general managers, substantive principals, major shareholders holding more than 10% of the shares and significant litigations that the subordinate company has decided to determine or are still in contact with, non-litigation or administrative litigation, if the result may have a significant impact on the shareholders' equity or the price of the 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 up to the publication date of this annual report.

1. Up to the publication date of this annual report, the Company's litigation, non-litigation or administrative litigation in pendency: None.
2. For any litigations, non-litigious or administrative disputes (whether concluded or pending for judgment) of the Company's directors, supervisors, general managers, actual representative, and large shareholders with shareholding over 10% and their subordinate companies in the most recent two years and up to the publication date of this annual report that may produce material impacts to shareholders' equity or securities prices, information regarding the underlying facts, amounts, starting date, parties involved and the current progress must be disclosed: none.

(XIII) Other important risks and response measures:

Network security assessment and analysis:

1. The Company establishes appropriate information security approaches, constructs a fire wall and uses protection software to reduce the risk of infection and attack by malicious programs. In addition, the Company establishes the "Management Regulations Regarding the Protection of Personal Information" to manage the information use and maintain the security.
2. To prevent unexpected events from happening and to ensure the effective use of the database, the security system operates stably. Database backup is implemented daily to prevent the damage of the system or database. When interruptions of operation and other unexpected events occur, the operation may be resumed in a short time to avoid the risk.
3. The Company has listed the Computer Information Control Operations as the annual audit items. The audit unit will perform at least one audit every year to evaluate and improve the Company's information system.

   The Company did not find any Internet attack that might bring major disadvantageous impacts on the business and operation of the Company in 2025 up to the publication date of this annual report.

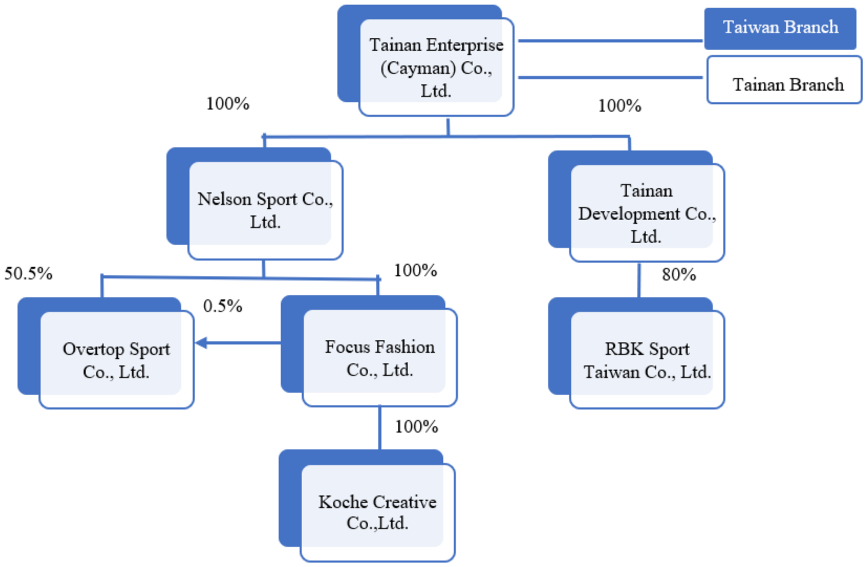
VII. Other important disclosures: None.

Seven. Special remarks

I. Affiliated companies

(1) Relationship Enterprise Chart

December 31, 2025



(2) Profiles of the affiliated enterprises

Name of enterprise	Date of establishment	Address	Paid-in shares Capital	Main business or production item
Nelson Sport Co., Ltd.	1995.02.13	2F., No. 556, Sec. 4, Wenxin Rd., Beitun Dist., Taichung City 406, Taiwan (R.O.C.)	NTD$197,134,390	Trading for various types of garments, footwear, accessories and so on
Tainan Development Co., Ltd.	2022.05.03	1F., No. 297, Sec. 2, Dongmen Rd., East Dist., Tainan City	NTD$100,000,000	General Investment Business
Focus Fashion Co., Ltd.	2013.08.16	No. 63, Sec. 2, Zhongyi Rd., West Central Dist., Tainan City	NTD$57,300,000	Sale/purchase business in the department store
Koche Creative Co., Ltd.	2024.04.01	1F., No. 166, Zhongshan Rd., West Central Dist., Tainan City	NTD$38,000,000	Sale/purchase business in the department store
Overtop Sport Co., Ltd.	2019.12.04	10F., No. 92, Sec. 5, Nanjing E. Rd., Songshan Dist., Taipei City	NTD$127,500,000	Trading for various types of garments, footwear, accessories and so on
RBK SPORT TAIWAN CO., LTD.	2022.06.07	2F., No. 556, Sec. 4, Wenxin Rd., Beitun Dist., Taichung City	NTD$105,990,000	Trading for various types of garments, footwear, accessories and so on

(3) In case of presumed control and subordination relationship, the profiles of the same shareholders: None.

(4) Business activities performed by affiliated companies:
The Company and affiliated companies are engaged in the business of sale/purchase business in department stores; trading of various types of garments, footwear and accessories; processing, manufacturing and trading of various types of garments, and daily life related business.

(5) Profiles of directors, supervisors and general managers of the affiliated enterprises

Unit: shares; %

Name of enterprise	Title	Company name or representative	Status of shareholding	
			Quantity	%
Nelson Sport Co., Ltd.	Chairman	Representative of Tainan Enterprise (Cayman) Co., Ltd.: Yang, Ching-Hon	19,713,439	100.00
	Director	Representative of Tainan Enterprise (Cayman) Co., Ltd.: Huang, Feng-Chih		
	Director	Representative of Tainan Enterprise (Cayman) Co., Ltd.: Chen, Hui-Shu		
	Director	Representative of Tainan Enterprise (Cayman) Co., Ltd.: Lin, Chun-Ru		
	Director	Representative of Tainan Enterprise (Cayman) Co., Ltd.: Cheng, Chia-Hsin		
	Supervisor	Representative of Tainan Enterprise (Cayman) Co., Ltd.: Wang, Fang-Chung		
	General Manager	Cheng, Chia-Hsin	0	0.00
Tainan Development Co., Ltd.	Chairman	Representative of Tainan Enterprise (Cayman) Co., Ltd.: Yang, Ching-Hon	10,000,000	100.00
	Director	Representative of Tainan Enterprise (Cayman) Co., Ltd.: Wang, Fang-Chung		
	Director	Representative of Tainan Enterprise (Cayman) Co., Ltd.: Chen, Hui-Shu		
	Supervisor	Representative of Tainan Enterprise (Cayman) Co., Ltd.: Lin, Chun-Ru		
	General Manager	Chen, Hui-Shu	0	0.00
Focus Fashion Co., Ltd.	Chairman	Representative of Nelson Sport Co., Ltd.: Chen, Hui-Shu	5,730,000	100.00
	Director	Representative of Nelson Sport Co., Ltd.: Yang, Ching-Hon		
	Director	Representative of Nelson Sport Co., Ltd.: Yang, Han-Lin		
	Supervisor	Representative of Nelson Sport Co., Ltd.: Wang, Fang-Chung		
	General Manager	Chen, Hui-Shu	0	0.00
Koche Creative Co., Ltd.	Chairman	Representative of Focus Fashion Co., Ltd.: Chen, Hui-Shu	3,800,000	100.00
	Director	Representative of Focus Fashion Co., Ltd.: Wang, Fang-Chung		
	Director	Representative of Focus Fashion Co., Ltd.: Yang, Han-Lin		
	Supervisor	Representative of Focus Fashion Co., Ltd.: Wu, Tao-Chang		
	General Manager	Chen, Hui-Shu	0	0.00
Overtop Sport Co., Ltd.	Chairman	Representative of Nelson Sport Co., Ltd.: Chen, Hui-Shu	6,438,750	50.50
	Director	Representative of Nelson Sport Co., Ltd.: Huang, Feng-Chih		
	Director	Representative of Nelson Sport Co., Ltd.: Cheng, Chia-Hsin		

	Director	Representative of Overtop Marketing Co., Ltd. : Chen, Jing Lun	6,247,500	49.00
	Director	Representative of Overtop Marketing Co., Ltd. : Wang Hui-Min		
	Supervisor	Focus Fashion Co., Ltd.	63,750	0.50
	Supervisor	Huang, Shu-Yi	0	0.00
	General Manager	Ko, Shih-Chao	0	0.00
RBK SPORT TAIWAN CO., LTD.	Chairman	Representative of Tainan Development Co., Ltd.: Chen, Hui-Shu	8,479,200	80.00
	Director	Representative of Tainan Development Co., Ltd.: Huang, Feng-Chih		
	Director	Representative of Tainan Development Co., Ltd.: Chen, Hang		
	Director	Representative of Tainan Development Co., Ltd.: Cheng, Chia-Hsin		
	Director	Representative of Overtop Marketing Co., Ltd. : Chen, Jing Lun	2,119,800	20.00
	Supervisor	Wang, Fang-Chung	0	0.00
	Deputy General Manager	Chen, Shang-Wen	0	0.00

(6) Operating overview of the affiliated enterprises

December 31, 2025 Unit: NT$ thousand

Name of affiliated enterprises	Paid-in shares Capital	Total assets	Total liabilities	Net value	Operating revenue	Gross income (loss)	Current period profit (after tax)	Earnings per share (NT$)
Nelson Sport Co., Ltd.	197,134	1,441,400	691,142	750,257	1,411,881	33,204	38,120	1.93
Tainan Development Co., Ltd.	100,000	77,061	15,660	61,401	2,608	2,439	(17,728)	(1.77)
Focus Fashion Co., Ltd.	57,300	164,067	76,400	87,667	42,730	7,823	9,313	1.63
Koche Creative Co., Ltd. (Koche Creative)	38,000	137,769	105,111	32,658	2,862	(4,784)	(4,306)	(1.13)
Overtop Sport Co., Ltd.	127,500	157,331	23,054	134,277	164,573	(4,194)	(1,746)	(0.14)
RBK SPORT TAIWAN CO., LTD.	105,990	109,584	54,102	55,483	178,805	(16,010)	(24,825)	(2.34)

(7) Financial statements of affiliated companies:

Declaration on Financial statements of Affiliated Companies

Considering that the companies to be included into the consolidated financial statements of affiliated companies under the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises" were the same as those to be included into the consolidated financial statements of the parent and subsidiaries under IFRS 10 in 2025 (from January 1 to December 31, 2025), and the related information to be disclosed in the consolidated financial statements of affiliated companies has already been disclosed in the said consolidated financial statements of the parent and subsidiaries, no consolidated financial statements of affiliated companies were prepared separately.

The declaration is hereby presented.

Company Name: Tainan Enterprise (Cayman) Co., Ltd.
Chairman: Yang, Ching-Hon
Date: March 5, 2026

(8) Affiliated Company Report: There were no circumstances necessitating the preparation of an affiliated company report.

(9) Relationship between the subsidiary and the controlling company: None.

(10). Purchase (sales) transactions: None.

(11). Asset transaction: None

(12). Financing: None.

(13). Asset lease: None

(14). Other significant transactions: None.

(15). Endorsements and guarantees: None.

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

III Any explanation of any material differences from the guideline s of the ROC for protection of shareholders' equity: None

IV. Other supplementary information

None

Eight. In the most recent year and the date of publication of the Annual Report, if there is any significant impact on shareholders' equity or securities price as stipulated in the subparagraph 2 of paragraph 3 of Article 36 of the Securities Exchange Act

None

TAINAN ENTERPRISE (CAYMAN) CO., LIMITED

Tainan Enterprise (Cayman) Co., Ltd.

Chairman: Yang, Ching-Hon