



中傑投資控股集團
Chung Jye Investment Holding Group

Stock Code: 6965

Chung Jye Investment Holding Co., Ltd.

2025 Annual Report



MOPS Website of Taiwan Stock Exchange:
<https://mops.twse.com.tw/mops/#/web/home>
Company website:
<http://www.chungjye.com>

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I. Name, title, contact No. and e-mail address of the Company's spokesperson and acting spokesperson

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Name:	Chen Jung-Sung
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III. Address and tel. of headquarters, branches and plants

(I) The Company

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Tel.:	(886)4-2566-1116

(II) Subsidiary in Samoa

- | | | |
|-----|----------|--|
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| | Address: | Portcullis Chambers, P.O. Box 1225, Apia, Samoa. |
| | Tel.: | (886)4-2566-1116 |
| 02. | Name: | Smartlook Investments Limited |
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| | Tel.: | (886)4-2566-1116 |
| 03. | Name: | Agile Gain Investment Limited |
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| 04. | Name: | Better Power Group Limited |
| | Address: | Portcullis Chambers, P.O. Box 1225, Apia, Samoa. |
| | Tel.: | (886)4-2566-1116 |
| 05. | Name: | Trinity-Star Holdings Limited |
| | Address: | Portcullis Chambers, P.O. Box 1225, Apia, Samoa. |
| | Tel.: | (886)4-2566-1116 |
| 06. | Name: | Jewel Investment Limited |
| | Address: | Portcullis Chambers, P.O. Box 1225, Apia, Samoa. |
| | Tel.: | (886)4-2566-1116 |
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| | Address: | Portcullis Chambers, P.O. Box 1225, Apia, Samoa. |
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(III) Subsidiary in the British Virgin Islands

Name: Fortune Leader Industries CO., Ltd.
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(IV) Subsidiary in Belize

Name: Wealthy International Ltd.
Address: New Horizon Building, Ground Floor, 3 1/2 Miles Philip S.W. Goldson
Highway, Belize City, Belize.
Tel.: (886)4-2566-1116

(V) Subsidiary in Taiwan

Name: Chung Jye Shoes Co., Ltd.
Address: No. 628, Sec. 4, Zhongqing Rd., Liubao Vil., Daya Dist., Taichung City
Tel.: (886)4-2566-1116

(VI) Taiwan Branch

01. Name: Trinity-Star Holdings Limited Taiwan Branch
Address: 3F, No. 270, Sec. 6, Minquan E. Rd., Neihu Dist., Taipei City
Tel.: (886)2-2631-2523
02. Name: Chung Jye Shoes Holdings Limited Taiwan Branch
Address: 3F, No. 270, Sec. 6, Minquan E. Rd., Neihu Dist., Taipei City
Tel.: (886)2-2631-2523

(VII) Subsidiary in China

01. Name: Zhaoqing Chung Jye Shoes Co., Ltd.
Address: Chengxi Industrial Park, Nan'an Town, Gaoyao District, Zaoqing City,
Guangdong Province, China
Tel.: 0758-8363926
02. Name: Runan Chung Jye Shoes Industry Co., Ltd.
Address: No. 6, Xicheng Avenue Development Zone Industrial Park, East Side
of Baocheng Road, Runan County Development Zone, Sanlidian
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Tel.: 0758-8363926
03. Name: Guangning Chung Bao Shoes Industry Co., Ltd.
Address: Nos. 1 and 2, Xiaojing Section (Langzai), Silianxian Highway, Team
2, Xiaojing Village Committee, Nanjie Town, Guangning County,
Guangdong Province, China
Tel.: 0758-8363926
04. Name: Sihui Chung Jye Shoes Industry Co., Ltd.
Address: No. 3, Qingtang Avenue, Dongcheng District, Sishui City, Guangdong
Province, China
Tel.: 0758-8363926
05. Name: Yifeng Chung Jye Shoes Industry Co., Ltd.
Address: Yifeng County Industrial Park, Yichun City, Jiangxi Province, China
Tel.: 0795-7126977
06. Name: Shanggao Chung Jye Shoes Industry Co., Ltd.
Address: No. 1, Yangguang Road, Huangjindui, Shanggao County Industrial
Park, Yichun City, Jiangxi Province, China
Tel.: 0795-7126977
07. Name: Shanggao Chung Yi Industry Co., Ltd.

- Address: No. 2, Changyong Road, Huangjindui Park, Shanggao County Industrial Park, Yichun City, Jiangxi Province, China
Tel.: 0795-7126977
08. Name: Shanggao Chung Liang Shoe Industry Co., Ltd.
Address: No. 1, Changyong Road, Huangjindui Park, Shanggao County Industrial Park, Yichun City, Jiangxi Province
Tel.: 0795-7126977
09. Name: Zhaoqing Chung Jye Shoes Industry Co., Ltd.
Address: No. 7, Yifa Industrial Boulevard, Dawan Town Development Zone, Gaoyao District, Zaoqing City, Guangdong Province, China
Tel.: 0758-8363926
10. Name: Fengcheng Chung Jye Shoes Industry Co., Ltd.
Address: Yangguang Avenue, Shangtang Town, Fengcheng City, Yichun City, Jiangxi Province, China
Tel.: 0795-7126977
11. Name: Shanggao Jye Sheng Industry Co., Ltd.
Address: Huangjindui, Shanggao County Industrial Park, Yichun City, Jiangxi Province, China
Tel.: 0795-7127608

(VIII) China Branch

- Name: Shanggao Chung Jye Shoes Industry Co., Ltd. Tianxin Branch
Address: Tianxing Industrial Part, Tianxin Town, Sshanggao County, Yichun City, Jiangxi Province, China
Tel.: 0795-7126977

(IX) Subsidiary in Vietnam

01. Name: VIET NAM CHUNG JYE SHOES MANUFACTURE CO,LTD
Address: QUYNH PHUC INDUSTRIAL ZONE (EXPAND), PHUC THANH COMMUNE, KIM THANH DIST., HAI DUONG PROVINCE, VIETNAM
Tel.: (84)02206-278188
02. Name: NINH BINH - VIET NAM CHUNG JYE SHOES MANUFACTURING COMPANY LIMITED
Address: KHANH NHAC INDUSTRIAL ZONE, KHANH NHAC COMMUNE, YEN KHANH DIST., NINH BINH PROVINCE, VIETNAM
Tel.: (84)02292-492008
03. Name: NEW HORIZON CORPORATION LIMITED COMPANY
Address: No BH05-04, Hai Phong Vinhomes Imperia Urban area, Thuong Ly ward, Hong Bang district, Hai Phong province, Viet Nam.
Tel.: (84)02206-278188
04. Name: TUYEN QUANG - VIET NAM CHUNG JYE SHOES MANUFACTURE COMPANY LIMITED
Address: TAN THANH INDUSTRIAL ZONE, NO. 2 VILLAGE, TAN THANH COMMUNE, HAM YEN DIST., TUYEN QUANG PROVINCE, VIETNAM
Tel.: (84)02206-278188
05. Name: BACKAN-VIET NAM CHUNG JYE SHOES MANUFACTURE LTD
Address: HUYEN TUNG INDUSTRIAL ZONE, HUYEN TUNG WARD, BAC

KAN CITY, BAC KAN PROVINCE, VIET NAM

Tel.: (84)02206-278188

(X) Subsidiary in the U.S.

Name: Shoemaker American Inc.
Address: 7171 HIGHWAY 6N. STE 220F, HOUSTON TX, USA 77095
Tel.: (1)510-996-2685

(XI) Subsidiary in Indonesia

Name: PT Chung Jye Indonesia
Address: Jalan Tanjung Sari Nomor 21 Sukomanunggal, Surabaya, Jawa Timur 60188
Tel.: -

IV. Name, address, website and tele. of the stock transfer agency

Name: Transfer Agency Department, CTBC Bank
Website: <http://www.ctbcbank.com/>
Address: 5F, No. 83, Sec. 1, Chongqing S. Rd., Zhongzheng Dist., Taipei City
Tel.: (886)2-6636-5566

V. Name of CPAs for the financial statements of the most recent year, CPA firm, address, website, and tel.

Name of CPAs: CPA Chang Ching-Hsia and CPA Chiou Meng-Chieh
Name of CPA firm: Deloitte Taiwan
Website: <https://www2.deloitte.com/tw/tc.html>
Address: 20F, No. 100, Songren Rd., Xinyi Dist., Taipei City
Tel.: (886)2-2725-9988

VI. Name of the trading site for securities listed overseas and how to search for the said overseas securities

Not applicable

VII. Company website: <http://www.chungjye.com>

VIII. List of Board Members:

Title	Name	Nationality	Major experience (educational background)
Chairman	An-Che Liu	Republic of China	Southern Methodist University-OBPP Bachelor President, Chung Jye Shoes Co., Ltd.
Vice Chairman	Chiung-Wen Liu	Republic of China	Southern Methodist University-OBPP Bachelor Executive Secretary of the Chairman, Chung Jye Shoes Co., Ltd.
Directors	Yu-Hsuan Liu	Republic of China	Collin County Community College Vice President of Sales, Chung Jye Shoes Co., Ltd.
Independent Director	Cheng-Wen Cheng	Republic of China	MBA, Feng Chia University Team leader, Taiwan Cooperative Bank Senior vice president, E.SUN Bank
Independent Director	Kuan-Cheng Ko	Republic of China	PhD in Finance, National Central University Director, Asian Finance Association Professor of Finance, National Chi Nan University
Independent Director	Fu-Chiang Tsai	Republic of China	Department of Law, National Taipei University Human rights lawyers, Youth Forum on Law and Tax Reformation through Cultural and Economic Development Member, Human Rights Protection Committee, Taiwan Bar Association
Independent Director	Ming-Hui Hsieh	Republic of China	Department of Accounting, National Taiwan University EMBA, National Chung Hsing University PhD in Finance, National Chung Hsing University Deloitte Taiwan Auditor Junior manager, Investment Banking Department, Yuanta Securities Specialist, Taipei Exchange CFO and spokesperson, KY2723 Gourmet Master Co. Ltd. CPA, KPMG

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One. Shareholders' Report

Dear shareholders, The Group's business performance and future outlook for 2025 are reported as follows:

I. Operating achievements for the preceding year

The Company's revenue for 2025 was NT\$21.671 billion, representing a decline of 19.70% from NT\$26.987 billion in 2024. The after-tax net income for the year was NT\$557 million, representing a decline of 69.39% compared to NT\$1.821 billion in the previous year. Earnings per share (EPS) stood at NT\$3.5, and sales volume totaled 32.33 million pairs. The operational results for the year were primarily impacted by the dual challenges of sluggish global consumption momentum and tariff policy variations, resulting in the main clients' procurement and ordering strategies turning conservative and conducting order adjustments. Furthermore, facing pressures from variations in international tariff policies and elevated learning curve costs during the initial stages of new capacity expansion, the gross profit margin for the year was compressed, and overall operational performance slowed down compared to the same period last year.

II. Overview of the business plan for the year and the future development strategy of the Company

The Company continuously expands its global layout footprint. In addition to existing strongholds in China and Vietnam, strategic deployments of emerging production bases were particularly emphasized in 2025. The India plant, prepared for establishment in 2024, completed the production line, manpower recruitment, and training in 2025. Simultaneously, following the establishment of the Bac Kan plant in Vietnam in 2024, it officially commenced production of shoe uppers in the third quarter of 2025 according to schedule, and began shipping finished shoes in December. The Indonesia plant served as a promotional focus for the year, acquiring land in East Java in 2025 and commencing construction in October of the same year, with production capacity expected to be launched by the end of 2026 or early 2027. Through multi-country and multi-stronghold capacity layouts, geopolitical risks will be effectively dispersed, and supply chain flexibility and resilience will be significantly elevated, establishing a solid foundation for future operational growth.

Facing severe market challenges in 2025, Chung Jye Group is accelerating the execution of the "StridePlus" management optimization plan. Regarding human resources, organizational momentum is effectively stimulated by introducing professional teams and recruiting top talent, combined with incentive mechanisms linking performance and remuneration. Furthermore, more delicate cost controls are implemented, establishing personnel quality and work quality. Simultaneously, capital expenditures of US\$60 million and research and development expenses of NT\$650,322 thousand are invested in phases, focusing on capacity optimization and expansion, as well as deepening technological moats,

to ensure the Company can swiftly achieve the next stage of growth when the market rebounds.

Chung Jye Group firmly cultivates ESG sustainable development, deeply embedding sustainability concepts into core operational strategies. Regarding the environment, the greenhouse gas inventory project was officially launched. Energy conservation and carbon reduction targets are proactively achieved through data monitoring and energy management, establishing green supply chain competitiveness. Regarding social responsibility, the Company continuously implements and executes human rights policies, dedicating efforts to constructing a friendly and equal work environment, and fulfilling corporate citizenship responsibilities through diverse employee care programs and community engagement. Regarding corporate governance, Board of Directors functions and information transparency are continuously strengthened, internal control systems are perfected, and risk management mechanisms are optimized to safeguard shareholder equity with the Company's short-, medium-, and long-term enterprise values, ensuring the enterprise advances steadily in a volatile market environment.

III. Impacts of the external competitive environment, regulatory environment and overall business environment

Reviewing 2025, since its official listing on the exchange in March, the Company has faced severe trials interwoven from internal and external environments. Regarding the external environment, the world was deeply mired in frequent variations of international tariff policies in the first half of the year, with the market reducing prices to clear inventory. In the second half of the year, consumption momentum slowed down due to tariff hikes and consumer psychological expectations, leading to an intensified market competition landscape and more prudent client ordering. Therefore, the Company strengthened cost controls, technological research and development, and personnel cultivation. Regarding internal layouts, the group dedicated efforts to strengthening the resilience and flexibility of cross-border supply chains, proactively investing in capital expenditures in the construction of new plants and smart plant areas. Targeting capacity planning, developing new clients was adopted as the core strategy, aiming to optimize global capacity configurations and mitigate the impacts of tariff adjustments.

Facing dual external and internal challenges, the Company still upholds the core spirit of "Humility, Inheritance, Learning, and Enterprise" as its operational cornerstone. The entire team is cohesive, observing market pulses with a humble attitude, deepening digitalization and automated craftsmanship through experiential inheritance, and transforming the enterprise into an R&D momentum that leads the market, implementing technological roots.

Looking ahead, even if the external environment remains in a volatile period, the management team will continue to strengthen operational efficiency and resilience, gradually mitigating the impacts of external fluctuations through lean management and technological innovation. We firmly believe that adhering to operational philosophies and flexibly adjusting strategies will inevitably transform current external headwinds into nutrients for the next

stage of growth, giving back to all shareholders, employees, clients, and society with concrete profitability results and steady sustainability performances.

On behalf Chung Jye, I would like to appreciate the support and encouragement of all shareholders, and I wish you all safe and sound!

Chairman

An-Che Liu



Sincerely,

Chung Jye Investment Holding Co., Ltd.

2025 Business Report

I. Introduction:

The footwear industry began to face tariff pressures from the United States in the early second quarter of 2025, resulting in structural impacts on the industry supply chain. The configuration of production bases established in the past has now become a key factor affecting companies' operating costs. According to the 2024 World Footwear Yearbook, the United States remains the world's largest importer, accounting for 17.4% of total global footwear imports, equivalent to 2,155 million pairs, and thus continues to be a highly important market for brands and manufacturers. Footwear sold in the United States is primarily imported from countries such as China, Vietnam, and Indonesia. However, following the U.S.–China trade tensions, the share of imports from China declined to 36.2% by 2024, while Vietnam's share increased to 32.2%. This shift indicates that manufacturers are reallocating production capacity to countries with relatively lower tariff burdens, thereby influencing industry deployment strategies.

Following the compounding impact of tariffs, brands have faced rising costs. In the first half of 2025, influenced by consumer expectations, the U.S. market saw widespread price discounting across distribution channels to sustain market share and marketing momentum, as well as to clear existing inventory accumulated in the prior year. At the same time, ongoing promotional activities led consumers to reassess the credibility of discounts, resulting in more cautious spending behavior. Brands have also recognized that, despite rising costs, price increases for footwear products must be approached cautiously to maintain market share. In addition, economic conditions in the Chinese market have weakened compared to previous years, leading to changes in consumer behavior. Brand customers have adopted a more conservative approach to order placement and have responded by implementing stricter inventory control mechanisms. In response to U.S. tariff developments, the Company reallocated production lines for products sold to the United States to non-China manufacturing bases, resulting in a decline in capacity utilization in China. The subsequent reconfiguration of production processes and the learning curve associated with workforce adjustments also affected the Company's gross margin performance in 2025.

In response to these trends and to mitigate country-of-origin risks, the Company has actively expanded its overseas production bases, with the aim of establishing a multi-country manufacturing network across the Group that serves multiple brands, thereby creating a more flexible supply chain and enhancing its resilience. In 2025, the Company commenced new production capacity in India and Bac Kan Province in Vietnam, and initiated investment plans to establish manufacturing facilities in Indonesia. These initiatives are expected to effectively diversify risks arising from geopolitical, economic, and tariff barriers. In addition, through a “local-to-local” approach, the Company has enhanced real-time supply chain production management and shortened lead times, thereby supporting more agile responses in research and development and sales activities.

In addition, the Company has keenly recognized the impact of reciprocal tariffs on the

external environment and has launched the “StridePlus” initiative to optimize internal management and enhance efficiency, while introducing automation and other process improvements to strictly control costs. In terms of human resources, the Company implemented organizational restructuring, enhanced talent training, attracted high-caliber talent, and built a lean talent pipeline. At the same time, to mitigate fluctuations in production utilization rates, the Company actively expanded its market reach and secured new international brand customers. Initial results have been favorable, with shipments commencing in the fourth quarter of 2025.

The Company reported revenue of NT\$21.671 billion in 2025, a decrease of NT\$5.316 billion from NT\$26.987 billion in 2024, representing a year-on-year decline of 19.70%. Overall net profit after tax totaled NT\$557 million in 2025, compared to NT\$1.821 billion in 2024, a decrease of NT\$1.264 billion, or 69.39%. Profitability in 2025 declined due to factors including lower capacity utilization, rising labor costs, and the learning curve associated with new production lines. Looking ahead to 2026, the Company aims to enhance profitability through optimizing process efficiency via intelligent management, strengthening talent performance management, onboarding new brand customers, and adjusting its product mix.

The Company's production sites are located in Guangdong, Jiangxi, and Henan Provinces in China and Hai Duang, Ninh Binh, and Tuyen Quang Provinces in North Vietnam. In 2025, the ratio of production capacity in Mainland China and Vietnam was 57% and 43%, respectively. Regarding the ratio of sales regions (destination designated by brand customers) to operating income, American and Chinese regions are the main sales locations, accounting for approximately 35% and 32%, respectively. In addition to existing brand customers, the Company has actively developed new international brands to inject new growth momentum into its operations.

Despite the uncertainties in the international political and economic situation, there are infinite possibilities hidden in it. The Company upholds a culture of heritage, humility, learning, and a spirit of continuous improvement, and with the collective efforts of all Group employees, continues to advance toward the goals of innovation, high quality, diversification, and sustainability. We are jointly committed to strengthening cost and risk management, while fostering talent development and organizational continuity to build a strong and resilient Chung Jye management team. Leveraging this resilience, the Company collaborates closely with brand customers to navigate challenges and achieve mutual growth. It is firmly believed that, through the continued dedication and efforts of the Chung Jie team, the Company will be able to move forward against headwinds with perseverance and lay a solid foundation for future growth.

II. 2025 Business Report

(I) Implementation achievements of the business plan

Unit: NT\$ thousand

Accounting item	2025	2024	Amount increased (decreased)	Change ratio (%)
Net operating income	21,670,986	26,986,539	(5,315,553)	(19.70)
Gross profit	2,515,093	4,104,719	(1,589,626)	(38.73)
Net profit	451,261	1,802,475	(1,351,214)	(74.96)
Net profit before tax	741,141	2,343,542	(1,602,401)	(68.38)
Net profit after tax	557,416	1,821,034	(1,263,618)	(69.39)

(II) Budget implementation in 2025: According to the "Regulations Governing the Publication of Financial Forecasts of Public Companies," the Company did not disclose the financial forecast for 2025 and thus is not required to disclose the analysis of budget implementation in 2025.

(III) Analysis of financial income, expenditure and profitability

Unit: NT\$ thousand

Analysis item			2025	2024
Financial income and expenditure	Net operating income		21,670,986	26,986,539
	Gross profit		2,515,093	4,104,719
	Net profit after tax		557,416	1,821,034
Profitability	Return on assets (%)		3.22	10.26
	Return on equity (%)		4.91	18.67
	Ratio to paid-in capital (%)	Operating gain (loss)	28.86	128.75
		Net profit (loss) before tax	47.41	167.40
	Net profit margin		2.57	6.75
	Basic earnings per share (NT\$)		3.50	12.22

(IV) R&D

The Company continues to invest in various procedures and process technology innovations. In 2025, the Company invested NT\$650,322 thousand in R&D, accounting for 3% of the consolidated operating income. Compared to NT\$662,379 thousand in 2024, research and development expenses decreased by NT\$12,057 thousand, representing a decline of approximately 1.82%. The R&D expenses are mainly spent on the upgrades of shoe manufacturing technologies and the advances and improvements of various procedures. At present, the Company has established four R&D Centers to have close cooperation with brand customers during the period between product development to product prototype to provide better services and solutions and rapidly respond to various requirements under changes in the market so as to maintain and increase the market share of shoe foundry.

(V) Corporate responsibility

The Company upholds the philosophy of "Taken from the community, Giving back to society" and has long been involved in various public welfare activities. The Company established the Chung Jye Charity Foundation in early 2024 and donated NT\$10 million in 2025, with the aim of inspiring more acts of giving and bringing together like-minded partners to participate in social contribution and care initiatives. Overseas subsidiaries, under the coordination of relevant departments at each plant, have carried out initiatives in environmental, health, and safety management, social responsibility, and community outreach, including support for disadvantaged groups and participation in projects led by brand customers to establish water tower and purification systems in remote areas.

In addition, the Company attaches great importance to and pays attention to the rights and interests of employees and the safety of employees and has established a friendly, diversified, fair and inclusive working environment. Overseas plants of the Group adopt sustainable operation and development as the target and promote various energy conservation and carbon reduction plans. The solar power panel green energy program was initiated at Jiangxi Plant and Ninh Binh Plant, and we invested in reduction equipment at Jiangxi Plant. The Company has actively implemented green energy and environmental protection initiatives, energy conservation and carbon reduction measures, and resource recycling practices. It has also recently focused on issues related to biodiversity conservation and ecological diversity. The Company will continue to take concrete actions to contribute to environmental sustainability.

III. Conclusion

"Without good products, quality falls short; without good quality, customers cannot be won over." The Chung Jye management team adheres to the principles of technological innovation, process improvement, lean manufacturing, talent cultivation, and sustainable corporate development. With the concerted efforts of all Group employees, Chung Jie is committed to promoting the Group's "Three Pillars of Excellence", namely brand, quality, and taste, to create value for brand customers, deliver the highest quality products, and enable consumers to enjoy products that reflect refined taste.

Looking ahead to 2026, amid an increasingly complex and volatile global political and economic environment, as well as geopolitical tensions and tariff barriers, the Company is confident that it will respond to external changes and challenges in the new year through organizational transformation, a professional team, stringent cost control, and intelligent management. By viewing crisis as opportunities and turning challenges into advantages, the Company will take prudent and proactive steps to prepare for the future

Chairman: An-Che
Liu



Manager: Yu-Hsuan
Liu



Accounting Supervisor:
Ying-Tzu Tsai



Two. Company Profile

I. Company and Group Introduction

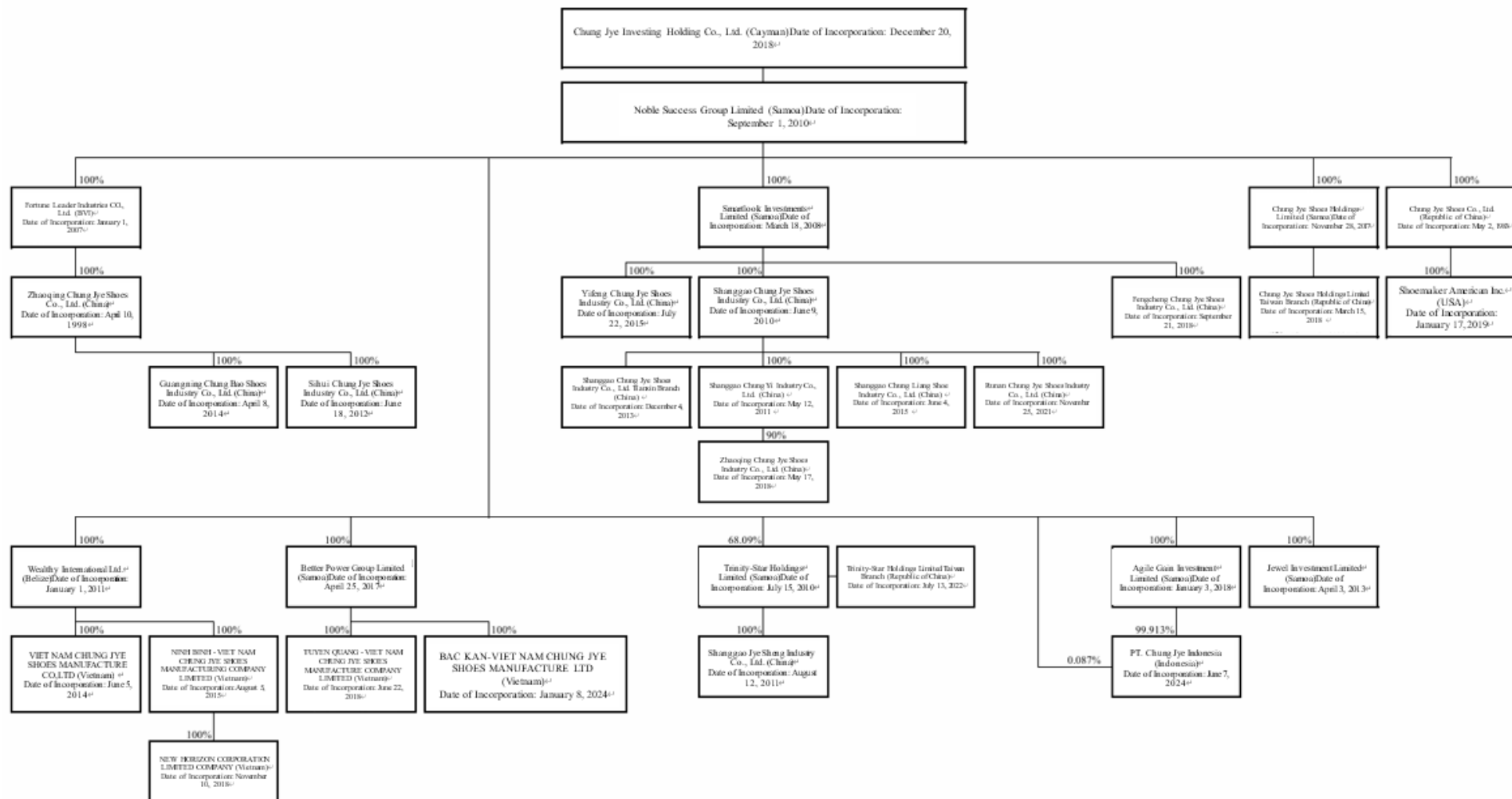
(I) Date of Incorporation and Group Introduction:

Chung Jye Investment Holding Co., Ltd. (hereinafter referred to as the Company or Chung Jye Investment) is a holding company established in the British Cayman Islands (hereinafter referred to as the Cayman Islands) on December 20, 2018. Its primary business is the contract manufacturing of footwear products, such as athletic shoes and casual shoes, with athletic shoes as the majority. Brief introductions to the countries of registration and primary functions of each subsidiary within the group are as follows:

Name of company	Place of registration	Primary operational function within the group
Chung Jye Investment Holding Co., Ltd./ (the "Chung Jye Investment")	British Cayman Islands	General investment
Noble Success Group Limited (the "Noble Success")	Samoa	General investment
Smartlook Investments Limited (the "Smartlook")	Samoa	General investment
Agile Gain Investment Limited (the "Agile Gain")	Samoa	General investment
Better Power Group Limited (the "Better Power")	Samoa	General investment
Trinity-Star Holdings Limited (the "Trinity")	Samoa	General investment
Jewel Investment Limited (the "Jewel")	Samoa	General investment
Chung Jye Shoes Holdings Limited (the "Samoa Chung Jye")	Samoa	General investment
Fortune Leader Industries CO., Ltd. (the "Fortune Leader")	British Virgin Islands	General investment
Wealthy International Ltd. (the "Wealthy")	Belize	General investment
Chung Jye Shoes Co., Ltd. (the "Chung Jye Shoes")	Republic of China	Import and export trade and sales of purchase of shoe materials
Chung Jye Shoes Holdings Limited Taiwan Branch (Hereinafter: Chung Jye Taiwan Branch)	Republic of China	Import and export trade and sales of sneakers
Trinity-Star Holdings Limited Taiwan Branch (the "Trinity-Star Taiwan Branch")	Republic of China	Import and export trade, manufacturing, processing, and sales and purchase
Zhaoqing Chung Jye Shoes Co., Ltd. (the "Chao Ching Chung Jye")	China	Import and export trade, manufacturing, processing, and sales and purchase of sneakers
Runan Chung Jye Shoes Industry Co., Ltd. (the "Runan Chung Jye")	China	Manufacturing, processing, and sales and purchase of sneakers
Guangning Chung Bao Shoes Industry Co., Ltd. (the "Guangning Chung Bao")	China	Manufacturing, processing, and sales and purchase of sneakers

Name of company	Place of registration	Primary operational function within the group
Sihui Chung Jye Shoes Industry Co., Ltd. (the "Sihui Chung Jye")	China	Manufacturing, processing, and sales and purchase of sneakers
Yifeng Chung Jye Shoes Industry Co., Ltd. (the "Yifeng Chung Jye")	China	Manufacturing, processing, and sales and purchase of sneakers
Shanggao Chung Jye Shoes Industry Co., Ltd. (the "Shanggao Chung Jye")	China	Import and export trade, manufacturing, processing, and sales and purchase of sneakers
Shanggao Chung Yi Industry Co., Ltd. (the "Shanggao Chung Yi")	China	Lamination and processing of shoe materials and sales and purchase of shoe materials
Shanggao Chung Liang Shoe Industry Co., Ltd. (the "Shanggao Chung Liang")	China	Manufacturing, processing, and sales and purchase of sneakers
Zhaoqing Chung Jye Shoes Industry Co., Ltd. (the "Zhaoqing Yong Shin")	China	Lamination and processing of shoe materials and sales and purchase of shoe materials
Fengcheng Chung Jye Shoes Industry Co., Ltd. (the "Fengcheng Chung Jye")	China	Manufacturing, processing, and sales and purchase of sneakers
Shanggao Jye Sheng Industry Co., Ltd. (the "Shanggao Jye Sheng")	China	Import and export trade, manufacturing, production, and sales of shoe sole materials
Shanggao Chung Jye Shoes Industry Co., Ltd. Tianxin Branch (Hereinafter: Tianxin Branch)	China	Manufacturing, processing, and sales and purchase of sneakers
VIET NAM CHUNG JYE SHOES MANUFACTURE CO, LTD (the "Hai Duong Chung Jye")	Vietnam	Import and export trade, manufacturing, processing, and sales and purchase of sneakers
NINH BINH - VIET NAM CHUNG JYE SHOES MANUFACTURING COMPANY LIMITED (the "Ninh Binh Chung Jye")	Vietnam	Import and export trade, manufacturing, processing, and sales and purchase of sneakers
NEW HORIZON CORPORATION LIMITED COMPANY (the "New Horizon")	Vietnam	Property and plant lease
TUYEN QUANG - VIET NAM CHUNG JYE SHOES MANUFACTURE COMPANY LIMITED (the "Tuyen Quang Chung Jye")	Vietnam	Import and export trade, manufacturing, processing, and sales and purchase of sneakers
BAC KAN - VIET NAM CHUNG JYE SHOES MANUFACTURE LTD (the "Bac Kan Chung Jye")	Vietnam	Import and export trade, manufacturing, processing, and sales and purchase of sneakers
Shoemaker American Inc (the "Shoemaker")	The U.S.	Brand customer relationship services
PT Chung Jye Indonesia (the "Indonesia Chung Jye")	Indonesia	Manufacturing, processing, and sales and purchase of sneakers

(II) Group structure



II. Risk Items: Please refer to the descriptions on page 132 of "Six. Review and Analysis of Financial Status and Financial Performance and Risk Items."

Three. Corporate Governance Report

I. Directors, supervisors, President, Vice Presidents, and supervisors of departments and branches

(I) Directors and supervisors

1. Directors

Unit: share; %; April 17, 2026

Title	Nationality or place of registration	Name	Gender	Age	Date of election	Term of office	Date of initial appointment	Shareholding at the time of the election		Number of shares held at present		Shares held by spouse and minors		Shares held in the name of others		Major experience (educational background)	Positions held in the Company and other companies	Other supervisors, Directors, or supervisors who are spouses or relatives within the 2nd degree of kinship			Remarks
								Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Chairman	Republic of China	An-Che Liu (Note 1)	Male	41 to 50 years old	2023/06/15	3 years	2023/06/15	1,000,030	0.71%	1,016,030	0.65%	3,215,684	2.06%	8,590,023	5.49%	Educational background: Southern Methodist University-OB BP Bachelor Experience: President, Chung Jye Shoes Co., Ltd.	Noble Success Group Limited - Director Richwell International Holding Limited - Director Chung Jye Shoes Co., Ltd. - Director Chao Ching City Chung Jye Shoes Co., Ltd. - Director Runan Chung Jye Shoes Industry Co., Ltd. - Director Guangning Chung Bao Shoes Industry Co., Ltd. - Director Sihui Chung Jye Shoes Industry Co., Ltd. - Director Yifeng Chung Jye Shoes Industry Co., Ltd. - Director Shanggao Chung Jye Shoes Industry Co., Ltd. - Director Shanggao Chung Yi Industry Co., Ltd. - Director Shanggao Chung Liang Shoe Industry Co., Ltd. - Director Fengcheng Chung Jye Shoes Industry Co., Ltd. - Director Shanggao Chung Jye Shoes Industry Co., Ltd. Tianxin Branch - Responsible Person	Vice Chairman and CFO	Chiung-Wen Liu	Brother and sister	-
																		Director, President, and CEO	Yu-Hsuan Liu	Brothers	
																		Executive Vice President and CSO	Yen-Liang Lai	Brother-in-law	
Directors	Republic of China	Chiung-Wen Liu	Female	41 to 50 years old	2023/06/15	3 years	2023/06/15	1,000,030	0.71%	1,920,030	1.23%	3,514,998	2.25%	8,718,702	5.58%	Educational background: Southern Methodist University-OB BP Bachelor Experience: Executive Secretary of the	Chung Jye Shoes Co., Ltd. - Chairman Chung Jye Shoes Holdings Limited Taiwan Branch - Responsible person Trinity-Star Holdings Limited - Responsible person Chao Ching City Chung Jye Shoes Co., Ltd. - Director	Executive Vice President and CSO	Yen-Liang Lai	Spouse	-

Title	Nationality or place of registration	Name	Gender Age	Date of election	Term of office	Date of initial appointment	Shareholding at the time of the election		Number of shares held at present		Shares held by spouse and minors		Shares held in the name of others		Major experience (educational background)	Positions held in the Company and other companies	Other supervisors, Directors, or supervisors who are spouses or relatives within the 2nd degree of kinship			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
														Chairman, Chung Jye Shoes Co., Ltd.	Runan Chung Jye Shoes Industry Co., Ltd. - Director Shanggao Chung Jye Shoes Industry Co., Ltd. - Director Zhaoqing Yong Shin Shoe Materials Co., Ltd. - Director Fengcheng Chung Jye Shoes Industry Co., Ltd. - Director Shanggao Jye Sheng Industry Co., Ltd. - Director PT Chung Jye Indonesia - Supervisor E-Group Investments Limited - Director		Chairman	An-Che Liu	Brother and sister	
															Director, President, and CEO	Yu-Hsuan Liu	Brother and sister			
Directors	Republic of China	Yu-Hsuan Liu	Male 31 to 40 years old	2023/06/15	3 years	2023/06/15	1,000,030	0.71%	2,600,030	1.66%	-	-	11,509,686	7.36%	Educational background: Collin County Community College Experience: Vice President of Sales, Chung Jye Shoes Co., Ltd.	Smartlook Investments Limited. - Director Agile Gain Investment Limited - Director Better Power Group Limited. - Director Trinity-Star Holdings Limited. - Directors Jewel Investment Limited. - Director.	Chairman	An-Che Liu	Brothers	-
																Chung Jye Shoes Holdings Limited. - Director Fortune Leader Industries CO., Ltd. - Director Wealthy International Ltd. - Director Grand Kindness Company Limited - Director Chung Jye Shoes Co., Ltd. - Director Chao Ching City Chung Jye Shoes Co., Ltd. - Director Runan Chung Jye Shoes Industry Co., Ltd. - Director Guangning Chung Bao Shoes Industry Co., Ltd. - Supervisor Sihui Chung Jye Shoes Industry Co., Ltd. - Supervisor Yifeng Chung Jye Shoes Industry Co., Ltd. - Supervisor Shanggao Chung Jye Shoes Industry Co., Ltd. - Director Shanggao Chung Yi Industry Co., Ltd. - Supervisor Shanggao Chung Liang Shoe Industry Co., Ltd. - Supervisor Fengcheng Chung Jye Shoes Industry Co., Ltd. - Director	Vice Chairman and CFO	Chiung-Wen Liu	Brother and sister	
																Executive Vice President and CSO	Yen-Liang Lai	Brother-in-law		

Title	Nationality or place of registration	Name	Gender Age	Date of election	Term of office	Date of initial appointment	Shareholding at the time of the election		Number of shares held at present		Shares held by spouse and minors		Shares held in the name of others		Major experience (educational background)	Positions held in the Company and other companies	Other supervisors, Directors, or supervisors who are spouses or relatives within the 2nd degree of kinship			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Independent Director	Republic of China	Cheng-Wen Cheng	Male 61 to 70 years old	2023/06/15	3 years	2023/06/15	-	-	-	-	-	-	-	-	Educational background: MBA, Feng Chia University Experience: Team leader, Taiwan Cooperative Bank Senior vice president, E.SUN Bank	Independent Director, SDI Corporation (2351) Independent Director, APEXDYNA (4583) Independent Director, Johnson Fine Chemical Co., Ltd. (7763)	,	,	,	,
Independent Director	Republic of China	Kuan-Cheng Ko	Male 41 to 50 years old	2023/06/15	3 years	2023/06/15	-	-	-	-	-	-	-	-	Education: Ph.D. in Finance, National Central University Experience: Director, Department of Finance, National Chi Nan University Director, Asian Finance Association Vice secretary-general, The Taiwan Finance Association	Professor, Department of Finance, National Chi Nan University The Taiwan Finance Association - Supervisor Secretary-general, Financial Engineering Association of Taiwan	,	,	,	,
Independent Director	Republic of China	Fu-Chiang Tsai	Male 51 to 60 years old	2023/06/15	3 years	2023/06/15	-	-	-	-	-	-	-	-	Educational background: Department of Law, National Taipei University Experience: Human rights lawyers, Youth Forum on Law and Tax Reformation through Cultural and Economic Development Member, Human Rights Protection Committee, Taiwan Bar Association	Director, Tsai Fu-Cheng Attorney at Law	,	,	,	,

Title	Nationality or place of registration	Name	Gender Age	Date of election	Term of office	Date of initial appointment	Shareholding at the time of the election		Number of shares held at present		Shares held by spouse and minors		Shares held in the name of others		Major experience (educational background)	Positions held in the Company and other companies	Other supervisors, Directors, or supervisors who are spouses or relatives within the 2nd degree of kinship			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Independent Director	Republic of China	Ming-Hui Hsieh	Female 41 to 50 years old	2024/05/10	3 years	2024/05/10	-	-	-	-	-	-	-	-	Academic background: Department of Accounting, National Taiwan University EMBA, National Chung Hsing University PhD in Finance, National Chung Hsing University Experience: Deloitte Taiwan Auditor Junior manager, Investment Banking Department, Yuanta Securities Specialist, Taipei Exchange CFO and spokesperson, KY2723 Gourmet Master Co. Ltd. CPA, KPMG	Director, Bochun CPA Firm Independent Director, GIS-KY (6456) Independent Director, Jhujian Catering (7723) Chief Financial Officer, Pinrex Precision Co., Ltd.	-	-	-	-

Note 1: To comply with corporate governance, the Company resolved through the Board of Directors on November 12, 2025, that the Chairman would no longer concurrently serve as Chief Executive Officer, and Director Yu-Hsuan Liu would concurrently serve as President and Chief Executive Officer of the Group. During the period when Chairman An-Che Liu concurrently served as Chief Executive Officer, the Company elected four Independent Directors (exceeding half of the Director seats) and established the Audit Committee. The Company supervised its operations through the Audit Committee to strengthen the operations and supervisory functions of the Board of Directors.

Note 2: Total issued shares on June 15, 2023: 140,000,000 shares; total issued shares on May 10, 2024: 140,000,000 shares. Total issued shares on April 17, 2026: 156,336,000 shares.

2. Supervisors: The Company has established its Audit Committee; therefore, there is no supervisor.
3. Major shareholders of institutional Directors: The Company's Directors and Independent Directors are not representatives of institutional shareholders; therefore, this is not applicable.
4. Disclosure of the professional qualifications of Directors and supervisors and the independence of Independent Directors

Conditions Name	Professional qualifications and experience	Independence	Number of other public companies in which the Independent Director is also an independent director
An-Che Liu	Currently serves as the Chairman of the Company, and was resolved through the Board of Directors on November 12, 2025, to no longer concurrently serve as the Chief Executive Officer of the Group. Previously served as President of the Group's subsidiaries. Please refer to Three. I. (I) Director Information for relevant professional qualifications and experiences; possesses work experience required for commerce, legal affairs, finance, accounting, or corporate business. No conditions described in Article 30 of the Company Act occurred.	Not applicable	0
Chiung-Wen Liu	Currently the Vice Chairman of the Company and the head of HR for the Group. Previously served as Executive Secretary to the Directors of the Group's subsidiaries. Please refer to Three. I. (I) Director Information for relevant professional qualifications and experiences; possesses work experience required for commerce, legal affairs, finance, accounting, or corporate business. No conditions described in Article 30 of the Company Act occurred.	Not applicable	0

Conditions Name	Professional qualifications and experience	Independence	Number of other public companies in which the Independent Director is also an independent director
Yu-Hsuan Liu	Currently serves as President and Chief Executive Officer of the Company. Previously served as Vice President of Sales of the Group's subsidiaries. Please refer to One. III. (IV) Director Information for relevant professional qualifications and experiences; possesses work experience required for commerce, legal affairs, finance, accounting, or corporate business. No conditions described in Article 30 of the Company Act occurred.	Not applicable	0
Cheng-Wen Cheng	Previously served as Senior Vice President of E.SUN Commercial Bank, Ltd. Please refer to Three. I. (I) Director Information for relevant professional qualifications and experiences; He possesses work experience in business, legal affairs, finance, and accounting, or required for the Company's business. No conditions described in Article 30 of the Company Act occurred.	1. The Independent Director, his/her spouse, or relative within the 2nd degree of kinship is not a Director, supervisor, or employee of the Company or its affiliate. 2. The Independent Director, his/her spouse, or relative within the 2nd degree of kinship (or in the name of others) does not hold shares of the Company. 3. Not a director, supervisor, or employee of a company with specific relationships with the Company. 4. Not receiving compensation for providing business, legal affairs, financial, or accounting services to the Company or its affiliates in the most recent two years. 5. For other matters, the verification had been made based on the independence elements set out in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" promulgated by the FSC.	3

Conditions Name	Professional qualifications and experience	Independence	Number of other public companies in which the Independent Director is also an independent director
Kuan-Cheng Ko	Previously served as Chair of the Department of Finance at National Chi Nan University. Please refer to Three. I. (I) Director Information for relevant professional qualifications and experiences; He possesses work experience in business, legal affairs, finance, and accounting, or required for the Company's business, and is a professional in the relevant departments of a private university/college. No conditions described in Article 30 of the Company Act occurred.	1. The Independent Director, his/her spouse, or relative within the 2nd degree of kinship is not a Director, supervisor, or employee of the Company or its affiliate. 2. The Independent Director, his/her spouse, or relative within the 2nd degree of kinship (or in the name of others) does not hold shares of the Company. 3. Not a director, supervisor, or employee of a company with specific relationships with the Company. 4. Not receiving compensation for providing business, legal affairs, financial, or accounting services to the Company or its affiliates in the most recent two years. 5. For other matters, the verification had been made based on the independence elements set out in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" promulgated by the FSC.	0

Conditions Name	Professional qualifications and experience	Independence	Number of other public companies in which the Independent Director is also an independent director
Fu-Chiang Tsai	Previously served as a member of the Human Rights Protection Committee of the Taiwan Bar Association. Please refer to Three. I. (I) Director Information for relevant professional qualifications and experiences; He possesses work experience in business, legal affairs, finance, and accounting, or required for the Company's business, and is the managing partner of a law firm. No conditions described in Article 30 of the Company Act occurred.	1. The Independent Director, his/her spouse, or relative within the 2nd degree of kinship is not a Director, supervisor, or employee of the Company or its affiliate. 2. The Independent Director, his/her spouse, or relative within the 2nd degree of kinship (or in the name of others) does not hold shares of the Company. 3. Not a director, supervisor, or employee of a company with specific relationships with the Company. 4. Not receiving compensation for providing business, legal affairs, financial, or accounting services to the Company or its affiliates in the most recent two years. 5. For other matters, the verification had been made based on the independence elements set out in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" promulgated by the FSC.	0

Conditions Name	Professional qualifications and experience	Independence	Number of other public companies in which the Independent Director is also an independent director
Ming-Hui Hsieh	Previously served as CPA at KSP Certified Public Accountants. Please refer to Three. I. (I) Director Information for relevant professional qualifications and experiences; Work experience in commerce, law, finance, accounting or other fields related to the Company's business operations, and a CPA of accounting firms. No conditions described in Article 30 of the Company Act occurred.	1. The Independent Director, his/her spouse, or relative within the 2nd degree of kinship is not a Director, supervisor, or employee of the Company or its affiliate. 2. The Independent Director, his/her spouse, or relative within the 2nd degree of kinship (or in the name of others) does not hold shares of the Company. 3. Not a director, supervisor, or employee of a company with specific relationships with the Company. 4. Not receiving compensation for providing business, legal affairs, financial, or accounting services to the Company or its affiliates in the most recent two years. 5. For other matters, the verification had been made based on the independence elements set out in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" promulgated by the FSC.	2

5. Board diversification and independence:
(1) Diversity of the Board Of Directors:

According to the "Corporate Governance Best Practice Principles" of the Company, to strengthen corporate governance and facilitate a healthy Board composition and structure and respect and promote the target of Board diversification, the Board diversification policy had been established. The election is based on the principles of meritocracy, with a focus on gender equality and the possession of knowledge, skills, and literacy required for the execution of duties, including basic conditions, professional background, and industry experience, to allow the overall Board to possess the abilities of business judgment, accounting and financial analysis, business management, crisis management, industry knowledge, international market viewpoint, leadership, and decision-making capabilities.

Implementation status at present:

The Company's Board of Directors establishes seven Director seats, including four Independent Directors, one general Director, and two Directors concurrently serving as Company managers. Directors without the status of Company managers exceed half of the Director seats. All seven Directors possess operational management and crisis management capabilities. Among them, six members possess operational experiences in large enterprises and institutions, featuring operational management and decision-making backgrounds; two seats possess legal professional backgrounds; four seats possess accounting, financial, or investment professional backgrounds; and one seat possesses an educational background in the financial and economic academia. The Company values the gender equality of the Board. In 2023, there was 1 female Director. In 2024, 1 more female Independent Director was elected. There are currently 2 female Directors to implement the Board diversification policy and improve the overall business performance of the Company.

Concrete management targets:

The Company will continue to arrange continuing education for its Directors to develop their professional skills, including legal, financial, international, risk management and other decision-making abilities in response to the ever-changing international political and economic situations. In terms of the gender equality issue, the Board members of the Company include Directors of different genders. Male Directors account for 71% (five persons), and female Directors account for 29% (two persons). In the future, the Company will adopt having female Directors accounting for at least 33% of all Directors as the target to realize the Board diversification policy.

The policy of diversity of the Board of Directors and the implementation are as follows:

Title	Chairman	Directors		Independent Director			
Name	An-Che Liu	Chiung-Wen Liu	Yu-Hsuan Liu	Cheng-Wen Cheng	Kuan-Cheng Ko	Fu-Chiang Tsai	Ming-Hui Hsieh
Gender	Male	Female	Male	Male	Male	Male	Female
Age	41-50	41-50	41-50	71-80	41-50	51-60	41-50
Nationality	Republic of China						
Part-time employee of the Company		✓	✓				
Tenure of Independent Directors (less than 3 terms)				✓	✓	✓	✓
Professional background							
Industry experience	✓	✓	✓	✓	✓	✓	✓
Information security,	✓		✓				
Finance		✓		✓	✓		✓
Law				✓		✓	
Professional knowledge and skills							
Operational judgment ability	✓	✓	✓	✓	✓	✓	✓
Business management ability	✓	✓	✓	✓	✓	✓	✓
Crisis management ability	✓	✓	✓	✓	✓	✓	✓
International market perspective	✓	✓	✓	✓	✓	✓	✓
Leadership strategy ability	✓	✓	✓	✓	✓	✓	✓

(2) Independence of the Board of Directors:

The Board has a total of seven members at present, of which four Independent Directors account for over half (57%) of all Directors. The term of office of Independent Directors has not exceeded three sessions; Independent Directors comply with the specifications related to Independent Directors of the Securities and Futures Bureau, FSC, and there were no circumstances set out in paragraphs 3 and 4, Article 26-3 of the Securities and Exchange Act. Over half of the Independent Directors are not spouses or relatives within the second degree of kinship. Furthermore, the Company has established its Audit Committee to strengthen the operations of the Board, allow the overall Board to possess independence, and allow Directors to objectively exercise their functions so as to optimize corporate governance and business development.

(II) President, Vice Presidents, and supervisors of departments and branches

Unit: share; %; April 17, 2026

Title	Nationality	Name	Gender	Date of (election) assumption	Shares held		Shares held by spouse and minors		Shares held in the name of others		Major experience (educational background)	Positions held in other companies	Managers who are spouses or relatives within the 2nd degree of kinship			Remarks
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Chairman (Note 1)	Republic of China	An-Che Liu	Male	2023.06.15	1,016,030	0.65%	3,215,684	2.06%	8,590,023	5.49%	<u>Educational background:</u> Southern Methodist University-OBBP Bachelor <u>Experience:</u> President, Chung Jye Shoes Co., Ltd.	Noble Success Group Limited - Director Richwell International Holding Limited - Director Chao Ching City Chung Jye Shoes Co., Ltd. - Director Runan Chung Jye Shoes Industry Co., Ltd. - Director Guangning Chung Bao Shoes Industry Co., Ltd. - Director Sihui Chung Jye Shoes Industry Co., Ltd. - Director Yifeng Chung Jye Shoes Industry Co., Ltd. - Director Shanggao Chung Jye Shoes Industry Co., Ltd. - Director Shanggao Chung Yi Industry Co., Ltd. - Director Shanggao Chung Liang Shoe Industry Co., Ltd. - Director Fengcheng Chung Jye Shoes Industry Co., Ltd. - Director Shanggao Chung Jye Shoes Industry Co., Ltd. Tianxin Branch - Responsible Person	Vice Chairman and CFO	Chung-Wen Liu	Brother and	-
													Director, President, and CEO	Yu-Hsuan Liu	Brothers	
													Executive Vice President and CSO	Yen-Liang Lai	Brother-in-law	
President and CEO (Note 1)	Republic of China	Yu-Hsuan Liu	Male	2023.05.31	2,600,030	1.66%	-	-	11,509,686	7.36%	<u>Educational background:</u> Collin County Community College <u>Experience:</u> Chung Jye Shoes Co., Ltd. Vice President of Business	Smartlook Investments Limited. - Director Agile Gain Investment Limited - Director Better Power Group Limited. - Director Trinity-Star Holdings Limited. - Directors Jewel Investment Limited. - Director. Chung Jye Shoes Holdings Limited. - Director Fortune Leader Industries CO., Ltd. - Director Wealthy International Ltd. - Director Grand Kindness Company Limited - Director Chung Jye Shoes Co., Ltd. - Director Chao Ching City Chung Jye Shoes Co., Ltd. - Director Runan Chung Jye Shoes Industry Co., Ltd. - Director Guangning Chung Bao Shoes Industry Co., Ltd. - Supervisor Sihui Chung Jye Shoes Industry Co., Ltd. - Supervisor Yifeng Chung Jye Shoes Industry Co., Ltd. - Supervisor Shanggao Chung Jye Shoes Industry Co., Ltd. - Director Shanggao Chung Yi Industry Co., Ltd. - Supervisor Shanggao Chung Liang Shoe Industry Co., Ltd. -	Chairman	An-Che Liu	Brothers	-
													Vice Chairman and CFO	Chung-Wen Liu	Brother and	

Title	Nationality	Name	Gender	Date of (election) assumption	Shares held		Shares held by spouse and minors		Shares held in the name of others		Major experience (educational background)	Positions held in other companies	Managers who are spouses or relatives within the 2nd degree of kinship			Remarks
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
												Supervisor Fengcheng Chung Jye Shoes Industry Co., Ltd. - Director	Executive Vice President and CSO	Yen-Liang Lai	Brother-in-law	
Vice Chairman and CFO	Republic of China	Chiung-Wen Liu		2023.06.15	1,920,030	1.23%	3,514,998	2.25%	8,718,702	5.58%	<u>Educational background:</u> Southern Methodist University-OBBP Bachelor <u>Experience:</u> Executive Secretary of the Chairman, Chung Jye Shoes Co., Ltd.	Chung Jye Shoes Co., Ltd. - Chairman Chung Jye Shoes Holdings Limited Taiwan Branch - Responsible person Trinity-Star Holdings Limited - Responsible person Chao Ching City Chung Jye Shoes Co., Ltd. - Director Runan Chung Jye Shoes Industry Co., Ltd. - Director Shanggao Chung Jye Shoes Industry Co., Ltd. - Director Zhaoqing Yong Shin Shoe Materials Co., Ltd. - Director Fengcheng Chung Jye Shoes Industry Co., Ltd. - Director Shanggao Jye Sheng Industry Co., Ltd. - Director PT Chung Jye Indonesia - Supervisor E-Group Investments Limited - Director	Executive Vice President and CSO	Yen-Liang Lai	Spouse	
													Chairman	An-Che Liu	Brother and	
													Director, President, and CEO	Yu-Hsuan Liu	Brother and	
Executive Vice President and CSO (Note 2)	Republic of China	Yen-Liang Lai	Male	2019.07.01	3,318,998	2.12%	2,116,030	1.35%	8,718,702	5.58%	<u>Educational background:</u> Master of Business Administration, College of Commerce, National Chengchi University <u>Experience:</u> 2006 Deputy Assistant Vice President and	Chao Ching City Chung Jye Shoes Co., Ltd. - Supervisor Runan Chung Jye Shoes Industry Co., Ltd. - Supervisor Shanggao Chung Jye Shoes Industry Co., Ltd. - Supervisor Zhaoqing Yong Shin Shoe Materials Co., Ltd. - Supervisor Fengcheng Chung Jye Shoes Industry Co., Ltd. - Supervisor Shanggao Jye Sheng Industry Co., Ltd. - Chairman	Vice Chairman and CFO	Chiung-Wen Liu	Spouse	

Title	Nationality	Name	Gender	Date of (election) assumption	Shares held		Shares held by spouse and minors		Shares held in the name of others		Major experience (educational background)	Positions held in other companies	Managers who are spouses or relatives within the 2nd degree of kinship			Remarks
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
											Assistant Vice President of Chung Jye Group 2015 - Present Executive Vice President of Chung Jye Group	Viet Nam Chung Jye Shoes Manufacture Co., Ltd. - Director Ninh Binh-Viet Nam Chung Jye Shoes Manufacturing Company Limited - Director New Horizon Corporation Limited Company - Director Tuyen Quang-Viet Nam Chung Jye Shoes Manufacturing Company Limited - Director Bac Kan- Viet Nam Chung Jye Shoes Manufacture Limited - Director PT Chung Jye Indonesia - Director Fusionsole Footwear Private Limited - Director Director, Chung Jye Charity Foundation	Chairman	An-Che Liu	Brother-in-law	
													Director, President, and CEO	Yu-Hsuan Liu	Brother-in-law	
Executive Vice President	The People's Republic of China	Cheng-Zhi Liu	Female	2022.08.01	200,000	0.13%	-	-	-	-	<u>Educational background:</u> XinYang College of Agriculture and Forestry, Henan Province <u>Experience:</u> 2001 Assistant manager of sales, manager, Deputy Assistant Vice President, Assistant Vice President, and Vice President of Chung Jye Group 2022/08 - Present Executive Vice President of Chung Jye Group	-	-	-	-	-
Executive Vice President (Note 2)	Republic of China	Yu-Hsin Chen		2025.06.30	-	-	3,000	0.002%	-	-	<u>Educational background:</u> Master of Computer Science and Information Engineering, Tunghai University <u>Experience:</u> Senior Manager, STELLA ROMANO TRADING LIMITED, 2009-2022 R&D Director, ANTA Sports Products Limited, 2022-2025 Joined Chung Jye Group in April 2025, previously serving as Special Assistant and Vice President.	-	-	-	-	-

Title	Nationality	Name	Gender	Date of (election) assumption	Shares held		Shares held by spouse and minors		Shares held in the name of others		Major experience (educational background)	Positions held in other companies	Managers who are spouses or relatives within the 2nd degree of kinship			Remarks
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
											2026/01 - Present Executive Vice President of Chung Jye Group					
Vice President	Republic of China	LIN, WEI-CHEN		2023.07.01	122,024	0.08%	3,850	0.002%	-	-	<u>Educational background:</u> Chienkuo Technology University <u>Experience:</u> Joined Chung Jye Group in 1998, previously serving as Deputy Assistant Vice President, Assistant Vice President, and Executive Assistant Vice President. 2023/07 - Present Vice President of Chung Jye Group	-	,	,	,	,
Vice President	Republic of China	TENG, KUO-HSIANG		2022.05.01	246,000	0.16%	-	-	-	-	<u>Educational background:</u> Ming-Der Senior High School <u>Experience:</u> 1994 Joined Chung Jye Group 2022/05 - Present Vice President of Chung Jye Group	-	,	,	,	,
Vice President	Republic of China	Wang, Ying-Jen	Male	2024.08.30	3,000	0.002%	-	-	-	-	<u>Educational background:</u> Department of Mold and Die Engineering, National Kaohsiung Institute of Technology <u>Experience:</u> Headquarters of Stella Romano Trading Limited in Vietnam, Bangladesh, and China 2023/09 Joined Chung Jye Grup as a special assistant in Vietnam	-	,	,	,	,

Title	Nationality	Name	Gender	Date of (election) assumption	Shares held		Shares held by spouse and minors		Shares held in the name of others		Major experience (educational background)	Positions held in other companies	Managers who are spouses or relatives within the 2nd degree of kinship			Remarks
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Vice President	The People's Republic of China	ZHAN, SHI-FEI	Male	2023.07.01	40,000	0.03%	-	-	-	-	<u>Educational background:</u> Department of Geosciences, University of Science and Technology Beijing <u>Experience:</u> 1994/08 Section chief, assistant manager, and assistant vice president of Kingo Rubber Shoes Factory Ltd. 2012/07 Manager of Yong Jye Shoe Corporation 2014/06 Assistant Vice President and Executive Assistant Vice President of Chung Jye Group 2023/07 - Present Vice President of Chung Jye Group	-	-	-	-	-
Executive Assistant Vice President	Republic of China	CHEN, YI-CHIEH	Male	2021.09.01	121,024	0.08%	-	-	-	-	<u>Educational background:</u> Business Administration, Ling Tung Institute of Technology <u>Experience:</u> 2014 Deputy Assistant Vice President and Assistant Vice President of Chung Jye Group 2021/09 Executive Assistant Vice President, Chung Jye Group	-	-	-	-	-
Assistant Vice President and Information Security Officer	Republic of China	Chang, Yuan-Ming	Male	2016.07.02	69,972	0.04%	-	-	-	-	<u>Educational background:</u> Department of Industrial and Systems Engineering, Chung Yuan Christian University Master in Industrial Engineering and Engineering Management, National Tsing Hua University <u>Experience:</u> 2012 Manager of Pou Chen Group 2016/07 - Present Assistant	Director, Chung Jye Charity Foundation	-	-	-	-

Title	Nationality	Name	Gender	Date of (election) assumption	Shares held		Shares held by spouse and minors		Shares held in the name of others		Major experience (educational background)	Positions held in other companies	Managers who are spouses or relatives within the 2nd degree of kinship			Remarks
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
											Vice President of the Information Center of Chung Jye Group					
Finance and Accounting Supervisor	Republic of China	Ying-Tzu Tsai		2023.12.19	69,972	0.04%	-	-	-	-	<u>Educational background:</u> Department of Financial Management, National Sun Yat-sen University <u>Experience:</u> 2005/07 Deloitte Taiwan 2018/04 - Presently Deputy Assistant Manager, Assistant Manager of Chung Jye Group	Director, Chung Jye Charity Foundation	,	,	,	,
Chief Auditor	Republic of China	Huang, Chen-Chen		2018.12.03	-	-	-	-	-	-	<u>Educational background:</u> Department of Accounting, Soochow University <u>Experience:</u> 2004/07 Deloitte Taiwan 2007/06 Deloitte Touche Tohmatsu 2018/12 - Present, Chief Auditor of Chung Jye Group	-	,	,	,	,
Corporate Governance Officer & Spokesperson	Republic of China	Chen Jung-Sung		2023.09.14	2,000	0.001%	3,000	0.002%	-	-	<u>Educational background:</u> MBA, National Chung Hsing University <u>Experience:</u> Assistant Manager, Deputy Manager, Manager, and Senior Manager at E.SUN Commercial Bank, Ltd., 1991-2023 2014~2022 Union Commercial Bank -Senior Manager 2016~2021 R.C. of Phnom Penh Capital Director, Treasurer 2023/08 - Present, Corporate Governance Officer of Chung Jye Group	Fusionsole Footwear Private Limited - Director	,	,	,	,

- Note 1: To comply with corporate governance, the Company resolved through the Board of Directors on November 12, 2025, that the Chairman would no longer concurrently serve as Chief Executive Officer, and Director Yu-Hsuan Liu would concurrently serve as President and Chief Executive Officer of the Group. During the period when Chairman An-Che Liu concurrently served as Chief Executive Officer, the Company elected four Independent Directors (exceeding half of the Director seats) and established the Audit Committee. The Company supervised its operations through the Audit Committee to strengthen the operations and supervisory functions of the Board of Directors.
- Note 2: Personnel changes on January 1, 2026—Vice President and Chief Sustainability Officer Yen-Liang Lai was promoted to Executive Vice President and Chief Sustainability Officer, and Vice President Yu-Hsin Chen was promoted to Executive Vice President.

II. Remuneration paid to Directors, supervisors, President, and Vice Presidents

(I) Remuneration of general Directors and Independent Directors (disclose names in aggregate and ranges)

December 31, 2025

Unit: NT\$ thousand; thousand shares; %

Title	Name	Remuneration of Directors								Sum of A, B, C, and D and as a percentage of net profit after tax		Relevant remuneration received from the concurrent position as an employee								Sum of A, B, C, D, E, F, and G <u>and</u> as a percentage of net profit after tax		Remuneration from investees other than subsidiaries or parent company
		Compensation (A)		Severance pay and pension (B)		Remuneration of Directors (C)		Business execution allowance (D)				Salaries, bonuses, and special allowances (E)		Severance pay and pension (F)		Remuneration of employees (G)						
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company		All companies included in the financial statements		The Company	All companies included in the financial statements	
Amount in cash	Amount in stock															Amount in cash	Amount in stock					
Chairman	An-Che Liu	1,137	1,137	-	-	0	0	-	-	1,137 0.21%	1,137 0.21%	-	30,158	207	0	-	0	-	1,137 0.21%	31,502 5.87%	-	
Directors	Chiung-Wen Liu																					
Directors	Yu-Hsuan Liu																					
Independent Director	Cheng-Wen Cheng	4,200	4,200	-	-	-	-	228	228	4,428 0.82%	4,428 0.82%	-	-	-	-	-	-	-	4,428 0.82%	4,428 0.82%	-	
	Kuan-Cheng Ko																					
	Fu-Chiang Tsai																					
	Ming-Hui Hsieh																					

- The policy, system, standard and structure of the remuneration paid to Independent Directors, and describe the correlation with the amount of remuneration based on the responsibilities, risks, time invested and other factors:
The remuneration of the Company's Directors is drafted and issued for distribution by the Board of Directors in accordance with the authorization of the Articles of Incorporation, based on the Directors' degree of participation in the Company's operations and contribution values, linking with sustainability performance, and simultaneously referencing domestic and international peer levels. If the Company generates a profit, the Board of Directors resolves the amount of Directors' remuneration in accordance with the provisions of the Articles of Incorporation. Independent Directors additionally serve as members of the Audit Committee and Remuneration Committee. Considering their assumed responsibilities, borne risks, and invested time, reasonable remuneration is additionally stipulated; however, they do not participate in the distribution of annual remuneration.
- Except for the disclosures in the table above, remuneration received by Directors of the Company for the provision of services (i.e., being the non-employee consultant of the parent company/all companies included in the financial statements/investees) in the most recent year: None.
- Chairman An-Che Liu was approved by the Board of Directors on November 12, 2025, to no longer concurrently serve as Chief Executive Officer.

Table of Remuneration Range

Remuneration range paid to the Directors of the Company	Name of Director			
	Total of A+B+C+D		Total of A+B+C+D+E+F+G	
	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements
Less than NT\$1,000,000				
NT\$1,000,000 (inclusive) - NT\$2,000,000 (exclusive)	An-Che Liu Cheng-Wen Cheng, Kuan-Cheng Ko, Fu-Chiang Tsai, Ming-Hui Hsieh	An-Che Liu Cheng-Wen Cheng, Kuan-Cheng Ko, Fu-Chiang Tsai, Ming-Hui Hsieh	An-Che Liu Cheng-Wen Cheng, Kuan-Cheng Ko, Fu-Chiang Tsai, Ming-Hui Hsieh	Cheng-Wen Cheng, Kuan-Cheng Ko, Fu-Chiang Tsai, Ming-Hui Hsieh
NT\$2,000,000 (inclusive) - NT\$3,500,000 (exclusive)				
NT\$3,500,000 (inclusive) - NT\$5,000,000 (exclusive)				
NT\$5,000,000 (inclusive) - NT\$10,000,000 (exclusive)				
NT\$10,000,000 (inclusive) - NT\$15,000,000 (exclusive)				An-Che Liu; Chiung-Wen Liu; Yu-Hsuan Liu
NT\$15,000,000 (inclusive) - NT\$30,000,000 (exclusive)				
NT\$30,000,000 (inclusive) - NT\$50,000,000 (exclusive)				
NT\$50,000,000 (inclusive) - NT\$100,000,000 (exclusive)				
Over NT\$100,000,000				
Total	7 people	7 people	7 people	7 people

(II) Remuneration of supervisors: The Company has no supervisor; therefore, this is not applicable.

(III) Remuneration paid to the President and Vice President in the most recent year (disclose names in aggregate and ranges)

December 31, 2025

Unit: NT\$ thousand; %; thousand shares

Title	Name	Salaries (A)		Severance pay and pension (B)		Bonuses and special allowances (C)		Remuneration of employees (D) (Note 4)				Sum of A, B, C, and D <u>and</u> as a percentage of net profit after tax (%)		Remuneration from investees other than subsidiaries or parent company
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company		All companies included in the financial statements		The Company	All companies included in the financial statements	
								Amount in cash	Amount in stock	Amount in cash	Amount in stock			
Chairman (Note 1)	An-Che Liu	-	49,747	-	706	7,453	23,153	0	-	0	-	7,453 1.39%	73,606 13.71%	-
President and CEO (Note 1)	Yu-Hsuan Liu													
Vice Chairman and CFO	Chiung-Wen Liu													
Vice President and CSO (Note 2)	Yen-Liang Lai													
Executive Vice President	Cheng-Zhi Liu													
Executive Vice President (Note 3)	Yu-Hsin Chen													
Vice President	LIN, WEI-CHEN													
Vice President	TENG, KUO-HSIANG													
Vice President	Wang, Ying-Jen													
Vice President	ZHAN, SHI-FEI													

Note 1: To comply with corporate governance, the Company resolved through the Board of Directors on November 12, 2025, that the Chairman would no longer concurrently serve as Chief Executive Officer, and Director Yu-Hsuan Liu would concurrently serve as President and Chief Executive Officer of the Group.

Note 2: Vice President Yen-Liang Lai was approved by the Board of Directors on December 31, 2025, to be promoted to Executive Vice President.

Note 3: Yu-Hsin Chen was approved by the Board of Directors on June 30, 2025, to be promoted to Vice President, and approved by the Board of Directors on December 31, 2025, to be promoted to Executive Vice President.

Note 4: The amount of employee remuneration for 2025 was distributed upon approval by the Board of Directors on March 9, 2026.

Table of Remuneration Range
2025

Range of remuneration paid to the President and Vice Presidents by the Company	Name of the President and Vice Presidents	
	The Company	All companies included in the financial statements
Less than NT\$1,000,000	LIN, WEI-CHEN, TENG, KUO-HSIANG	
NT\$1,000,000 (inclusive) - NT\$2,000,000 (exclusive)	ZHAN, SHI-FEI	
NT\$2,000,000 (inclusive) - NT\$3,500,000 (exclusive)		Yu-Hsin Chen
NT\$3,500,000 (inclusive) - NT\$5,000,000 (exclusive)		LIN, WEI-CHEN, TENG, KUO-HSIANG, ZHAN, SHI-FEI
NT\$5,000,000 (inclusive) - NT\$10,000,000 (exclusive)	Cheng-Zhi Liu	Yen-Liang Lai, Wang, Ying-Jen
NT\$10,000,000 (inclusive) - NT\$15,000,000 (exclusive)		An-Che Liu, Chiung-Wen Liu, Yu-Hsuan Liu, CHENG-ZHI
NT\$15,000,000 (inclusive) - NT\$30,000,000 (exclusive)		
NT\$30,000,000 (inclusive) - NT\$50,000,000 (exclusive)		
NT\$50,000,000 (inclusive) - NT\$100,000,000 (exclusive)		
Over NT\$100,000,000		
Total	4 people	10 people

(IV) Names of managers distributing employee remuneration and the distribution status:

December 31, 2025; unit: NT\$ thousand

Item	Title	Name	Amount in stock	Amount in cash	Total	Total amount as a percentage of net profit after tax (%)
Manager	Chairman (Note 1)	An-Che Liu	-	0	0	0
	President and CEO (Note 1)	Yu-Hsuan Liu				
	Vice Chairman and CFO	Chiung-Wen Liu				
	Vice President and CSO (Note 2)	Yen-Liang Lai				
	Executive Vice President	Cheng-Zhi Liu				
	Executive Vice President (Note 3)	Yu-Hsin Chen				
	Vice President	LIN, WEI-CHEN				
	Vice President	TENG, KUO-HSIANG				
	Vice President	Wang, Ying-Jen				
	Vice President	ZHAN, SHI-FEI				
	Executive Assistant Vice President (Note 4)	HE, YI-QUN				
	Executive Assistant Vice President	CHEN, YI-CHIEH				
	Assistant Vice President and Information Security Officer	Chang, Yuan-Ming				
	Finance and Accounting Supervisor	Ying-Tzu Tsai				
	Chief Auditor	Huang, Chen-Chen				
	Corporate Governance Officer & Spokesperson	Chen Jung-Sung				

Note 1: To comply with corporate governance, the Company resolved through the Board of Directors on November 12, 2025, that the Chairman would no longer concurrently serve as Chief Executive Officer, and Director Yu-Hsuan Liu would concurrently serve as President and Chief Executive Officer of the Group.

Note 2: Vice President Yen-Liang Lai was approved by the Board of Directors on December 31, 2025, to be promoted to Executive Vice President.

Note 3: Yu-Hsin Chen was approved by the Board of Directors on June 30, 2025, to be promoted to Vice President, and approved by the Board of Directors on December 31, 2025, to be promoted to Executive Vice President.

Note 4: HE, YI-QUN was approved by the Board of Directors for dismissal on June 30, 2025.

Note 5: The amount of employee remuneration for 2025 was distributed upon approval by the Board of Directors on March 9, 2026.

(V) Total amount of remuneration paid to the Company's Directors, supervisors, President, and Vice Presidents in the most recent two years by the Company and all companies included in the consolidated financial statements as a percentage of the profit after tax and a description of the policy, standard, and package for the payment of remuneration, the procedure for determining remuneration, and their correlation with operating performance and future risks.

1. Analysis of the total amount of remuneration paid to the Company's Directors, supervisors, President, and Vice Presidents by the Company in the most recent two years as a percentage of profit after tax

Unit: NT\$ thousand

Item	2024				2025			
	The Company		All companies included in the consolidated financial statements		The Company		All companies included in the consolidated financial statements	
	Total amount	As a percentage of net profit after tax	Total amount	As a percentage of net profit after tax	Total amount	As a percentage of net profit after tax	Total amount	As a percentage of net profit after tax
Directors	40,249	2.35%	66,109	3.86%	5,565	1.03%	35,930	6.69%
President and Vice Presidents	27,257	1.59%	92,475	5.40%	7,453	1.39%	73,606	13.71%

Note 1: The net profit after tax of the Company in 2024 and 2025 was NT\$1,710,942 thousand and NT\$536,855 thousand, respectively.

2. The policy, standard, and package for the payment of remuneration, the procedure for determining remuneration, and their correlation with operating performance and future risks are described as follows:
 - i. According to the Articles of Incorporation, if the Company records a profit for the year, it shall appropriate at least 0.1% and at most 3% as the remuneration of employees for the Board to resolve whether to make the distribution in stock or cash. The distribution counterparty includes employees of subordinates, and the Board determines the distribution qualifications. The Board may resolve to appropriate up to 3% as the remuneration of Directors (excluding Independent Directors) based on the abovementioned amount of profit and distribute it in cash. The proposal for the remuneration of employees and remuneration of Directors shall be reported to the shareholders' meeting. However, if the Company has accumulated losses, the Company shall first reserve an amount to offset the losses.
 - ii. The Company has its Remuneration Committee composed of three Independent Directors, which is responsible for determining and examining the performance evaluation of Directors and managers and the policy, system, standard and structure of their remuneration while regularly evaluating and establishing the remuneration of Directors and managers with reference to the payment standards among peers. Regarding the remuneration for the President, Vice Presidents, and other managers, varying degrees of remuneration are provided based on considerations of their work results and degrees of contribution to the Company's operations, linking with sustainability performance, which are resolved and passed by the Board of Directors following discussions by the Remuneration Committee.

III. Operation of corporate governance

(I) Operation of the Board:

The Board held a total of 9 meetings [A] in the most recent year (2025) and up to the publication date of the annual report; the attendance (presence) of Directors and Independent Directors is as follows:

Title	Name	Number of attendance (presence) in person (B)	Number of attendance by proxy	Attendance (presence) rate (B/A) %	Remarks
Chairman	An-Che Liu	9	0	100%	
Directors	Chiung-Wen Liu	9	0	100%	
Directors	Yu-Hsuan Liu	9	0	100%	
Independent Director	Cheng-Wen Cheng	9	0	100%	
Independent Director	Kuan-Cheng Ko	9	0	100%	
Independent Director	Fu-Chiang Tsai	9	0	100%	
Independent Director	Ming-Hui Hsieh	8	1	88.89%	Commissioned Independent Director Cheng-Wen Cheng to attend on August 27, 2025.

Other information to be disclosed:

- I. If any of the following circumstances exists with respect to the operation of the Board, the date and session of the Board meeting, the content of the proposal, the opinions of all Independent Directors, and the Company's handling of the opinions shall be specified:
- (I) Matters listed in Article 14-3 of the Securities and Exchange Act
The Company has established its Audit Committee; therefore, Article 14-3 of the Securities and Exchange Act is not applicable. For the description of matters listed in Article 14-5 of the Securities and Exchange Act, please refer to the operation of the Audit Committee.
- (II) Board meeting resolutions to which Independent Directors raised objections or qualified opinions recorded or stated in writing, other than those aforementioned: None.
- II. For the recusal of a Director from a proposal due to a conflict of interest, the name of the Director, the content of the proposal, the reason for recusal, and his/her participation in voting shall be disclosed:

Date/session of the Board meeting	Name of the recused Director	Content of the proposal	Reasons for the recusal	Participation in voting
2025.02.13 13th Meeting of the 2nd Session	An-Che Liu Chiung-Wen Liu Yu-Hsuan Liu	Proposal for the donations made by subsidiary "Chung Jye Shoes Holdings Limited Taiwan Branch" to "Chung Jye Charity Foundation."	The Directors have interests in the donation proposal; therefore, they recused themselves for the conflicts of interest.	Apart from the Directors below, who recused themselves according to the law, all attending Directors agreed to approve the proposal as proposed after inquiries made by the acting chairperson.
2025.02.13 13th Meeting of the 2nd Session	An-Che Liu Chiung-Wen Liu Yu-Hsuan Liu	Proposal for the distribution of employee and Directors' remuneration	The Directors have interests; therefore, they recused themselves for the conflicts of interest.	Apart from the Directors below, who recused themselves according to the law, all attending Directors agreed to approve the proposal as proposed after inquiries made by the acting chairperson.
2025.11.12 19th Meeting of the 2nd Session	An-Che Liu Yu-Hsuan Liu	Proposal for the Company's personnel adjustments	The Directors have interests; therefore, they recused themselves for the conflicts of interest.	Apart from the Directors below, who recused themselves according to the law, all attending Directors agreed to approve the proposal as proposed after inquiries made by the acting chairperson.
2025.11.12 19th Meeting of the 2nd Session	An-Che Liu	Proposal for the salary payment of the Company's Chairman, Mr. An-Che Liu	The Directors have interests; therefore, they recused themselves for the conflicts of interest.	Apart from the Directors below, who recused themselves according to the law, all attending Directors agreed to approve the proposal as proposed after inquiries made by the acting chairperson.
Date/session of the Board meeting	Recusal Name of Director	Content of the proposal	Reasons for the recusal	Participation in voting
2025.12.31 20th Meeting of the 2nd Session	Fu-Chiang Tsai Ming-Hui Hsieh Cheng-Wen Cheng Kuan-Cheng Ko	Proposal for the remuneration of the Company's Independent Directors	The independent directors have interests; therefore, they recused themselves for the conflicts of interest.	Apart from the Directors below, who recused themselves according to the law, all attending Directors agreed to approve the proposal as proposed after inquiries made by the acting chairperson.
2025.12.31 20th Meeting of the 2nd Session	An-Che Liu Chiung-Wen Liu Yu-Hsuan Liu	Proposal for the distribution of the year-end bonuses of Directors and managers for 2025	The Directors have interests; therefore, they recused themselves for the conflicts of interest.	Apart from the Directors below, who recused themselves according to the law, all attending Directors agreed to approve the proposal as proposed after inquiries made by the acting chairperson.
2025.12.31 20th Meeting of the 2nd Session	An-Che Liu Chiung-Wen Liu Yu-Hsuan Liu	Proposal for evaluating the content and amounts of individual salary and remuneration for the Company's Directors and managers	The Directors have interests; therefore, they recused themselves for the conflicts of interest.	Apart from the Directors below, who recused themselves according to the law, all attending Directors agreed to approve the proposal as proposed after inquiries made by the acting chairperson.
2025.12.31 20th Meeting of the 2nd Session	Yu-Hsuan Liu	Changes of the Company's Spokesperson & Acting Spokesperson	The Directors have interests; therefore, they recused themselves for the conflicts of interest.	Apart from the Directors below, who recused themselves according to the law, all attending Directors agreed to approve the proposal as proposed after inquiries made by the acting chairperson.

2026.03.09 21st Meeting of the 2nd Session	An-Che Liu Chiung-Wen Liu Yu-Hsuan Liu	Proposal for the distribution of remuneration to the Company's employees, Directors, and managers	The Directors have interests; therefore, they recused themselves for the conflicts of interest.	Apart from the Directors below, who recused themselves according to the law, all attending Directors agreed to approve the proposal as proposed after inquiries made by the acting chairperson.
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III. TWSE/TPEX listed companies shall disclose the cycle, period, scope, method, and items of the self-evaluation (or peer evaluation) of the Board and fill in the implementation status of the Board evaluation in the following table:

To implement corporate governance, elevate the functions of the Company's Board of Directors, and establish performance targets to strengthen the operational efficiency of the Board of Directors, the Company resolved and passed the "Rules for Performance Evaluation of Board of Directors" through the Board of Directors on September 14, 2023. In accordance with the regulations of the aforementioned rules, in addition to conducting internal evaluations annually, external professional and independent institutions shall be commissioned to execute performance evaluations at least once every three years. To comply with the aforementioned provisions, the Company commissioned the "Taiwan Board Performance Association" to conduct external evaluation operations on December 22, 2025. The results of this evaluation were submitted and reported to the Board of Directors on March 9, 2026.

Evaluation cycle	Evaluation period	Scope of evaluation	Evaluation method	Evaluation content
Internal self-evaluations are executed once every year	2025.01.01~ 2025.12.31	The overall Board	Internal self-evaluation of the Board	1. Level of participation in the Company's operations 2. Improvement in the decision-making quality of the Board; 3. Board composition and structure 4. Election and continuing education of Directors 5. Internal control
		Individual Board member	Self-evaluation of all Directors	1. Comprehension of the Company's targets and missions 2. Awareness of Directors' duties 3. Level of participation in the Company's operations 4. Internal relationship management and communication 5. Professional and continuing education of Directors 6. Internal control
		Functional committees	Self-evaluation of members of functional committees	1. Level of participation in the Company's operations 2. Awareness of the functional committee's duties 3. Improvement in the decision-making quality of the functional committee 4. Functional committee composition and member election 5. Internal control
Evaluation cycle	Evaluation period and scope		Evaluation method	Evaluation content
External evaluations are executed once every three years	The Company commissioned an external independent institution, the Taiwan Board Performance Association, to execute evaluations of the Board of Directors, Board of Directors members, functional committee members, and relevant managers in 2026 for the period from January 1, 2023, to December 31, 2025.		Executed through reviewing the Company's self-evaluation questionnaires and conducting video interview evaluations with Board of Directors members and relevant managers.	1. Board composition and structure 2. Election and continuing education of directors 3. Level of the Board's participation in the Company's operations 4. Improvement in the decision-making quality of the Board; 5. Internal control 6. Sustainability development 7. Value creation

IV. Targets for the enhancement of the functionality of the Board in the current year and the most recent year (i.e., the establishment of the Audit Committee and the improvement in information transparency) and the evaluation thereof:

- (I) The Company has established the "Regulations Governing the Procedure for Board Meetings" in accordance with the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies" for observation.
- (II) The Company's Board of Directors members possess diversified professional backgrounds, encompassing fields such as industrial operations, academia, and law. To implement the diversity policy, the Company elected one female Independent Director on May 10, 2024, bringing the number of female Directors to two to elevate the balance of decision-making.
- (III) The Company established the 1st Remuneration Committee on June 15, 2023. It was unanimously passed without objection by all Directors to appoint three Independent Directors, Cheng-Wen Cheng, Kuan-Cheng Ko, and Fu-Chiang Tsai, as committee members to regularly evaluate and review the salary and remuneration policies and systems for the Company's Directors and managers.
- (IV) To implement ESG sustainable development, the Company established the 1st Sustainability Development Committee on April 29, 2024. All Directors serve as members to jointly formulate

and supervise sustainable development strategies and execution plans to strengthen corporate governance and sustainable development.

- (V) The Company highly values investor equity and information transparency. Following each Board of Directors meeting, material resolutions are immediately announced, and the Company irregularly participates in institutional investor conferences to promote two-way communication with stakeholders.

(II) Operation of the Audit Committee:

The Company established its Audit Committee on June 15, 2023. The Audit Committee consists of four Independent Directors. The Audit Committee held 9 meetings [A] in the most recent year (2025) and up to the publication date of the annual report; the attendance (presence) of Independent Directors is as follows:

Title	Name	Number of attendance (presence) in person (B)	Number of attendance by proxy	Attendance (presence) rate (B/A) %	Remarks
Independent Director	Cheng-Wen Cheng	9	0	100%	
Independent Director	Kuan-Cheng Ko	9	0	100%	
Independent Director	Fu-Chiang Tsai	9	0	100%	
Independent Director	Ming-Hui Hsieh	8	1	88.89%	Commissioned Independent Director Cheng-Wen Cheng to attend on August 27, 2025.

Other information to be disclosed:

- I. If any of the following circumstances exists with respect to the operation of the Audit Committee, the date and session of the Audit Committee meeting, the content of the proposal, the objections, qualified opinions, or material suggestions from Independent Directors, the resolutions of the Audit Committee, and the Company's handling of the opinions of Audit Committee members shall be specified:

- (I) Matters listed in Article 14-5 of the Securities and Exchange Act:

Date/ session of the meeting	Content of the proposal	Audit Committee's resolution	The Company's handling of the opinions of Audit Committee members
2025.02.13 12th Meeting of the 1st Session	1. Proposal for investments in Sragen in Indonesia 2. Proposal for the increase in investments in subsidiary Noble Success Group Limited in the amount of US\$50 million and the capital increase in cash of PT Chung Jye Indonesia, an investee in Indonesia, through Noble Success Group Limited and Agile Gain Investment Limited. 3. Proposal for the donations made by subsidiary “Chung Jye Shoes Holdings Limited Taiwan Branch” to “Chung Jye Charity Foundation” to fulfill corporate social responsibility. 4. 2024 Statement of internal Control System.	Approved by all attending members	Approved as proposed
2025.03.12 13th Meeting of the 1st Session	1. The Company's 2024 Business Report and Financial Statements Proposal. 2. Proposal for the earning distribution for 2024. 3. Proposal for the distribution of cash dividends from earnings for 2024. 4. Proposal for the AQI report of the CPA firm and the evaluation of the independence and competence of CPAs for the financial statements.	Approved by all attending members	Approved as proposed
2025.04.08 14th Meeting of the 1st Session	1. Proposal for the issuance of restricted stock awards (RSAs). 2. Proposal for the list of pre-approved non-assurance services.	Approved by all attending members	Approved as proposed
2025.05.12 15th Meeting of the 1st Session	1. 2025 Q1 consolidated financial statements. 2. Proposal for the Shoe factory capital increase plan in Bắc Kạn City, Vietnam. 3. Proposal for the retroactive ratification of the Company's fund lending to the subsidiary, Samoa Chung Jye Shoes Co., Ltd. 4. Proposal for the adjustment of the Company's investment structure for subsidiaries in the China region. 5. Proposal for the Company's fund lending to the subsidiary, Samoa Chung Jye Shoes Co., Ltd. 6. Proposal for the Company's intended amendments to the "Procedures for Engaging in Derivatives Trading."	Approved by all attending members	Approved as proposed
2025.06.30 16th Meeting of the 1st Session	1. Proposal for the Company's intention to apply for credit lines from banks. 2. Proposal for the endorsements and guarantees provided by the subsidiary of the Group. 3. Proposal for the adjustment of the Company's organizational structure. 4. Proposal for the amendment of the “Regulations for Loaning of Funds to Others and Endorsements and Guarantees.”	Approved by all attending members	Approved as proposed
2025.08.27 17th Meeting of the 1st Session	1. 2025 Q2 consolidated financial statements. 2. Proposal for the adjustment of the Company's 2025 budget. 3. (Retroactive Ratification) Proposal for amendments to the Company's Employee Restricted Stock Awards Rules. 4. Proposal regarding the Company's employees being allocated the 1st issuance of employee restricted stock awards in 2025. 5. Proposal for the Company's intention to establish the "Procedures for Financial and Business Matters Between this Corporation and its Related Parties."	Approved by all attending members	Approved as proposed
2025.11.12 18th Meeting of the 1st Session	1. 2025 Q3 consolidated financial statements. 2. Proposal for the Company's group subsidiary, Samoa Chung Jye Shoes Co., Ltd., intending to apply for credit lines from the Cathay United Bank Hong Kong Branch. 3. Proposal for the Company providing endorsements and guarantees for the group subsidiary, Samoa Chung Jye Shoes Co., Ltd. 4. Proposal for the Company's subsidiary, Samoa Chung Jye Shoes Co., Ltd. (Chung Jye Shoes Holdings Limited), intending to lend funds of US\$5 million to the Company's subsidiary, Wealthy International Ltd. 5. Proposal for the adjustment of the Company's organizational structure. 6. Proposal for the Company's personnel adjustments. 7. Proposal for the Company's intended amendments to the Procedures for Handling Material Inside Information. 8. Proposal for the Company's intended amendments to the "Seal Management Procedures." 9. Proposal for the Company's intended amendments to the "Procedures for the Acquisition or Disposal of Assets."	Approved by all attending members	Approved as proposed
2025.12.31 19th Meeting of the 1st Session	1. The Company's 2026 business plan and budgets. 2. The Company's 2026 audit plan. 3. Proposal for the Company providing endorsements and guarantees for three Vietnam subsidiaries of the group: Viet Nam Chung Jye Shoes Manufacture Co., Ltd. (hereinafter referred to as Hai Duong Chung Jye), Ninh Binh-Viet Nam Chung Jye Shoes Manufacture Company Limited. (hereinafter referred to as Ninh Binh Chung Jye), and Tuyen Quang-Viet Nam Chung Jye Shoes Manufacture Company Limited. (hereinafter referred to as Tuyen Quang Chung Jye). 4. Proposal for the adjustment of the Company's organizational structure. 5. Proposal for the submission of the “2026 filing and statements” to the Companies Register of the Cayman Islands. 6. Proposal for the submission of the “2025 ES notification” to the Cayman Islands.	Approved by all attending members	Approved as proposed

	7. Proposal for the amendment of the “Regulations for Sustainability Information Management.”		
2026.03.09 20th Meeting of the 1st Session	1. 2025 Business Report and financial statements. 2. Proposal for the distribution of remuneration for employees. 3. Proposal for the earning distribution for 2025. 4. Proposal for the distribution of cash dividends from earnings for 2025. 5. Proposal for the AQI report of the CPA firm and the evaluation of the independence and competence of CPAs for the financial statements. 6. 2025 Statement of internal Control System. 7. Proposal for the Company's fund lending to the subsidiary, Samoa Chung Jye Shoes Co., Ltd. 8. Proposal for the donations made by subsidiary “Chung Jye Shoes Holdings Limited Taiwan Branch” to “Chung Jye Charity Foundation” to fulfill corporate social responsibility. 9. The Company intends to amend the "Procedures for Lending Funds and Making Endorsements/Guarantees."	Approved by all attending members	Approved as proposed
(II) Resolutions not passed by the Audit Committee but approved by two-thirds or more of all Directors, other than those aforementioned: None.			
II. For the recusal of an Independent Director from a proposal due to a conflict of interest, the name of the Independent Director, the content of the proposal, the reason for recusal, and his/her participation in voting shall be disclosed: None.			
III. Communication between Independent Directors and the Chief Internal Auditor and CPAs (shall include the material matters of communication for the finance and business of the Company, methods, and results):			
(I) Communication principles between the Company's Independent Directors and Chief Internal Auditor: 1. The Company's Chief Internal Auditor regularly communicates the conditions and results of audit reports with the members of the Audit Committee at Audit Committee meetings prior to each quarterly Board of Directors meeting. 2. If special circumstances occur, the Chief Internal Auditor will also immediately report to the members of the Audit Committee. 3. Summary of communications between Independent Directors and the Chief Internal Auditor in 2025:			

Date	Communication Items	Communication Conditions and Results	Execution Results of the Company's Handling of Independent Directors' Opinions	
2025.02.13	- The Chief Internal Auditor explained the internal audit conditions from October 2024 to December 2024, and the audit items included: - Sales and receipt cycle - Research and development cycle - Management of the operations of the Remuneration Committee - Management of the meeting operations of the Audit Committee - Lending funds to others and endorsements/guarantees - Supervision and management of subsidiaries - Management of the application of International Financial Reporting Standards - Acquisition or disposal of assets - Management of the preparation process for financial statements - Management of the rules of procedure for Board of Directors meetings - Processes for professional accounting judgment procedures, and changes in accounting policies and estimates - Compliance matters with laws and regulations - Tracking of the improvement conditions for internal control deficiencies and abnormal matters in Q4 2024 - The Chief Internal Auditor explained the self-assessment results of the internal control system for 2024 and discussed relevant narratives regarding the Internal Control System Statement.	All attending members of the Audit Committee agreed to acknowledge the report.	No opinions at this meeting.	
2025.05.12	- The Chief Internal Auditor explained the internal audit conditions from January 2025 to March 2025, and the audit items included: - Payroll cycle - Investment cycle - Research and development cycle - Management of official seals and the requisition of notes - Execution of job authorizations and deputy systems - Budget management - Lending funds to others and endorsements/guarantees - Management of related party operations - Management of preventing insider trading - Sales and receipt cycle - Management of related party operations - Tracking of the improvement conditions for internal control deficiencies and abnormal matters in Q1 2025	All attending members of the Audit Committee agreed to acknowledge the report.	No opinions at this meeting.	
2025.08.27	- The Chief Internal Auditor explained the internal audit conditions from April 2025 to June 2025, and the audit items included: - Procurement and payment cycle - Production cycle - Derivative commodity trading operations of the investment cycle - Lending funds to others and endorsements/guarantees - Management of the meeting operations of the Audit Committee - Property, plant, and equipment cycle - Acquisition or disposal of assets - Management of liability commitments and contingencies - Tracking of the improvement conditions for internal control deficiencies and abnormal matters in Q2 2025	All attending members of the Audit Committee agreed to acknowledge the report.	No opinions at this meeting.	
2025.12.31	- The Chief Internal Auditor explained the internal audit conditions from July 2025 to November 2025, and the audit items included: - Information cycle - Management of financial and non-financial information - Management of the rules of procedure for Board of Directors meetings - Management of the operations of the Remuneration Committee - Investment cycle - Lending funds to others and endorsements/guarantees - Management of the application of International Financial Reporting Standards - Processes for professional accounting judgment procedures, and changes in accounting policies and estimates - Sustainability information management - Sales and receipt cycle - Research and development cycle - Management of the preparation process for financial statements - Supervision and management of subsidiaries - Stock affairs operations management - Procurement and payment cycle - Production cycle - Personal data protection work - Tracking of the improvement conditions for internal control deficiencies and abnormal matters in Q3 2025	All attending members of the Audit Committee agreed to acknowledge the report.	No opinions at this meeting.	
2026.03.09	- The Chief Internal Auditor explained the internal audit conditions from December 2025 to January 2026, and the audit items included: - Financing cycle - Investment cycle - Lending funds to others and endorsements/guarantees - Compliance matters with laws and regulations - Information cycle - Management of liability commitments and contingencies - Management of financial and non-financial information - Tracking of the improvement conditions for internal control deficiencies and abnormal matters in Q4 2025	All attending members of the Audit Committee agreed to acknowledge the report.	No opinions at this meeting.	

(II) Communication principles between the Company's Independent Directors and the attesting CPAs:

1. The Company's attesting CPAs communicate and explain the audit or review results of the quarterly financial statements with Independent Directors during the quarterly Audit Committee meetings.
2. The Company's attesting CPAs communicate and explain communication items required by other relevant laws and regulations with Independent Directors, and if special circumstances occur, they will also immediately report to the members of the Audit Committee.
3. Summary of separate communications between Independent Directors and CPAs in 2025:

Date	Meeting Method	Communication Items	Communication Conditions and Results	Execution Results of the Company's Handling of Independent Directors' Opinions
2025.03.12	Separate meeting	1. Type of audit report and scope of audit for 2024 2. Description of KAM in 2024 3. Audited financial position and financial performance in 2024 4. Legal updates	All attending Independent Directors acknowledged the report, with no other suggestions.	No opinions at this meeting.
2025.03.12	Audit Committee	1. The Audit Committee members reviewed the 2024 consolidated financial statements. 2. Audit and attestation report for the 2024 consolidated financial statements. 3. Discussions on the 2024 earnings distribution. 4. Assessment report on Audit Quality Indicators (AQI) and the independence and suitability of the attesting CPAs.	All attending members of the Audit Committee agreed to acknowledge the report.	No opinions at this meeting.
2025.04.08	Audit Committee	1. Discussions on the pre-approved list of non-assurance services.	All attending members of the Audit Committee agreed to acknowledge the report.	No opinions at this meeting.
2025.05.12	Audit Committee	1. Review the report on the consolidated financial statements for the first quarter of 2025.	All attending members of the Audit Committee agreed to acknowledge the report.	No opinions at this meeting.
2025.08.27	Separate meeting	1. Audit report types and audit scopes for the first half of 2025 2. Explanations of key audit matters for the first half of 2025 3. Explanations of internal control audit deficiencies 4. Audited financial position and financial performance in 2025	All attending Independent Directors acknowledged the report, with no other suggestions.	No opinions at this meeting.
2025.08.27	Audit Committee	1. The Audit Committee members reviewed the consolidated financial statements for the first half of 2025. 2. Audit and attestation report for the 2025 consolidated financial statements.	All attending members of the Audit Committee agreed to acknowledge the report.	No opinions at this meeting.
2026.03.09	Separate meeting	1. Type of audit report and scope & method of audit for 2025 2. Significant risks and key audit matters for 2025 3. Audited financial position and financial performance in 2025 4. Communications on regulatory updates	All attending Independent Directors acknowledged the report, with no other suggestions.	No opinions at this meeting.

(III) The operation of corporate governance, any deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons therefor

Evaluation item	Operation (Note)			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons therefor
	Yes	No	Summary	
I. Has the Company established and disclosed its Corporate Governance Nest Practice Principles in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies?	✓		The Company has established the "Corporate Governance Best Practice Principles" in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies," and all corporate governance practices are subject to the Corporate Governance Best Practice Principles.	No significant deviation
II. The Company's shareholding structure and shareholders' rights and interests				
(I) Has the Company established internal operating procedures to handle shareholders' suggestions, doubts, disputes and litigation matters and implement the procedures?	✓		In addition to the protection of shareholders' rights and interests in the Articles of Incorporation and the "Rules of Procedure for Shareholders' Meetings," the Company has a dedicated department in place to handle matters related to investor relations so as to properly handle shareholders' recommendations, queries and disputes.	No significant deviation
(II) Does the Company keep track of major shareholders who actually control the Company and their ultimate controllers?	✓		In addition to maintaining investor relations and the insider report system, the Company has dedicated personnel in place to handle relevant matters, and a professional stock affairs agency is engaged to handle stock affairs according to the law so as to understand the changes in the list of major shareholders and the ultimate controllers of major shareholders.	No significant deviation
(III) Has the Company established and implemented risk control and firewall mechanisms with its affiliates?	✓		The Company has established the "internal control system," "Regulations for Job Substitutes and Agents," "Regulations for Related Party Transactions," "Regulations for Financial and Non-financial Information of the Group and Subsidiaries," "Regulations for the Supervision of Subsidiaries," "Regulations for Acquisition and Disposal of Assets," and "Regulations for Loaning of Funds to Others and Endorsements and Guarantees" to specify that the management of personnel, assets, and fiance shall be able to effectively assess risks and the establishment of appropriate firewalls.	No significant deviation
(IV) Has the Company established internal regulations to prohibit insiders from trading marketable securities using undisclosed information in the market?	✓		The Company has established the "Procedures for Handling Material Inside Information," "Regulations for Preventing Insider Trading," and "Procedures for Reporting of Changes in Insiders" to specify the recusal of insiders for the conflicts of interest related to their duties and the prohibition of utilizing undisclosed information that they acknowledged or leaking such information to others so as to prevent insider trading and carry out education and promotion for laws and regulations related to insiders.	No significant deviation
III. Board composition and duties				
(I) Has the Board formulated and implemented any diversification policies, set specific management goals, and implemented the goals?	✓		The Company has established the "Corporate Governance Best Practice Principles" to require that the composition of the Board is based on diversification and that the members of the Board shall have the knowledge, skills and literacy required to perform their duties, and they are implemented accordingly.	No significant deviation
(II) Has the company voluntarily established other functional committees in addition to establishing a Remuneration Committee and an Audit Committee as required by law?	✓		The Company established the Remuneration Committee and Audit Committee in 2023 and the Sustainable Development Committee in 2024 to enhance its attention to sustainable development and implementation.	No significant deviation

Evaluation item	Operation (Note)			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons therefor
	Yes	No	Summary	
(III) Has the Company established procedures and methods for evaluating the performance of the Board, conducted annual performance evaluations regularly, reported the results of the performance evaluations to the Board, and used them as a reference for individual Directors' remuneration and nomination for re-appointment?	✓		The Company complies with the formulated "Rules for Performance Evaluation of Board of Directors" and "Rules of Procedure for Board of Directors Meetings," executing internal Board of Directors performance evaluations annually, and stipulates that an evaluation shall be executed by an external professional independent institution or a team of experts and scholars at least once every three years. Given that the three-year evaluation cycle is reached in 2026, the Company commissioned the external professional institution "Taiwan Board Performance Association" on February 13, 2026, to execute video interview evaluations based on seven major dimensions, including: "Board of Directors Composition and Structure," "Election and Continuous Education of Directors," "Degree of Board of Directors Participation in Company Operations," "Elevation of Board of Directors Decision-Making Quality," "Internal Control," "Sustainable Development," and "Value Creation." The Company will report the evaluation results and improvement suggestions, such as suggestions to list information security resilience and whistleblower protection mechanisms as internal control supervision focuses for the Board of Directors, at the Board of Directors meeting on March 9, 2026.	No significant deviation
(IV) Does the Company regularly evaluate the independence of CPAs?	✓		The Company regularly evaluates the professional qualifications and independence of the appointed CPAs. The Company's CPA firm has strict requirements for the independence of its CPAs. An internal rotation system is in place for CPAs to comply with the principle of independence, and the Board shall resolve the appointment. The Company has also obtained the CPA Declaration of Independence and Audit Quality Indicators (AQI) evaluation form for 2025. (Table 1, Table 2).	No significant deviation
IV. Has the TWSE/TPEX listed company appointed an appropriate number of competent corporate governance personnel and designated a Corporate Governance Officer to be in charge of corporate governance-related matters (including but not limited to providing Directors and supervisors with the information needed to perform their duties, assisting Directors and supervisors in compliance with laws and regulations, handling matters related to Board meetings and shareholders' meetings in accordance with the law, and preparing minutes of Board meetings and shareholders' meetings)?	✓		The Board resolved to approve the establishment of the Corporate Governance Officer on September 14, 2023. The Officer possesses three years or more of experience as a supervisor of departments related to legal compliance, internal audit, and finance and is appointed to be responsible for corporate governance-related affairs.	No significant deviation
V. Has the Company created channels for communication with stakeholders (including but not limited to shareholders, employees, customers, and suppliers), set up a stakeholder section on the Company's website, and appropriately responded to important corporate social responsibility	✓		The Company has a spokesperson and an acting spokesperson as the channels for the Company to express opinions to the public, and they handle related responses in accordance with the requirements. A stakeholder section is also set up on the corporate website to serve as a communication channel for opinion exchanges at all times.	No significant deviation

Evaluation item	Operation (Note)			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons therefor
	Yes	No	Summary	
issues of stakeholders' concern?				
VI. Has the Company commissioned a professional stock affairs agency to handle shareholders' meeting affairs?	✓		The Company has appointed the Transfer Agency Department of CTBC Bank to handle affairs of shareholders' meetings.	No significant deviation
VII. Information disclosure				
(I) Has the Company set up a website to disclose its financial, business, and corporate governance information?	✓		The Company's website has established web pages related to financial business and corporate governance to conduct information disclosures. Please refer to the Corporate Governance tab on the Company's official website for corporate governance information. Financial business information website: https://www.chungjye.com.tw/?page_id=4430	No significant deviation
(II) Has the Company adopted other means of information disclosure (e.g., setting up an English website, appointing dedicated personnel to collect and disclose information on the Company, implementing a spokesperson system, posting the proceedings of investor conferences on the Company's website)?	✓		The Company has set up an English website, and all information is disclosed synchronously with the Chinese website. The Company's information collection and disclosures are handled by corresponding dedicated units, and issues related to the Company are handled by the Company's appointed spokesperson and acting spokesperson serving as the window for information disclosures. Institutional investor conferences, convened annually, are handled in accordance with Taiwan Stock Exchange regulations. They are synchronously disclosed in the Investor Relations > Financial Information > Institutional Investor Conferences section of the official website. Website: https://www.chungjye.com.tw/?page_id=4427	No significant deviation
(III) Has the Company announced and reported its annual financial statements within two months after the end of each fiscal year and announced and reported its financial statements for Q1, Q2, and Q3 and the operations of each month prior to the prescribed deadline?	✓		Following the effective registration of the public offering, the Company has announced quarterly financial statements and monthly operational conditions in accordance with regulations, which can be viewed in the Investor Relations > Financial Information > Monthly Revenue Information section of the official website. Monthly revenue information website: https://www.chungjye.com.tw/?page_id=5411	No significant deviation
VIII. Does the Company have other important information that is helpful in understanding the implementation of corporate governance (including but not limited to employees' rights and interests, employee care, investor relations, supplier relations, stakeholders' rights, continuing education of Directors and supervisors, the implementation of risk management policies and risk measurement standards, the implementation of customer policies, and the purchase of liability insurance for Directors and supervisors)?	✓		1. Employee rights and interests: The Company has harmonious labor-management relations and protects the legal rights and interests of employees in accordance with the labor laws of each operating location. The Company has not experienced any major labor-management disputes and has not been imposed with any disciplinary penalty by the competent authority due to any major labor-management disputes or major violations of labor laws. 2. Employee Care: The Company provides employees with reasonable salary remuneration and various bonuses. Each plant handles various employee welfare measures, irregular team-building activities or dinners, travel subsidies, support for marriages, funerals, and celebrations, as well as emergency assistance, in accordance with local national laws. Favorable labor-management relations with trust and reliance are established. 3. Investor Relations: The Company has established a corporate website to disclose necessary information to various stakeholders in accordance with the law. Simultaneously, a spokesperson system is established, and smooth communication channels are constructed to ensure investor equity.	No significant deviation

Evaluation item	Operation (Note)			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons therefor
	Yes	No	Summary	
			4. Supplier relations: The Company adheres to ethical corporate management, conducts fair trade with suppliers, and maintains favorable long-term cooperative relations. 5. Stakeholders' rights and interests: To protect the rights and interests of stakeholders, the Company has established favorable and unblocked communication channels and upholds the principle of integrity and responsibility to make arrangements appropriately and fulfill its corporate social responsibility. 6. Continuing education of Directors and supervisors: The Company has established the Audit Committee to replace the functions of supervisors. All the Directors of the Company have professional backgrounds, have participated in securities regulation seminars and corporate governance courses according to the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies," and have complied with the requirements of the continuing education hours. 7. Execution conditions of risk management policies and risk measurement standards: The Company perfects various internal regulations in accordance with the law and formulates risk management policies passed by the Board of Directors. Their contents include risk management structures, procedures, and scopes. Various risk monitoring and management are implemented through standardized evaluation mechanisms, and relevant execution effectiveness is regularly disclosed in the Sustainability Report to implement information transparency. 8. Implementation of the customer policy: The Company has a dedicated department to handle customer inquiries and complaint channels, and it maintains stable and healthy relationships with customers to generate profit. 9. Purchase of liability insurance for Directors and supervisors by the Company: The Company has established the relevant regulations for the liability insurance of Directors in the "Corporate Governance Best Practice Principles" and has purchased liability insurance for Directors to reduce and separate the risk of material damages to the Company's shareholders due to mistakes or negligence of Directors. 2025 Insurance Information: (1) Insurance Company: Cathay Century Insurance Co., Ltd. (2) Insurance Period: May 20, 2025, to May 20, 2026 (3) Insurance Amount: US\$3 million	
IX. Please describe the improvements made based on the corporate governance evaluation results published by the Corporate Governance Center of the Taiwan Stock Exchange in the most recent year and propose prioritized enhancements and measures for deficiencies that have not yet been corrected. (Not required for companies not included in the evaluation):			The Company is not included in the evaluation; therefore, this is not applicable.	Not applicable

(Table 1)

Evaluation Form for the Independence and Suitability of Attesting CPAs for 2025

(I) Evaluation Unit: Corporate Governance Department

(II) Evaluation Year: 2025

(III) Evaluation Date: February 25, 2025

(IV) Evaluation of Commissioned Accounting Firm and CPAs:

Deloitte & Touche / CPA Ching-Hsia Chang, CPA Meng-Chieh Chiou

(V) Evaluation content:

Formulated with reference to Article 47 of the Certified Public Accountant Act and the Republic of China's Bulletin of Code of Professional Ethics for Certified Public Accountants No. 10 "Integrity, Objectivity, and Independence":

Evaluation item	Evaluation Results
1. The attesting CPAs have no direct or material indirect financial interest relationships with the Company.	■ Yes □ No
2. The attesting CPAs have no materially close business relationships with the Company.	■ Yes □ No
3. The attesting CPAs have no potential employment relationships when auditing the Company.	■ Yes □ No
4. The attesting CPAs have no monetary borrowing or lending circumstances with the Company.	■ Yes □ No
5. The attesting CPAs have not received gifts or presents of material value (values exceeding general social etiquette standards) from the Company, or the Company's Directors or managers.	■ Yes □ No
6. The attesting CPAs have not provided audit services to the Company for seven consecutive years.	■ Yes □ No
7. The attesting CPAs do not hold shares of the Company.	■ Yes □ No
8. The attesting CPAs themselves, their spouses, or their dependents, as well as their audit team, have not served as Directors, managers, or positions generating material impacts on audit cases for the Company during the audit period or within the past two years. It is also confirmed that they will not serve in the aforementioned relevant positions during future audit periods.	■ Yes □ No
9. Whether the attesting CPAs have complied with the regulations regarding independence in the Bulletin of Code of Professional Ethics for Certified Public Accountants No. 10, and have obtained the "Declaration of Independence" issued by the attesting CPAs.	■ Yes □ No

(VI) Evaluation Results:

The Company commissioned CPA Ching-Hsia Chang and CPA Meng-Chieh Chiu of Deloitte & Touche to attest to the financial statements for the current year, and has obtained the Declaration of Independence issued by the accounting firm. Upon evaluation, the independence and suitability of both CPAs fully comply without any concerns.

(Table 2)

Audit Quality Indicators (AQI) Evaluation Form for Deloitte & Touche for 2025

AQI Indicators	Measurement Focuses	Whether Complying
Dimension I: Professionalism		
(1-1) Audit Experience	Whether the CPAs and audit personnel at or above the managerial level possess sufficient audit experience to execute audit work	Complies
(1-2) Training Hours	Whether the CPAs and audit personnel at or above the managerial level receive sufficient educational training annually to continuously acquire professional knowledge and skills	Complies
(1-3) Turnover Rate	Whether the firm maintains sufficient senior human resources	Complies
(1-4) Professional Support	Whether the firm possesses sufficient professional personnel (e.g., valuation personnel) to support the audit team	Complies
Dimension II: Quality Control		
(2-1) CPA Workload	Whether the CPAs' workloads are excessively heavy, including the number of public companies served as the lead signing CPA, and the proportion of available working hours invested by the CPAs	Complies
(2-2) Audit Investment	Whether the investments of audit team members in various audit stages are appropriate	Complies
(2-3) EQCR Review Conditions	Whether the Engagement Quality Control Review (EQCR) CPAs invest sufficient hours to execute reviews of audit cases	Complies
(2-4) Quality Control Support Capability	Whether the firm possesses quality control manpower to support the audit team	Complies
Dimension III: Independence		
(3-1) Non-Audit Service Fees	The impacts of the proportion of non-audit service fees on independence	Not applicable
(3-2) Client Familiarity	The impacts of the cumulative years of the firm providing financial report audit services to the attesting client on independence	Not applicable
Dimension IV: Supervision		
(4-1) External Inspection Deficiencies and Penalties	Whether the firm's quality controls and individual audit cases are executed in accordance with relevant laws and standards	Complies
(4-2) Letters Issued by Competent Authorities for Improvement	Whether the firm's quality controls and individual audit cases are executed in accordance with relevant laws and standards	Complies
Dimension V: Innovative Capability		
(5-1) Innovative Planning or Initiatives	The accounting firm's commitments to elevating audit quality, including the accounting firm's innovative capabilities and planning	Complies

(IV) If the Company has established its Remuneration Committee, the composition, duties and operation shall be disclosed:

1. Information of the Remuneration Committee Members

April 17, 2026

Status (Note 1)	Conditions Name	Professional Qualifications and Experiences (Note 2)	Independence Conditions (Note 3)	Number of concurrent positions of remuneration committee member in other public companies
Independent Director	Cheng-Wen Cheng (Convener)	He possesses business, legal affairs, finance, business management abilities, and other work experiences required for the Company's business. Please refer to Three, I. (I) 5. Disclosure of Professional Qualifications of Directors and Supervisors and Independence of Independent Directors for relevant educational and professional experiences. None of the conditions described in Article 30 of the Company Act occurred.	The compliance with independence is as follows: 1. The Independent Director, his/her spouse, or relative within the 2nd degree of kinship is not a Director, supervisor, or employee of the Company or its affiliate. 2. The Independent Director, his/her spouse, or relative within the 2nd degree of kinship (or in the name of others) does not hold shares of the Company. 3. Not a director, supervisor, or employee of a company with specific relationships (with reference to subparagraphs 5 to 8, paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies) with the Company. 4. Not receiving compensation for providing business, legal affairs, financial, or accounting services to the Company or its affiliates in the most recent two years.	2
Independent Director	Kuan-Cheng Ko	He possesses business, legal affairs, finance, business management abilities, and other work experiences required for the Company's business. Please refer to Three, I. (I) 5. Disclosure of Professional Qualifications of Directors and Supervisors and Independence of Independent Directors for relevant educational and professional experiences. None of the conditions described in Article 30 of the Company Act occurred.	The compliance with independence is as follows: 1. The Independent Director, his/her spouse, or relative within the 2nd degree of kinship is not a Director, supervisor, or employee of the Company or its affiliate. 2. The Independent Director, his/her spouse, or relative within the 2nd degree of kinship (or in the name of others) does not hold shares of the Company. 3. Not a director, supervisor, or employee of a company with specific relationships (with reference to subparagraphs 5 to 8, paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies) with the Company. 4. Not receiving compensation for providing business, legal affairs, financial, or accounting services to the Company or its affiliates in the most recent two years.	0

Status (Note 1)	Conditions	Professional Qualifications and Experiences (Note 2)	Independence Conditions (Note 3)	Number of concurrent positions of remuneration committee member in other public companies
	Name			
Independent Director	Fu-Chiang Tsai	He possesses business, legal affairs, finance, business management abilities, and other work experiences required for the Company's business. Please refer to Three, I. (I) 5. Disclosure of Professional Qualifications of Directors and Supervisors and Independence of Independent Directors for relevant educational and professional experiences. None of the conditions described in Article 30 of the Company Act occurred.	The compliance with independence is as follows: 1. The Independent Director, his/her spouse, or relative within the 2nd degree of kinship is not a Director, supervisor, or employee of the Company or its affiliate. 2. The Independent Director, his/her spouse, or relative within the 2nd degree of kinship (or in the name of others) does not hold shares of the Company. 3. Not a director, supervisor, or employee of a company with specific relationships (with reference to subparagraphs 5 to 8, paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies) with the Company. 4. Not receiving compensation for providing business, legal affairs, financial, or accounting services to the Company or its affiliates in the most recent two years.	0

2. Duties of the Remuneration Committee Operation of the Remuneration Committee

- (1) The Company's Remuneration Committee consists of 3 members.
- (2) The term of the current committee members: June 15, 2023, to June 14, 2026. In the most recent year (2025) and as of the publication date of this annual report, the Remuneration Committee convened 6 【 A 】 times. The qualifications and attendance status of the members are as follows:

Title	Name	Number of attendance in person (B)	Number of attendance by proxy	Attendance rate (B/A) %	Remarks
Convener	Cheng-Wen Cheng	6	0	100%	-
Member	Kuan-Cheng Ko	6	0	100%	-
Member	Fu-Chiang Tsai	6	0	100%	-
Other information to be disclosed:					
I. If the Board does not adopt or amend the suggestions of the Remuneration Committee, the date and session of the Board meeting, the content of the proposal, the resolutions of the Board, and the Company's handling of the Remuneration Committee's opinions shall be disclosed (if the remuneration passed by the Board is higher than that suggested by the Remuneration Committee, the difference and the reasons therefor shall be specified): None.					
II. If a member has a dissenting or qualified opinion on a resolution of the Remuneration Committee and it is on record or stated in writing, the date and session of the Remuneration Committee meeting, the content of the proposal, the opinions of all members, and the handling of the opinions shall be specified: None.					

(V) Implementation of sustainable development, any deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons therefor

Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons therefor
	Yes	No	Summary	
I. Has the Company established a governance structure for the promotion of sustainable development and set up a full-time (or part-time) department to promote sustainable development, with the senior management authorized by the Board to manage the department? How does the Board supervise the department?	✓		The Company passed the establishment of the "Sustainable Development Best Practice Principles" through the Board of Directors on April 29, 2024, and established the "Sustainability Development Committee." All Directors of the Company serve as members of the 1st committee, and the Company's Executive Vice President, Yen-Liang Lai, was appointed as the Chief Sustainability Officer of the Company. He leads the "Green Sustainability Team," "Occupational Safety and Public Welfare Team," "Partnership Team," and "Corporate Governance Team" to promote and execute various sustainable development matters, reporting the sustainability promotion status to the Board of Directors at least once annually. The Board of Directors passed the "Sustainability Information Operation Management Procedures" on December 26, 2024, establishing the supervisory and oversight responsibilities of the Sustainability Development Committee and the Board of Directors. The execution plan for the Sustainability Report and the annual sustainability execution status for 2025 were reported to the Board of Directors on November 12, and relevant information was provided to the Board of Directors to conduct supervision.	No significant deviation
II. Has the Company conducted risk assessments on environmental, social and corporate governance issues related to corporate operations in accordance with the principle of materiality and established relevant risk management policies or strategies?	✓		The Company constructs a top-down sustainability risk management system based on the principle of materiality. 1. To align with international sustainability disclosure trends, the "double materiality" principle is adopted to conduct the identification of annual material topics, simultaneously considering "impact materiality" (the impacts of operational activities on the environment and society) and "financial materiality" (the impacts of sustainability issues on the Company's financial values and development). Furthermore, through integrating the evaluation results of the "Stakeholder Concern Survey" and "Enterprise Risk Management (ERM)," critical issues possessing dual impacts are identified to ensure that sustainability strategies can simultaneously respond to external expectations and consolidate long-term corporate competitiveness. 2. Along with the internationalization of operational scales, to ensure the sustainable operations of the Company, the Company focuses on enterprise risk management, conducting risk evaluations of economic, environmental, and social issues, and drafting relevant risk management strategies. Critical risks potentially impacting the Company's operations and risk response plans are identified level by level, from daily operational management units to various functional management levels, to reduce potential risks of operational interruptions. 3. To ensure the height and implementation of risk governance, the Company passed the "Risk Management Policies and Procedures" through the Board of Directors on March 9, 2026. The Board of Directors directly serves as the highest risk governance unit, responsible for ratifying risk management policies and structures, and ensuring the effectiveness of the risk management system. Furthermore, the Audit Committee is responsible for supervision and review, assisting the Board of Directors in supervising the effective implementation of internal controls, the truthfulness of financial statements, and reviewing material risk control matters. The Board of Directors ensures risk management structures and processes, including risk identification, evaluation, monitoring, and reporting mechanisms. Furthermore, it regularly	No significant deviation

Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons therefor										
	Yes	No	Summary											
			evaluates the effectiveness of the management level in implementing risk management policies to ensure the Company's operations conform to established risk tolerances and strategic targets, reducing potential adverse impacts. 4. The Company formulates relevant risk management policies or strategies based on the "Sustainable Development Best Practice Principles" as follows: <table><tr><th>Dimension</th><th>Risk evaluation items</th><th>Risk Management Policies or Strategies</th></tr><tr><td rowspan="3">Environmental aspect</td><td>Energy Management</td><td> 1. Introduce the "Digitalized Energy Management System" to conduct real-time data monitoring mechanisms and analyses, elevating decision-making precision. 2. Optimization of replacing old equipment: Priority is given to adopting high-efficiency intelligent chilled water mainframes, and plans are made to replace low-efficiency equipment. 3. Evaluate and promote renewable energy installations and green electricity procurement to lower Scope 2 greenhouse gas emissions through concrete actions. </td></tr><tr><td>Waste Management</td><td> 1. Establish standardized operations for recycling production waste (e.g., rubber and EVA scraps) and coordinate with mold optimization to minimize losses from the source. 2. Promote source reduction of general waste, implementing daily weighing and sorted tracking. 3. Hazardous industrial waste is strictly classified, labeled, and stored, and legal manufacturers are commissioned for disposal to prevent pollution. </td></tr><tr><td>Water Resource Management</td><td> 1. Actively control production and domestic water usage. By tracking daily water volumes, conducting monthly routine inspections and maintenance, and utilizing water conservation facilities, water usage efficiency is maximized, and leakage rates are reduced. 2. Introduce online monitoring systems to strictly monitor COD, ammonia nitrogen, and pH values, ensuring compliant emissions. 3. Furthermore, ZDHC certification is obtained, continuously elevating the wastewater recycling rate. </td></tr></table>	Dimension	Risk evaluation items	Risk Management Policies or Strategies	Environmental aspect	Energy Management	1. Introduce the "Digitalized Energy Management System" to conduct real-time data monitoring mechanisms and analyses, elevating decision-making precision. 2. Optimization of replacing old equipment: Priority is given to adopting high-efficiency intelligent chilled water mainframes, and plans are made to replace low-efficiency equipment. 3. Evaluate and promote renewable energy installations and green electricity procurement to lower Scope 2 greenhouse gas emissions through concrete actions.	Waste Management	1. Establish standardized operations for recycling production waste (e.g., rubber and EVA scraps) and coordinate with mold optimization to minimize losses from the source. 2. Promote source reduction of general waste, implementing daily weighing and sorted tracking. 3. Hazardous industrial waste is strictly classified, labeled, and stored, and legal manufacturers are commissioned for disposal to prevent pollution.	Water Resource Management	1. Actively control production and domestic water usage. By tracking daily water volumes, conducting monthly routine inspections and maintenance, and utilizing water conservation facilities, water usage efficiency is maximized, and leakage rates are reduced. 2. Introduce online monitoring systems to strictly monitor COD, ammonia nitrogen, and pH values, ensuring compliant emissions. 3. Furthermore, ZDHC certification is obtained, continuously elevating the wastewater recycling rate.	
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Promotion item	Implementation				Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons therefor	
	Yes	No	Summary			
				Air Quality Management	1. Priority is given to selecting low-volatility and environmentally friendly raw materials, combined with hazardous substance exhaust filtration systems, to reduce the generation of VOCs. 2. Install catalytic combustion equipment to lower carbon emissions, and regularly monitor emission data for various air pollutants.	
				Chemical Management	1. Strictly comply with RSL / MRSL regulations, eliminating highly concerning substances (SVHC list) banned internationally from the procurement end to ensure products are non-toxic and safe. 2. Classification, storage, and labeling are implemented for hazardous chemicals, and warehouses are equipped with explosion-proof and leak-proof facilities. Accurately record inbound and outbound usage volumes, and require on-site employees to wear appropriate protective equipment and implement safety drills.	
			Social aspect	Labor Rights	1. Establish fair and reasonable employment systems, ensuring no child labor or forced labor is used, and implement this through regular audits. 2. Provide a safe and healthy environment, strictly prohibit workplace harassment, and thoroughly implement human rights policies such as gender equality and diverse respect. 3. Respect freedom of association and regularly convene labor-management meetings to promote positive dialogues. 4. Conduct human rights educational training at least once annually, and establish comprehensive appeal and reporting channels.	

Promotion item	Implementation				Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons therefor
	Yes	No	Summary		
				Supplier Management 1. Require suppliers to comply with labor human rights, ethical corporate management, environmental protection, and information security management. 2. Promote management through the three major stages of "screening, auditing, and counseling," regularly filling out evaluation forms as bases for replacement and selection. 3. Require the submission of improvement plans targeting risks discovered during audits, and track for verification after deadlines. 4. Encourage suppliers to obtain international environmental management certifications such as Higg FEM to promote low-carbon transitions.	
			Corporate Governance Aspect Information Security 1. Implement strict access controls, complying with the "principle of least privilege." 2. Introduce MFA multi-factor authentication technology into core systems. 3. Implement physical or logical isolation between the Information Technology (IT) networks of offices and the Operational Technology (OT) networks of production lines to prevent the cross-domain spread of malicious software, ensuring production stability. 4. Conduct email social engineering drills and information security advocacy courses annually. 5. Data backups comply with the "3-2-1 rule," and disaster recovery drills are held at least once annually.		
III. Environmental issues (I) Has the Company developed an appropriate environmental management system, given its distinctive characteristics?	✓		The Company has established environmental management systems encompassing climate change, energy management, water resource management, and waste management based on the characteristics of the footwear manufacturing industry and cross-border operational demands; and formulated the "Climate Change, Environment, and Energy Management Procedures" to serve as the primary basis for environmental management. 1. Regarding environmental management, the Company currently adopts management processes and complies with environmental protection laws and regulations of operational locations based on the actual conditions of different operational sites. (1) During 2025, the Company implemented the ISO 14001 environmental management system and the GHG Protocol standard for greenhouse gas inventory at its main operating sites. The Company developed management workflows and plans in accordance with local environmental protection regulations at each operating location, conducted regular internal compliance performance audits, and underwent third-party Higg FEM audits. These efforts effectively reduced costs and risks		No significant deviation

Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons therefor
	Yes	No	Summary	
			associated with environmental factors while strengthening the Company's environmental resilience and sustainability. (2) As of the publication date of this annual report, the plant areas that have obtained ISO 14001 certifications include: China Shanggao Plant (2023/11/13~2026/11/12), Tianxin Plant (2023/11/23~2026/11/22), Gaoyao Plant (2024/10/29~2027/10/28), and Vietnam Tuyen Quang Plant (2025/03/14~2028/03/13). Introductions are also consecutively planned for other plant areas. For plant areas that have obtained verification, their certificates are all within their validity periods, and the scopes of verification encompass the complete operational processes of the plant areas. 2. Regarding biodiversity, a biodiversity policy is formulated within the "Climate Change, Environment, and Energy Management Procedures," referencing the TNFD framework and complying with the principles of "avoidance, mitigation, restoration, and offset" to lower ecological impacts. Specific measures include: ensuring new plant areas avoid ecologically sensitive areas regulated by IUCN; committing to implementing "zero deforestation" and responsible procurement, prioritizing the selection of sustainably certified raw materials; and eliminating hazardous substance pollution to surrounding water bodies through strict wastewater and chemical controls, comprehensively guarding local terrestrial and aquatic ecosystems.	
(II) Has the Company made efforts to enhance energy efficiency and use recycled materials to reduce environmental impacts and burdens?	✓		1. The Company values the elevation of energy usage efficiency and the reduction of environmental loads. Following the internal policies of the "Climate Change, Environment, and Energy Management Procedures," the Company continuously promotes actions related to energy conservation, carbon reduction, and energy management, gradually elevating energy usage efficiency. Following evaluations, some plant areas have gradually introduced renewable energy or low-carbon alternatives. At the current stage, primary operational strongholds are utilized as demonstration sites to prioritize the promotion of energy usage inventories, equipment efficiency improvements, and renewable energy evaluations. These will be gradually expanded to other sites based on actual effectiveness and management maturity. Vietnam currently adopts Higg FEM as the initial energy evaluation module and gradually establishes collection and management mechanisms for energy usage data to continuously improve factory energy usage efficiency, greenhouse gas emissions, water usage, and waste management. The energy usage data disclosed at the current stage are autonomously inventoried and compiled by the sites based on existing management processes, serving as reference bases for internal management and subsequent improvements. 2. Regarding the energy management systems of other operational sites, evaluations to introduce the ISO 50001 energy management system are currently underway based on Company planning. The establishment of relevant management processes and systems will be gradually promoted depending on the actual operational scenarios and resource conditions of each site. 3. The Company will continuously perfect the quality of energy data management. Following system maturity, the feasibility of introducing third-party verifications will be evaluated to elevate the completeness and reliability of energy information. Energy usage conditions for the most recent two years are as follows (scopes of the Taiwan Headquarters, China Shanggao Plant, and Vietnam Ninh Binh Plant): (1) Total energy usage in 2024 was 232,926,802.09 MJ.	No significant deviation

Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons therefor
	Yes	No	Summary	
			(2) Total energy usage in 2025 was 209,932,316.31 MJ. 4. Coordinating with environmental protection and client development strategies, the Company launched the "Renewable Energy - Solar Energy Project" starting in 2023. The electricity sources of the primary plant areas of China and Vietnam have been consecutively replaced with solar power. Currently, the proportion of green electricity in various plant areas exceeds 50%. For procurement volumes of renewable energy certificates, please refer to [Disclosure of Company Climate-Related Information] subsequently. The Company continues to replace old and obsolete equipment, use energy-saving shoe manufacturing equipment and LED lighting, reduce power consumption, and improve the energy consumption efficiency of machinery and equipment. 5. The Company prioritizes the procurement of internationally certified renewable materials. It has established rigorous material selection mechanisms, comprehensively implementing international norms, the Manufacturing Restricted Substances List (MRSL), and Zero Discharge of Hazardous Chemicals (ZDHC) standards. Combining the application of environmentally friendly materials, process optimizations, and waste resource recycling technologies, the Company actively practices the circular economy, promotes green manufacturing transitions, and collaborates with brand clients to achieve substantial carbon reduction targets, co-creating a green value chain.	
(III) Has the Company assessed the present and future potential risks and opportunities of climate change and taken relevant countermeasures?	✓		The Company has regarded climate change as a material operational issue. Referencing the framework of International Financial Reporting Standard S2 (IFRS S2), the Company comprehensively evaluates the core contents of governance, strategies, risk management, indicators, and targets for climate-related risks and opportunities as follows: 1. Governance: Identification of Sustainability Risks and Opportunities (1) The Board of Directors serves as the highest governance unit for climate change-related issues of the Company. It is responsible for supervising the establishment and execution of climate-related strategic directions and management mechanisms. The Company established the Sustainability Development Committee in 2024, with all Directors serving as committee members, and the management level assisting in promoting sustainability-related issues. Climate-related risks and management focuses are regularly reported to the Board of Directors to serve as bases for decision-making references. (2) Through the mechanism of the ESG Working Group, the management level continuously focuses on issues highly related to climate change, such as greenhouse gas emissions, energy usage, and operational stability. Furthermore, coordinating with annual operational planning, the promotion conditions of relevant management actions are reviewed. For relevant detailed actions and management measures, please refer to the Chung Jye Sustainability Report. 2. Strategies: Response Strategies and Concrete Actions To echo the resolution of COP28 to gradually phase out fossil fuels, Taiwan's 2050 Net-Zero Emissions Policy, and the carbon reduction requirements of international brand clients for supply chains, the Company formulated the "Climate Change, Environment, and Energy Management Procedures," incorporating climate risks into the overall risk management structure and adopting the following concrete response measures:	No significant deviation

Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons therefor
	Yes	No	Summary	
			(1) Proactively evaluate, plan, and implement environmental improvement plans, including solar photovoltaics in plant areas, factory sewage management projects, updates of high-efficiency energy-saving equipment, and the installation of catalytic combustion exhaust gas treatment facilities, to lower carbon emissions from the source and reduce environmental loads on local communities. (2) Gradually introduce management systems such as ISO 14001 and ISO 50001, and introduce demonstration projects at primary operational strongholds first, steadily propelling the low-carbon transitions of the entire group. (3) Strengthen supply chain management to lower the risks of supply interruptions for critical raw materials and energy. 3. Risk Management: Identification and Evaluation of Risks and Opportunities The Company has identified critical sustainability issues impacting enterprise operations, cost structures, and market competitiveness in response to climate change. Furthermore, through risk management processes, their potential impacts on the Company's short-, medium-, and long-term finances and operations are systematically evaluated. Relevant risks and opportunities encompass transition risks and physical risks, extending to upstream and downstream supply chains and the enterprise's own operations. (1) Regarding transition risks, they encompass stricter greenhouse gas emission regulations, the promotion of energy transition policies, international carbon pricing, and the Carbon Border Adjustment Mechanism (CBAM). These may lead to increased energy and raw material costs and increase the enterprise's investment costs in product carbon footprints and compliance disclosures. Simultaneously, low-carbon products and green manufacturing processes also serve as crucial opportunities for the Company to expand markets and elevate brand competitiveness. (2) Regarding physical risks, extreme climate events (such as torrential rains, typhoons, and high temperatures) may impact the stability of primary operational strongholds and supply chains, thereby impacting capacity, operational efficiency, and energy usage costs. 4. Indicators and Targets (1) Continuously execute greenhouse gas inventories for Scope 1 and Scope 2, and gradually expand to supply chain carbon footprint evaluations for Scope 3. (2) Elevate energy usage efficiency and the proportion of renewable energy used year by year. (3) Incorporate climate adaptation and energy-saving measures into considerations for plant equipment replacements and operational decision-making. Recently, ISO 14001 environmental management system verification has been actively conducted, and climate adaptation, energy-saving, and carbon reduction indicators will be incorporated as consideration benchmarks for plant equipment replacements and high-level operational decision-making.	
(IV) Has the Company produced statistics on the GHG emissions, water consumption, and the total weight of waste in the most	✓		The Company formulated the "Climate Change, Environment, and Energy Management Procedures" and continuously conducts the statistics and management of greenhouse gas emissions, water usage volumes, and waste generation conditions in accordance with various energy reduction policies within the procedures to serve as bases for environmental management and improvements.	No significant deviation

Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons therefor																																																																
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recent two years and established policies to reduce GHG emissions and water consumption or other waste management policies?			1. Currently, relevant environmental management measures and data statistics are prioritized for introduction using primary operational strongholds as demonstration sites. By establishing data collection and management mechanisms at primary operational sites, the foundation for environmental management is gradually established, serving as a reference for planned introductions at other operational sites based on actual operational scenarios and management demands in the future. Primary environmental data for the most recent two years are as follows (scopes of the Taiwan Headquarters, China Shanggao Plant, and Vietnam Ninh Binh Plant): <table border="1"> <thead> <tr> <th colspan="2">Indicator</th><th>2024</th><th>2025</th><th>Description</th></tr> </thead> <tbody> <tr> <td rowspan="2">Greenhouse Gas Emissions (tCO_{2e})</td><td>Scope 1</td><td>7,774.6669</td><td>6,854.1205</td><td></td></tr> <tr> <td>Scope 2</td><td>16,575.5178</td><td>10,221.9666</td><td></td></tr> <tr> <td colspan="2">Direct Energy (MJ) (A)</td><td>20,510,150</td><td>18,898,172</td><td></td></tr> <tr> <td colspan="2">Indirect Energy (MJ) (B)</td><td>115,756,456</td><td>89,929,379</td><td></td></tr> <tr> <td colspan="2">Non-Renewable Energy (MJ) (A+B)</td><td>136,266,606</td><td>108,827,551</td><td></td></tr> <tr> <td colspan="2">Renewable Energy - Biomass Energy (MJ)</td><td>62,736,000</td><td>65,954,190</td><td></td></tr> <tr> <td colspan="2">Renewable Energy - Green Electricity (MJ)</td><td>33,924,197</td><td>35,150,575</td><td></td></tr> <tr> <td colspan="2">Energy Consumption Volume (MJ)</td><td>232,926,803</td><td>209,932,316</td><td>Calculated based on Higg FEM calorific values</td></tr> <tr> <td colspan="2">Renewable Energy Percentage</td><td>38.5%</td><td>53.4%</td><td>Including renewable energy certificates</td></tr> <tr> <td colspan="2">Energy Intensity (MJ/pair)</td><td>12.6289</td><td>16.4653</td><td></td></tr> <tr> <td colspan="2">Water Usage Volume (million liters)</td><td>278.352</td><td>280.690</td><td>Consolidated per site unit</td></tr> <tr> <td colspan="2">Total Waste Volume (metric tons)</td><td>2,330.42</td><td>2,259.87</td><td>Including usable and final disposal</td></tr> </tbody> </table> 2. The Company officially introduced external professional consultants for counseling in 2025, adopting the "Greenhouse Gas Protocol" (GHG Protocol) as the inventory standard to conduct greenhouse gas inventories. Furthermore, the Company utilized the coefficients provided by the consultants in 2025 to recalculate the greenhouse gas emission volumes and emission intensities for 2024. The Company selected the parent company, the Vietnam Ninh Binh plant, and the China Shanggao plant as the inventory boundaries to obtain the complete annual greenhouse gas emissions. The Company will gradually formulate quantitative greenhouse gas reduction targets based on the data and the Group company's operational development. 3. Regarding water resource management, the Company formulates water resource management policies and establishes quantified management targets. For the execution conditions in 2025, the management of water output from faucets in the Taiwan headquarters office comprehensively inspected and adjusted the triangle valves beneath the sinks in office areas. The maximum water output was controlled and lowered	Indicator		2024	2025	Description	Greenhouse Gas Emissions (tCO _{2e})	Scope 1	7,774.6669	6,854.1205		Scope 2	16,575.5178	10,221.9666		Direct Energy (MJ) (A)		20,510,150	18,898,172		Indirect Energy (MJ) (B)		115,756,456	89,929,379		Non-Renewable Energy (MJ) (A+B)		136,266,606	108,827,551		Renewable Energy - Biomass Energy (MJ)		62,736,000	65,954,190		Renewable Energy - Green Electricity (MJ)		33,924,197	35,150,575		Energy Consumption Volume (MJ)		232,926,803	209,932,316	Calculated based on Higg FEM calorific values	Renewable Energy Percentage		38.5%	53.4%	Including renewable energy certificates	Energy Intensity (MJ/pair)		12.6289	16.4653		Water Usage Volume (million liters)		278.352	280.690	Consolidated per site unit	Total Waste Volume (metric tons)		2,330.42	2,259.87	Including usable and final disposal	
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Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons therefor
	Yes	No	Summary	
			from 9.5 to 10 liters per minute to 2.5 to 3 liters per minute, representing a uniform reduction of 65% to 70%, to reduce unnecessary waste of water resources. 4. Regarding waste management, the Company formulates comprehensive waste management policies. Waste is classified into production, general, food, and hazardous industrial waste. At the process end, resource losses are minimized from the source through mold optimizations and precision cutting technologies, and standard operating procedures for the circular recycling of rubber and EVA scraps are established. Targeting general waste, daily weighing, and tracking are implemented to scientifically formulate annual reduction targets. For hazardous waste, strict classified storage and legal removal are implemented to prevent environmental pollution. Through the continuous optimization of waste treatment routes, the proportions of resource recycling and energy recovery are elevated, comprehensively implementing source reduction and the circular economy. 5. Regarding the circular economy, with the visions of "zero waste" and "zero carbon emissions," green designs are deeply integrated into the entire product lifecycle to comprehensively promote green transitions. (1) Material innovation: Collaborate with major international manufacturers to introduce ecovio® bio-based plastics and NovaPoly degradable yarns, and pioneer replaceable shoe uppers without glue, lowering reliance on petrochemical products from the source. (2) Green processes: Introduce the NO SEW hot melt molding process to reduce glue usage by 40% and lower VOC emissions, effectively lowering product carbon footprints. (3) To maximize the implementation of the circular economy, the Company collaborates with suppliers in various regions to construct a "4R Closed-Loop System," realizing a green closed loop from the source to the terminal end: • Reduce: Lower the cutting waste rate from 15% to 8% through intelligent nesting technologies. • Recycle: Establish classified recycling stations for scraps to realize 100% recycling and reuse. • Reuse: Remanufacture recycled materials into secondary products, such as insoles and packaging fillers. • Remake: Develop recycled fiber blended fabrics, aiming to complete the mass production of 3 products by 2026.	
IV. Social issues (I) Has the Company established relevant management policies and procedures in accordance with applicable laws and international human rights conventions?	✓		1. The Company has established the "Human Rights Management Policy" and complied with the "Universal Declaration of Human Rights," the "International Labor Organization Conventions," and the local labor regulations of various operational strongholds. Based on this, each plant area formulates comprehensive personnel management rules and work rules, and implements the internal control system for the payroll cycle to safeguard employees' legal rights and interests. This policy is applicable to the Group's parent company and all subsidiaries in the consolidated financial statements. The Group's human resources department coordinates the evaluation of human rights risks and the promotion of systems, under the supervision and guidance of the Board of Directors. To ensure the effective implementation of the policy, the Company establishes the following management procedures and mechanisms:	No significant deviation

Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons therefor
	Yes	No	Summary	
			(1) Based on this, each plant area formulates standardized personnel management rules and work rules, strictly implementing the internal control system for the "payroll cycle" to ensure that employees' salaries, working hours, and various statutory rights and interests receive absolute protection. (2) The policy text explicitly regulates the "prohibition of child labor employment," "prohibition of forced labor," "elimination of employment and workplace discrimination," and "protection of freedom of association," dedicating efforts to creating a diverse, equal, and dignified work environment. (3) Establish smooth and confidential employee appeal channels, including an appeal mailbox. When employees discover or encounter circumstances violating the human rights policy, they can raise the issue through this mechanism. The Company will conduct independent investigations and appropriate handling in accordance with procedures, strictly prohibiting any form of retaliation against the appellant. Employee Appeal Mailbox: suggest@chungjye.com.tw 2. Each plant establishes labor unions in accordance with local and national laws, regularly holding labor rights advocacies and employee welfare activities. Explicit regulations and executions are also in place regarding salary and bonus systems and female employee training, dedicating efforts to creating a diverse, inclusive, and harmonious labor-management relationship. 3. To ensure compliance with the international code of conduct for social responsibility, the Company regularly conducts internal compliance performance reviews and accepts third-party verifications from the SLCP (Social and Labor Convergence Program). Among them, the Vietnam Ninh Binh plant actively participates in the Better Work three-year program promoted by the International Labor Organization (ILO). Through actions such as accepting unannounced audits, expert counseling for rectification, training, and labor-management symposiums, the factory is gradually guided to surpass regulatory standards and transform into an excellent factory possessing sustainable resilience.	
(II) Has the Company established and implemented reasonable employee welfare measures (including remuneration, leave, and other benefits), and has employee remuneration appropriately reflected the Company's business results or	✓		1. The Company's Articles of Incorporation have explicitly stipulated the ratio of employee remuneration. If the Company achieves a "profit" for the year, it shall allocate no less than zero point one percent (0.1%) and no more than three percent (3%) as employee remuneration (Note ¹). In 2025, 0.1% was actually distributed as employee remuneration. 2. Regarding the remuneration of grassroots employees in various regions, the ratios of overall average salaries to statutory salaries are 1.48 times in Taiwan, 1.41 times in China, and 1.54 times in Vietnam, all of which are higher than national statutory salaries. Combined with the semiannual employee performance appraisal system and Company policies, rewards and punishments are clearly delineated, achieving the principle of fairness and reasonableness.	No significant deviation

¹ The Company is established in the Cayman Islands and is a primary listed company. Due to differing scopes and definitions regarding employee numbers, total employee welfare expenses, and total employee salary expenses across various countries, although the new regulations of the Taiwan Stock Exchange in 2026 require enhanced disclosures of employee remuneration for listed companies, including the announcement operations for grassroots employee and gender salary information, primary listed companies are exempt from this limitation.

Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons therefor												
	Yes	No	Summary													
performance?			3. The Company is dedicated to safeguarding employee rights and dialogue spaces. Overseas plant areas sign collective agreements with labor unions in accordance with local regulations to ensure labor conditions are transparent and legally protected. Taking the China Shanggao plant and Vietnam Ninh Binh plant as examples: <table><tr><th>Region</th><th>Number of employees covered by collective agreements / participating in labor unions</th><th>Total Number of Employees</th><th>Coverage ratio of collective agreements</th></tr><tr><td>China Shanggao Plant</td><td>5,160</td><td>5,160</td><td>100%</td></tr><tr><td>Vietnam Ninh Binh Plant</td><td>5,671</td><td>5,687</td><td>99.71%</td></tr></table> 4. Employee welfare measures and implementation The Company views employees as its most critical assets and is dedicated to creating a high-quality work environment. In addition to providing leave systems superior to Taiwan's regulations, a comprehensive welfare system has been established: (1) Workplace Environment and Work-Life Balance - Formulate a "friendly leave system" superior to statutory standards: Colleagues' special leaves can be taken in units of "hours." Furthermore, a job deputy system is established so that when employees face emergencies or take temporary leaves, work progress can still be smoothly advanced by team deputies. By creating a mutually supportive work environment free from worries, the Company supports employees across different life stages and unforeseen demands, enabling them to balance family care, physical and mental health, and self-realization with peace of mind. - High-quality meals and leisure: The Company provides free nutritious lunches, installs coffee machines in office areas, and irregularly provides fruits and snacks, creating a relaxed leisure and exchange space. - Commuting convenience: An exclusive employee parking lot is provided, mitigating the pressure and financial burden of colleagues searching for parking spaces during their commute. (2) Comprehensive Insurance and Security Protection - High-coverage group insurance: The Company fully bears the insurance premiums to enroll employees in high-coverage group insurance. The coverage scope encompasses accidents and medical care, and safety protection can also be enjoyed during overseas business trips. (3) Employee Welfare Measures - The Company establishes an "Employee Welfare Committee," composed of representatives from both labor and management. It regularly reviews and promotes diverse welfare activities and provides welfare subsidies such as festival welfare funds, subsidies for marriages, funerals, and celebrations, emergency relief funds for injuries and illnesses, subsidies for labor continuous	Region	Number of employees covered by collective agreements / participating in labor unions	Total Number of Employees	Coverage ratio of collective agreements	China Shanggao Plant	5,160	5,160	100%	Vietnam Ninh Binh Plant	5,671	5,687	99.71%	
Region	Number of employees covered by collective agreements / participating in labor unions	Total Number of Employees	Coverage ratio of collective agreements													
China Shanggao Plant	5,160	5,160	100%													
Vietnam Ninh Binh Plant	5,671	5,687	99.71%													

Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons therefor
	Yes	No	Summary	
			education, scholarships and grants for children's education, employee travel subsidies, and condolence funds for retired employees. - The plant area provides employees with free shuttle buses for commuting. In addition to providing free lunches, the Company offers monthly meal supplement services, provides employee activity and sports spaces, and established an application system for children's scholarships. The Company provides a housing repair subsidy program for employees to assist in repairing houses to meet basic living needs. The Company conducts annual activities such as visiting the families of outstanding and underprivileged employees in rural areas. 5. Specific Contents and Implementation Status of the Retirement System The Company safeguards colleagues' retirement rights in accordance with the law, establishing stable and transparent pension management mechanisms: (1) Pension Contribution Status - Applicable System: All current employees of the Company are currently subject to the "Labor Pension Act" (the new system). - Contribution Ratio: The Company contributes 6% of employees' total monthly wages in full to individual pension accounts at the Bureau of Labor Insurance. If employees have demands for voluntary contributions, the Company also deducts and pays the amounts into these accounts from their salaries in accordance with the law. (2) Retirement Application Procedures and Conditions - When employees meet statutory retirement conditions, including those who have worked for over 15 years and are aged 55 or older, those who have worked for over 15 years and are aged 55 or older, or those who have worked for over 15 years and are aged 55 or older, they may apply for voluntary retirement. Following the Company's confirmation of qualifications and seniority, retirement approvals are processed. (3) Post-Retirement Care and Friendly Workplace - Retirement Re-Hiring: To inherit the Company's core technologies and experiences, we establish a "retirement re-hiring mechanism." For retired colleagues possessing professional skills and a willingness to work, flexible working hours or dedicated project consultant positions are provided, practicing intergenerational inheritance in the workplace. - Retirement Condolence Funds: When employees process their retirement, in addition to receiving pensions in accordance with the law, the Employee Welfare Committee will issue an additional "retirement condolence fund" in gratitude for the colleagues' years of contribution to the Company.	
(III) Does the Company provide employees with a safe and healthy work environment and give them safety and health education on a regular basis?	✓		The Company is committed to providing employees with a safe and healthy work environment and implements the following safety, health, and health promotion measures: 1. All plant areas are equipped with necessary first-aid facilities and personal protective equipment in accordance with regulations. Targeting specific operational positions, a three-stage occupational health examination covering "pre-employment, on-the-job, and off-the-job" is strictly executed. Employee health	No significant deviation

Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons therefor
	Yes	No	Summary	
			data is continuously tracked to prevent occupational hazards from the source and lower the risks of occupational diseases. 2. Regularly implement occupational safety and health educational training, and continuously perfect the occupational safety management system. Annually commission professional fire protection agencies to enter the plants for guidance, conducting real-life firefighting and evacuation drills to ensure employees are familiar with the correct operation and maintenance of fire extinguishers, fire hydrants, and evacuation equipment, thereby strengthening the disaster response resilience of the plant areas. 3. Annually conduct regular health examinations for all employees to implement the early discovery and early treatment of diseases. Furthermore, the Company commissions professional health enterprises to conduct employee education and training at the plants. The Company cultivates good and healthy sports lifestyles regarding daily work stress relief, stretching exercises during work breaks, and training to strengthen muscle intensity. The Company advocates the hazards of obesity, high blood pressure, high blood sugar, triglycerides, and cholesterol in metabolic syndrome. The Company prevents the risks of strokes and myocardial infarctions by reversing the physical hazards of the "three highs" through a good daily diet, drinking plenty of water, exercising regularly, avoiding staying up late, relieving stress moderately, and quitting smoking early. 4. The Company proactively promotes occupational safety and health verifications across multiple strongholds. As of the publication date of this annual report, the plant areas that have obtained ISO 45001 certifications include: China Shanggao Plant (2023/11/14~2026/11/13), Tianxin Plant (2023/11/27~2026/11/26), Gaoyao Plant (2024/10/29~2027/10/28), and Vietnam Tuyen Quang Plant (2025/03/14~2028/03/13). Introductions are also consecutively planned for other plant areas. For plant areas that have obtained verification, their certificates are all within their validity periods, and the scopes of verification encompass the complete operational processes of the plant areas.	
(IV) Has the Company developed an effective career development training program for employees?	✓		1. The Company conducts internal and external training and training based on the annual education and training plan each year to establish effective professional training programs for employees and improve their career development abilities. 2. The training plans executed in 2025 center around "comprehensive career development." Starting from "new employee labor safety training" at the grassroots level, progressing upward to the cultivation of "cross-departmental collaboration" and "communication and coordination" for mid-level cadres, and introducing "elite cultivation" and "leadership development" projects for high-level management positions and critical talents, the focuses are on strengthening process management and communication and coordination capabilities. Through systematic learning maps, employees are assisted in obtaining effective capability enhancements at different career stages, subsequently driving the overall competitiveness of the Company. (1) Cross-departmental training offered by the Group:	No significant deviation

Promotion item	Implementation						Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons therefor		
	Yes	No	Summary						
				Course Category	Course Name	Total Person-Times Trained	Total Hours		
				New Employee Training	New employee training and labor safety orientation	24	24		
				Organizational General Education	Group introduction, global layout, corporate vision, mission, and development strategies	53	106		
				Professional Common Skills	Knowing our clients - introductions to various brands	53	106		
				Core Competencies	Core competencies + cross-departmental collaboration	95	665		
				Management Competencies	Communication and coordination	51	306		
				Management Competencies	Elite Cultivation	46	276		
				Management Competencies	Process management	44	264		
				Management Competencies	Leadership Skills	40	240		
			(2) China Shanggao Plant Education and Training:						
				Course Category	Course Name	Total Person-Times Trained	Total Hours		
				New Employee Training	New employee training and labor safety orientation	1,513	24,208		
				Labor Training	Employee empowerment R.I.S.E. training, grievance and workplace (WD) training, CSR knowledge training for mid-level cadres, and rights knowledge training for pregnant female employees	1,336	2,813		
				EHS Training	Plant area occupational safety and health training, fire drills, chemical and waste management knowledge, and wastewater leakage drills, etc.	3,950	10,117		
			(3) Vietnam Ninh Binh Plant Education and Training:						

Promotion item	Implementation						Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons therefor		
	Yes	No	Summary						
				Course Category	Course Name	Total Person-Times Trained	Total Hours		
				New Employee Training	New employee training and labor safety orientation	744	372		
				Labor Safety and Health Safety Courses	Chemicals, labor safety, and first-aid training	5,573	623,160		
				Brand Labor Laws and Standards	Normative training required by brands	9,947	54,599		
				Labor Standards Act	Workplace dialogues and employee grievance training	9,524	47,620		
				Other Training	Employee empowerment, self-management, time management, stress management, and training for elevating work skills, etc.	1,122	747,129		
(V) Has the Company complied with relevant laws and regulations and international standards regarding customer health and safety, customer privacy, marketing and labeling of products and services, and established relevant policies and complaint procedures for the protection of consumer rights?	✓		To implement client relationship management, perfect client rights protection mechanisms, and establish smooth and transparent appeal channels and procedures, the Company has formulated the "Client Rights Protection Policies and Appeal Procedures." The contents of this policy encompass: client health and safety norms, product marketing behaviors and information disclosures, and client service and appeal mechanisms: 1. Client health and safety norms: The R&D and manufacturing of products both comply with international safety standards. Regarding raw material management, control over the "Restricted Substances List (RSL)" is strictly executed to ensure products are non-toxic, environmentally friendly, and comply with international norms specified by brand clients, thereby protecting the health and safety of end consumers. 2. Product marketing behaviors and information disclosures: Upholding the principles of ethical corporate management, relevant marketing advertisements and product labels comply with the requirements of regulations such as the "Fair Trade Act" and the "Commodity Labeling Act." Product labels accurately disclose material compositions, origins, and usage warnings, ensuring information transparency without any exaggerated, false, or misleading circumstances. 3. Client service and appeal mechanisms: Targeting customer health and safety, marketing, or issues regarding products and services, appeal channels are provided, establishing an appeal mailbox: suggest@chungjye.com.tw . Its appeal process is: (1) Upon receiving appeal opinions, the dedicated window or assigned personnel will provide an initial response within 3 to 5 working days. (2) After accepting the opinions, the dedicated window will convene relevant units to jointly investigate the causes, draft countermeasures, clarify the attribution of responsibilities, formulate concrete improvement or remedial plans, provide explanations to the client, and continuously track the implementation of improvements. (3) Appeal opinions shall retain processing records and final results to serve as bases for internal management optimizations and quality improvements.						No significant deviation

Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons therefor
	Yes	No	Summary	
			In addition to the norms stipulated in the "Client Rights Protection Policies and Appeal Procedures," the Company strictly complies with the "Personal Data Protection Act". It has formulated the "Information Security Policy" and "Personal Data Protection Management Procedures." In terms of clients' personal data, trade secrets, and technical documents; encrypted storage and permission controls are adopted, and information security audits are regularly conducted to ensure zero leakage of client data.	
(VI) Has the Company had a supplier management policy in place to require suppliers to comply with relevant regulations on environmental protection, occupational safety and health, or labor human rights? How is the policy implemented?	✓		The Company has established the "Supplier Management Policy and Code of Conduct," "Human Rights Management Policy," and "Information Security Policy," incorporating them into the procurement cycle operations of internal controls for implementation. 1. Supplier management policies and norms: Based on the "Supplier Management Policy and Code of Conduct," "Human Rights Management Policy," and "Information Security Policy," the Company requires all suppliers to comply with the following norms: (1) Environmental protection: Suppliers shall comply with environmental protection laws and regulations, prohibit the use of substances harmful to the environment or health (referencing regulations such as ZDHC and RSL), and cooperate in disclosing carbon inventory information and reduction targets. (2) Labor, human rights, and safety: The use of child labor and forced labor is strictly prohibited. Safe and healthy work environments complying with regulations must be provided, and employees' freedom of association and communication rights must be protected. (3) Ethical corporate management: Any form of bribery and improper benefits is prohibited to maintain transaction transparency. Information security controls: Prior to collaborating with new suppliers, the Company shall evaluate their information security management capabilities to ensure they conform to the requirements of the Group's information security policies. Contracts signed with suppliers must explicitly state the information security responsibilities of both parties, confidentiality obligations, service level agreements (SLAs), and the Group's rights to conduct information security audits on them. If equipment manufacturers require remote connections for maintenance, they shall strictly comply with the principles of "application, time limits, and full-process recording," and mandate the use of VPN encrypted connections and multi-factor authentication to ensure the connection processes are secure and controllable. 2. Implementation Status and Management Mechanisms: (1) During the supplier selection stage, the Company conducts evaluations across multiple dimensions such as quality, delivery schedules, environmental management, and social responsibilities. Through the three major management stages of "screening, auditing, and counseling," supplier management is systematically promoted. Furthermore, through the distribution of supplier self-assessment questionnaires, it evaluates whether suppliers comply with relevant norms regarding issues such as environmental protection, occupational safety and health, labor human rights, information and communication security, or privacy protection. (2) The Company formulates explicit audit guidelines. The procurement/general affairs procurement/materials units compile the evaluation results of various evaluation units, fill out the "Supplier Regular Evaluation Form," and submit it to the authorized supervisors for review. Based	No significant deviation

Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons therefor
	Yes	No	Summary	
			on the evaluation results, it serves as the basis for replacing, developing, and selecting suppliers for the new quarter. (3) Targeting risk issues discovered during audits, suppliers are required to submit concrete improvement plans, and tracking for verification is conducted after the improvement deadlines to lower the risks of recurrence. (4) Through educational training and experience sharing, suppliers are assisted in strengthening their social and environmental management capabilities. Suppliers are encouraged to obtain international environmental management certifications such as Higg FEM, joining hands with suppliers to achieve the goals of supply chain low-carbon transitions and labor human rights protection.	
V. Has the Company prepared reports disclosing the Company's non-financial information, such as a Sustainability Report, in accordance with international reporting standards or guidelines? Have said reports obtained assurance from a third-party verification body?	✓		1. The Company follows the GRI Universal Standards 2021 announced by the Global Reporting Initiative (GRI) as the primary comprehensive disclosure framework, simultaneously referencing the industry standards of the Task Force on Climate-related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB) for reporting. This concretely explains to Chung Jye's stakeholders the sustainable actions and effectiveness of the Chung Jye Group regarding environment, social, and corporate governance. It also simultaneously references the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" and the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" of the Taiwan Stock Exchange as the basis for content writing. Furthermore, to elevate the management of the quality of sustainability information (including sustainability reporting), lower the risks of misstatements, and comply with legal regulations, the Company incorporates the management of sustainability information into the items of the annual audit plan based on the "Sustainability Information Management Procedures" formulated by the Company, ensuring that the preparation of the report complies with the regulations of relevant procedures and guidelines. 2. As a listed company with a paid-in capital of under NT\$5 billion, the Company is not yet in the year required to obtain assurance or assurance opinions from third-party certification units in accordance with the exclusive roadmap for listed and OTC companies.	No significant deviation
VI. If the Company has established its own Sustainable Development Best Practice Principles in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies," please describe any deviation between its current practices and its Sustainable Development Best Practice Principles: The Company formulated the "Sustainable Development Best Practice Principles" in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies," with no material differences between its operations and the Principles.				
VII. Other important information that is helpful in understanding the implementation of sustainable development: (I) Environmental Sustainability: The Company actively responds to global climate actions, introduces the Higg FEM evaluation tool, and passes third-party verifications to conduct data-driven management of environmental performance. Simultaneously, it comprehensively promotes ISO 14001 environmental management system verifications, deepens energy-saving and carbon reduction programs, and is dedicated to lowering process energy consumption and carbon emissions, concretely fulfilling the commitments of a green supply chain. (II) Social Public Welfare: The Company upholds the social service concept of "remembering the source while drinking the water, taking from society, and using it for society" to continuously participate in social public welfare activities. To deepen social engagement and expand the impacts of public welfare, the "Chung Jye Public Welfare Charity Foundation" was established in May 2024. In 2025, Chung Jye Group cumulatively donated NT\$10,213,000, of which NT\$10,000,000 was donated to the Chung Jye Public				

Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons therefor
	Yes	No	Summary	
			Welfare Charity Foundation, and NT\$213,000 was allocated for community care (Liubao Community Development Association, Daya District), community safety support (Daya Squad, Taichung City Civil Defense Corps; Friends of Police Association, Taichung), and humanistic promotion, focusing public welfare resources into the two major aspects of "education and culture" and "disadvantaged care." In addition to regular social welfare donations, the foundation proactively promotes the "Talent Cultivation Dream-Realizing Plan". It encourages colleagues of the group to personally participate in volunteer services, supporting the development of disadvantaged groups with practical actions. It is expected that through the continuous injection of corporate resources, a positive social cycle can be driven, leading the public or institutional groups to provide substantial help to disadvantaged groups, thereby fulfilling corporate social responsibilities. Specific public welfare deeds are as follows: 1. Donated bathing vehicles and welfare vehicles to long-term care institutions. 2. Donated hundreds of pairs of brand-new athletic shoes to children of the Joy Family (physical and mental disabilities). 3. Provided scholarships and grants to sponsor disadvantaged children's schooling and living support. 4. Provided care services and employment training support for persons with physical and mental disabilities. 5. Visited 250 nursing and disability institutions, providing long-term care for solitary elders, the disadvantaged, and children with physical, mental, and intellectual disabilities, with public welfare visits exceeding 42,420 person-times. 6. Disaster relief and care visits in Guangfu, Hualien. (III) Corporate Governance: The Company is dedicated to elevating operational transparency, establishing "Corporate Governance" and "Investor Relations" sections on the official website, and instantly updating company regulations, financial and business information, and the operational statuses of the Board of Directors. Through open and transparent communication channels, stakeholders are ensured to instantly grasp the Company's current operational statuses, implementing ethical corporate management.	

(VI) Climate-related information on TWSE/TPEX Listed Companies

According to the planned schedule of the Sustainable Development Roadmap of TWSE/TPEX Listed Companies (the "Sustainable Development Roadmap"), companies with a paid-in capital of less than NT\$5 billion shall complete the disclosure of GHG inventory and assurance information by 2028; therefore, this is not yet applicable to the Company. However, the implementation status of climate-related information disclosed by the Company early is as follows:

1. Climate-related information implementation status

Item	Implementation
1. Describe the monitoring and governance of climate-related risks and opportunities by the Board and the management.	The Board is the highest governing body of the Company for climate change, is responsible for directing the Company's response and decision-making for climate change, approving the scope and specifications of climate risk management and the level of approval, and is responsible for ensuring and supervising the effective implementation of the overall risk management system. The Company established the "Sustainable Development Committee" in 2024 and appointed Vice President Yen-Liang Lai as the CSO to be responsible for promoting and implementing sustainability plans, regularly assessing climate-related risks and opportunities, and reporting to the Board reporting the promotion and implementation achievements of climate-related issues.
2. Describe how the identified climate risks and opportunities affect the business, strategy and	Referencing the IFRS S2 framework, the Company identifies the potential risks and opportunities of climate change to the Group's operations through the four core elements of "Governance," "Strategies," "Risk Management," and "Indicators and Targets." Furthermore, climate issues are integrated into overall business strategies and financial

Item	Implementation				
finance of the Company (short-, medium-, and long-term).	planning, aiming to prevent the physical and transition risks brought by climate change and proactively grasp the market business opportunities brought by low-carbon transitions.				
3. Describe the financial impact of extreme weather events and transition actions.	Climate risk effects:				
	Types of risk	Risk factor	Affecting period	Potential financial impacts	Response Strategy
	Transition risk Policies and regulations	Improve reporting obligations for emissions	Short-term	Increased operational costs: To comply with the regulatory requirement to complete the Consolidated Company's inventory and verification prior to 2029, additional manpower, inventory system establishment expenses, and third-party verification expenses must be invested. If not compliant, the Company will face the risks of fines and reputational damage.	The Company must comprehensively conduct organizational greenhouse gas inventories, establish inventory equipment and capabilities, train internal verification personnel, establish autonomous inventory capabilities, and allocate budgets to construct carbon management information systems to elevate data quality.
	Physical risk - Long-term	Changes in rainfall (precipitation) patterns and extreme change in climate patterns	Short-term	Decreased revenue and increased maintenance costs: Changes in rainfall patterns and extreme climates may cause plant flooding, leading to supply chain interruptions or employees being unable to attend work, causing capacity to decline, and potentially increasing equipment failure rates and maintenance costs.	Formulate standard operating procedures for disaster response to ensure supply chain resilience, and periodically inspect plant structures and drainage facilities to lower the risk of disaster losses.
	Transition risk - Technology	Cost of low-carbon technology transition	Mid-term	Increased capital expenditures: High capital investments are required initially for introducing automated and low-carbon equipment, and uncertainties during the break-in period of new technologies are faced, which may impact the short-term return on investment.	Establish rigorous investment benefit evaluation models to balance carbon reduction benefits with financial performance, and introduce low-carbon technologies in phases to lower the pressure of one-time capital investments.
	Effects of climate opportunities:				
	Types of opportunity	Opportunity factor	Affecting period	Potential financial benefits	Response Strategy
	Opportunities- Resource Efficiency	Adopt more efficient production and distribution processes	Short-term	Reduction in Operating Costs: Through working hour management and optimized distribution processes, unit labor costs and raw material waste can be directly lowered,	Introduce lean management and digitalized process optimizations to reduce waste in production processes (including ineffective transportation, inventory accumulation, and rework

Item	Implementation				
				elevating the gross profit margin.	of defective products); and accurately grasp working hours and energy consumption data to optimize production line scheduling by establishing dedicated units to conduct digitalized monitoring.
	Opportunities-Products and Services	Development and/or increase of low-carbon products and services	Short-to-mid-term	Revenue growth: Responding to brand clients' demands for low-carbon products facilitates securing orders from major international manufacturers, pioneering green consumption markets, and elevating market share and corporate image.	Proactively replace old equipment and introduce high-efficiency, energy-saving equipment; regarding products, implement circular economy concepts, prioritizing the selection of recyclable and renewable materials. Collaborate closely with brand clients to jointly develop new products and comply with carbon reduction targets.
	Opportunities-Resource Efficiency	Use buildings with higher efficiency	Short-to-mid-term	Lowered energy costs: Adopting green building designs and smart energy-saving facilities can lower public utility expenses for water and electricity and maintenance expenditures for old equipment, directly lowering energy costs during operations.	Newly expanded plant areas prioritize the adoption of green building standards to elevate the insulation and natural lighting efficacy of building envelopes. Establish EMS energy management systems to instantly monitor the energy consumption of production equipment and eliminate ineffective waste. And concretely lower water and electricity consumption volumes and operational costs through scientific and technological management methods.
	Note: Definition of impact period timeframes: Short-term: 2025-2026, Medium-term: 2027-2030, Long-term: 2031-2050				
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	The Company views climate change as one of the material risks impacting the enterprise's sustainable operations, and has formally integrated it into the Group's overall risk management structure. Referencing the IFRS S2 norms and the TCFD framework, through the four core elements of "Governance," "Strategies," "Risk Management," and "Indicators and Targets," the Company ensures that climate risks and the Company's traditional risks, such as finance, operations, and regulatory compliance, are evaluated consistently using the same evaluation standards and internal control processes. 1. Integration of organizational and management mechanisms: The Company utilizes the "Sustainability Development Committee" as the highest cross-departmental climate governance unit. The committee regularly focuses on domestic and international climate-related laws and				

Item	Implementation
	regulations and industry trends, conducting educational training for various departments to deepen climate resilience awareness. 2. Identification and Evaluation Process for Climate-Related Risks and Opportunities: Step 1. Setting Climate Change Scenarios Reference international climate scenarios (e.g., IPCC reports) to inventory potential physical and transition risk lists, and preliminarily screen climate factors that may impact the Company's businesses, supply chains, and operational environments. Step 2. Evaluating the Impact of Climate Change on the Operating Environment and Stakeholders High-level supervisors of various departments jointly participate, adopting evaluation dimensions consistent with the Company's overall risk management. Comprehensively consider the "occurrence probability" and the "impact degree on finance and operations" of various climate risks to evaluate their material impacts on the enterprise and stakeholders. Step 3. Establish matrix analyses and implement integrated management. The Company established a "Risk and Opportunity Matrix" based on the evaluation results. The Company has currently identified three climate risks and three opportunities each that wield material impacts on operations. Identification results will be directly delivered to the relevant authorized departments. Response strategies will be drafted targeting high-risk and high-impact items, and transformed into annual key performance indicators and internal control measures for various departments, implementing the prevention and tracking of climate risks.
5. If scenario analysis is used to assess resilience in the face of climate change risks, the scenarios, parameters, assumptions, analysis factors, and main financial impacts used shall be described.	1. The Company adopts two "Shared Socioeconomic Pathways (SSPs)" from the Sixth Assessment Report (AR6) of the United Nations Intergovernmental Panel on Climate Change (IPCC) to conduct scenario simulation analyses of physical risks and transition risks, identifying primary risk factors and evaluating their financial impacts: (1) Physical risks (Targeting the SSP5-8.5 scenario - warming to 6 °C): • Analysis factors: Plant flooding risks caused by rising sea levels, and unstable power supplies led by extreme high temperatures. • Financial impacts: Operational interruption losses, repair expenditures for asset damages, and increased summer power procurement costs. (2) Transition risks (Targeting the SSP1-2.6 scenario - warming to 2 °C): • Analysis factors: Domestic and international carbon fee levying mechanisms, and supply chain green premium requirements. • Financial impacts: Carbon inventory and carbon reduction pathway investments, additional costs of procuring green electricity, and market losses for product competitiveness impacted by carbon footprints. 2. Following the evaluation, the Company's current financial structure is sound, possessing the resilience to respond to the aforementioned risks. Disaster prevention and response systems have been established targeting physical risks, while transition risks are gradually mitigated through energy transition plans. In the future, the Company will dynamically adjust analysis models and parameters depending on international climate trends and the actual degree of operational impacts to ensure the immediacy and precision of resilience evaluations.
6. If there is a transition plan in response to the management of	Responding to climate change, the Company actively implements low-carbon transition plans as follows: 1. Content of the Climate Risk Transition Plan

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climate-related risks, describe the content of the plan and the indicators and targets used to identify and manage physical risks and transition risks.	(1) Energy transition and efficiency elevation: • Renewable energy establishment: Primary production bases in China and Vietnam have consecutively introduced solar green electricity and procured green electricity certificates (I-REC), gradually elevating the proportion of renewable energy usage. • Process equipment replacement: Comprehensively replace old, high-energy-consuming motors and air compressors, introduce variable-frequency energy-saving equipment, and establish energy management systems (EMS) to digitally monitor abnormal energy consumption. (2) Green processes and pollution prevention: • Air pollution prevention upgrade: Targeting process Volatile Organic Compounds (VOCs), comprehensively install "catalytic combustion exhaust gas treatment facilities" to effectively lower greenhouse gas and hazardous gas emissions. • Water resource circulation: Expand wastewater recycling pools in plant areas and introduce Zero Discharge of Hazardous Chemicals (ZDHC) standards to elevate process water recycling and reuse rates, lowering reliance on external water resources. (3) Sustainable supply chain management: • Introduce Higg FEM to conduct annual verifications and actively participate in the carbon reduction initiatives of international brand clients. • Introduce circular economy concepts at the R&D end to increase the recycling and reuse ratios of waste rubber and EVA scraps, lowering Scope 3 carbon emissions at the raw material end. 2. Indicators and targets for identifying and managing physical and transition risks (1) Physical risk management indicators and targets - prevent factors such as extreme rainfall, water shortages, and high-temperature work stoppage risks • Process wastewater recycling and reuse rate: Through wastewater recycling pools and ZDHC water management mechanisms, the target is to elevate the overall water resource recycling rate of plant areas. • Ensure supply chain delivery capabilities under extreme climates by implementing business continuity plans and inspecting plant flood prevention facilities. (2) Transition risk management indicators and targets - respond to factors such as regulatory requirements, carbon fee levies, and prevent risks of clients withdrawing orders. • Gradually complete greenhouse gas inventories and third-party verifications for primary plant areas across the group, and formulate and commit to annual greenhouse gas reduction targets based on the inventory baselines. • Maintain the effectiveness of Higg FEM verifications for various plant areas, achieving a 100% deficiency improvement rate. • Continuously optimize production line scheduling and lean management to achieve long-term energy consumption reduction targets. For detailed response plans for climate-related risks, please refer to the disclosures in the Environment chapter of the Sustainability Report.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price shall be stated.	The Company plans to officially introduce greenhouse gas Scope 1 and Scope 2 emission inventories starting in 2025 in accordance with the sustainability roadmap, and expand the inventory scope in 2026 to launch the planning of Scope 3 emission data collection. Simultaneously, the carbon management platform is introduced to regularly

Item	Implementation
	implement the supervision and control of greenhouse gas emissions. In the future, the Company will also evaluate and plan the introduction of internal carbon pricing mechanisms depending on scenario requirements.
8. If climate-related targets are set, the activities covered, the scope of greenhouse gas emissions, the planned schedule, and the progress of each year shall be described; if carbon offsets or renewable energy certificates (RECs) are used to achieve the targets, the source and amount of the carbon offsets or the amount of the RECs shall be described.	1. Climate-related targets: To concretely implement low-carbon manufacturing and sustainable transitions, the Company continuously sets medium- and long-term greenhouse gas reduction targets based on scientific reduction methods. The coverage scope and planning schedules for this target are as follows: (1) Coverage of operational activities: Production manufacturing, assembly, warehousing and logistics, and office operations for footwear products across the entire group. (2) Greenhouse gas emission scopes: • Scope 1 and 2: The parent company and one primary plant area each in China and Vietnam completed inventories in 2025; inventories for the Consolidated Company's subsidiaries will be gradually completed in 2026. • Scope 3: Various Scope 3 emission sources will be gradually evaluated and incorporated into inventories starting in 2026. (3) Planning schedules and base year: • Base year: The greenhouse gas inventories for the group's consolidated subsidiaries have not yet been completed, and will be set upon completion. • Schedule planning: Medium-term target: Reach 100% green electricity usage by 2030. Long-term target: Achieve net-zero emissions by 2050 in coordination with international initiatives and brand client requirements. 2. Renewable energy certificates: The Vietnam Ninh Binh plant area purchased 8,800 thousand kWh in 2025.
9. GHG inventory and assurance, as well as the reduction targets, strategies, and concrete action plans	In accordance with the Sustainable Development Roadmap for TWSE/TPEX Listed Companies, listed and OTC companies with a paid-in capital of under NT\$5 billion shall disclose the inventory information of the Consolidated Company in the 2027 annual report for 2026, and disclose the individual inventory data and assurance status of the parent company in the 2028 annual report for 2027. Please reference the following explanation in [2. Status of the Company's Greenhouse Gas Inventory and Assurance for the Most Recent Two Fiscal Years].

2. GHG inventory and assurance in the most recent two years

(1) GHG inventory

State the greenhouse gas emissions (tCO₂e), intensity (tCO₂e/pair), and data coverage scope for the most recent two fiscal years.

Year	Data Coverage Scope	Scope 1 Direct greenhouse gas emissions	Scope 2 Imported energy indirect greenhouse gas emissions	Production pairs (pairs)	Emission Intensity (tCO ₂ e / pair)
		Emissions (tCO ₂ e)	Emissions (tCO ₂ e)		
2024 years	Taiwan Parent Company	35.6881	48.7106	-	-
	Shanggao in China	3,561.6068	6,287.3321	7,947,000	-
	Ninh Binh in Vietnam	4,177.3720	10,239.4751	10,497,000	-
	Total	7,774.6669	16,575.5178	18,444,000	0.0013

Year	Data Coverage Scope	Scope 1 Direct greenhouse gas emissions	Scope 2 Imported energy indirect greenhouse gas emissions	Production pairs (pairs)	Emission Intensity (tCO ₂ e / pair)
		Emissions (tCO ₂ e)	Emissions (tCO ₂ e)		
2025 years	Taiwan Parent Company	39.6622	52.3552	-	-
	Shanggao in China	2,672.3540	3,003.2306	4,863,000	-
	Ninh Binh in Vietnam	4,142.1043	7,166.3807	7,887,000	-
	Total	6,854.1205	10,221.9666	12,750,000	0.0013

Scope of data coverage:

- Reporting Boundary Scope: Taiwan Parent Company Office, China Shanggao Plant (Shanggao Chung Jye), and Vietnam Ninh Binh Plant (Ninh Binh Chung Jye).
- External professional consultants were officially introduced for counseling in 2025, adopting the "Greenhouse Gas Protocol" (GHG Protocol) as the inventory standard to conduct Scope 1 and Scope 2 inventories. Furthermore, the Company utilized the coefficients provided by the consultants in 2025 to recalculate the greenhouse gas emission volumes and intensities for 2024.

(2) GHG assurance information

Describe the assurance status in the most recent two years, including the assurance scope, assurance institution, assurance standards, and assurance opinion.

The Company has not yet executed greenhouse gas assurance for 2025.

In accordance with the Sustainable Development Roadmap for TWSE/TPEX Listed Companies, listed and OTC companies with a paid-in capital of under NT\$5 billion shall complete the inventory operations of subsidiaries in the consolidated financial statements in 2027, and complete individual company assurances and disclose the information in the annual report in 2028.

3. GHG reduction targets, strategies, and concrete action plans

Describe the assurance status up to the publication date of the annual report, including the assurance scope, assurance institution, assurance standards, and assurance opinion.

Base year for GHG reduction and reduction targets

The Company has not yet completed the greenhouse gas inventory scope for the consolidated financial report. The Company expects to set a reduction base year and reduction targets upon completion in 2027 and will disclose the reduction achievement status in the following year.

GHG reduction strategies and concrete action plans

The Company adopts a sustainable strategy to implement climate targets, including the procurement of low-carbon or sustainable materials to reduce carbon emissions and designing products within the green circular economy. The departments implement concrete actions for sustainability and carbon reduction. The Company promotes low carbon and green buildings for its plants and adopts green transportation and other strategy implementation actions for the reduction, recycling, and reuse of waste.

Achievement of reduction targets

The Company has not yet completed the greenhouse gas inventory scope for the consolidated financial report. In accordance with regulations, the Company expects to set carbon reduction targets upon completion in 2027 and will disclose the achievement status in the following year.

(VII) Implementation of ethical management, any deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons therefor

Evaluation item	Operation (Note 1)			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons therefor
	Yes	No	Summary	
I. Establishment of ethical management policies and plans				
(I) Has the Company established an ethical management policy, is it approved by the Board, and explicitly specified the Company’s policies and practices on ethical management, as well as the commitment of the Board and senior management to actively implement management policies in its regulations or external documents?	✓		The Company formulated the "Ethical Corporate Management Best Practice Principles," "Procedures and Guidelines of Conduct for Ethical Corporate Management," and "Codes of Ethical Conduct" to regulate the Company's ethical corporate management policies, ensuring that employees, managers, and Directors truly understand and strictly comply with their execution. The Board of Directors resolved and passed all relevant operating procedures.	No significant deviation
(II) Has the Company developed an assessment mechanism for the risk of unethical conduct, analyzed and assessed the business activities with a higher risk of unethical conduct within the business scope on a regular basis, and established a program for the prevention of unethical conduct accordingly, which at least cover preventive measures against the acts set forth in subparagraphs of paragraph 2, Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies"?	✓		The Company explicitly prohibited unethical conduct in the "Procedures and Guidelines of Conduct for Ethical Corporate Management" and formulated plans to prevent unethical conduct accordingly. These encompass preventive measures for the various behaviors listed in Paragraph 2, Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies." The Company's personnel uphold integrity and fairness, comply with laws and regulations, and avoid conflicts of interest while executing their duties. Furthermore, an effective internal control system is established. The Chief Internal Auditor sets the audit plan at the end of each year to conduct risk evaluations, audits, and tracking targeting various transaction cycle operations, ensuring personnel comply with laws and firmly uphold integrity during business activities.	No significant deviation
(III) Has the Company had operating procedures, behavioral guidelines, punishment and complaint systems specified in the program for the prevention of unethical conduct? Are they thoroughly implemented? Is the said program regularly reviewed and amended?	✓		The Company formulated the "Procedures and Guidelines of Conduct for Ethical Corporate Management" and "Codes of Ethical Conduct" to set plans for preventing unethical conduct. The Company explicitly stipulated operating procedures, guidelines of conduct, disciplinary actions for violations, and appeal systems within each plan. Furthermore, the Company explicitly stipulated the reporting system and investigation process in Section 1.4 Ethical Corporate Management of the "Sustainability Report" and implements education and training to execute them.	No significant deviation
II. Implementation of ethical corporate management				
(I) Has the Company evaluated the record of the integrity of its counterparts and specified ethical behavior clauses in the contracts signed with the counterparts?	✓		Prior to establishing business relationships with business partners (including suppliers, outsourcers, and clients), the Company evaluates their legality, integrity records, and whether they are involved in unethical behaviors to avoid conducting transactions with those having unethical records. The Company explicitly stipulated ethical conduct clauses in contracts signed with major counterparties.	No significant deviation

Evaluation item	Operation (Note 1)			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons therefor
	Yes	No	Summary	
			Contents encompass: prohibiting bribery and bribe-taking, prohibiting the provision of improper benefits, and the Company's right to terminate or rescind contracts at any time if unethical behaviors are involved, thereby ensuring the business behaviors of both parties comply with ethical corporate management principles.	
(II) Has the Company set up a dedicated department subordinate to the Board to promote ethical corporate management, and has the department reported the Company's ethical corporate management policies and programs for the prevention of unethical behaviors as well as their supervision and implementation to the Board (at least once a year)?	✓		To implement ethical corporate management, the Company formulated the "Procedures and Guidelines of Conduct for Ethical Corporate Management," designated the corporate governance department as the dedicated unit, and assigned the audit unit to supervise execution. The unit may report immediately to the Board of Directors if material violations of ethical conduct occur. The Company received no reported cases and experienced no incidents involving unethical conduct in 2025. "Ethical Corporate Management and Ethical Conduct Advocacy" was executed in November 2025, and the annual advocacy conditions were reported to the Board of Directors on December 31.	No significant deviation
(III) Has the Company formulated policies to prevent conflicts of interest, provided appropriate channels for communication, and implemented them thoroughly?	✓		The Company explicitly stipulates policies and operating procedures for preventing conflicts of interest for personnel at all levels in relevant measures such as the "Procedures for Ethical Management and Guidelines for Conduct" and the "Code of Ethical Conduct." Directors who have an interest in themselves or the juristic persons they represent, which may be detrimental to the Company's interests, shall not participate in discussions and voting, and shall recuse themselves during discussions and voting. When the Company's personnel execute company business, those with conflicts of interest shall inform their supervisors in advance and recuse themselves to avoid the occurrence of conflicts of interest.	No significant deviation
(IV) Has the Company established an effective accounting system and internal control system to implement ethical corporate management? Has the internal audit department drawn up relevant audit plans based on the assessment results for the risk of unethical behaviors and performed the audit of compliance with the program for the prevention of unethical behaviors accordingly, or commissioned CPAs to do so?	✓		The Company has established an effective accounting system and internal control system. In addition to engaging CPAs to perform audit certifications, the internal audit department implements audits in accordance with the audit plan and reports to the Board on a regular basis.	No significant deviation
(V) Has the Company organized internal and external training on ethical corporate management on a regular basis?	✓		The Company periodically conducts advocacy for ethical corporate management concepts and regulations annually through new employee training, internal meetings, and education and training. The corporate governance department produces advocacy materials and videos for the "Ethical Corporate Management and Code of Ethical Conduct," promoting them to various departments across the Company. The ethical corporate management advocacies and educational training	No significant deviation

Evaluation item	Operation (Note 1)			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons therefor
	Yes	No	Summary	
			in 2025 totaled 1,991 participant-person-times.	
III. Operation of the Company's whistleblowing system				
(I) Has the Company established specific whistleblowing and reward systems, created a convenient channel for whistleblowing, and assigned appropriate dedicated personnel to reported subjects?	✓		The Company has established the "Procedures for Ethical Management and Guidelines for Conduct" to encourage insiders and external personnel to report unethical behaviors or misconduct and also specified the handling procedures for whistleblowing. Matters involving company employees are designated to dedicated personnel for processing; if Directors or high-level supervisors are involved, they shall be reported to Independent Directors.	No significant deviation
(II) Has the Company established standard operating procedures for the investigation of reported matters, specified follow-up measures to be taken after the investigation is completed, and developed relevant confidentiality mechanisms?	✓		The Company formulated standard operating procedures for investigating received reports. The Company handles all received notifications and subsequent investigations with a confidential and rigorous attitude and permits anonymous reporting.	No significant deviation
(III) Has the Company taken measures to protect whistleblowers from improper treatment due to whistleblowing?	✓		The Company shall keep the identity of the whistleblowers and the content of the report in strict confidence, and it promises to protect the whistleblowers from any mistreatment due to the report.	No significant deviation
IV. Enhancement of information disclosure				
Has the Company disclosed its Ethical Corporate Management Best Practice Principles and the achievements of their implementation on its website and the MOPS?	✓		The Company discloses relevant information regarding its fulfillment of ethical corporate management through channels such as the corporate governance section on the Company website. The Company established a mailbox within the stakeholder interaction section on the website to implement the responsibility of ethical corporate management through multiple channels.	No significant deviation
V. If the Company has established its own Ethical Corporate Management Best Practice Principles in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies," please describe any deviation between its current practices and its Ethical Corporate Management Best Practice Principles: The Company has established its "Ethical Corporate Management Best Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct," and its operations have no deviation from the Principles.				
VI. Other important information that is helpful in understanding the implementation of the Company's ethical corporate management: (i.e., the Company examines and amends the Ethical Corporate Management Best Practice Principles it established): In addition to the "Ethical Corporate Management Best Practice Principles," the Company has established other internal regulations (e.g., the Company's Procedures for Handling Material Inside Information and Regulations for Preventing Insider Trading). The Company arranges for Directors to participate in corporate governance courses, regularly promotes the Company's ethical corporate management policy to employees, and amends the Ethical Corporate Management Best Practice Principles in a timely manner depending on the Company's business development.				

(VIII) Other important information that allows for a better understanding of the implementation of the Company's corporate governance:

1. The Company immediately announces all material information on the Market Observation Post System in accordance with competent authority regulations. The Company also periodically or immediately updates financial, business, and corporate governance-related information in sections such as the Company website. The Company complies with legal amendments and considers environmental changes to amend various corporate governance regulations in a timely manner. These serve as behavioral guidelines for Directors, managers, and employees to follow. The Company established a "Corporate Governance Section" on the Company website to fully disclose relevant management procedures.
2. The Company has formulated the "Procedures for Handling Material Inside Information" and placed them on the Company's internal website for inquiry, enabling all departments and colleagues to comply with relevant procedures and legal regulations when handling potential material inside information and matters requiring disclosure.
3. To enable employees, managers, and Directors to comply with relevant internal control systems, insider norms, procedures for handling material inside information, and ethical corporate management, the Company conducts educational training and advocacies, including:
 - (1) Insider equity and insider trading educational training, utilizing videos, presentations, equity trading Q&A collections, and insider trading quick guides for advocacy.
 - (2) Advocacy of ethical corporate management and the code of ethical conduct, where the highest department supervisors lead the viewing and studying of videos and guidelines, with total advocacy hours reaching 2,006 hours.
 - (3) Instantly notify and remind Directors and managers prior to arranging Board of Directors schedules that they are prohibited from trading stocks during the closed periods of 30 days prior to the announcement of annual financial reports and 15 days prior to the announcement of quarterly financial reports.
4. Continuing education statuses for the Company's Directors, Chief Internal Auditor, Corporate Governance Officer, and Accounting Supervisor:

Title	Name	Continuing Education Date	Organizer	Course Name	Total Hours
Chairman	An-Che Liu	2025/05/12	Taiwan Corporate Governance Association	Preparing for a Rainy Day: Discussing Enterprise Business Continuity Management	15
		2025/06/30	Taiwan Corporate Governance Association	Sustainability, Risk, and Information Security Issues in the AI Era	
		2025/07/09	Taiwan Stock Exchange and Cathay Financial Holdings	2025 Cathay Sustainable Finance and Climate Change Summit	
		2025/09/26	Securities and Futures Institute	2025 Insider Trading Prevention Advocacy Session	

Title	Name	Continuing Education Date	Organizer	Course Name	Total Hours
Directors	Chiung-Wen Liu	2025/05/12	Taiwan Corporate Governance Association	Preparing for a Rainy Day: Discussing Enterprise Business Continuity Management	15
		2025/06/30	Taiwan Corporate Governance Association	Sustainability, Risk, and Information Security Issues in the AI Era	
		2025/07/09	Taiwan Stock Exchange and Cathay Financial Holdings	2025 Cathay Sustainable Finance and Climate Change Summit	
		2025/09/26	Securities and Futures Institute	2025 Insider Trading Prevention Advocacy Session	
Directors	Yu-Hsuan Liu	2025/05/12	Taiwan Corporate Governance Association	Preparing for a Rainy Day: Discussing Enterprise Business Continuity Management	15
		2025/06/30	Taiwan Corporate Governance Association	Sustainability, Risk, and Information Security Issues in the AI Era	
		2025/07/09	Taiwan Stock Exchange and Cathay Financial Holdings	2025 Cathay Sustainable Finance and Climate Change Summit	
		2025/09/26	Securities and Futures Institute	2025 Insider Trading Prevention Advocacy Session	
Independent Director	Cheng-Wen Cheng	2025/05/09	Securities and Futures Institute	2025 Insider Trading Prevention Advocacy Session	24
		2025/05/12	Taiwan Corporate Governance Association	Preparing for a Rainy Day: Discussing Enterprise Business Continuity Management	
		2025/05/29	Taiwan Corporate Governance Association	IFRS 18: Presentation and Disclosures in Financial Statements	
		2025/06/30	Taiwan Corporate Governance Association	Sustainability, Risk, and Information Security Issues in the AI Era	
		2025/07/09	Taiwan Stock Exchange and Cathay Financial Holdings	2025 Cathay Sustainable Finance and Climate Change Summit	
		2025/07/22	Taiwan Corporate Governance Association	Sustainable Development Advocacy Session - Taichung Session	
		2025/08/05	Taiwan Corporate Governance Association	Directors' Responsibilities and Obligations Under Corporate Governance Norms	

Title	Name	Continuing Education Date	Organizer	Course Name	Total Hours
Independent Director	Fu-Chiang Tsai	2025/05/12	Taiwan Corporate Governance Association	Preparing for a Rainy Day: Discussing Enterprise Business Continuity Management	12
		2025/06/30	Taiwan Corporate Governance Association	Sustainability, Risk, and Information Security Issues in the AI Era	
		2025/07/09	Taiwan Stock Exchange and Cathay Financial Holdings	2025 Cathay Sustainable Finance and Climate Change Summit	
Independent Director	Kuan-Cheng Ko	2025/05/09	Securities and Futures Institute	2025 Insider Trading Prevention Advocacy Session	15
		2025/05/12	Taiwan Corporate Governance Association	Preparing for a Rainy Day: Discussing Enterprise Business Continuity Management	
		2025/06/30	Taiwan Corporate Governance Association	Sustainability, Risk, and Information Security Issues in the AI Era	
		2025/07/09	Taiwan Stock Exchange and Cathay Financial Holdings	2025 Cathay Sustainable Finance and Climate Change Summit	
Independent Director	Ming-Hui Hsieh	2025/05/12	Taiwan Corporate Governance Association	Preparing for a Rainy Day: Discussing Enterprise Business Continuity Management	12
		2025/06/30	Taiwan Corporate Governance Association	Sustainability, Risk, and Information Security Issues in the AI Era	
		2025/07/09	Taiwan Stock Exchange and Cathay Financial Holdings	2025 Cathay Sustainable Finance and Climate Change Summit	
Chief Auditor	Huang, Chen-Chen	2025/02/20	The Institute of Internal Auditors-Chinese Taiwan	New Challenges for Internal Auditors - Analyses of Sustainability Information Disclosures, Management Policies, and Relevant Audit Focuses	18
		2025/05/12	The Institute of Internal Auditors-Chinese Taiwan	Analyses of Legal Responsibilities for Greenwashing and False Sustainability Reports	
		2025/05/21	The Institute of Internal Auditors-Chinese Taiwan	Information Security Protection and Cloud Security Audit Practices	
Governance Officer	Chen Jung-Sung	2025/05/09	Securities and Futures Institute	2025 Insider Trading Prevention Advocacy Session	20

Title	Name	Continuing Education Date	Organizer	Course Name	Total Hours
		2025/05/12	Taiwan Corporate Governance Association	Preparing for a Rainy Day: Discussing Enterprise Business Continuity Management	
		2025/05/21	Taiwan Corporate Governance Association	Refining the Performance Evaluations of the Board of Directors and Functional Committees	
		2025/06/20	Taiwan Academy of Banking and Finance	Corporate Governance Forum	
		2025/06/30	Taiwan Corporate Governance Association	Sustainability, Risk, and Information Security Issues in the AI Era	
		2025/10/16	Financial Supervisory Commission	The 15th Taipei Corporate Governance Forum	
Finance and Accounting Supervisor	Ying-Tzu Tsai	2025/10/13~2025/10/22	Accounting Research and Development Foundation	Professional Study Courses for Initial Continuing Education Classes for Accounting Supervisors of Issuers, Securities Firms, and Securities Exchanges	30

(IX) Implementation status of the internal control system

1. Internal Control System Statement: The Company announced its Internal Control System Statement on the Market Observation Post System (<https://mops.twse.com.tw>) in accordance with competent authority regulations.

(Single Company > Corporate Governance > Company Regulations / Internal Controls > Announcement of Internal Control Statements)

2. Internal Control System Statement: If a CPA is commissioned to conduct a special audit of the internal control system, the CPA's audit report shall be disclosed:



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Review of the internal control system

Independent Auditors' Report of Reasonable Assurance

The Board of Directors and Shareholders of Chung Jye Investment Holding Co., Ltd.:

We have implemented the necessary procedures for the design and implementation status of the internal control system related to the external financial reporting and the protection of asset security of Chung Jye Investment Holding Co., Ltd. and its subsidiaries as of December 31, 2025 and the statement for the effective design and implementation of the internal control system related to the external financial reporting and the protection of asset security as of December 31, 2025 issued on March 9, 2026 after an assessment.

Assurance target, information on assurance target, and applicable standards

The target and the information on target for the assurance case are the design and implementation status of the internal control system related to the external financial reporting and the protection of asset security of Chung Jye Investment Holding Co., Ltd. and its subsidiaries and the statement for the effective design and implementation of the internal control system related to the external financial reporting and the protection of asset security as of December 31, 2025 issued by Chung Jye Investment Holding Co., Ltd. and its subsidiaries on March 9, 2026 after an assessment; please refer to the attachment for details.

The applicable criteria for measuring or evaluating the above assurance subject matter and subject matter information are the items for determining the effectiveness of internal control systems set forth in the "Regulations Governing Establishment of Internal Control Systems by Public Companies."

Inherent limitation

As any internal control system has its inherent limitations, the abovementioned internal control system of Chung Jye Investment Holding Co., Ltd. and its subsidiaries may have errors or malpractices that cannot be prevented or detected. In addition, the future environment may change, and the degree of compliance with the internal control system may also be reduced. The effective internal control system in the current period does not mean that it will be effective in the future.

Responsibilities of the management

Management is responsible for establishing the internal control system and examining it at all times based on the "Regulations Governing Establishment of Internal Control Systems by Public Companies" and relevant laws and regulations to maintain the continued effectiveness of the design and implementation of the internal control system. Management is also responsible for issuing the Statement on Internal Control System based on its assessment of the effectiveness of the internal control system.

Responsibilities of CPAs

We are responsible for implementing necessary procedures to obtain reasonable assurance based on the “Regulations Governing Establishment of Internal Control Systems by Public Companies” and the TWSAE 3000 “assurance cases that are not audits or reviews of non-historical financial information” and achieving a conclusion regarding whether the assurance target and information on target comply with the applicable standards in all material aspects and whether they are appropriately expressed.

Independence and quality management regulations

We and our firm have complied with the relevant requirements of the Norm of Professional Ethics for Certified Public Accountants regarding independence and other ethical requirements. The basic principles of the Norm are honesty, impartiality, objectivity, professionalism, professional diligence, confidentiality, and professionalism. In addition, the accounting firm to which we belong complies with Quality Management Standard No. 1, “Quality Management for Accounting Firms,” which requires accounting firms to design, implement, and operate a system of quality management, including policies or procedures relating to compliance with professional ethics requirements, professional standards, and applicable laws and regulations.

Summary description of procedures performed

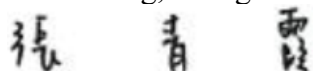
We planned for and implemented necessary procedures based on our professional judgments to obtain evidence related to the target and information on the target. Procedures implemented include understanding the internal control system of the Company, assessing the processes adopted by the management in assessing the effectiveness of the overall internal control system, testing and assessing the effectiveness of the design and implementation of the internal control related to the external financial reporting and the protection of asset security, and other procedures that we consider necessary.

Assurance conclusion

In our opinion, the design and execution of the internal control system related to the external financial reporting and the protection of asset security of Chung Jye Investment Holding Co., Ltd. and its subsidiaries as of December 31, 2025 have complied with the sustainable effectiveness under the effectiveness judgment project for the internal control system in the “Regulations Governing Establishment of Internal Control Systems by Public Companies” in all material aspects; the statement for the effective design and implementation of the internal control system related to the external financial reporting and the protection of asset security issued by Chung Jye Investment Holding Co., Ltd. and its subsidiaries on March 9, 2026 fairly expressed all material aspects.

Deloitte Taiwan

CPA Chang, Ching-Hsia



CPA Chiu, Meng-Chieh



March 9, 2026

(X) Important resolutions of the shareholders' meeting and the Board in the most recent year (2025) and up to the publication date of the annual report

1. Important resolutions of the shareholders' meeting

Date of meeting	Important resolutions
2025.06.10 Annual Shareholders' Meeting	I. Ratification - Proposal for the 2024 Business Report and Consolidated Financial Statements - Proposal for the 2024 Earnings Distribution II. Discussion - Proposal to Release Directors from Non-Compete Restrictions - Proposal to Formulate the Company's "Procedures for Election of Directors" - Proposal to Issue Employee Restricted Stock Awards

2. Important resolutions of the Board

Date of meeting	Important resolutions
2025.02.13 13th Meeting of the 2nd Session	- Proposal for investments in Sragen in Indonesia - Proposal for the increase in investments in subsidiary Noble Success Group Limited in the amount of US\$50 million and the capital increase in cash of PT Chung Jye Indonesia, an investee in Indonesia, through Noble Success Group Limited and Agile Gain Investment Limited - Proposal for the donations made by subsidiary "Chung Jye Shoes Holdings Limited Taiwan Branch" to "Chung Jye Charity Foundation" to fulfill corporate social responsibility 2024 Statement of internal Control System - Proposal for the establishment of the "Sustainable Development Committee Charter" - Proposal for the amendments to the "Regulations for Preventing Insider Trading" - Proposal for the release of the non-competition restrictions on Directors of the Company - Proposal for the release of the non-competition restrictions on managers of the Company
2025.03.12 14th Meeting of the 2nd Session	2024 Business Report and financial statements - Proposal for the Distribution of Remuneration for the Company's Employees and Directors - Proposal for the earning distribution for 2024 - Proposal for the distribution of cash dividends from earnings for 2024 - Proposal for the AQI report of the CPA firm and the evaluation of the independence and competence of CPAs for the financial statements - Proposal for the Company to Convene the 2025 Shareholders' Meeting and Related Matters - Proposal for matters related to the acceptance of shareholders' proposals for the 2025 annual shareholders' meeting
2025.04.08 15th Meeting of the 2nd Session	- Proposal for the issuance of restricted stock awards (RSAs) - Proposal for the list of pre-approved non-assurance services - Proposal to Add Convening Reasons for the Company's 2025 Annual Shareholders' Meeting
2025.05.12 16th Meeting of the 2nd Session	- Proposal to Approve the Company's Q1 2025 Consolidated Financial Statements - Proposal to Approve the Capital Increase for the Vietnam Bac Kan City Footwear Plant - Proposal to Ratify the Company's Provision of a Loan to its Subsidiary, Chung Jye Shoes Holdings Limited

Date of meeting	Important resolutions
	- Approval of the Company's investment structure adjustment proposal for subsidiaries in the China region - Proposal to Approve the Company's Provision of a Loan to its Subsidiary, Chung Jye Shoes Holdings Limited - Approval of the Company's proposal to authorize Chief Human Resources Officer Chiung-Wen Liu to regularly supervise and evaluate the procedures for the Company and its subsidiaries engaging in derivative transactions - Approval of the Company's proposal to amend the "Procedures for Engaging in Derivatives Trading"
2025.06.30 17th Meeting of the 2nd Session	- Proposal for the Company's intention to apply for credit lines from banks - Proposal for the endorsements and guarantees provided by the subsidiary of the Group - Proposal for the adjustment of the Company's organizational structure - Proposal for the dismissal of the Company's managers - Proposal for the Company's intended amendments to the "Procedures for Lending Funds and Making Endorsements/Guarantees" - Proposal for the new appointments of the Company's managers - Proposal for the Company to authorize the Chairman to open deposit accounts at banks
2025.08.27 18th Meeting of the 2nd Session	2025 Q2 consolidated financial statements - Proposal for the adjustment of the Company's 2025 budget (Retroactive Ratification) Proposal for amendments to the Company's Employee Restricted Stock Awards Rules. - Proposal for the Company's 1st issuance of employee restricted stock awards in 2025 - Proposal for the Company's establishment of collective investment accounts for foreign and mainland Chinese employees - Proposal for the Company's intention to authorize Hua Qiao Management Consulting Co., Ltd. as the tax agent for the Company's collective investment accounts for foreign and mainland Chinese employees - Proposal for the Company's 2024 "Sustainability Report" - Proposal for the Company's intention to establish the "Procedures for Financial and Business Matters Between this Corporation and its Related Parties"
2025.11.12 19th Meeting of the 2nd Session	2025 Q3 consolidated financial statements - Proposal for the Company's group subsidiary, Chung Jye Shoes Holdings Limited, to apply for a credit line from Cathay United Bank, Hong Kong Branch - Proposal for the Company to provide endorsements and guarantees for its group subsidiary, Chung Jye Shoes Holdings Limited - Proposal for the Company's subsidiary, Chung Jye Shoes Holdings Limited, to provide a loan of USD 5 million to the Company's subsidiary, Wealthy International Ltd. - Proposal for the Company to adjust its organizational structure - Proposal for the Company's personnel adjustments - Proposal to approve the salary payment for the Company's Chairman, An-Che Liu - Proposal for the Company to amend the Sustainable Development Best Practice Principles - Proposal for the Company to amend the Procedures for Handling Material Inside Information - Proposal for the Company to formulate the corporate value enhancement plan

Date of meeting	Important resolutions
	11. Proposal for the Company to amend the Seal Management Procedures 12. Proposal for the Company to amend the Procedures for Acquisition or Disposal of Assets
2025.12.31 20th Meeting of the 2nd Session	1. 2026 Business Plan and budgets 2. 2026 audit plan 3. Proposal for the Company to provide endorsements and guarantees for three Vietnamese group subsidiaries: Viet Nam Chung Jye Shoes Manufacture Co., Ltd. (Hai Duong Chung Jye), Ninh Binh-Viet Nam Chung Jye Shoes Manufacture Company Limited (Ninh Binh Chung Jye), and Tuyen Quang-Viet Nam Chung Jye Shoes Manufacture Company Limited (Tuyen Quang Chung Jye) 4. Proposal for the distribution of the year-end bonuses of Directors and managers for 2025 5. Proposal for the promotion and salary adjustment of the Company's managers 6. Proposal for the remuneration of the Company's Independent Directors 7. Proposal for evaluating the content and amounts of individual salary and remuneration for the Company's Directors and managers 8. Proposal for the adjustment of the Company's organizational structure 9. Proposal for the release of the non-competition restrictions on managers of the Company 10. Proposal for the change of the Company's spokesperson and acting spokesperson 11. Proposal for the submission of the “2026 filing and statements” to the Companies Register of the Cayman Islands 12. Proposal for the submission of the “2025 ES notification” to the Cayman Islands 13. Proposal to amend the Company's "Sustainability Information Management Procedures"
2026.03.09 21st Meeting of the 2nd Session	1. 2025 Business Report and financial statements 2. Proposal for the distribution of remuneration to the Company's employees, Directors, and managers 3. Proposal for the earning distribution for 2025 4. Proposal for the distribution of cash dividends from earnings for 2025 5. Proposal to approve the list of candidates for Directors (including Independent Directors) nominated by the Board of Directors 6. Proposal to release new Directors (including Independent Directors) from non-compete restrictions 7. Proposal for the AQI report of the CPA firm and the evaluation of the independence and competence of CPAs for the financial statements 8. 2025 Statement of internal Control System 9. Proposal to ratify the salary adjustment of the Company's managers 10. Proposal for the Company to provide a loan to its subsidiary, Chung Jye Shoes Holdings Limited 11. Proposal for the donations made by subsidiary “Chung Jye Shoes Holdings Limited Taiwan Branch” to “Chung Jye Charity Foundation” to fulfill corporate social responsibility 12. Proposal to formulate five bylaws of the Company's "Sustainable Development Best Practice Principles" 13. Proposal for the Company's intended amendments to the "Procedures for Lending Funds and Making Endorsements/Guarantees" 14. Proposal for the Company to amend the "Procedures for the

Date of meeting	Important resolutions
	Administration of Remuneration for Directors and Managers" 15. Proposal regarding the 2026 Annual Shareholders' Meeting 16. Proposal for matters related to the acceptance of shareholders' proposals for the 2026 annual shareholders' meeting 17. Proposal for the nomination period, number of seats to be elected, and the location for receiving nominations for Directors (including Independent Directors)

- (XI) The main content of any dissenting opinion from a Director or supervisor with respect to a material resolution adopted by the Board which has been on record or stated in writing in the most recent year and up to the publication date of this annual report: None.

IV. Information on CPA fees

- (I) The amount of the audit fees and non-audit fees for CPAs, the CPA firm, and its affiliates, and the content for non-audit services

Unit: NT\$ thousand

Name of CPA firm	Name of CPAs	CPA's audit period	Audit fees	Non-audit fees (Note)	Total	Remarks
Deloitte Taiwan	Chang, Ching-Hsia Chiou, Meng-Chieh	2025/01/01~ 2025/12/31	12,468	4,476	16,943	Note: Annual transfer pricing analysis, internal control special audit, consolidated statement system consulting services, and economic substance reporting fees, etc.

- (II) If the CPA firm is replaced and the audit fees paid during the year of replacement are less than the audit fees paid in the year before the replacement, the amount of audit fees before and after the replacement and the reasons shall be disclosed: None.

- (III) If the audit fees are reduced by 10% or above as compared to the preceding year, the amount and ratio of audit fees reduced and the reasons shall be disclosed: None.

V. Replacement of CPA: None.

- VI. If any of the Company's Chairman, President, or managers in charge of financial or accounting affairs being employed by the CPA firm or any of its affiliates in the most recent year, the name, title, and the period in which he/she hold positions in the CPA firm or its affiliates shall be disclosed: None.

- VII. Transfer of equity and changes in equity pledge by a Director, supervisor, manager, or shareholder with a stake of more than 10% in the most recent year and up to the publication date of this annual report: None.

- (I) Changes in shareholdings of Directors, Supervisors, Managers, and major shareholders:

Title	Name	2025		Current year up to April 17	
		Number of shares held - Increase (Decrease)	Number of shares pledged - Increase (Decrease)	Number of shares held - Increase (Decrease)	Number of shares pledged - Increase (Decrease)
Chairman	An-Che Liu	16,000	-	-	-
Vice Chairman Concurrently serving as Chief Human Resources Officer	Chiung-Wen Liu	288,000	-	632,000	-
Director, President, and CEO	Yu-Hsuan Liu	860,000	-	740,000	-
Independent Director	Cheng-Wen Cheng	-	-	-	-
Independent Director	Kuan-Cheng Ko	-	-	-	-
Independent Director	Fu-Chiang Tsai	-	-	-	-
Independent Director	Ming-Hui Hsieh	-	-	-	-
Executive Vice President and CSO	Yen-Liang Lai	28,000	-	-	-
Executive Vice President	Cheng-Zhi Liu	200,000	-	-	-
Executive Vice President	Yu-Hsin Chen	-	-	-	-
Vice President	LIN, WEI-CHEN	2,000	-	-	-
Vice President	TENG, KUO-HSIANG	6,015	-	-	-

Title	Name	2025		Current year up to April 17	
		Number of shares held - Increase (Decrease)	Number of shares pledged - Increase (Decrease)	Number of shares held - Increase (Decrease)	Number of shares pledged - Increase (Decrease)
Vice President	ZHAN, SHI-FEI	40,000	-	-	-
Vice President	Wang, Ying-Jen	3,000	-	-	-
Executive Assistant Vice President	CHEN, YI-CHIEH	1,000	-	-	-
Assistant Vice President and Information Security Officer	Chang, Yuan-Ming	-	-	-	-
Finance and Accounting Supervisor	Ying-Tzu Tsai	-	-	-	-
Chief Auditor	Huang, Chen-Chen	-	-	-	-
Corporate Governance Officer	Chen Jung-Sung	2,000	-	-	-
Major shareholder	Cherish Harmony Co., Ltd	-	-	-	-
Major shareholder	Earn Great Investments Limited	-	-	-	-

(II) Counterparties of the equity transfers of Directors, supervisors, managers, and major shareholders who are related parties: None.

(III) Counterparties of the equity pledges of Directors, supervisors, managers, and major shareholders who are related parties: None.

VIII. Shareholders with top ten shareholdings who are related parties, spouses, or relatives within the 2nd degree of kinship:

April 17, 2026; unit: share; %

NAME	SHARES HELD BY THE SHAREHOLDER		SHARES HELD BY SPOUSE AND MINORS		TOTAL SHARES HELD IN THE NAME OF OTHERS		THE NAMES AND RELATIONSHIPS OF THE TOP TEN SHAREHOLDERS WHO ARE RELATED, SPOUSES, OR RELATIVES WITHIN THE 2ND DEGREE OF KINSHIP TO EACH OTHER		REMARKS
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Name	Relationship	
Cherish Harmony Co., Ltd Representative: LIU, SHINN-GWO	24,505,597	15.67	-	-	-	-	Earn Great Investments Limited E-Group Investments Limited Richwell International Holding Limited Long En Ci Co., Ltd. Rong Gui Family Holding Limited Rich Glory Family Holding Limited Macro Shine Investments Limited Yen-Liang Lai	Representative is the spouse Representative is a child Representative is a child Representative is the brother-in-law Representative is the brother-in-law Representative is the sister-in-law Son-in-law	
Earn Great Investments Limited Representative: Liu He, Yu-Lin	24,505,597	15.67	-	-	-	-	Cherish Harmony Co., Ltd E-Group Investments Limited Richwell International Holding Limited Long En Ci Co., Ltd. Rong Gui Family Holding Limited Rich Glory Family Holding Limited Macro Shine Investments Limited Yen-Liang Lai	Representative is the spouse Representative is a child Representative is a child Representative is a child Representative is a sibling Representative is a sibling Representative is a sibling Son-in-law	
Rich Glory Family Holding Limited Representative: HO, Jung-Tsung	12,638,268	8.08	-	-	-	-	Cherish Harmony Co., Ltd Earn Great Investments Limited Rong Gui Family Holding Limited Macro Shine Investments Limited	Representative is a brother-in-law, representative is a sibling Representative is a brother Representative is a sibling	
Rong Gui Family Holding Limited Rong Gui Family Holding	11,893,351	7.61	-	-	-	-	Cherish Harmony Co., Ltd Earn Great Investments Limited Rich Glory Family Holding Limited Macro Shine Investments Limited	Representative is a brother-in-law Representative is a sibling Representative is a brother Representative is a sibling	

NAME	SHARES HELD BY THE SHAREHOLDER		SHARES HELD BY SPOUSE AND MINORS		TOTAL SHARES HELD IN THE NAME OF OTHERS		THE NAMES AND RELATIONSHIPS OF THE TOP TEN SHAREHOLDERS WHO ARE RELATED, SPOUSES, OR RELATIVES WITHIN THE 2ND DEGREE OF KINSHIP TO EACH OTHER		REMARKS
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Name	Relationship	
Limited Representative: HO, Jung-Kuei									
Grand Kindness Company Limited Long En Ci Co., Ltd. Representative: Yu-Hsuan Liu	11,509,686	7.36	-	-	-	-	Cherish Harmony Co., Ltd Earn Great Investments Limited E-Group Investments Limited Richwell International Holding Limited Yen-Liang Lai	Representative is a parent-child Representative is a parent-child Representative is a sibling Representative is a brother Brother-in-law	
Brilliant Fame International Limited Cuiyu International Co., Ltd. Representative: HUANG, TUNG-CHING	10,121,136	6.47	-	-	-	-	-	-	
E-Group Investments Limited E-Group Investments Limited Representative: Chiung-Wen Liu	8,718,702	5.58	-	-	-	-	Cherish Harmony Co., Ltd Earn Great Investments Limited Richwell International Holding Limited Long En Ci Co., Ltd. Yen-Liang Lai	Representative is a parent-child Representative is a parent-child Representative is a sibling Representative is a sibling Spouse	
Richwell International Holding Limited Richwell International Holding Limited Representative: An-Che Liu	8,590,023	5.49	-	-	-	-	Cherish Harmony Co., Ltd Earn Great Investments Limited E-Group Investments Limited Long En Ci Co., Ltd. Yen-Liang Lai	Representative is a parent-child Representative is a parent-child Representative is a sibling Representative is a brother Brother-in-law	
Macro Shine Investments Limited Macro Shine Investments Limited Representative: HO, Man-Ching	4,986,144	3.19	-	-	-	-	Cherish Harmony Co., Ltd Earn Great Investments Limited Rong Gui Family Holding Limited Rich Glory Family Holding Limited	Representative is a brother-in-law Representative is a sibling Representative is a sibling Representative is a sibling	
Yen-Liang Lai	3,318,998	2.12	2,116,030	1.35	8,718,702	5.58	Cherish Harmony Co., Ltd Earn Great Investments Limited E-Group Investments Limited Richwell International Holding Limited Long En Ci Co., Ltd.	Representative is a father-in-law Representative is a mother-in-law Representative is the spouse Representative is the brother-in-law Representative is the brother-in-law	

IX. The number of shares held by the Company, the Directors, supervisors, and managers thereof, and the companies directly or indirectly controlled thereby in the same investee, and the consolidated shareholding ratio

December 31, 2025; unit: thousand shares; %

Investee	Investment of the Company		Investment of Directors, supervisors, managers, and the companies directly or indirectly controlled thereby		Consolidated investments	
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio
Noble Success	2,249	100%	-	-	2,249	100%
Smartlook	1,000	100%	-	-	1,000	100%
Agile Gain	100	100%	-	-	100	100%
Better Power	1,000	100%	-	-	1,000	100%
Trinity	750	68.09%	-	-	750	68.09%
Jewel	1,100	100%	-	-	1,100	100%
Samoa Chung Jye	1,000	100%	-	-	1,000	100%
Fortune Leader	39	100%	-	-	39	100%
Wealthy	50	100%	-	-	50	100%
Chung Jye Shoes Industry	860	100%	-	-	860	100%
Chao Ching Chung Jye	Note 1	100%	-	-	Note 1	100%
Runan Chung Jye	Note 1	100%	-	-	Note 1	100%
Guangning Chung Bao	Note 1	100%	-	-	Note 1	100%
Sihui Chung Jye	Note 1	100%	-	-	Note 1	100%
Yifeng Chung Jye	Note 1	100%	-	-	Note 1	100%
Shanggao Chung Jye	Note 1	100%	-	-	Note 1	100%
Shanggao Chung Yi	Note 1	100%	-	-	Note 1	100%
Shanggao Chung Liang	Note 1	100%	-	-	Note 1	100%
Zhaoqing Yong Shin	Note 1	90%	-	-	Note 1	90%
Fengcheng Chung Jye	Note 1	100%	-	-	Note 1	100%
Shanggao Jye Sheng	Note 1	100%	-	-	Note 1	100%
Hai Duong Chung Jye	Note 1	100%	-	-	Note 1	100%
Ninh Binh Chung Jye	Note 1	100%	-	-	Note 1	100%
New Horizon	Note 1	100%	-	-	Note 1	100%
Tuyen Chuan Chung Jye	Note 1	100%	-	-	Note 1	100%
Bac Kan Chung Jye	Note 1	100%	-	-	Note 1	100%
Shoemaker	100	100%	-	-	100	100%
Indonesia Chung Jye	200	100%	-	-	200	100%
Junjie Shoe Material Co., Ltd.	Note 2	35%	-	-	Note 2	35%
Fusionsole	Note 2	51%			Note 2	51%

Note 1: Non-stock companies listed are those that have not issued shares.

Note 2: Represents the Company's investment accounted for using the equity method.

Four. Fundraising

I. Capital and shares

(I) Source of share capital:

1. The formation of share capital as of the publication date of the annual report

Unit: thousand shares; NT\$ thousand

Year/month	Issuance price (NT\$)	Authorized capital		Paid-in capital		Remarks		
		Number of shares	Amount	Number of shares	Amount	Source of share capital	Properties other than cash as the capital contribution	Others
2018/12	10	300,000	3,000,000	0.001	-	Establishment registration (Note 1)	-	-
2022/12	10	300,000	3,000,000	140,000	1,400,000	Capital increase for the reorganization of the organization in the amount of 140,000 thousand shares (Note 1)	-	-
2025/03	10	300,000	3,000,000	155,750	1,557,500	Cash capital increase NT\$ 157,500 thousand (Note 2)	-	-
2025/09	10	300,000	3,000,000	156,336	1,563,360	Issuance of Employee Restricted Stock Awards NT\$ 5,860 thousand (Note 3)	-	-

Note 1: In accordance with Articles 3 and 23 of the Company's Articles of Incorporation at the time, the Company may issue new shares and repurchase shares upon resolution by the Board of Directors. Consequently, on December 1, 2022, the Board of Directors resolved to cancel 1 unpaid share from the original incorporation and issue 140,000 thousand new shares in exchange for all shares held by the shareholders of Noble Success Group Limited.

Note 2: 2024.10.17 Cash capital increase filing became effective per Letter No. Tai-Zheng-Shang-Er-Zi-11317044831 from the Taiwan Stock Exchange.

Note 3: 2025.07.23 Employee Restricted Stock Awards filing became effective per Letter No. Jin-Guan-Zheng-Fa-Zi-1140351073 from the Financial Supervisory Commission.

2. Shelf registration system: The Company did not apply for fundraising through the offering of securities through the shelf registration method.

(II) Type of share capital:

Unit: Share

Type of shares	Authorized capital			Remarks
	Outstanding shares	Unissued shares	Total	
Registered ordinary shares	156,336,000	143,664,000	300,000,000	Stocks listed on TWSE

II. List of major shareholders

Name of shareholders with a shareholding ratio of 5% or above or with the top 10 shareholding ratio, the number of shares held, and the ratio

April 17, 2026; unit: share

Name of major shareholder	Share	Number of shares held	Shareholding ratio (%)
Cherish Harmony Co., Ltd		24,505,597	15.67
Earn Great Investments Limited		24,505,597	15.67
Rich Glory Family Holding Limited		12,638,268	8.08
Rong Gui Family Holding Limited		11,893,351	7.60
Long En Ci Co., Ltd.		11,509,686	7.36
Cuiyu International Co., Ltd.		10,121,136	6.47
E-Group Investments Limited		8,718,702	5.58
Richwell International Holding Limited		8,590,023	5.49
Macro Shine Investments Limited		4,986,144	3.19
Yen-Liang Lai		3,318,998	2.12

III. The Company's dividend policy and its implementation

(I) Dividend policy defined in the Articles of Incorporation:

The Company's operation is in the growing stage. The Board formulates the proposal for the distribution of shareholders' dividends based on factors that it considers relevant, including but not limited to the earnings of each fiscal year, the overall development, financial planning, capital requirements, industry prospects, and the future prospects of the Company, and submit it to the shareholders' meeting for the resolution for distribution. During the listing period of shares in the Republic of China, the Board shall appropriate the following from earnings of each fiscal year first when formulating the proposal for earning distribution: (i) the reserve for the payment for relevant taxes of the fiscal year; (ii) the amount for compensating for prior losses; (iii) a 10% earnings reserve (the "legal reserve") (unless the legal reserve has reached the paid-in capital of the Company); and (iv) the special reserve required by the competent authority for securities in the Republic of China under rules for public companies.

The residual dividend policy is adopted as the dividend policy of the Company; therefore, if there is any remaining amount after appropriating subparagraphs (i) to (iv) above, the amount shall be combined with the entire or partial cumulative undistributed earnings from prior years. The Company may appropriate no less than 30% of the earnings after tax of the year as shareholders' dividends based on the Companies Act of the Cayman Islands and the rules for public companies by taking into account the investment environment of the Company at present and in the future, capital requirements, domestic and foreign competitive conditions, and capital budgets, with considerations given to the benefits of shareholders, the balanced dividends, and the long-term financial planning of the Company, and the distribution shall be made based on the shareholding ratio of shareholders; however, if there are no earnings available for distribution, the distribution of dividends may be waived. The distribution of shareholders' dividends adopted the combination of stock dividends and cash

dividends; however, cash dividends shall not be lower than 30% of the sum of cash and stock dividends distributed during the year.

(II) Dividend distribution proposed at the shareholders' meeting:

The 2025 earnings distribution proposal was approved by the Board of Directors on March 9, 2026. In accordance with the Articles of Incorporation, the Company shall distribute cash dividends of NT\$ 781,680 thousand from unappropriated retained earnings, representing a cash dividend of NT\$ 5 per share.

(III) Disclosure of expected material changes in dividend policy: The Company expects no material changes in its dividend policy.

IV. Effects of stock grants discussed at the shareholders' meeting on the business performance and earnings per share of the Company: The Company did not distribute stock dividends; therefore, there is no effect.

V. Remuneration of employees, Directors, and supervisors

(I) Ratio or scope of remuneration of employees, Directors, and supervisors stated in the Articles of Incorporation:

While the Company's shares are traded on a designated securities market, unless otherwise provided by the Cayman Companies Act, these Articles of Incorporation, or the rights attached to shares, if the Company achieves a "profit" (as defined hereafter) for the year, it shall allocate no less than zero point one percent (0.1%) and no more than three percent (3%) as employee remuneration (hereinafter "Employee Remuneration") and no more than three percent (3%) as Directors' remuneration (excluding Independent Directors). However, if the Company has accumulated losses, the Company shall first reserve an amount to offset the losses. The remuneration of employees and remuneration or Directors shall be resolved by receiving the consent from over half of the attending Directors at a Board meeting attended by over two-thirds of the Directors and shall be reported to the shareholders' meeting.

(II) The estimation basis for the amount of remuneration of employees and Directors is estimated during the period, the calculation basis for the number of shares of the remuneration of employees distributed in stocks, and the accounting treatment for any differences between the distribution amount and the estimated amount:

The remuneration of employees, Directors, and supervisors adopts the amount available for distribution in the Articles of Incorporation as the estimation basis. If there is any difference between the estimated expenses of the period and the resolution of the shareholders' meeting, the difference is adjusted and accounted for during the year of resolution.

(III) The distribution of remuneration approved by the Board:

1. If the amount of remuneration of employees, Directors, and supervisors distributed in cash or stock has any difference. from the estimated amount in the year of expense recognition, the difference, reasons, and treatment shall be disclosed

On March 9, 2026, the Board of Directors resolved to distribute cash remuneration of NT\$ 750 thousand to employees and NT\$ 0 to Directors. The distributed amount of cash remuneration for Directors and employees decreased

by a total of NT\$ 8,469 thousand compared to the amount estimated for 2025 and recognized in the consolidated financial report. This primarily results from estimation discrepancies; the difference is treated as a change in accounting estimate and recorded in the 2026 profit or loss.

2. Ratio of the amount of remuneration of employees distributed in stock to the sum of the net profit after tax in the parent company only or individual financial statements and the total remuneration of employees: None.

- (IV) Distribution of remuneration of employees and Directors in the preceding year (2024) (including the number of shares, the amount distributed, and the stock price), the difference between the remuneration of employees, Directors, and supervisors recognized, reasons, and the handling status:

Employee remuneration of NT\$ 27,000 thousand and Directors' remuneration of NT\$ 20,000 thousand were recognized in the 2024 consolidated financial report, compared to actual distributions for 2025 of NT\$ 27,617 thousand for employee remuneration and NT\$ 18,000 thousand for Directors' remuneration. The distributed amount of cash remuneration for Directors and employees decreased by a total of NT\$ 1,383 thousand compared to the amount estimated for 2024 and recognized in the consolidated financial report. The difference is treated as a change in accounting estimate and recorded in the 2025 profit or loss.

VI. Repurchase of the Company's shares by the Company: None.

VII. Corporate bonds: None.

VIII. Preferred shares: None.

IX. Global depository receipts: None.

X. Employee stock warrants: None.

XI. Status of Employee Restricted Stock Awards:

Disclosure of the status of Employee Restricted Stock Awards for which the vesting conditions have not yet been fully met and the impact on shareholders' equity as of the publication date of the annual report:

(I) Status of Employee Restricted Stock Awards

Type of Employee Restricted Stock Awards	2025 Employee Restricted Stock Awards
Effective filing date and total shares	2025/07/23
Total shares filed	1,141,000
Issuance date	2025/09/23
Number of Employee Restricted Stock Awards issued	586,000
Number of Employee Restricted Stock Awards available for issuance	555,000
Issue price	1. Gratuitous 2. Onerous at NT\$ 72.6

Type of Employee Restricted Stock Awards	2025 Employee Restricted Stock Awards
Ratio of issued Employee Restricted Stock Awards to the total number of issued shares (%)	0.37%
Vesting conditions of Employee Restricted Stock Awards	1. If an employee remains employed and achieves performance goals one year after being allocated employee restricted shares, he or she can obtain 100% of the shares. If the above date falls on a holiday, it will be processed in advance on the previous business day. 2. No violation of any agreement signed with the Group companies or the Company's work rules during each vesting period. 3. Achievement of the corporate and individual performance evaluation indicators set by the Group companies during each vesting period. 4. Corporate Performance: The Company's net profit for the most recent fiscal year must reach at least 3% (inclusive).
Restricted rights of Employee Restricted Stock Awards	1. Employee Restricted Stock Awards granted to Group employees under these Procedures shall be placed in trust or custody with an institution designated by the Company before the vesting conditions are met. Employees shall cooperate in all procedures and the signing of relevant documents. Before the vesting conditions are achieved, employees may not request the trustee or custodian bank to return the Employee Restricted Stock Awards for any reason or by any means. 2. Aside from the aforementioned custody restrictions, for shares for which the vesting conditions have not been met, employees may not sell, mortgage, transfer, gift, pledge, or otherwise dispose of the Employee Restricted Stock Awards granted under these Procedures, except in the case of inheritance as provided herein. 3. Before the vesting conditions are met, the Employee Restricted Stock Awards granted to employees under these Procedures remain eligible to participate in stock dividends, cash dividends, and subscriptions for cash capital increases, with the same rights as the Group company's issued common shares. 4. Before the vesting conditions are met, the attendance, proposals, speech, voting rights, and other matters related to shareholders' equity at the Group company's shareholders' meeting shall be exercised by the trust custodian or custodian bank on the employees' behalf. 5. If the Group company undergoes a cash capital increase during the vesting period and returns cash, the capital reduction refund for granted but unvested shares must be placed in trust. Upon achievement of the vesting conditions and the expiration of the period, the refund shall be delivered to the employee without interest along with the vested shares. However, if the vesting conditions are not met upon the expiration of the period, the Group company shall recover the cash.
Custody status of Employee Restricted Stock Awards	Trust or custody with a designated institution

Type of Employee Restricted Stock Awards	2025 Employee Restricted Stock Awards
Handling of shares for which vesting conditions are not met after employees are granted or subscribe to new shares	1. If an employee resigns, is dismissed, is laid off, or fails to return after unpaid leave for any reason starting from the issuance date, they shall lose the eligibility to receive shares for any Employee Restricted Stock Awards for which vesting conditions have not yet been met, effective from the date such event occurs. The Group company will recover the shares gratuitously or repurchase them at the original issue price and cancel them. 2. For Employee Restricted Stock Awards not yet vested in the event of disability or death resulting from occupational accidents or general death, the following procedures shall apply: (1) If an employee becomes physically disabled due to an occupational accident and is unable to continue employment, the Employee Restricted Stock Awards that have not yet vested shall be deemed to have met all vesting conditions on the effective date of the employee's separation. (2) If an employee dies due to an occupational accident, the Employee Restricted Stock Awards that have not yet vested shall be deemed to have met all vesting conditions on the date of the employee's death. The heirs may apply to receive the inherited shares after completing the necessary legal procedures and providing relevant supporting documents. (3) If an employee dies from causes other than an occupational accident, the Employee Restricted Stock Awards that have not yet vested shall be deemed to have met all vesting conditions on the date of the employee's death. The heirs may apply to receive the inherited shares after completing the necessary legal procedures and providing relevant supporting documents. 3. Upon retirement, an employee must submit a "Retirement Application" for approval by the Chairman. All Employee Restricted Stock Awards that have not yet vested shall fully vest at the time of retirement. 4. Due to the Group's operational needs, if an employee is required and approved by the Group company to transfer to an affiliate, the Employee Restricted Stock Awards that have not yet vested shall continue to vest according to the schedule and proportions of the vesting conditions set forth in these Procedures, unaffected by the transfer. 5. Employees or their heirs shall receive vested Employee Restricted Stock Awards in accordance with the trust provisions of these Procedures. If, due to the Group's operational needs, the employee or their heirs must cooperate with share collection procedures, they shall do so within one year from the date the Group company issues the notice to collect in accordance with these Procedures. Failure to cooperate within the time limit shall be deemed a refusal to accept by the employee or their heirs. The Group company reserves the right to recover the shares gratuitously or repurchase them at the original issue price and cancel them.
Number of restricted shares for which restrictions have been released	0
Number of restricted shares for which restrictions have not been released	586,000
Ratio of unreleased restricted shares to the total number of issued shares (%)	0.37%

Type of Employee Restricted Stock Awards	2025 Employee Restricted Stock Awards
Impact on shareholders' equity	1. Amount potentially expensed: Calculated based on the pro forma closing price of the Company's common stock at NT\$ 131 per share on April 7, 2025. If all vesting conditions are met, the estimated potential expensed amount is approximately NT\$ 125,756,000. Tentatively estimated at NT\$ 26,764,240 for 2025, NT\$ 64,278,195 for 2026, and NT\$ 34,713,565 for 2027. 2. Dilution of the Company's earnings per share: Estimated at NT\$ 0.17, NT\$ 0.41, and NT\$ 0.22 for the years 2025 to 2027, respectively. The dilution of the Company's earnings per share remains limited, so no material impact on shareholders' equity exists.

(II) Names and acquisition status of managers and the top ten employees who acquired Employee Restricted Stock Awards

	Title	Name	Quantity of Employee Restricted Stock Awards acquired	Ratio of the number of Employee Restricted Stock Awards acquired to the total number of issued shares (%) (Note)	Restrictions released				Restrictions not released			
					Number of shares for which restrictions have been released	Issue price	Issuance amount	Ratio of the number of shares for which restrictions have been released to the total number of issued shares (%) (Note)	Number of shares for which restrictions have not been released	Issue price	Issuance amount	Ratio of the number of shares for which restrictions have not been released to the total number of issued shares (%) (Note)
Manager	Executive Vice President	Cheng-Zhi Liu	240,000	0.15%	0	0	0	0	240,000	0	0	0.15%
	Vice President	ZHAN, SHI-FEI										
Employee	Subsidiary Vice President of Sales	Nicky Yung	202,000	0.13%	0	(Gratuitous) \$0 / (Onerous) \$72.6	(Gratuitous) \$0 / (Onerous) \$0	0	202,000	(Gratuitous) \$0 / (Onerous) \$72.6	(Gratuitous) \$0 / (Onerous) \$4,791,600	0.13%
	Subsidiary Executive Assistant Vice President	HE, YI-QUN										
	Subsidiary Executive Assistant Vice President	Yun Huang										
	Subsidiary Executive Assistant Vice President	Chu Piao										
	Subsidiary Assistant Vice President	Yu-Ling Fan										
	Subsidiary Assistant Vice President	Ming-Hung Tu										
	Subsidiary Assistant Vice President	Yen Wang										
	Subsidiary Assistant Vice President	Chun Han										
	Subsidiary Assistant Vice President	Ying Liu										
	Subsidiary Executive Assistant Vice President	Yu-Hsuan Liu										

Note: The total number of issued shares refers to the number of shares listed in the change registration data of the Ministry of Economic Affairs.

XII. Mergers or receipt of new shares issued by other companies: None.

XIII. Implementation status of the capital utilization plan

For previous issuances or private placements of securities that remain uncompleted or were completed within the most recent three years, but the plan benefits have not yet manifested as of the quarter prior to the publication date of the annual report, the plan contents for the aforementioned previous issuances or private placements of securities shall be detailed:

As of now, the capital utilization plans for the previous cash capital increase have all been completed, and no material variations exist. Additionally, regarding cases as of the quarter prior to the publication date of the annual report, those not yet exceeding three years refer to the cash capital increase and issuance of new shares in 2024. The plan contents and execution benefits are explained as follows:

(I) Plan content:

1. Approval date and document No. of the competent authority: October 17, 2024; Tai-Zheng-Shang-Er-Zi No. 11317044831
2. Total fund required for the plan: NT\$2,887,053 thousand
3. Source of capital:

A capital increase in cash through the issuance of 15,750 thousand new shares with a pa value of NT\$10 per share. The minimum underwriting price for the bid is NT\$100 per share, and persons who bid the highest shall win the bid first, and each bid winner shall make the subscription based on the bid-winning price. The public underwriting price shall be NT\$197.85 based on the price of each bid-winning form and the price calculated with the weighted average income of the quantity; however, the average price is 1.28 times higher than the minimum underwriting price; therefore, the public underwriting price is issued at the premium of NT\$128 per share; the total fund raised was NT\$2,887,053 thousand.

4. Plan items and estimated utilization progress:

Unit: NT\$ thousand

Plan item	Estimated completion date	Total funds required	Estimated utilization progress of funds	
			2025 Q1	2025 Q2
Enrich working capital	2025 Q2	2,887,053	900,000	1,987,053
Estimated benefits		Allow abundant self-owned capital of the Company, improve the stability of long-term capital, increase the mid-to-long-term competitiveness, and reinforce the financial structure and solvency, which have positive help to the business growth and overall business development of the Company.		

5. Date of input to the information filing website designated by the FSC: 2025/01/08 and 2025/04/08
6. Changes in the content of plans, reasons for the changes, and the benefits before and after the changes: Not applicable.

(II) Implementation status:

1. Implementation status of plans:

Unit: NT\$ thousand

Plan item	Execution status as of 2025			Reasons for being ahead or behind the progress and improvement plans
	Amount withdrawn	Estimated	Actual	
Enrich working capital		Estimated	2,887,053	Executed and completed in accordance with the plan schedule
		Actual	2,887,053	
	Implementation amount	Estimated	100%	
		Actual	100%	

2. Implementation benefits:

Unit: NT\$ thousand

Analysis item \ Year		Before capital increase	After capital increase
		2024	2025
Basic financial data	Current assets	13,428,282	11,179,679
	Current liabilities	7,659,802	4,767,837
	Total liabilities	8,190,196	5,192,727
	Total equity	10,428,598	12,277,799
	Finance costs	46,377	30,947
Financial Structure (%)	Ratio of Liabilities to Assets (%)	43.98	29.72
	Ratio of Long-Term Capital to Property, Plant, and Equipment (%)	274.72	302.21
Solvency (%)	Current Ratio (%)	175.30	234.48
	Quick Ratio (%)	128.77	175.70
	Interest Coverage Ratio	51.53	24.95

Regarding the financial structure, following this capital increase, the debt ratio decreased from 43.98% to 29.72%. The ratio of long-term capital to property, plant, and equipment increased from 274.72% to 302.21%, and the current ratio and quick ratio increased from 175.30% and 128.77% to 234.48% and 175.70%, respectively. Furthermore, the interest coverage ratio decreased from 51.53 to 24.95 in 2025, indicating that the plan's benefits have been achieved and the financial structure has improved.

Five. Business overview

I. Business content

(I) Scope of business

1. Main content of the scope of business of the Company

The Company is mainly engaged in the manufacturing of OEM shoe products, including athletic footwear and casual shoes, and athletic footwear is the main focus. The Company primarily provides OEM manufacturing for international brands such as Group A, Group B, Group C, and Group I.

2. The Company's main products and operating ratio at present

Unit: NT\$ thousand; %

Item \ Year	2024		2025	
	Operating income	Operating ratio (%)	Operating income	Operating ratio (%)
Athletic footwear	20,760,848	76.93	16,025,050	73.95
Casual shoes	5,818,252	21.56	5,446,345	25.13
Others	407,439	1.51	199,591	0.92
Total	26,986,539	100.00	21,670,986	100.00

3. New products (services) planned to be developed

Currently, the global OEM/ODM manufacturing bases for athletic footwear are primarily concentrated in China, India, Vietnam, and Indonesia in Asia, which rank as the top four footwear-producing countries. The Company has established plants in China, Vietnam, and India, and is actively planning operations in Indonesia. The Company primarily adopts the Original Equipment Manufacturer (OEM) model, supplemented by the Original Design Manufacturer (ODM) model. It establishes dedicated R&D teams and R&D centers for major brand customers and actively collaborates with them to develop products and research new application technologies. Leveraging years of accumulated footwear production experience, the Company provides major brands with footwear development suggestions and innovative concept footwear. During the development process from product development to product prototype, the Company will discuss with the brand customers the selection of materials and production processes to play the role of development assistance in the hope of improving the Company's competitiveness in the shoe manufacturing industry and becoming a long-term cooperation partner of international brands.

(II) Industry overview

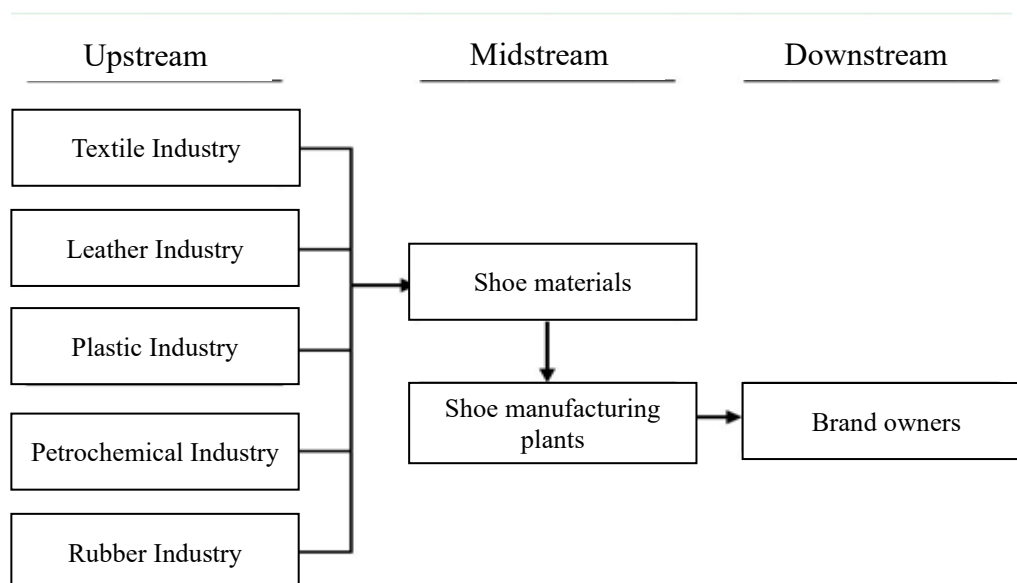
1. Current status and development of the industry

Shoes are one of the necessities in daily life. The consumption volume and amount are increasing with the population growth, and they also fluctuate with the changes in the overall economic environment and global fashion trends. In recent years, people's awareness of health has been increasing, and their interest in gym and sports activities has continued to grow. In addition, consumers have changed their preference for shoes that match their daily clothing. The increase in personal

fashion awareness has led to an increase in the market demand for various types of shoes. According to the report of Grand View Research, the global market scale of shoes reached US\$403.2 billion in 2023. In addition, according to Statista, the consumption in the global shoe market will reach US\$412.9 billion in 2024. It is estimated that the growth rate of the global market scale of shoes from 2024 to 2028 will be 3.43%.

For the production market, the development of the shoe manufacturing industry is affected by a number of factors, including labor costs, land resources, material supply, environmental protection, and sales markets. In recent years, the shoe manufacturing industry has actively combined innovative automated equipment, advanced technology and green environmental protection awareness. Although machines are currently widely used in the shoe manufacturing process, many processes cannot be replaced by automated equipment in the procedures; therefore, shoe manufacturers invest in plant establishment in countries with abundant labor. In the past, China has been known for its huge consumer market and low labor cost, making it an important production site for the shoe manufacturing industry. In addition, due to the abundance of labor resources in Southeast Asia and the relatively low labor cost compared to China, together with the preferential conditions of export tariffs and discounted foreign investment tax rates, Southeast Asian countries have also become the new foothold for shoe manufacturers in recent years. Most international brands have moved their main production sites (i.e., clothing and shoe manufacturing) to Southeast Asian countries, including Vietnam, Indonesia and Cambodia. Facing U.S. tariff issues in 2025, the industry supply chain experienced structural impacts. According to the World Footwear 2025 Yearbook research report, China's export performance for global footwear products declined, while regions such as Vietnam, Indonesia, and India saw increases. This indicates that footwear plants are shifting capacity allocation to regions with lower tax burdens due to the impact of tariffs, which has influenced industry layout strategies.

2. Correlations between the upstream, midstream and downstream industry



Upstream of the industry mainly supplies raw materials (i.e., textiles, leather, and chemicals). As the shoe manufacturing industry has been in development for a long time, there is a wide variety of types of shoes and the market is huge. Therefore, the development of shoe materials has become a specialized application field (i.e., adopting thermoforming rubber base or EVA foam base as the soles of athletic footwear and adopting synthetic leather, mesh clothes, or leather (synthetic leather or real leather) for upper shoes). Shoe manufacturers/producers are responsible for developing shoe types and producing finished shoes to assemble shoe materials as a pair of shoes through multiple production processes. Downstream brands (i.e., NIKE and New Balance) are responsible for self-development or joint development and design with shoe manufacturers and then commissioning shoe manufacturers to produce the products. The products are then sold to consumers through the self-built channels or distributors of the brands.

The Company is a midstream footwear manufacturer primarily serving international brands as a pure OEM. In recent years, the Company has continuously enhanced footwear manufacturing technology and process efficiency. Through supply chain integration and various capacity optimization measures, it implements a Local-to-Local layout strategy and strengthens the Real-Time Management mechanism. This effectively shortens lead times and enhances overall supply chain flexibility and response speed, allowing the R&D and sales ends to respond more quickly to market demand. Furthermore, the Company provides dedicated R&D centers for major brand customers and fosters stable and positive customer relationships. Long-term cooperation with major brands is a competitive advantage for the Company.

3. Product development trends

(1) Green industry and eco-friendly production

Sustainable global development has become a major trend in global

economics. The green environmental protection industry will become the main leading direction in the future. Many environmental protection regulations in different countries will enact laws for new environmental issues. To meet the requirements of environmental protection regulations, many enterprises have also begun to seek eco-friendly and sustainable shoe manufacturing materials and invested in the R&D and innovation of recyclable materials in the hope of continuously creating a new blue ocean for green products and protecting the ecological environment. The materials used to create the fabrics for shoe manufacturing have become diversified, including recycled bottles, recycled old clothes, and biodegradable materials (i.e., corn and soybean). For example, MADE Responsively 998, launched by New Balance, was mainly produced with residual materials from the course of shoe manufacturing, and each pair of shoes has its uniqueness; the “Move to Zero” action proposed by Nike focused on the raw materials of products that are recycled and reproduced so as to realize net zero carbon emissions and zero waste.

The Company has passed the Climate Change and Environmental and Energy Management Procedures, implementing carbon reduction in stages to achieve the goal of net-zero emissions. It has introduced a "Digitalized Energy Management System" and established a real-time data monitoring mechanism, transforming sustainability concepts into corporate culture and daily actions.

(2) Procedure automation

In the past, the shoe manufacturing industry was limited by the difficulties in standardization of processes; therefore, manual operations were mostly adopted; the industry was deemed a traditional labor-intensive industry, and it is generally considered that the production procedures are hard to automate. However, as the labor cost in each region continues to rise, and with the gradual maturity of technology development, shoe manufacturing machines are becoming more advanced, and the shoe manufacturing industry has gradually commenced its automation and smart development.

The Industry 4.0 smart plants created new procedure ideas for the traditional shoe manufacturing industry. The support of smart equipment and innovative shoe materials, tool IoT, cloud computing, visual quality inspection, energy meter, standard action analysis, Big Data, and other technology applications, alongside the business management that advances with time, can assist in the optimization of production resources. Through production automation and the introduction of smart equipment control, introduce processes with high repetition and accurate action requirements in the production course into the automated control system (i.e., the use of computer sewing machine, computer cutting, automated printers, and manipulators) to reduce the reliance on people, which has become the joint

direction for improvement of the industry.

The Company introduced an AI-intelligent detection system that compiles production line operational data in real time. It quickly identifies abnormalities and processes them immediately, effectively enhancing production efficiency and yield rates, reducing human judgment errors, and strengthening overall operational performance and competitiveness.

(3) Product technologies turn to the development of smart shoes

With the economic and technological development, the application of smart shoes has become the trend in the market and research in recent years. Such shoes may include built-in sensors, Bluetooth connections and accelerometers to provide personalized health data (i.e., step analysis, sports monitoring, and calories burnt off), and the shoes can be connected to smartphones or health application procedures to provide users with accurate movement guidance or health monitoring, closely linking sports equipment with consumers lives to create new added values.

To satisfy the consumption pattern of the fast fashion society, innovation is the core competitiveness. 3D printing technology will make the shoe manufacturing process more flexible and personalized. Customers can tailor their shoes according to their personal needs. Regardless of size, color, or function, 3D printing can provide accurate and comfortable-fitting designs. This technology also helps to reduce production costs and shorten the time it takes to develop new shoes, opening up more possibilities and opportunities in the athletic footwear market.

4. Competition of products

The Company provides OEM manufacturing of athletic and casual footwear for international and domestic brands. To adapt to consumers' pursuit of athletic fashion and meet the high standards of international and domestic brands regarding delivery time, quality, price, and service, the Company must continuously invest resources in core technology R&D and production process improvement. It continuously builds its R&D strength and actively transitions toward Original Design Manufacturing. In addition, the Company has separate production sites and extensive experience in plant management. It values and implements sustainable corporate development issues and thereby maintains its competitiveness in the shoe manufacturing industry.

(III) Technology and R&D overview

1. R&D expenses invested in the most recent year and up to the publication date of the annual report

Unit: NT\$ thousand; %		
Item	2024	2025
R&D expenses	662,379	650,322
Net operating income	26,986,539	21,670,986
R&D expenses as a percentage of net operating income (%)	2.45%	3.00%

2. Technologies or products successfully developed by the Company

Year	Technologies of major research achievements
2019	Knitted surface Replacing No Sew with 3D foam printing
2020	Leather casual shoes Seven-color light reflection printing
2021	Graphene insulated midsole Printing with temperature-sensitive ink
2022	Shoes the replaceable upper Shoes with environmental protection concepts
2023	Shoes with outsole UV discoloration Supercritical midsole
2024	Shoes with no adhesives Shoes with no fold marks/lines
2025	Waterproof boots with composite technology Shoes with no adhesives v2 Shoes with temperature-sensitive yarns and UV discoloration Recycled sawdust for printing

(IV) Long-term and short-term business development plans

1. Short-term development plan

(1) Marketing strategy

A. In response to the fast fashion culture and the convenience of the consumer market, focus on the rapid development capability of products and quality and care for the effects of shoe materials on the environment. Continue to develop shoe types that comply with market trends, maintain business stability and increase order volume to solidify the profit foundation of the Company.

B. Train professional talents with shoe technologies through R&D capabilities, closely cooperate with customers for shape development, and deepen the trust of and relationships with customers.

(2) Production policy

A. To maximize the resource efficiency of plants, the Company duly evaluates the level of complexity of shoe types in orders and customers' requirements and allocates orders to appropriate plants for production to prevent the waste of resources while maintaining balanced costs and profit growth between plants.

B. Promote lean production of plants, precisely plan the workflow of production lines, and improve production efficiency.

C. To enhance manufacturing efficiency, quality stability, and management transparency, the Company actively introduced smart manufacturing technologies. It implemented the CT Copilot solution in the production process, combining artificial intelligence technology to optimize production management. Through AI-assisted behavioral interpretation

and data integration analysis, the Company can grasp production line operational status and key process parameters in real time, strengthening its ability to monitor production details and identify abnormalities immediately to reduce the risk of quality fluctuations.

(3) Business management

Improve the procurement ratio of local raw materials at the production sites, reduce the transportation time of supplies through optimized procurement, and reduce carbon footprint by promoting the procurement of local raw materials, machinery and equipment, which is beneficial for the dispersion of the overseas raw material supply chain to avoid risks of supplies being affected by politics, transportation, and other unstable factors and reduce shipping, air transport, and inventory costs.

2. Long-term development plan

(1) Marketing strategy

A. The Company establishes exclusive R&D teams and R&D Centers for main brand customers to have close cooperation with brand customers during the period from product development and product prototype. With professional, in-depth technological capacity for multiple shoe-manufacturing crafts (i.e., athletic footwear, casual shoes, and leather shoes) and experience in manufacturing management within the industry, the Company provides premium and innovative shoe products and services to brand customers.

B. Actively secure differentiated customers to respond to the changing trends in the overall shoe market and grasp the market share to become the leader among sports brand manufacturers to secure more renowned customers for global deployment.

(2) Production policy

A. To expand third-country capacity in response to order volume growth, the Company is actively expanding its plants in Vietnam while continuously monitoring global dynamics to seek investable regions. It has commenced investment in India and Indonesia, utilizing multi-country production bases for international layout. This strengthens supply chain flexibility and resilience to face sudden changes in the international situation and tariff challenges, thereby expanding the Company's operational scale and enabling the timely adjustment of capacity across plants to maximize Group benefits.

B. We improve production and R&D dynamics, improve the stability of production quality and efficiency, and continue to invest in automation, innovative technologies, procedures advancement, and shoe material development to satisfy the requirements of customers for premium

products and services and the real-time sharing of information with brand customers to rapidly respond to the market and move toward smart plants to reduce the overall supply chain costs and increase benefits.

C. Globalization, influenced by the pandemic, geopolitics, and tariffs, has revealed the problem of excessive concentration in the origin of raw material supply chains. Consequently, the Company will continue to seek raw material suppliers acceptable to multiple brand customers to minimize losses caused by supply chain disruptions. It will also increase sourcing from countries of origin to reduce cost risks, such as tariff levies.

(3) Business management

To promote corporate sustainability, the Company is committed to implementing corporate social responsibility and sustainable management concepts. It actively constructs a circular economy system and promotes relevant projects such as solar green power, clean energy, water resource reuse, and waste gas emission treatment to reduce the environmental impact of its operations.

Simultaneously, the Company introduced a carbon management mechanism to comprehensively inventory and grasp the carbon emissions and carbon costs of each operating base, ensuring compliance with relevant regulatory requirements and customer standards. Based on this, the Company is actively moving toward the goal of net-zero emissions.

In terms of supply chain management, the Company continues to promote sustainable supply chain strategies, working with partners to jointly enhance environmental and social responsibility performance. It coordinates with brand customers' requirements to refine various sustainability indicators, thereby strengthening overall evaluation performance and the stability of cooperative relationships.

In the future, the Company will continue to refine its sustainability governance framework and gradually implement the sustainability development roadmap. This will strengthen operational resilience and realize the long-term value of Environmental, Social, and Governance (ESG).

(4) Financial strategy

Utilize wealth management tools to secure capital utilization efficiency based on the principle of stable financial policies and create various added values.

II. Market and production and sales overview

(I) Market analysis

1. Sales (provision) regions of major products (services)

Unit: NT\$ thousand

Sales region \ Year	2024		2025	
	Amount	%	Amount	%
America (Note 1)	9,382,247	34.77	7,531,025	34.75
China	9,914,702	36.74	6,952,054	32.08
Europe	4,396,060	16.29	3,881,653	17.91
Asia (Note 2)	2,952,966	10.94	2,959,694	13.66
Others	340,564	1.26	346,560	1.60
Total	26,986,539	100.00	21,670,986	100.00

Note 1: The Americas include the United States and Mexico, Chile, Peru, Uruguay, Colombia, Bolivia, Argentina, Canada, Panama, Paraguay, Brazil, and Ecuador.

Note 2: Asia include Japan, Mongolia, South Korea, the Philippines, Vietnam, Thailand, Malaysia, Singapore, Indonesia, Israel, Lebanon, Turkey, and Saudi Arabia.

2. Market share

The Company is a leading global footwear service provider with over 40 years of experience in footwear technology and services. Since its founding, it has been a partner of the world-renowned athletic brand New Balance. The Company has successfully entered the supply chain of FILA under the Chinese athletic brand ANTA Group and LI-NING, becoming a core supplier for collaborative R&D. The Company's total production in 2025 was 31,395 thousand pairs. It is one of the few footwear manufacturers that possesses manufacturing processes for diverse footwear styles simultaneously, demonstrating highly integrated manufacturing capabilities. Consequently, the Company holds a certain market share in the global footwear manufacturing market and maintains a solid competitive position.

3. Future market supply, demand and growth

According to Statista projections, the global footwear market revenue is expected to reach USD 550 billion in 2026, with a compound annual growth rate (CAGR 2026-2030) of 5.41%.

From the supply side, the shoe manufacturing supply chain turned to the trend of expanding non-China production capacity in recent years to avoid supply shortages and other issues caused by the trade war and political factors. Most of the companies considered the low labor costs, tariff advantages, and excellent production policies in Southeast Asian countries; therefore, the expansions were mainly in Vietnam and Indonesia, where they possess abundant labor. In response to the United States implementing equitable tariffs on countries worldwide, footwear supply chains and brands have adopted decentralized production across various countries. The Company will continue to advance multi-country production capacity planning and enhance supply flexibility, which helps in securing new customers and orders.

On the demand side, rising consumption levels and changing lifestyles have driven stable growth in demand for footwear products. On the product side, the

consumer market shows trends toward athletic leisure, brand premiumization, and the application of sustainable materials. Meanwhile, the Asia-Pacific region remains the primary source of growth momentum, and e-commerce and omni-channel sales models continue to change the industry's competitive landscape, driving the global footwear market toward long-term stable development.

4. Competitive advantage

(1) The professional management team provides services to brand customers

The management team of the Company has long been cultivating in the shoe manufacturing industry and has continued to focus on the shoe manufacturing industry. The team possesses extensive knowledge in the professional field and abundant practical experience. Over the years, the Company has accumulated technologies (including development and production processes), talents, capital, scale (number of plants for mass production and production in multiple countries), and other professional services to make itself an indispensable material partner of customers through the accurate organizational structure and sensitive market observations, creating the competitive advantages that are different from other peers.

(2) Have production sites in multiple countries to satisfy customers' requirements

In recent years, the global trend for outdoor leisure has remained active, driving the steady growth of relevant industries. The overall medium- to long-term development trend remains dynamic. To meet future mass-production order demand, the Company is actively expanding its overseas production bases. Through a layout involving multiple brands and plant areas, it enhances overall capacity, dispatching flexibility, and operational resilience.

Given that the global manufacturing focus is gradually shifting to Southeast Asia, the Company continues to diversify geopolitical and economic risks. Simultaneously, the Company is promoting investment plans for plants in India and Indonesia to strengthen regional layout and seize future growth opportunities.

(3) Stable quality in compliance with the standards of international brands

The Company is committed to becoming a world-class professional manufacturer of sports equipment and is persistent in checking and testing product crafts and production quality. Customers who consigned the Company for OEM services are leading international sports and outdoor recreation brands with their R&D technologies occupying the leading positions, and the Company has passed the strict certifications and plant inspections of such brands. It has also established exclusive R&D Centers and teams for main brand customers; data analysis is performed according to the requirements of brand customers, including the design drawings, main fabrics, shoe soles, and materials, to confirm the feasibility of designs, and the physical property test and environmental testing for materials are conducted to comply with customers' requirements, allowing shoe products produced by the Company to possess competitiveness and high growing momentum in the athletic footwear and casual shoes market and, in turn, improving the Company's advantages in the shoe foundry industry.

(4) Possess R&D capabilities to move toward automation and advanced

procedures

The Company has invested a large amount of R&D resources in the past in the development and application of new materials for shoes and the introduction and refinement of manufacturing technologies. Currently, the Company has registered patents for automated equipment, including automated anti-mold agents, automated hot cutting of shoes, and other things. The Company continues to develop smart visual identification quality systems, 3D visual identification systems, modular robotic arm spraying machines, and other automated equipment to improve production efficiency (such as computer needle plates, computer cutting and printing, etc.). The Company will continue to invest in automation, innovative technologies, procedure refinement and development of shoe materials to satisfy the needs of brand customers for premium products and fast response to the market, and to deepen the cooperation with brand customers and solidify the Company's position in the shoe manufacturing industry.

5. Favorable and unfavorable factors for future prospects and countermeasures

(1) Favorable factors

A. Co-existence of globalization and regionalization due to the adjustments to the global supply chain

In recent years, due to rising labor awareness, increasing labor costs, and higher tax costs in China, as well as considerations of geographic proximity, the Company began gradually expanding its Vietnam production base in 2015. While orders for the Chinese market are maintained at China plants in accordance with operational strategies, orders for overseas markets outside China are gradually being adjusted to Vietnam plants. The Company's capacity strategy is to primarily provide China capacity to Chinese brands and for Chinese domestic orders, offering localized rapid sourcing and manufacturing to shorten transportation times and reduce costs such as shipping and tariffs. Besides having labor cost advantages, Vietnam also offers tax incentives regarding tariffs. As of the end of 2025, Vietnam has signed 17 Free Trade Agreements (FTAs), as well as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and the Regional Comprehensive Economic Partnership (RCEP). These are conducive to the Company's production and exports in Vietnam. This layout served as an important buffer for the Company to adjust costs and maintain export competitiveness when facing high tariff barriers in 2025.

Furthermore, the Company will continue to expand other cost-advantageous production bases, such as the Vietnam Bac Kan plant and the India plant, which commenced production in 2025. Construction of the Indonesia plant also officially entered the groundbreaking stage in the fourth quarter of 2025. The Company properly evaluates order complexity and customer needs to allocate orders to appropriate plant areas for effective production, maintaining supply chain flexibility while balancing costs across plants to maintain stable profit growth and continue its competitive advantage.

B. The rising sports awareness worldwide has accelerated the development of related industries

Global renowned footwear brands include Nike, New Balance, Adidas, ASICS, Deckers, VF Corp., and emerging brands like On Holding. End consumers generally exhibit high loyalty to these brands and products. In the footwear industry, cooperative relationships between international brand customers and OEM manufacturers emphasize a long-term foundation of trust. Manufacturers must meet strict requirements across multiple dimensions, including product development capability, brand certification, capacity coordination, on-time delivery, and internal

management, to ensure product quality and supply stability. Additionally, as the market acceptance of collaborated footwear styles is continuously verified, there is a significant threshold for international brand customers to switch OEM footwear plants. The Company has maintained a solid long-term cooperative relationship with Group A. Leveraging superior product quality and stable supply capabilities, the Company has earned deep customer trust and holds a stable position within its OEM system.

Moreover, the Company continues to deepen cooperation with existing international brand customers while actively expanding its new customer base. Through refined product development capabilities, flexible capacity dispatching, on-time delivery capabilities, and a sound internal management system, the Company ensures product quality and supply stability, with overall competitiveness superior to its peers. In recent years, the Company has also successfully entered the supply chains of other international brand customers, demonstrating the effectiveness of its business expansion.

(1) Unfavorable factors and countermeasures

A. International Geopolitical Instability and Tariff Barriers Lead to a Significant Drop in Orders

In 2025, global geopolitical instability intensified, with escalating U.S.-China trade friction and the rise of protectionism in various countries, making tariff issues a major variable interfering with international trade. Affected by the lag effect of high inflation and high interest rates, demand in the European and American end-consumer markets was weak, and purchasing power declined significantly. International brand customers adopted extremely conservative destocking strategies to cope with economic uncertainty and potential risks of tariff increases, significantly reducing order volumes and postponing the launch schedules of new products. The deterioration of the macro-economic environment directly caused the Company and the entire footwear supply chain to face severe challenges, including a significant decline in orders and insufficient capacity utilization.

Countermeasures:

To address the risk of order fluctuations, the Company adopted a dual strategy of "Lean Management" and "Flexible Production." Regarding order reductions, it implemented strict cost control, dynamically adjusted human resource allocation and production line utilization across plant areas, and postponed non-essential capital expenditures to ensure stable cash flow and reduce operating costs. In the face of tariff barriers, the Company actively expanded into non-restricted regional markets to diversify single-market risks. Simultaneously, it utilized the trade agreement advantages of the Vietnam and India plant areas to help customers optimize landed costs, thereby securing opportunities for order transfers. Furthermore, the Company maintains close information synchronization with brand customers, conducts scenario simulations for tariff changes, and provides flexible cross-border production dispatching solutions to ensure it continues to serve as the most reliable partner for customers amidst unstable conditions.

B. Intense market competition and fast replacement speed of shoe products

Due to the trending sports and recreation and the expansion of the sports equipment market, the competition between companies has become increasingly intense. Consumers tend to frequently purchase new shoe models to remain fashionable and trendy. Large-scale, internationally renowned companies are required to constantly launch new products to cater to the ever-changing preferences of consumers. Shoe products that are rapidly replaced require flexible and agile inventory management to ensure the supply of new products in a timely manner and the mitigation

of risks of expired inventory. For footwear enterprises, the ability to accurately forecast market trends and reasonably plan production and inventory is crucial. If manufacturers cannot respond in real time to market changes, lack the ability to launch new products quickly, or lack outstanding innovative R&D capabilities to launch leading products, they are highly likely to be eliminated from the market.

Countermeasures:

In addition to continuously monitoring the changing trends in the overall industry and customers' operations, the Company is also committed to maintaining the relationship with existing brand customers. Apart from passing the stringent certifications and plant inspections of brand customers, the Company established exclusive R&D Centers and teams for main brand customers, actively cooperated with brand customers in developing new products and developing new application technologies to improve production efficiency and quality yields so as to build a long-term stable cooperating relationships by improving competitive advantages and gaining the high recognition of brand customers. The cooperation development content between both parties includes design drawings, main fabrics, shoe soles, and relevant materials. Data analysis is performed according to the requirements of brand customers, and the physical property test and environmental testing for materials are conducted. The Company closely cooperates with brand customers during the period from product development and product prototype. Leveraging the in-depth technological capacity and extensive industry experience, together with innovative ideas and materials, the Company is able to rapidly develop and provide shoe products and relevant solutions that comply with the quality requirements of brand customers and market trends so as to solidify the Company's profit foundation and allow the Company to become a long-term cooperating partner of brand customers.

C. Strict environmental protection standards

As global attention to climate change, sustainable development, and environmentally friendly materials continues to deepen, ESG (Environmental, Social, and Governance) has also become an issue that all enterprises currently prioritize and implement. No industry can ignore this. Whether it is the Taiwan government or governments of other countries, threshold standards for environmental protection laws are gradually being raised, and the trend toward green transformation is rising. The use of volatile chemicals, effluent discharge, and energy consumption in the shoe manufacturing processes will all cause harm to human health and have an impact on the environment.

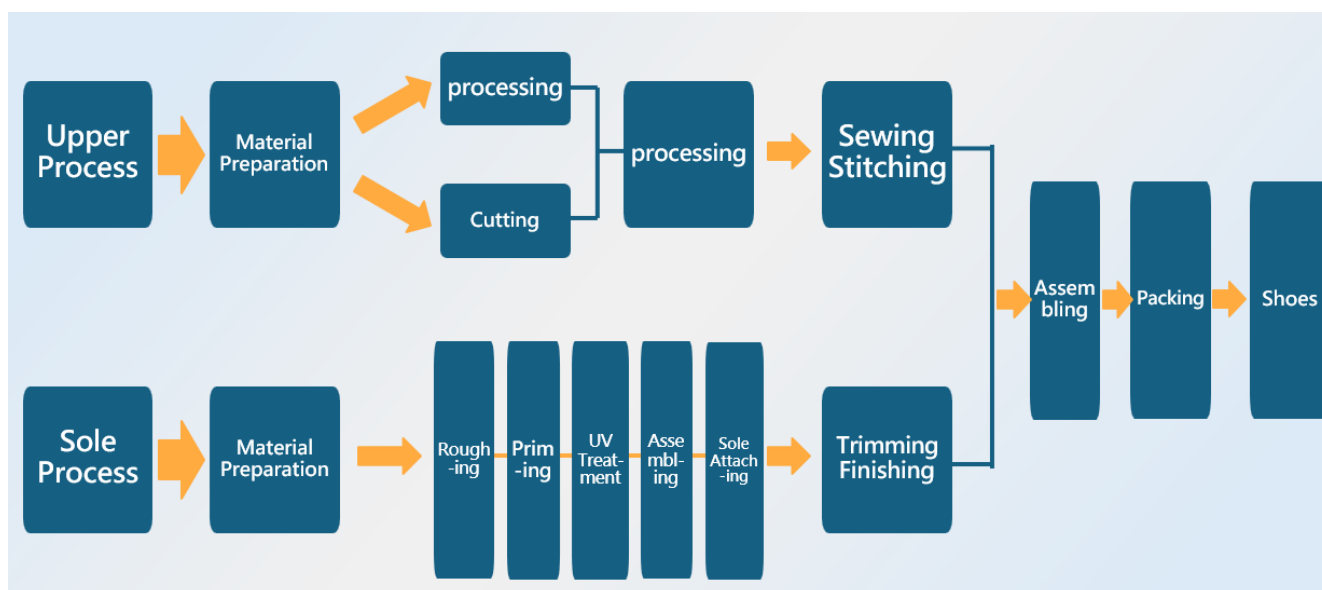
Countermeasures:

Regarding sustainable environmental development issues, plants of the Company and its subsidiaries have administrative right departments in place to be responsible for handling matters related to environmental safety and health, social and environmental affairs, and energy and GHG management for plants, keeping abreast of environmental protection-related specifications and requirements, understanding the future shoe manufacturing trends, purchasing and updating pollution control equipment, and promoting waste reduction plans and developing new procedures to comply with environmental protection regulations and product technologies required by customers.

(II) Important usage and production processes of main products

1. Important usage of main products

Main products	Usage
Athletic footwear	It is mainly applicable to slow running, hiking and other sports shoes.
Casual shoes	Casual shoes do not require the elastic force, support, vibration reduction, and durability that is required for athletic footwear for engaging in sports events



2. Manufacturing Process of Primary Products

(III) Supply of main raw materials

Major raw materials	Major suppliers	Supply condition
Outsole accessories	Jie Sheng, GME, Group A, Company D, Group N	Favorable
Leather	Group E, Company H, Group F, and Company G	Favorable
Synthetic leather	Group J, CTCI, Anan, Shih Chang, and Pony Leather	Favorable

(IV) The name of customers who account for over 10% of the total purchase (sales) in any of the most recent two years, the purchase (sales) amount, and the ratio

1. Information on main suppliers in the most recent two years

The Company's suppliers are dispersed. There is no purchase from the same supplier accounting for more than 10% of the total purchase in the most recent two years.

2. Information on main sales customers in the most recent two years

Unit: NT\$ thousand

Item	Name	2024			2025		
		Amount	As a percentage of net sales throughout the year (%)	Relationship with the issuer	Amount	As a percentage of net sales throughout the year (%)	Relationship with the issuer
1	Group A	14,848,305	55.02	None	10,958,586	50.57	None
2	Group B	2,026,579	7.51	None	2,074,888	9.57	None
3	Group D and C	2,866,904	10.62	None	2,064,516	9.53	None
4	Company I	2,482,769	9.20	None	1,980,450	9.14	None
	Others	4,761,982	17.65		4,592,546	21.19	
	Net sales	26,986,539	100.00		21,670,986	100.00	

Reasons for changes:

The Company's main sales targets are mainly large-scale, internationally renowned brands. There has been no material change in the main customers in the most recent two years, representing that the Company maintains stable cooperating relationships with main customers.

III. Information on employees in the most recent two years and up to the publication date of the annual report

Unit: person; %

Year		2024	2025	As of March 31 of the year
Number of employees	Manager	15	14	14
	Production line personnel	25,903	23,303	22,326
	General employees	6,467	6,310	6,259
	Total	32,385	29,627	28,599
Average age		40.40	41.09	41.23
Average seniority		3.38	3.85	3.98
Educational background distribution ratio	Ph.D.	-	-	-
	Master	0.05	0.06	0.07
	College campus	5.09	5.60	5.85
	Below high school (inclusive)	94.86	94.34	94.08

IV. Information on environmental protection expenditure

Losses suffered from environmental pollution (including the compensation and the violation of environmental protection regulations in the environmental protection audit, and the disposal date, disposal No., the regulatory provision violated, the content of regulations violations, and the content of disposal shall be specified) in the most recent year and up to the publication date of the annual report, and the estimated amount that may occur at present and in the future and countermeasures; if the amount is not able to be reasonably estimated, describe the fact that it is not able to be reasonably estimated: None.

V. Labor-management relations

(I) Employee welfare measures, continuing education, training, retirement systems and their implementation, labor-management agreements, and measures to protect the rights and interests of employees

1. Employee welfare measures and implementation

The Company regards employees as its most important asset and is committed to creating a high-quality work environment. In addition to providing leave and attendance systems superior to those required by law, it has established a comprehensive welfare system:

(1) Workplace Environment and Work-Life Balance

- ✓ Leave and Attendance Management Superior to Taiwan Regulations: To enhance employee scheduling flexibility, employees' special leave can be taken in "hourly" units, facilitating employees' planning and arrangements.
- ✓ High-quality meals and leisure: The Company provides free nutritious lunches, installs coffee machines in office areas, and irregularly provides fruits and snacks, creating a relaxed leisure and exchange space.
- ✓ Commuting convenience: An exclusive employee parking lot is provided, mitigating the pressure and financial burden of colleagues searching for parking spaces during their commute.

(2) Comprehensive Insurance and Security Protection

- ✓ High-coverage group insurance: The Company fully bears the insurance premiums to enroll employees in high-coverage group insurance. The coverage scope encompasses accidents and medical care, and safety protection can also be enjoyed during overseas business trips.

(3) Employee Welfare Measures

- ✓ The Company establishes an "Employee Welfare Committee," composed of representatives from both labor and management. It regularly reviews and promotes diverse welfare activities and provides welfare subsidies such as festival welfare funds, subsidies for marriages, funerals, and celebrations, emergency relief funds for injuries and illnesses, subsidies for labor continuous education, scholarships and grants for children's education, employee travel subsidies, and condolence funds for retired employees.

2. Employee continuing education and training

Plants of the Company and subsidiaries carry out employee continuing education based on the respective annual training plans, provide favorable training and learning environments, and open up diverse training courses and various professional in-service education and training based on the business targets of the Company and the requirements of employees from different departments, including new employee training, employee rights and interests, labor safety and health education and training, information security, machine operations, and various training courses related to duties.

Except for training for professional functions, the Company and its subsidiaries encourage employees to learn and engage in continuing education for diverse aspects and provide management and other skill courses, including language courses and courses related to leadership and management.

3. Specific Contents and Implementation Status of the Retirement System

The Company safeguards colleagues' retirement rights in accordance with the law, establishing stable and transparent pension management mechanisms:

(1) Pension Contribution Status

- ✓ Applicable System: All current employees of the Company are currently subject to the "Labor Pension Act" (the new system).
- ✓ Contribution Ratio: The Company contributes 6% of employees' total monthly wages in full to individual pension accounts at the Bureau of Labor Insurance. If employees have demands for voluntary contributions, the Company also deducts and pays the amounts into these accounts from their salaries in accordance with the law.

(2) Retirement Application Procedures and Conditions

- ✓ When employees meet statutory retirement conditions, including those

who have worked for over 15 years and are aged 55 or older, those who have worked for over 15 years and are aged 55 or older, or those who have worked for over 15 years and are aged 55 or older, they may apply for voluntary retirement. Following the Company's confirmation of qualifications and seniority, retirement approvals are processed.

(3) Post-Retirement Care and Friendly Workplace

- ✓ Retirement Re-Hiring: To inherit the Company's core technologies and experiences, we establish a "retirement re-hiring mechanism." For retired colleagues possessing professional skills and a willingness to work, flexible working hours or dedicated project consultant positions are provided, practicing intergenerational inheritance in the workplace.
- ✓ Retirement Condolence Funds: When employees process their retirement, in addition to receiving pensions in accordance with the law, the Employee Welfare Committee will issue an additional "retirement condolence fund" in gratitude for the colleagues' years of contribution to the Company.

4. Collective bargaining and maintenance measures for the rights and interests of employees

The Company has always placed great emphasis on communication and cooperation with employees. Therefore, the Company has maintained close contact with labor unions or employee representatives to ensure that the interests of both parties are fully respected and protected. Each plant holds regular employee representative meetings to allow employees to exchange opinions with management. Additionally, each plant has established a grievance hotline where any suggestions can be reported to and handled by relevant units immediately. Some plant areas coordinate with brands to promote mobile APPs, allowing employees to report relevant issues through the system, ensuring timely two-way communication and that the Company can grasp employee satisfaction and opinions in real time.

We actively advocate for the building of stable and harmonious labor-management relations. Through communications with the labor union and the compliance with regulations of local governments, we established a series of labor-management agreements and provisions, including but not limited to the content of wages, working hours, welfare and packages, and safety protection, to ensure that sufficient protection is offered for employees' rights and interests.

The Company believes that employees are the most important resources of the Company. We actively implement various measures to protect the rights, interests and welfare of employees. The Company has established a comprehensive compliance system for labor laws and regulations to ensure that its management practices comply with the requirements of local labor regulations. The Company also provides a healthy working environment and safety protection measures and regularly organizes safety training to ensure the physical and mental health of

employees. The Company is committed to passing these measures to establish fair, just, and harmonious labor-management relations and to protecting the rights, interests and well-being of each employee.

- (II) Losses suffered due to labor disputes during the most recent fiscal year and up to the publication date of the annual report (including matters violating the Labor Standards Act as a result of labor inspections, where the date of disposition, disposition reference number, violated legal provisions, content of the violated regulations, and content of the disposition shall be listed). Disclosure of the estimated amounts and response measures currently and potentially occurring in the future. If a reasonable estimate cannot be made, the facts of why it cannot be estimated shall be explained: No material labor disputes have occurred.

VI. Intellectual Property Management

(I) Intellectual Property Management Plan

The Chung Jye Group regards innovative R&D as a core intangible asset of the enterprise. It provides strict protection by transforming technical results into patents and trade secrets through the establishment of a sound intellectual property management mechanism.

1. R&D and IP Strategy

With its strong design team, core footwear technology, and advanced equipment, the Chung Jye Group is committed to becoming the best partner for world-renowned brands. Key strategic focuses include:

- (1) Actively cultivating technical and IP talent and introducing advanced production equipment and technologies on a large scale to optimize product stability and control production costs. Simultaneously, the Company conducts patent layouts for key automated processes to build technical barriers.
- (2) Planning the establishment of "Dedicated R&D Centers" for each brand to maintain close communication with the brand side. While deepening long-term cooperative relationships, the Company has also established a rigorous mechanism for the ownership and protection of jointly developed intellectual property rights.

2. R&D and Innovation Strength

- (1) Equipment and Process Patents: The Company has registered multiple automated equipment patents and continues to research and develop equipment that enhances production efficiency, such as intelligent and 3D visual recognition systems and modular robotic arm spraying machines, to build its independent R&D strength.
- (2) R&D Centers and Quality Certifications: Since 2016, dedicated R&D centers for several well-known brands have been completed successively, enabling efficient connection in the supply chain from design and sampling to mass production. Regarding the quality system, the Company has obtained multiple international certifications, including ISO 9001 and SATRA quality and testing.

3. IP Risk Control in the R&D Process

The Company actively establishes collaborative development models with brand customers and implements IP risk assessment and protection mechanisms at each stage:

- (1) Requirements Collection: At the early stage of R&D, the Company

communicates closely with customers' design teams to explore fashion trends and design concepts, and conducts preliminary technical searches for new ideas.

- (2) Material Research: The Company collaborates closely with suppliers to jointly develop new footwear materials that meet brand standards and offer innovative advantages. Confidentiality agreements are signed to ensure the secrecy of R&D.
- (3) Sample Trial Production: The Company provides technical support and suggestions, participates in design sketch discussions and sample production, and evaluates patent applications for promising innovative designs.
- (4) Performance Optimization and Batch Production: During mass production, brand quality control teams are regularly invited to the plants to supervise and provide guidance, ensuring that processes meet production standards and that IP rights protection is implemented.

(II) 2025 Execution Status

1. R&D Expenses and Talent Layout

The Company continues to invest in automation, innovative technologies, process optimization, and R&D for environmentally friendly footwear materials. R&D expenditures for 2025 were NT\$ 650,322 thousand, representing 3% of consolidated revenue. Compared to the 2024 R&D amount of NT\$ 662,379 thousand, there was a slight decrease of 1.82%. However, the ratio of R&D expenses to revenue increased, showing that the Company continues to strengthen its R&D investment under overall operational adjustments to support long-term competitiveness.

Regarding talent layout, the Company actively recruits top-tier footwear R&D and IP professionals to strengthen product innovation design capabilities and development energy for new materials and processes. This meets market demand for high-performance and environmentally friendly footwear materials and continues to create products with market competitiveness and environmental sustainability value.

2. Number of patents and items: In 2025, the Company obtained 12 utility model patents. The items are as follows:

- ✓ 3D shoe upper thermoplastic molding mold and its equipment
- ✓ Cutting equipment for the flyknit shoe upper processing
- ✓ Sole positioning structure prior to sole grinding
- ✓ Automatic feeding device for foam production
- ✓ Auxiliary device for attaching welts
- ✓ Double decorative line fixer post-seaming
- ✓ Computerized stitching template for sewing tongue labels
- ✓ Integrated measuring instrument for the length and warpage of injected EVA midsoles
- ✓ Auxiliary equipment for stuffing paper balls during shoe molding
- ✓ Three-sided positioning baseplate for computerized shoe upper stitching
- ✓ Three-dimensional presser foot for computerized sewing machines

- ✓ Open long-tail sole pressing mold
- 3. Customer Privacy Protection and Trade Secret Management
 - (1) The operations management unit coordinates customer data maintenance and order creation, adopting strict authority controls to ensure information security.
 - (2) Zero customer complaints effectiveness: In 2025, the Company received no complaints regarding customer privacy infringement or confidential data leakage, demonstrating the significant effectiveness of its management mechanism.
 - (3) Trade secret protection network: To prevent internal leaks, external cooperation leaks, and legal risks, the Company established strict confidentiality policies, limited access permissions, required signed confidentiality agreements, and implemented data classification labeling. Furthermore, the Company adopted data encryption and monitoring technologies and conducted periodic reviews to guarantee the security of confidential information.
- 4. Board of Directors Supervision and Governance Implementation

To implement corporate governance and ensure the effective functioning of the intellectual property management system, the company places significant importance on controlling intellectual property risks and strategic development, periodically reporting related matters to the highest governance level. The Company reported the intellectual property management plan, execution status, and future goals for the period of 2024 to 2025 to the Board of Directors on August 27, 2025.

(III) Intellectual Property Management Goals

The Company will continue utilizing "enhancing product performance and promoting green innovation" as the core of intellectual property development and R&D in the future. The Company strives to create footwear products that integrate comfort and environmental friendliness to meet market and consumer demands for high-performance and sustainable products. The R&D direction will focus on developing ultra-lightweight and highly resilient IP midsole technology to continuously optimize the lightweight nature and comfortable foot feel of footwear; yellowing-resistant transparent rubber outsoles to enhance product appearance and service life; and green granular materials with a recycling rate of over 95% to promote resource circulation and utilization and lower product carbon footprints.

To respond to the global net-zero trend and implement ESG commitments, the Company has deeply integrated its intellectual property management strategy with green sustainability R&D goals. The Company actively conducts strategic patent layout and trade secret protection targeting forward-looking green technologies, including low-carbon manufacturing processes, the application of environmentally friendly recyclable materials, and resource circulation. By incorporating "green intellectual property" as a component of corporate governance and risk control, the Company strives to defend sustainable innovation results and strictly prevent infringement risks during green technology R&D processes. Furthermore, the Company expects to consolidate its core competitiveness in the sustainable supply chain by constructing a robust green patent network, tangibly demonstrating the Company's determination to advance toward net-zero carbon emissions.

VII. Cybersecurity management

- (I) Describe the information security risk management framework, information security policy, specific management plans, and resources invested in information security management.

1. Cybersecurity risk management structure

The Company established a top-down information security governance structure to ensure clear roles and responsibilities at all levels and effectively promote and supervise the execution of information security management measures.

(1) Organizational Structure and Responsibilities

- Information Security Officer: Responsible for coordinating the Company's overall information security strategy and resource coordination, supervising the daily operations of the information security management system, auditing the effectiveness of risk assessment and processing plans, and periodically reporting information security execution performance and material risk status to the Board of Directors and management level.
- Information Security Office: The core hub for policy execution, responsible for formulating and promoting daily information security management operations, including strengthening information security standards and procedures, reviewing system security control measures, and assisting in information security incident investigations. It serves as the coordination window for internal and external audits and oversees the Information Security Execution Team and the Information Security Emergency Response Team.
- Information Security Audit Team: Independently executed by the Group Audit Office. Its responsibilities include formulating and executing the annual internal information security audit plan, proposing improvement suggestions regarding audit findings, and continuously tracking the execution progress of improvement plans to ensure system compliance.

2. Cybersecurity policy

(1) Policy Purpose

This policy aims to provide the highest guiding principles for the ISMS to achieve the following core purposes:

- Ensure compliance: Comply with relevant laws and regulations, competent authority requirements, and information security provisions in client contracts.
- Enhance service quality: Elevate system stability and reliability.
- Support sustainable operations: Protect critical information assets and lower operational risks.

(2) Applicable Scope

Applicable to all employees (including formal, temporary, and contracted personnel) of the Company and all subsidiaries, as well as cooperative

partners engaging in business with the Company. Anyone contacting or utilizing the information assets of the Company and its subsidiaries bears the responsibility to understand and comply with this policy and relevant regulations.

(3) Core Goals

Based on three internationally recognized pillars to ensure information assets are free from internal or external, deliberate, or accidental threats:

- Integrity: Ensure the accuracy of information content and prevent unauthorized alteration.
- Availability: Ensure authorized users can smoothly access information and services when necessary, maintaining continuous business operations.
- Confidentiality: Ensure information is solely accessed by authorized personnel and prevent sensitive information leakage or improper disclosure.

3. Information and Communication Security Management Policy

(1) Human Resources Security

Personnel are the core of information security management. The Company implements the following security requirements during the employee tenure cycle:

- Onboarding and in-service management: All new employees must sign a confidentiality agreement to clarify their confidentiality responsibilities regarding Company information.
- Information Security Awareness and Training
 - ✓ All employees must undergo information security advocacy courses annually.
 - ✓ Dedicated information security officers and personnel must undergo the necessary professional information security course training annually.
 - ✓ The Company periodically conducts email social engineering drills annually and provides targeted education and training for personnel who mistakenly click links or open attachments.
- Resignation management: Upon employee resignation or position changes, the Company will immediately process authority changes or account revocation operations and ensure all Company assets are returned.

(2) Asset and Access Control

To ensure proper protection of information assets and prevent unauthorized access, the Company implements the following control measures:

- Asset inventory and classification: The Company periodically inventories its information assets, establishes core system asset registers, and conducts

classified and graded management based on business importance and sensitivity.

- Access authorization: The Company strictly complies with the "principle of least privilege." The granting of all system access permissions must pass through formal application and review procedures. The Company solely grants employees the minimum permissions necessary to complete their duties.
- Passwords and identity verification: The Company established strict user password management regulations, requiring passwords to possess sufficient complexity and length, while setting validity period limits and historical record comparisons. Simultaneously, the Company introduced MFA multi-factor authentication technology to core information and communication systems.

(3) Physical and Production Environment Security:

The physical environment and production lines (OT) are the core of Company operations and require strict protection measures:

- Physical access control: Strict personnel entry and exit control mechanisms should be established for computer rooms and other material operational areas.
- Production Environment (OT) Security:
 - ✓ Network isolation: The office information technology network (IT) and production line operational technology network (OT) should implement physical or logical isolation to prevent malicious software from spreading across network domains and ensure production stability.
 - ✓ Old system reinforcement: For old production machines unable to update patches due to stability considerations, compensatory control measures such as closed networks, application whitelists, or the installation of industrial-grade firewalls should be adopted.
 - ✓ External equipment control: The Company strictly controls external vendors connecting notebook computers or USB devices to the production network. All USB storage devices brought into the plant area must first undergo malicious software testing via dedicated scanning stations.

(4) Technical Protection and System Maintenance:

The Company deployed multi-layered technical protection mechanisms to ensure the security of information systems and infrastructure:

- Network protection: The Company established network firewalls, Intrusion Detection and Prevention Systems (IDS/IPS), Web Application Firewalls (WAF), Advanced Persistent Threat (APT) defense measures,

email filtering mechanisms, and Security Operation Center (SOC) information and communication security threat detection and management mechanisms to ensure in-depth defense.

- Malware Protection: All computers and servers must install Company-designated antivirus software and ensure virus signatures are maintained at the latest status at all times.
- Core Technology and Intellectual Property Protection:
 - ✓ Drawing encryption management (DRM/DLP): Document encryption or data leakage prevention systems should be introduced for core intellectual property, including R&D design drawings, to prevent unauthorized copying, printing, or outward flow.

(5) Supply Chain and Outsourcing Management

To effectively manage information security risks from third-party suppliers, the Company implements the following management measures:

- Vendor security assessment: Prior to collaborating with new suppliers, the Company should evaluate their information security management capabilities to ensure compliance with the Group's information security policy requirements.
- Contract security requirements: Contracts signed with suppliers must explicitly stipulate the information security responsibilities of both parties, confidentiality obligations, Service Level Agreements (SLA), and the Group's rights regarding their information security audits.
- Remote operations and maintenance control: If equipment vendors require remote connections for maintenance, they should strictly comply with the principles of "application, time limits, and full recording." They are compelled to utilize VPN encrypted connections and multi-factor authentication to ensure the connection process is secure and controllable.

4. "Implementation status of cybersecurity risk management" in the most recent year (2025)

- (1) Education, training, and advocacy: Full employee awareness training coverage reached 100%. Information security colleagues underwent 15 hours of professional functional training annually. The team maintained 2 valid professional information security certificates.
- (2) Core defense upgrades and full-time monitoring and threat detection: Outsourced Security Operation Center (SOC) and Managed Detection and Response (MDR).
- (3) Defense effectiveness data and active hunting: The Company engaged in active threat hunting, successfully identifying and intercepting malicious connections. The Company blocked 189 instances prior to damage occurring.
- (4) Practical ransomware-induced production line suspension drill: Drill results yielded a Recovery Time Objective (RTO) of 58 seconds and a Recovery

Point Objective (RPO) of 1.5 hours, verifying the effectiveness of the backup mechanism during emergencies.

5. Resources invested in cybersecurity management
 - (1) Manpower allocation: Established Information Security Officer and dedicated personnel, providing necessary professional training.
 - (2) Technology investment: Deployed multi-layered technical protection mechanisms (such as firewalls, SOC, DLP/DRM).
 - (3) Backup system: Complied with the industry's "3-2-1 principle" to plan data backups and established an off-site backup system to achieve a second-level RPO (Recovery Point Objective) and a minute-level RTO (Recovery Time Objective).
 6. Effects of information system damages on the Company's business and countermeasures
 - (1) Response procedures: In accordance with the "Information Security Incident Response, Handling, and Reporting Procedures," the Information Security Emergency Response Team will immediately activate response procedures upon incident occurrence to conduct damage assessment, suppress threat proliferation, and eliminate hazards.
 - (2) Material information issuance: If information security incidents cause material impacts on the Company's operations, the Company will issue material information on the Market Observation Post System within the time limit stipulated by the Taiwan competent authority to protect investors' rights and interests.
- (II) List losses suffered, potential impacts, and response measures resulting from material information and communication security incidents in the most recent year and up to the publication date of the annual report. If reasonable estimation is not possible, state the facts rendering reasonable estimation impossible: None.

VIII. Important contracts

List the parties involved in the supply and sales contracts, technical cooperation contracts, construction contracts, long-term borrowing contracts, and other important contracts that may affect the rights and interests of shareholders that are valid up to the publication date of the annual report and expired in the most recent year, the main content, restrictive terms, and the start/end day of contracts

Contract nature	Parties involved	Start/end date of contract	Main content	Restrictive terms
Borrowing contract	Zhaoqing Branch, Bank of China	2026/3/19~2027/3/19	Short-term general credit line of RMB 60,000 thousand	None
Borrowing contract	E.SUN Bank (China) Co., Ltd.	2025/07/30~2026/07/30	Short-term general credit line of RMB 100,000 thousand	None
Financial transaction contract	E.SUN Bank (China) Co., Ltd.	2025/07/28~2026/07/28	Exposure limit of USD 1,000 thousand for foreign exchange forwards/foreign exchange options	None
Borrowing contract	DBS Bank (China) Ltd.	2025/07/31~2026/07/31	Short-term general credit line of RMB 100,000 thousand and exchange rate derivative product limit of US\$2,500 thousand	None
Borrowing contract	CTBC Bank	2025/07/01~2026/06/30	Chung Jye Investment Holding Co., Ltd. medium and short-term general credit line of USD 35,000 thousand	Joint control limit of USD 35,000 thousand
Guarantee contract	CTBC Bank	2025/07/01~2026/06/30	Chung Jye Taiwan Branch short-term general credit line of NT\$ 1,620,595 thousand	
Borrowing contract	KGI Bank	2025/07/15~2026/07/14	Short-term comprehensive limit of NT\$750,000 thousand	None
Borrowing contract	Cathay United Bank (Taiwan)	2025/07/14~2026/07/01	Chung Jye Investment Holding Co., Ltd. medium and short-term general credit line of USD 25,000 thousand	Joint control limit of USD 60,000 thousand
Borrowing contract	Cathay United Bank (Taiwan)	2025/07/14~2026/07/01	Chung Jye Taiwan Branch short-term general credit line of USD 30,000 thousand	
Borrowing contract	Cathay United Bank (Hong Kong)	2025/12/08 Credit period: 1 year	Chung Jye Taiwan Branch short-term credit line of USD 40,000 thousand	
Financial transaction contract	Cathay United Bank (Taiwan)	2025/07/14~2026/07/01	Foreign exchange trading limit of USD 3,000 thousand	None
Financial transaction contract	Cathay United Bank (Hong Kong)	2025/12/08 Credit period: 1 year	Foreign exchange trading limit of USD 3,000 thousand	None
Borrowing contract	DBS Bank Limited	2025/07/15 Credit period: 2 year	Chung Jye Investment Holding Co., Ltd. long-term general credit line of USD 50,000 thousand	None
Borrowing contract	DBS Bank Limited	2025/07/15 Credit period: 1 year	Chung Jye Taiwan Branch Short-term general credit line of USD 20,000 thousand and foreign exchange trading limit of USD 2,000 thousand	None
Borrowing contract	Taishin International Bank (Taiwan, Hong Kong)	2025/07/01~2026/06/30	Short-term comprehensive limit of NT\$900,000 thousand	None
Borrowing contract	Bank SinoPac	2025/07/09~2026/07/31	Short-term general credit line of USD 20,000 thousand	None
Borrowing contract	E.SUN Bank	2025/06/03~2026/06/03	Short-term comprehensive limit of NT\$1,050,000 thousand	None

Contract nature	Parties involved	Start/end date of contract	Main content	Restrictive terms
Sales contract	Group A	2018/07/01 - present	Manufacturing and supply of brand products	Confidential information shall not be disclosed or used by third parties
Sales contract	Group B	2020/12/01 - present	Manufacturing and supply of brand products	Confidential information shall not be disclosed or used by third parties
Manufacturing contract	Company C	2025/01/06~2026/01/06 2025/01/01~2026/01/05 (Renewal)	Manufacturing and supply of brand products	Confidential information shall not be disclosed or used by third parties
Manufacturing contract	Company I	2024/01/01~2025/12/31	Manufacturing and supply of brand products	Confidential information shall not be disclosed or used by third parties
Sales contract	Company E	2024/6/17 - present	Manufacturing and supply of brand products	Confidential information shall not be disclosed or used by third parties
Sales contract	Company G	2023/03/08 - present	Manufacturing and supply of brand products	Confidential information shall not be disclosed or used by third parties
Manufacturing contract	Company Chou	2022/3/7 - present	Manufacturing and supply of brand products	Confidential information shall not be disclosed or used by third parties
Construction contract	Jiangxi Dongdou Construction Engineering Co., Ltd.	2024/10/31~2025/06/30	China subsidiary Fengcheng Chung Jye expansion project	None
Construction contract	Zhumadian Construction Co., Ltd.	2025/03/24~2026/01/10	China subsidiary Runan Chung Jye expansion project	None
Construction contract	TAN VIET CONSTRUCTION COMPANY LIMITED	2024/06/08 - completion date (330 days from the construction commencement date)	Vietnam subsidiary Bac Kan Chung Jye plant construction project	None
Construction contract	PT. INDONESIA XIN HAI STEEL STRUCTURE	2025/11/6 - completion date	Indonesia subsidiary PT CHUNGJYE INDONESIA's new plant construction project	None
Land-use-right contract	Runan County Natural Resources Bureau	2024/07/22 A land lease period of 50 years	China subsidiary Runan Chung Jye land development and construction	None
Land-use-right contract	Bac Kan City Public Service Management Committee	2024/10/16 A land lease period of 50 years	China subsidiary Bac Kan Chung Jye land lease	None
Land-use-right contract	Kepala Kantor Pertanahan Kabupaten Ngawi	2025/12/29 Land use right period of 30 years	Indonesia subsidiary PT CHUNGJYE INDONESIA	None

Six. Review and analysis of financial position, financial performance, and risks

I. Financial position

Main reasons for the material changes in assets, liabilities and equity in the most recent two years and the impacts, and the future countermeasures shall be described if the impacts are significant.

Unit: NT\$ thousand

Item \ Year	2024	2025	Differences	
			Amount	%
Current assets	13,428,282	11,179,679	(2,248,603)	(17)
Property, plant and equipment	3,989,013	4,203,304	214,291	5
Right-of-use assets	650,025	789,996	139,971	22
Investment property	8,739	-	(8,739)	(100)
Intangible assets	5,389	3,389	(2,000)	(37)
Other current assets	537,346	1,294,158	756,812	141
Total assets	18,618,794	17,470,526	(1,148,268)	(6)
Current liabilities	7,659,802	4,767,837	(2,891,965)	(38)
Non-current liabilities	530,394	424,890	(105,504)	(20)
Total liabilities	8,190,196	5,192,727	(2,997,469)	(37)
Share capital	1,400,000	1,563,360	163,360	12
Capital reserve	2,677,907	5,454,416	2,776,509	104
Retained earnings	6,094,448	5,698,229	(396,219)	(7)
Other equity	24,002	(654,066)	(678,068)	(2825)
Non-controlling interests	232,241	215,860	(16,381)	(7)
Total equity	10,428,598	12,277,799	1,849,201	18
(I) Main reasons for the material changes and the impacts (changes of 20% or more with an amount of change of NT\$10 million or more):				
1. Increase in right-of-use assets: Primarily caused by the acquisition of right-of-use assets for the Ngawi land in the first Indonesia plant area during the current year in response to the Indonesia plant expansion plan. 2. Increase in other assets: Primarily caused by the Company acquiring the Sragen land in the second Indonesia plant area during the current year in response to the Indonesia plant expansion plan. Because the land property right transfer was not yet completed, it was temporarily recorded under other current assets. 3. Decrease in current liabilities: Primarily caused by the Company repaying short-term bank borrowings during the current year. 4. Decrease in non-current liabilities: Primarily caused by the Company repaying long-term borrowings during the current year. 5. Increase in capital surplus: Primarily caused by the Company issuing new shares during the current year due to the listing plan. 6. Decrease in other equity: Primarily caused by the decrease in exchange differences on the translation of foreign financial statements of foreign operating institutions.				
(II) Future countermeasures shall be described if the impacts are significant:				
The above changes do not have a significant adverse impact on the Company, and there is no significant abnormality in the overall performance of the Company; therefore, it is not required to formulate a response plan.				

II. Financial performance

- (I) Main reasons for the material changes in the operating income, net operating profit and net profit before income tax in the most recent two years, the expected sales volume and its basis, the possible impact on the Company's future finance and business, and the countermeasures:

Unit: NT\$ thousand

Item \ Year	2024	2025	Differences	
			Amount	%
Net operating income	26,986,539	21,670,986	(5,315,553)	(20)
Cost of sales	(22,881,820)	(19,155,893)	3,725,927	16
Gross profit	4,104,719	2,515,093	(1,589,626)	(39)
Operating expenses	(2,302,244)	(2,063,832)	238,412	10
Net profit	1,802,475	451,261	(1,351,214)	(75)
Non-operating income and (expenses)	541,067	289,880	(251,187)	(46)
Net profit before income tax	2,343,542	741,141	(1,602,401)	(68)
Income tax expenses	(522,508)	(183,725)	338,783	65
Net profit for the current year	1,821,034	557,416	(1,263,618)	(69)
Other comprehensive income (net after tax)	389,101	(633,033)	(1,022,134)	(263)
Total comprehensive income of the year	2,210,135	(75,617)	(2,285,752)	(103)
Main reasons for the material changes and the impacts (changes of 20% or more with an amount of change of NT\$10 million or more):				
- Decline in operating gross profit: Primarily caused by brand customers placing orders conservatively due to tariff impacts during the current year. Furthermore, orders originally destined for the U.S. were transferred from the China plant areas to the Vietnam plant areas for production. Reallocating production lines required time, leading to lower operating gross profit compared to the previous year. - Decrease in non-operating income: Primarily caused by the decrease in the Company's foreign exchange gains or losses and lower interest income. - Decrease in income tax expense: Primarily caused by the decline in profit during the current year. - Other comprehensive income (net) and total comprehensive income of the period: Primarily due to the exchange differences arising from the translation of the financial statements of foreign operations. - In summary, the decrease in orders due to tariff impacts has led to a lower net profit this year compared to last year.				

- (II) The expected sales volume and its basis, the possible impact on the Company's future finance and business, and the countermeasures

The Company did not disclose its future financial forecast; therefore, it does not intend to disclose the expected sales volume.

III. Cash flow

(I) Analysis of changes in cash flow and in the most recent year and improvement plans for insufficient liquidity

Unit: NT\$ thousand

Item \ Year	2024	2025	Differences	
			Amount	%
Net cash inflow (outflow) from operating activities	1,786,735	1,961,868	175,133	10
Net cash inflow (outflow) from investing activities	(590,844)	(1,357,916)	(767,072)	(130)
Net cash inflow (outflow) from financing activities	(2,361,126)	496,600	2,857,726	121
1. Analysis of changes in cash flow:				
(1) Operating activities: Net cash inflow from operating activities for the current year stood at NT\$ 1,961,868 thousand, primarily caused by cash received from operations.				
(2) Investing activities: Net cash outflow from investing activities for the current year stood at NT\$ 1,357,916 thousand, primarily caused by the increase in capital expenditures resulting from plant expansions.				
(3) Financing activities: Net cash inflow from financing activities for the current year stood at NT\$ 496,600 thousand, primarily caused by the repayment of term borrowings.				
2. Improvement plans for insufficient liquidity:				
The Company expects to sustain profitability, and no risk of insufficient liquidity exists.				

(II) Analysis of cash flow for the following year

Unit: NT\$ thousand

Balance of cash at the beginning of the period	Cash flow from operating activities throughout the year	Estimated cash inflow (outflow) throughout the year	Cash surplus (deficit)	Remedial measures for insufficient cash	
				Investment plan	Wealth management plan
4,287,778	274,253	242,252	4,530,030	-	-
1. Operating activities: Primarily due to the cash income from operating profits and net changes in amounts receivable, inventory, and amounts payable.					
2. Investing and financing activities: Primarily caused by equipment purchased for plant expansion, production process renewal, and production line operational effectiveness enhancement, alongside factors including increased short-term financing borrowings and cash dividend distributions.					

IV. Impacts of major capital expenditures on finance and business in the most recent year

(I) Utilization of major capital expenditures and source of capital

The Company purchased fixed assets totaling NT\$ 949,264 thousand and NT\$ 799,815 thousand in 2025 and 2024, respectively. This resulted from capital expenditures for continuous expansion and construction of new plants.

The following table compares the Company's fixed asset and total asset turnover ratios for the past five years. This reveals that the Company's various turnover ratios have maintained a certain level and generated no adverse impacts on the Company's financial and business status due to increased capital expenditures.

	2021	2022	2023	2024	2025
Fixed assets turnover (%)	4.78	6.96	6.36	7.23	5.29
Total asset turnover (%)	1.32	1.68	1.35	1.49	1.20

(II) Expected benefits

Upon completion of plant expansions, the Company will elevate overseas multi-country capacity and expand the Group's operational scale to meet future order volume increases and clients' urgent order demands. The Company expects operating revenue amounts to rise correspondingly in the future.

V. The investment policy in the most recent year, the main reasons for gain or loss, the improvement plan, and the investment plan for the coming year

(I) Investment policy of the Company

The investment policy of the Company adopts the operation of the main business as the core concern, and it does not engage in industries other than its main business. The Company has established the “investment cycle,” “Regulations for Supervision and Management of Subsidiaries,” “Regulations for Related Party Transactions,” “Rules Governing Financial and Business Matters with Related Parties,” and the “Procedures for Acquisition or Disposal of Assets”; if there is any investment plan in the future, it will be arranged subject to the abovementioned requirements.

(II) Main reasons for gain or loss of the investments in the most recent year (2025) and improvement plans

Unit: NT\$ thousand

Investee	Shareholding ratio (%)	Investment gain or loss recognized	Main reasons for gain or loss	Improvement plan
Noble Success	100	527,254	Investment gain or loss recognized by the holding company	Not applicable
Smartlook	100	25,318	Investment gain or loss recognized by the holding company	Not applicable
Agile Gain	100	21,234	Investment gain or loss recognized by the holding company	Not applicable
Better Power	100	64,324	Investment gain or loss recognized by the holding company	Not applicable
Trinity	68.09	42,592	Investment gain or loss recognized by the holding company	Not applicable
Jewel	100	(5,301)	Investment gain or loss recognized by the holding company	Not applicable
Samoa Chung Jye	100	595,850	Investment gain or loss recognized by the holding company	Not applicable
Fortune Leader	100	(159,517)	Investment gain or loss recognized by the holding company	Not applicable
Wealthy	100	(59,990)	Investment gain or loss recognized by the holding company	Not applicable
Chung Jye Shoes Industry	100	(1,996)	Favorable operating status	Not applicable
Chao Ching Chung Jye	100	(160,293)	Primarily due to the effects of changes in order-placing of brand customers, production capacity adjustments, and the increase in the R&D expenses actively invested by Chao Ching Chung Jye during the year	Continue to expand business to improve profitability
Runan Chung Jye	100	49,190	Favorable operating status	Not applicable
Guangning Chung Bao	100	16,728	Favorable operating status	Not applicable
Sihui Chung Jye	100	(15,874)	Primarily caused by losses resulting from decreased orders and capacity allocation impacts during the current year	Continue to expand business to improve profitability
Yifeng Chung Jye	100	(71,341)	Primarily caused by changes in brand customer orders during the current year	Continue to expand business to improve profitability

Investee	Shareholding ratio (%)	Investment gain or loss recognized	Main reasons for gain or loss	Improvement plan
Shanggao Chung Jye	100	52,593	Favorable operating status	Not applicable
Shanggao Chung Yi	100	(8,844)	Primarily caused by losses resulting from decreased orders and capacity allocation impacts during the current year	Continue to expand business to improve profitability
Shanggao Chung Liang	100	(443)	Primarily caused by losses resulting from decreased orders and capacity allocation impacts during the current year	Continue to expand business to improve profitability
Zhaoqing Yong Shin	90	(1,803)	Primarily caused by losses resulting from decreased orders and capacity allocation impacts during the current year	Continue to expand business to improve profitability
Fengcheng Chung Jye	100	44,093	Favorable operating status	Not applicable
Shanggao Jye Sheng	100	(24,652)	Primarily caused by changes in brand customer orders during the current year	Continue to expand business to improve profitability
Hai Duong Chung Jye	100	25,412	Favorable operating status	Not applicable
Ninh Binh Chung Jye	100	123,130	Favorable operating status	Not applicable
New Horizon	100	(7,591)	Primarily due to the effects of income generated from plants leased to an affiliate in Vietnam and the operating expenses generated from operations.	The Company will gradually increase the rent leased to the affiliate to improve profitability.
Tuyen Chuan Chung Jye	100	100,618	Favorable operating status	Not applicable
Bac Kan Chung Jye	100	(36,262)	Primarily caused by not yet reaching economic scale during initial operations	Not applicable
Indonesia Chung Jye	100	20,641	Belongs to the plant construction stage	Not applicable
Shoemaker	100	(3,991)	Primarily caused by increased operating expenses during the current year.	Lower business expenditures to improve profitability
Junjie Shoe Material	35	13,781	Favorable operating status	Not applicable
Fusionsloe	51	(5,722)	Primarily caused by not yet reaching economic scale during initial operations	Continue to expand business to improve profitability

(III) Investment plan for the following year

The Company responds to external environmental factors such as tariffs, conducts timely capacity allocation, and addresses long-term operational development needs to elevate global layout competitiveness. The Company considers diversifying national risks for production to develop capacity, and expects to commence production in Indonesia in the fourth quarter of 2026. In the hope of creating favorable and flexible spaces for order-taking in the future to achieve the effect of overall profit and advancement.

VI. For risks, analyze and assess the following matters in the most recent year and up to the publication date of the annual report

- (I) Effects of changes in interest rates, exchange rates, and inflation on the Company's profit and loss, and future countermeasures
 1. Effects of changes in interest rates on the Company's profit and loss, and future countermeasures

Unit: NT\$ thousand

Item \ Year	2024		2025	
	Amount	As a percentage of operating income (%)	Amount	As a percentage of operating income (%)
Interest income	224,517	0.83	136,737	0.63
Interest expenses	46,377	0.17	30,947	0.14

The interest income of the Company is primarily generated from the interests of bank deposits and time deposits. Interest expenses are primarily interest expenses for borrowings from financial institutions and interest expenses recognized by using the effective interests approach for lease liabilities. In 2024 and 2025, the ratio of interest income and interest expenses to net operating income of the year was insignificant, representing that changes in interest rates have no material effect on the Company's operation.

Concrete measures to respond to changes:

The Company's capital planning is based on the principle of conservatism and stability, and safety management is the first priority in capital allocation. The Company has a sound financial composition, and will raise the required funds by considering the sources of funds and the overall cost. In the future, we will pay close attention to the global economic development situations and evaluate the bank borrowing interest rates from time to time to secure preferential interest rates so as to achieve the maximum capital cost benefits.

2. Effects of changes in exchange rates on the Company's profit and loss, and future countermeasures

Unit: NT\$ thousand

Item \ Year	2024	2025
Exchange (loss) gain	247,163	54,767
As a percentage of operating income (%)	0.92	0.25

The main purchases and sales of the Company are denominated in USD and RMB; therefore, amounts receivable and payable for purchase and sales transactions can be offset to generate the effect of natural hedging. In 2024 and 2025, the ratio of exchange (loss) gain to net operating income was insignificant, representing that changes in exchange rates have limited effects on the Company's profits.

Concrete measures to respond to changes:

To avoid excessive exchange rate risks of changes in exchange rates on export sales and foreign purchases, the Company adopted the following measures to respond to the effects of changes in exchange rates on its profit or loss:

- A. Financial personnel collect real-time exchange market information at all times and determine the future exchange rate trend to provide it to the sales department as the reference for quotation.
 - B. Utilize the feature of nature hedging to offset the payment and receipt of foreign currencies generated from export sales and foreign purchases to reduce the effects of changes in exchange rates.
 - C. Financial and accounting personnel examine cash flow forecasts at all times to maintain an appropriate net foreign exchange position. When necessary, based on foreign currency positions and exchange rate fluctuations, personnel execute foreign exchange forwards, foreign exchange swaps, or currency options in accordance with the "Procedures for Financial Derivatives Transactions." This provides hedging for the net foreign currency position after natural hedging to lower the exchange rate risks generated by the Company's business operations.
3. Effects of inflation on the Company's profit and loss, and future countermeasures

Recently affected by geopolitical conflicts (e.g., the U.S.-Iran war), if the situation in the Middle East escalates and leads to the blockage of crucial energy transportation routes, this may drive up international crude oil prices, thereby spurring increases in raw material costs, transportation fees, and relevant operating expenditures. Under these circumstances, the Company's operating costs may also face upward pressure, thereby impacting the gross profit margin and overall profit or loss performance. However, the crisis and magnitude of inflation remain uncertain, and the actual degree of impact remains difficult to accurately evaluate. It may also be mitigated or fluctuate due to adjustments in monetary policies across countries, supply chain restructuring, and changes in market demand. Therefore,

as of the publication date of the annual report, the Company has experienced no immediate material impacts resulting from the aforementioned inflation crisis.

The Company will continue monitoring the global economic environment and industry dynamics while grasping footwear market price fluctuations at all times. Simultaneously, the Company maintains favorable interactive relationships with suppliers and clients and engages in timely price negotiations and strategic adjustments to disperse the impact of cost fluctuations. Activating flexible response mechanisms and risk control measures should lower related impacts, maintain overall operational stability, and avoid generating material adverse impacts on the Company's financial status.

- (II) Policy on engaging in high-risk and high-leverage investments, loaning of funds to others, endorsements and guarantees, and derivative transactions, main reasons for gain or loss, and future countermeasures

Based on the principle of stability and the business philosophy of pragmatism, the Company does not engage in high-risk and high-leverage investments beyond its business fields.

Loaning of funds to others and endorsements and guarantees by the Company is mainly between the Company and its subsidiaries or between foreign subsidiaries that the Company directly or indirectly holds 10% of shares with voting rights. Furthermore, the Company has established its “Regulations for Loaning of Funds to Others and Endorsements and Guarantees” and “Regulations for Acquisition or Disposal of Assets,” and the Company conducts relevant operations based on the abovementioned regulations; therefore, the risks are limited.

- (III) Future R&D plans and R&D expenses estimate to be invested

The Company's R&D unit is led by the Guangdong Zhaoqing Chung Jye plant area, with various production plant areas supporting respective R&D executions. In addition to responsibility for new footwear styles, mold development, and sample trial production testing, the R&D unit also actively innovates technologies to elevate production processes. Aside from replacing outdated equipment, future R&D plans will center on production automation, intelligentization, digitalization, and energy conservation. The Company will introduce automated key processes and war room systems, comprehensively adopting digitalized management approaches to conduct real-time monitoring and improvement of the overall equipment efficiency at plants. The estimated R&D expenses invested will account for roughly 2.5% to 3% of the consolidated net operating revenue.

- (IV) Impacts of changes in important domestic and foreign policies and laws on the Company's finance and business, and countermeasures

The Company complies with the laws and relevant policies of the registration country and main production countries for the implementation of various businesses and keeps abreast of the changes and development trends at all times to respond to changes in the market environment and adopt appropriate countermeasures in due course. Therefore, as of the publication date of the annual report, changes in important

domestic and foreign policies and laws have no material impact on the Company's finance and business.

(V) Impact of changes in technologies (including cybersecurity risks) and industry on the Company's finance and business, and countermeasures

Amid the trends of digitalization and smart manufacturing, the Company closely integrates information systems with core businesses. Upon evaluation, the impacts of technological changes (including information and communication security risks) and industry variations on the Company's finance and business are as follows:

- Operational interruptions and capacity losses: The convergence of IT/OT networks facilitates the spread of malicious programs, resulting in the shutdown of core production systems and impacting operating revenue and reputation.
- Intellectual property leakage risks: The digitalization of core technologies faces attacks such as APT. If this leads to technological leaks, it will severely damage the Company's competitiveness and profitability.
- Regulatory and contract risks: Global information security regulations and client standards are becoming stricter. Non-compliant supply chains will result in fines or order losses.

The Company shall respond to such risks with a proactive attitude and adopt the following measures:

1. Strengthen information security governance and accountability: Establish a dedicated organizational structure and periodically report information security execution status to the Board of Directors annually.
2. Deepen core asset protection: Introduce document encryption (DRM/DLP) and email monitoring mechanisms to strictly prevent the outward flow of intellectual property, such as R&D drawings.
3. Implement IT and OT network isolation: Execute network isolation and control in the production environment, and adopt compensatory controls for old systems.
4. Optimize supply chain information security management: Evaluate the information security capabilities of suppliers prior to cooperation. Clearly specify information security responsibilities, confidentiality obligations, Service Level Agreements (SLA), and remote operations and maintenance controls in contracts for both parties.
5. Establish in-depth defense mechanisms: Deploy multi-layered technical protection (such as APT, WAF, and SOC) and continuously conduct vulnerability patching and system security testing.
6. Continuously elevate full-employee information security awareness: All employees must undergo information security advocacy courses annually, and the Company executes periodic social engineering drills annually.
7. Ensure highly resilient and rapid recovery: Follow the "3-2-1" backup principle, establish off-site backup, and hold at least one disaster recovery drill annually to guarantee the swift recovery of core businesses (second-level RPO/minute-level RTO).

As of the publication date of the annual report, changes in technologies and the industry have no material impact on the Company's finances and business.

(VI) Impacts of changes in the corporate image on corporate crisis management and the countermeasures

The Company upholds the concepts of honesty, trust, and sustainable operations. Since its establishment, the Company has diligently cultivated and focused on principal business operations, yielding a favorable corporate image. The Company complies with relevant legal regulations while implementing team inheritance and training and maintaining harmonious labor-management and local relations to preserve its excellent corporate image. Therefore, as of the publication date of the annual report, no corporate crisis management issues have arisen due to changes in corporate image.

(VII) Expected benefits and possible risks of mergers and acquisitions and the countermeasures

In the most recent year and up to the publication date of the annual report, there is no plan for the merger or acquisition of other companies. In the future, if there is a plan for a merger or acquisition, the Company will also maintain a prudent attitude and fully consider the synergy of the merger or acquisition to ensure the protection of the rights and interests of shareholders.

(VIII) Expected benefits and possible risks of the expansion of plants and the countermeasures

As external factors such as tariffs continuously generate structural impacts on the industry supply chain, the Company continues to execute multi-country capacity layout and expand overseas production bases. The Company expects this layout across multiple brands and plant areas to create more advantageous and flexible space and lower risks, such as international relationship tensions. Following appropriate consideration of investment benefits and potential risks by the Company's dedicated units, careful evaluation, and resolution by the Board of Directors, the Company selected Bac Kan City in Vietnam and India as new production bases, entering mass production in 2025. The Company also plans to expand capacity in other Southeast Asian countries. Furthermore, the Company initiated plans for a plant construction and production investment project in Indonesia in 2025, expecting to invest in capacity in 2026. Currently, there is no significant risk associated with the Company's plant expansion. The investment in the plant expansion plan is expected to help the Company expand its production capacity and dispatch flexibility and increase its business scale and competitiveness.

(IX) Risks associated with concentrated purchases or sales and countermeasures

1. Risks associated with concentrated sales and countermeasures

In 2025 and 2024, the Company and its subsidiaries have a sales amount to Group A, a single customer, that exceeds 50% of the net operating income of each year, primarily due to the concentrated sales resulting from the increase in the requirements along with the performance growth of the brand customers of Group A as the Company as Group A have been cooperating for over 40 years, and the product quality produced by the Company won the recognition of brand customers. In addition to cultivating existing customers and maintaining healthy cooperating relationships, the Company also continues to develop new customers and focuses on new markets. In response to the trends of global brands, it adjusts the production lines of different plants, which

makes orders of different brands increase or decrease, to reduce the risk of concentrated sales to a single customer.

2. Risks associated with concentrated purchases and countermeasures

In the most recent year and up to the publication date of the annual report, there was no single supplier accounting for more than 30% of purchases of the Company and its subsidiaries; therefore, there is no risk of concentrated purchases.

(X) Impacts and risks of mass transfer or exchange of equity by Directors, supervisors, or major shareholders holding more than 10% of all shares in the Company and the countermeasures

As of the publication date of the annual report, there was no impact on the Company's operation due to the mass transfer or exchange of equity by Directors or major shareholders holding more than 10% of all shares.

(XI) Impacts and risks of the change in the management on the Company and countermeasures

As of the publication date of the annual report, the Company has no change in the management that affects the Company's operations.

(XII) Litigious or non-litigious events

1. For material litigious, non-litigious, or administrative dispute events that have been finalized by judgments or remain pending for the Company during the most recent fiscal year and up to the publication date of the annual report, where the outcomes may wield material impacts on shareholders' equity or securities prices, the disputed facts, target amounts, litigation commencement dates, primary litigating parties, and handling status up to the publication date of the annual report shall be disclosed: None.
2. For major litigious, non-litigious or administrative disputes that the Company and its Directors, supervisors, President, substantive responsible persons, major shareholders holding more than 10% of its shares, and affiliates which have been adjudicated or are still underway, and the results which may have a significant impact on shareholders' equity or securities prices; disclose the facts of the dispute, the amount of the subject matter, the date of commencement of the litigation, the key parties involved in the lawsuit and the handling status as of the publication date of the annual report: None.

(XIII) Other important risks and countermeasures

1. Risks associated with changes in the macroeconomy, political and economic environments, foreign exchanges, laws and regulations, and the protection of shareholders' rights and interests:

The Company is registered in the Cayman Islands, and its main business locations are in Mainland China, Vietnam and Taiwan. Therefore, changes in the macroeconomy and political environment and the fluctuation of foreign exchange rates of the place of registration and the place of main operations will all affect the Company's operating conditions. The Company will closely monitor changes in the economy and policies and formulate corresponding response strategies to respond to possible risks and challenges and ensure the stable development of the Company.

In addition, the Company has amended its Articles of Incorporation in accordance with the "Checklist for Protection of Rights and Interests of Shareholders in the Place of Registration of Foreign Issuers" prescribed by the Taiwan Stock Exchange; however, there are many differences between the laws and regulations of the place of registration, the place of main operations and Taiwan. Investors shall understand and consult experts in terms of relevant investment risks.

2. Restrictions on foreign securities trading, tax burden, and matters of notice for tax payment for foreign issuers in the place of registration and the place of listing

The Company is registered in the Cayman Islands, and the form of registration is an exempted company. There is no substantial operation in the region. The Company Act of the Cayman Islands currently does not restrict or prohibit foreigners from holding or trading the securities of exempted companies. According to the current laws in the Cayman Islands, except for the personal income tax of partial foreign workers, the government of the Cayman Islands does not levy direct taxes (i.e., capital gains tax, corporate income tax, real estate tax and estate tax). In conclusion, the Company's offering and issuance of securities in the place of registration shall not be subject to any restrictions on securities trading, tax burden and payment.

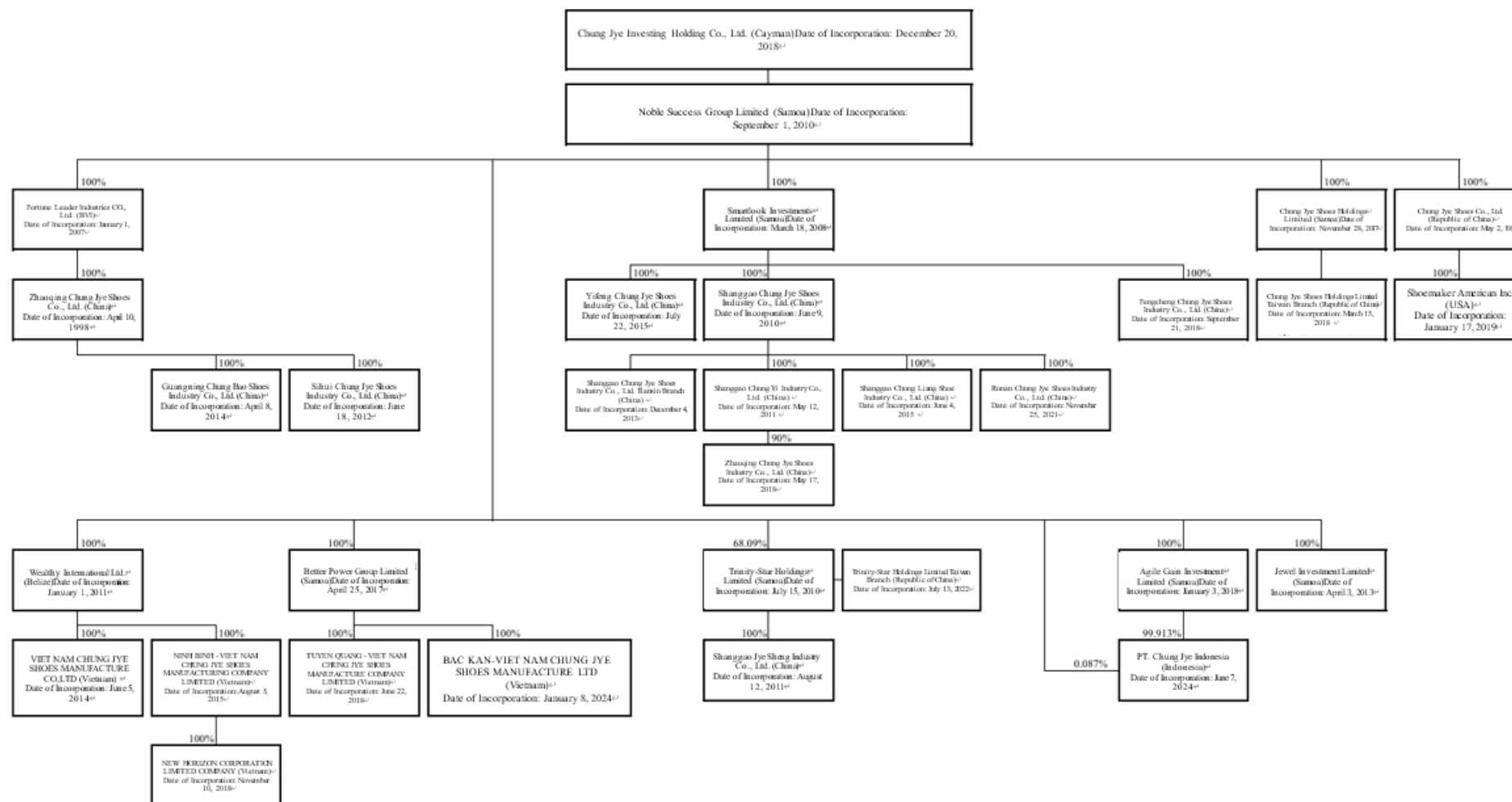
VII. Other important matters: None.

Seven. Special notes

I. Information on affiliates:

(I) Consolidated Business Report of Affiliates

1. Affiliated Enterprise Organizational Chart



2. Basic information on affiliates

Unit: NT\$ thousand; date: December 31, 2025

Name of company	Establishment date	Address (Note)	Paid-in capital	Main scope of business
Chung Jye Investment Holding Co., Ltd. (the "Chung Jye Investment")	2018/12/20	British Cayman Islands	NT\$ 1,563,360	General investment
Noble Success Group Limited /Noble Success Group Limited (the "Noble Success")	2010/09/01	Samoa	USD 40,414	General investment
Smartlook Investments Limited Smartlook Investments Limited (the "Smartlook")	2008/03/18	Samoa	US\$82,050	General investment
Agile Gain Investment Limited Agile Gain Investment Limited (the "Agile Gain")	2018/01/03	Samoa	US\$47,491	General investment
Better Power Group Limited (the "Better Power")	2017/04/25	Samoa	US\$40,132	General investment
Trinity-Star Holdings Limited (the "Trinity")	2010/07/15	Samoa	US\$11,900	General investment
Jewel Investment Limited Jewel Investment Limited (the "Jewel")	2013/04/03	Samoa	US\$2,550	General investment
Chung Jye Shoes Holdings Limited (the "Samoa Chung Jye")	2017/11/28	Samoa	US\$3,200	General investment
Fortune Leader Industries CO., Ltd. (the "Fortune Leader")	2007/01/01	British Virgin Islands	US\$20,000	General investment
Wealthy International Ltd. (the "Wealthy")	2011/01/01	Belize	US\$67,879	General investment
Chung Jye Shoes Co., Ltd. (the "Chung Jye Shoes")	1983/05/02	Republic of China	NT\$86,000	Import and export trade and sales of purchase of shoe materials
Chung Jye Shoes Holdings Limited Taiwan Branch (the "Chung Jye Taiwan Branch")	2018/03/15	Republic of China	US\$3,008	Import and export trade and sales of sneakers
Trinity-Star Holdings Limited Taiwan Branch (the "Trinity-Star Taiwan Branch")	2022/07/13	Republic of China	NT\$20,000	Import and export trade, manufacturing, processing, and sales and purchase
Zhaoqing Chung Jye Shoes Co., Ltd. (the "Chao Ching Chung Jye")	1998/04/10	China	RMB156,019	Import and export trade, manufacturing, processing, and sales and purchase of sneakers
Runan Chung Jye Shoes Industry Co., Ltd. (the "Runan Chung Jye")	2021/11/25	China	RMB161,000	Manufacturing, processing, and sales and purchase of sneakers
Guangning Chung Bao Shoes Industry Co., Ltd. (the "Guangning Chung Bao")	2014/04/08	China	RMB4,900	Manufacturing, processing, and sales and purchase of sneakers
Sihui Chung Jye Shoes Industry Co., Ltd. (the "Sihui Chung Jye")	2012/06/18	China	RMB10,000	Manufacturing, processing, and sales and purchase of sneakers
Yifeng Chung Jye Shoes Industry Co., Ltd. (the "Yifeng Chung Jye")	2015/07/22	China	RMB73,234	Manufacturing, processing, and sales and purchase of sneakers
Shanggao Chung Jye Shoes Industry Co., Ltd. (the "Shanggao Chung Jye")	2010/06/09	China	RMB379,751	Import and export trade, manufacturing, processing, and sales and purchase of sneakers
Shanggao Chung Yi Industry Co., Ltd. (the "Shanggao Chung Yi")	2011/05/12	China	RMB10,738	Lamination and processing of shoe materials and sales and purchase of shoe materials

Name of company	Establishment date	Address (Note)	Paid-in capital	Main scope of business
Shanggao Chung Liang Shoe Industry Co., Ltd. (the "Shanggao Chung Liang")	2015/06/04	China	RMB4,588	Manufacturing, processing, and sales and purchase of sneakers
Zhaoqing Chung Jye Shoes Industry Co., Ltd. (the "Zhaoqing Yong Shin")	2018/05/17	China	RMB4,000	Lamination and processing of shoe materials and sales and purchase of shoe materials
Fengcheng Chung Jye Shoes Industry Co., Ltd. (the "Fengcheng Chung Jye")	2018/09/21	China	RMB100,575	Manufacturing, processing, and sales and purchase of sneakers
Shanggao Jye Sheng Industry Co., Ltd. (the "Shanggao Jye Sheng")	2011/08/12	China	RMB77,191	Import and export trade, manufacturing, production, and sales of shoe sole materials
Shanggao Chung Jye Shoes Industry Co., Ltd. Tianxin Branch (the "Tianxin Branch")	2013/12/04	China	-	Manufacturing, processing, and sales and purchase of sneakers
VIET NAM CHUNG JYE SHOES MANUFACTURE CO, LTD (the "Hai Duong Chung Jye")	2014/06/05	Vietnam	US\$18,064	Import and export trade, manufacturing, processing, and sales and purchase of sneakers
NINH BINH - VIET NAM CHUNG JYE SHOES MANUFACTURING COMPANY LIMITED (the "Ninh Binh Chung Jye")	2015/08/05	Vietnam	US\$62,992	Import and export trade, manufacturing, processing, and sales and purchase of sneakers
NEW HORIZON CORPORATION LIMITED COMPANY (the "New Horizon")	2018/11/10	Vietnam	VND138,000 (million)	Property and plant lease
TUYEN QUANG - VIET NAM CHUNG JYE SHOES MANUFACTURE COMPANY LIMITED (the "Tuyen Quang Chung Jye")	2018/06/22	Vietnam	US\$26,000	Import and export trade, manufacturing, processing, and sales and purchase of sneakers
BAC KAN - VIET NAM CHUNG JYE SHOES MANUFACTURE LTD (the "Bac Kan Chung Jye")	2024/01/08	Vietnam	US\$16,211	Import and export trade, manufacturing, processing, and sales and purchase of sneakers
Shoemaker American Inc (the "Shoemaker")	2019/01/17	The U.S.	US\$100	Brand customer relationship services
PT Chung Jye Indonesia (the "Indonesia Chung Jye")	2024/06/05	Indonesia	US\$48,779	Manufacturing, processing, and sales and purchase of sneakers

Note: Please reference the "III. Addresses and Telephone Numbers of Head Office, Branches, and Plants" description for relevant address data regarding various affiliated enterprises.

- Information of the same shareholder presumed to have control and subordinate relation: Not applicable.
- Industries covered by the overall businesses of affiliates: For the details of the main business or production items of each affiliate, please refer to the "(1) Consolidated Business Report of Affiliates 2. Basic information on affiliates."
- Information on directors, supervisors and the President of affiliates

Name of company	Title	Name or representative	Shares held	
			Number of shares	Shareholding ratio %
Chung Jye Investment	Chairman	An-Che Liu	1,016,030	0.65%
	Vice Chairman	Chiung-Wen Liu	1,920,030	1.23%
	Director and President	Yu-Hsuan Liu	2,600,030	1.66%
	Independent Director	Cheng-Wen Cheng	-	-
	Independent Director	Kuan-Cheng Ko	-	-
	Independent Director	Fu-Chiang Tsai	-	-
	Independent Director	Ming-Hui Hsieh	-	-
Noble Success	Directors	An-Che Liu	-	-
Smartlook	Directors	Yu-Hsuan Liu	-	-
Agile Gain	Directors	Yu-Hsuan Liu	-	-
Better Power	Directors	Yu-Hsuan Liu	-	-
Trinity	Directors	Yu-Hsuan Liu	-	-
Jewel	Directors	Yu-Hsuan Liu	-	-
Samoa Chung Jye	Directors	Yu-Hsuan Liu	-	-
Fortune Leader	Directors	Yu-Hsuan Liu	-	-
Wealthy	Directors	Yu-Hsuan Liu	-	-
Chung Jye Shoes Industry	Chairman	Chiung-Wen Liu	-	-
	Directors	An-Che Liu	-	-
	Directors	Yu-Hsuan Liu	-	-
	Supervisor	HO, Jung-Tsung	-	-
Chung Jye Taiwan Branch	Responsible person	Chiung-Wen Liu	-	-
Trinity-Star Taiwan Branch	Responsible person	Chiung-Wen Liu	-	-
Chao Ching Chung Jye	Directors	An-Che Liu	-	-
	Directors	Chiung-Wen Liu	-	-
	Directors	Yu-Hsuan Liu	-	-
	Supervisor	Yen-Liang Lai	-	-
Runan Chung Jye	Directors	An-Che Liu	-	-
	Directors	Chiung-Wen Liu	-	-
	Directors	Yu-Hsuan Liu	-	-
	Supervisor	Yen-Liang Lai	-	-
Guangning Chung Bao	Directors	An-Che Liu	-	-
	Supervisor	Yu-Hsuan Liu	-	-
Sihui Chung Jye	Directors	An-Che Liu	-	-
	Supervisor	Yu-Hsuan Liu	-	-
Yifeng Chung Jye	Directors	An-Che Liu	-	-
	Supervisor	Yu-Hsuan Liu	-	-
Shanggao Chung Jye	Directors	An-Che Liu	-	-
	Directors	Chiung-Wen Liu	-	-
	Directors	Yu-Hsuan Liu	-	-
	Supervisor	Yen-Liang Lai	-	-
Shanggao Chung Yi	Directors	An-Che Liu	-	-
	Supervisor	Yu-Hsuan Liu	-	-
Shanggao Chung Liang	Directors	An-Che Liu	-	-
	Supervisor	Yu-Hsuan Liu	-	-
Zhaoqing Yong Shin	Directors	Chiung-Wen Liu	-	-

Name of company	Title	Name or representative	Shares held	
			Number of shares	Shareholding ratio %
	Supervisor	Yen-Liang Lai	-	-
Fengcheng Chung Jye	Directors	An-Che Liu	-	-
	Directors	Chiung-Wen Liu	-	-
	Directors	Yu-Hsuan Liu	-	-
	Supervisor	Yen-Liang Lai	-	-
Shanggao Jye Sheng	Chairman	Yen-Liang Lai		
	Directors	Chiung-Wen Liu	-	-
	Directors	Lin, Chiu-Hsiung	-	-
	Supervisor	Lin, Dong-Tsan	-	-
Tianxin Branch	Responsible person	An-Che Liu	-	-
Hai Duong Chung Jye	Directors	Yen-Liang Lai	-	-
Ninh Binh Chung Jye	Directors	Yen-Liang Lai	-	-
New Horizon	Directors	Yen-Liang Lai	-	-
Tuyen Chuan Chung Jye	Directors	Yen-Liang Lai	-	-
Bac Kan Chung Jye	Directors	Yen-Liang Lai		
Shoemaker	Corporate representative	Chiu, Yi-Fang	-	-
Indonesia Chung Jye	Directors	Yen-Liang Lai	-	-
	Supervisor	Chiung-Wen Liu		

Note: No shares issued.

6. Business overview of affiliates

Unit: NT\$ thousand, except for the capital in thousand of the initial currency;

Data date: January 1, 2025, to December 31, 2025

Name of company	Paid-in capital	Total assets value	Total liabilities	Net worth	Operating income	Operating gains	Profit or loss of the period (after tax)
Chung Jye Investment	NTD 1,563,360	12,278,293	494	12,277,799	21,670,986	451,261	557,416
Noble Success	USD 41,414	12,286,207	3,143	12,283,064	0	(63)	527,254
Smartlook	USD 82,050	3,737,278	0	3,737,278	0	(31)	25,318
Agile Gain	USD 47,491	1,526,901	0	1,526,901	0	(31)	21,234
Better Power	USD 40,132	1,196,101	15,024	1,181,077	0	(31)	64,324
Trinity	USD 11,900	455,421	0	455,421	0	(63)	65,073
Jewel	USD 2,550	73,075	283	72,792	0	(31)	(5,301)
Samoa Chung Jye	USD 3,200	2,713,603	716,101	1,997,502	9,240	(63)	597,565
Fortune Leader	USD 20,000	403,090	0	403,090	0	(126)	(159,517)
Wealthy	USD 67,879	2,434,945	126,443	2,308,502	0	(211,021)	(59,990)
Chung Jye Shoes Industry	NTD 86,000	127,052	36,691	90,361	181,370	(694)	(1,996)
Chung Jye Taiwan Branch	USD 3,008	5,470,612	3,456,420	2,014,192	16,368,814	764,128	618,549
Trinity-Star Taiwan Branch	NTD 20,000	320,847	104,912	215,935	971,369	130,057	96,935
Chao Ching Chung Jye	CNY 156,019	1,356,628	954,057	402,571	3,141,638	(147,660)	(160,293)
Runan Chung Jye	CNY 161,000	1,002,680	496,758	505,922	1,170,961	(951)	49,190
Guangning Chung Bao	CNY 4,900	21,382	47,653	(26,271)	151,527	15,782	16,728
Sihui Chung Jye	CNY 10,000	70,560	97,937	(27,377)	110,933	(15,398)	(15,874)
Yifeng Chung Jye	CNY 73,234	930,861	880,895	49,966	1,713,285	(62,954)	(71,341)
Shanggao Chung Jye	CNY 379,751	4,578,442	1,271,454	3,306,988	5,752,858	(146,407)	52,593
Shanggao Chung Yi	CNY 10,738	85,958	11,725	74,233	34,702	(8,812)	(8,844)
Shanggao Chung Liang	CNY 4,588	41,204	107	41,097	2,025	(580)	(443)
Zhaoqing Yong Shin	CNY 4,000	30,067	11,828	18,239	63,787	(1,999)	(2,003)
Fengcheng Chung Jye	CNY 100,575	670,557	293,351	377,206	899,581	23,241	44,093
Shanggao Jye Sheng	CNY 77,191	753,374	301,577	451,797	1,195,629	(36,513)	(24,652)
Tianxin Branch	-	0	0	0	0	0	0
Hai Duong Chung Jye	USD 18,064	622,220	98,470	523,750	791,502	2,232	25,412
Ninh Binh Chung Jye	USD 62,992	2,120,519	211,241	1,909,278	2,011,677	128,266	123,130
New Horizon	VND 138,000 (Millions)	127,250	8,061	119,189	651	(7,920)	(7,591)
Tuyen Chuan Chung Jye	USD 26,000	878,374	140,366	738,008	1,369,625	100,985	100,618
Bac Kan Chung Jye	USD 16,211	517,809	60,251	457,558	7,166	(38,690)	(36,262)
Shoemaker	USD 100	3,583	4,997	(1,414)	37,977	(3,992)	(3,991)
Indonesia Chung Jye	USD 48,779	1,531,081	4,557	1,526,524	0	(3,489)	20,641

(II) Consolidated financial statements of affiliates: Same as the consolidated financial statements. Please refer to the “MOPS.”

(III) Affiliation report: Not applicable.

- II. Private placement of securities in the most recent year up to the publication date of the annual report: None.
- III. Other matters requiring supplementary explanation: None.

Eight. Description of material differences from the right and interest protection requirements in Taiwan:

The Company amended the issuing company's Memorandum and Articles of Association in accordance with the material matters regarding the protection of shareholders' equity listed in the "Checklist for the Protection of Shareholders' Equity in the Country of Registration of Foreign Issuers," amended and announced by the Taiwan Stock Exchange Corporation on February 4, 2026. However, partial material matters regarding the protection of shareholders' equity do not apply under Cayman Islands legal regulations, and the Company has completed amendments within the issuing company's Memorandum and Articles of Association. Only Item 13 differs from the regulations; however, the Company's execution complies with the new regulations, and no circumstances detrimental to shareholders' equity exist. The Company proposes to amend the Articles of Incorporation; please reference the explanation in the table below:

Material matters for the protection of the rights and interests of shareholders	Requirements of the Memorandum and Articles of Incorporation of the Company issued and the reason for the deviations
1. An annual shareholders' meeting must be convened at least once annually; it shall be convened within six months following the conclusion of each fiscal year. The shareholders' meeting is convened by the Board of Directors.	The Company is an exempted company under the Cayman Companies Act. In accordance with the provisions of Article 58 of the Cayman Companies Act, it excludes the provision that exempted companies shall convene shareholders' meetings annually. However, Article 18.1 of the Company's Articles of Incorporation stipulates: "The Company shall convene an annual shareholders' meeting by the Board of Directors within six months following the conclusion of each fiscal year."
2. The articles of association may stipulate that when convening a shareholders' meeting, it shall be conducted via a video conference or other methods announced by the competent authority of the R.O.C. Company Act. However, in the event of natural disasters, incidents, or other force majeure circumstances, the competent authority of the R.O.C. Company Act may announce that a company may convene meetings via video conference or its announced methods within a specific period without stipulating it in the articles of association.	Regarding the feasibility of adopting a hybrid meeting with both physical and video formats, although the Cayman Islands Companies Act does not explicitly allow the adoption of this method, Cayman Islands lawyers believe that even if not explicitly stipulated in the articles of association or organizational documents, adopting hybrid meetings and allowing shareholders to participate in the annual shareholders' meeting via video, listening and speaking at the meeting, should be feasible. As for adopting pure video conferences, the Cayman Islands Companies Act currently holds no explicit provisions allowing or prohibiting companies from adopting this meeting method. Given this, Cayman Islands lawyers believe the optimal interpretation method is: If the company's articles of association explicitly stipulate that pure video conferences may be adopted, the annual shareholders' meeting should be allowed to convene utilizing this method. However, Article 18.3 of the Company's Articles of Incorporation stipulates, "While shares are listed in the R.O.C., the convening of a shareholders' meeting may be conducted via video conference, other methods complying with public company rules, or other methods announced by the R.O.C. competent authority for shareholders' meetings of R.O.C. companies mutatis mutandis under the R.O.C. Company Act. While listed in the R.O.C., the conditions, operating procedures, and other matters to be complied with when convening a shareholders' meeting via video conference shall comply with public company rules." This explicitly stipulates that

Material matters for the protection of the rights and interests of shareholders	Requirements of the Memorandum and Articles of Incorporation of the Company issued and the reason for the deviations
	meetings may be convened via video conference or other announced methods.
3. When a shareholders' meeting is convened, if conducted via video conference, shareholders participating in the meeting via video shall be deemed as attending in person.	Article 18.4 of the Company's Articles of Incorporation stipulates, "In a shareholders' meeting (including video conferences) where the use of communication equipment is permitted by these Articles of Incorporation or applicable laws, shareholders may participate in the shareholders' meeting using communication equipment. Furthermore, those participating in the shareholders' meeting via communication equipment shall be deemed as attending in person." Therefore, no discrepancies exist regarding the protection of shareholders' equity.
4. Regarding the convening of shareholders' meetings via video conference, the conditions, operating procedures, and other matters the company should comply with shall follow R.O.C. securities laws and regulations.	Article 18.3 of the Company's Articles of Incorporation stipulates, "While listed in the R.O.C., the conditions, operating procedures, and other matters to be complied with when convening a shareholders' meeting via video conference shall comply with public company rules." Therefore, no discrepancies exist regarding the protection of shareholders' equity.
5. The physical shareholders' meetings convened by the Company shall be within the Republic of China. If convening a physical shareholders' meeting outside of the Republic of China, it shall be reported to the stock exchange for agreement within two days from the resolution of the Board or the obtaining of the convening permit of shareholders from the competent authority.	The Cayman Islands Companies Act does not require the annual shareholders' meeting of an exempted company to be convened within or outside the Cayman Islands. However, the company may list such requirements in its articles of association. If shareholders independently convene a shareholders' meeting outside the R.O.C., because the independent convening of an extraordinary shareholders' meeting by shareholders does not require permission from the local competent authority of the Cayman Islands, Article 19.6 of the Company's Articles of Incorporation stipulates, "If convened outside the R.O.C., the proposing shareholders shall report to the TWSE for approval in advance." Additionally, Article 18.2 stipulates, "While shares are listed in the R.O.C., unless otherwise provided by the Cayman Companies Act, the company shall convene physical shareholders' meetings within the R.O.C. If the Board of Directors resolves to convene a physical shareholders' meeting outside the R.O.C., the Company shall report to the TWSE for approval within two days following the Board of Directors' resolution." This part shall have no substantial effect on the rights and interests of shareholders in the Republic of China.
6. Shareholders holding one percent or more of the total number of issued shares may submit proposals for the annual shareholders' meeting to the company via written or electronic application methods. A proposal shall be listed as such by the Board of Directors unless one of the following conditions applies: the proposal cannot be resolved by the shareholders' meeting, the proposing shareholder holds less than 1% of shares, the proposal is submitted outside the announced application period, the proposal exceeds 300 words, or more than one proposal is submitted. If a shareholder proposal constitutes a suggestion urging the company to promote public interests or fulfill social responsibilities, the Board of Directors may still list it as a proposal.	The Cayman Islands Companies Act contains no special regulations allowing minority shareholders to submit proposals for discussion at the annual shareholders' meeting or to request the convening of a shareholders' meeting. However, the Cayman Islands Companies Act also does not prohibit the company from stipulating meeting procedures in its articles of association. Article 61 of the Cayman Islands Companies Act stipulates that if there are no relevant legal regulations regarding the number of people who may request the convening of a shareholders' meeting, three or more shareholders may convene a shareholders' meeting. The Company's Articles of Incorporation have explicitly stipulated the proposal methods, proposal content requirements, and handling in Article 23.6; therefore, no discrepancies exist regarding the protection of shareholders' equity.
7. A shareholder who holds over one-third of the total issued shares for a consecutive year or above may request the Board to convene an	The Cayman Islands Companies Act's explanation for this is identical to Point 6. The Company has stipulated this in Articles 19.4 to 19.6 of the Articles of Incorporation; therefore, no discrepancies exist regarding the

Material matters for the protection of the rights and interests of shareholders	Requirements of the Memorandum and Articles of Incorporation of the Company issued and the reason for the deviations
extraordinary shareholders' meeting in writing by setting out the proposals and reasons. If the Board fails to send the meeting notice within 15 days from the request, the shareholder may report to the competent authority for the permit to convene the meeting.	protection of shareholders' equity.
8. Shareholders continuously holding more than half of the total number of issued shares for three months or more may independently convene an extraordinary shareholders' meeting. The calculation of shareholders' shareholding periods and share numbers shall be based on the shareholdings at the time of suspending stock transfers.	The Cayman Islands Companies Act's explanation for this is identical to Point 6. The Company has stipulated this in Article 19.7 of the Articles of Incorporation; therefore, no discrepancies exist regarding the protection of shareholders' equity.
9. The convening of an annual shareholders' meeting shall be notified to each shareholder 30 days in advance; the convening of an extraordinary shareholders' meeting shall be notified to each shareholder 15 days in advance. The notice shall state the reasons for convening; if the notice is approved by the counterparties, it may be issued electronically.	Article 20.2 of the Company's Articles of Incorporation holds identical provisions, and for shareholders holding fewer than 1,000 shares, the Company may notify them via public announcement. This complies with Article 172 of the R.O.C. Company Act and Article 26-2 of the Securities and Exchange Act. Regarding this portion, it should hold no substantive impact on R.O.C. shareholders' equity.
10. The following matters shall be listed in the reasons for convening the shareholders' meeting and their primary content explained; they may not be proposed as extraordinary motions. The primary content may be placed on a website designated by the securities competent authority or the company, and its URL shall be stated in the notice: (1) Election or dismissal of Directors; (2) Amendment to the Articles of Incorporation; (3) Capital reduction; (4) Application to cease public offering; (5) Company dissolution, merger, share exchange, or spin-off; (6) Concluding, amending, or terminating contracts regarding leasing the entirety of operations, entrusting operations, or frequently engaging in joint operations with others; (7) Transferring the entirety or primary portions of operations or assets; (8) Accepting the transfer of the entire operations or assets from others, which has a material impact on the Company's operations; (9) Private placement of equity-nature securities; (10) Permission for Directors to engage in non-compete behaviors; (11) Distributing the entirety or partial	The Cayman Islands Companies Act contains no special provisions regarding meeting handbooks and/or meeting procedures (however, for matters proposed to be passed by a special resolution at a shareholders' meeting, the intention to pass such matters by special resolution shall be stated in the convening notice of the shareholders' meeting). However, the Cayman Islands Companies Act does not prohibit a company from stipulating relevant provisions in its articles of association. Article 20.6 of the Company's Articles of Incorporation holds identical provisions; therefore, no discrepancies exist regarding the protection of shareholders' equity.

Material matters for the protection of the rights and interests of shareholders	Requirements of the Memorandum and Articles of Incorporation of the Company issued and the reason for the deviations
dividends and bonuses via issuing new shares; (12) Distributing the legal reserve and capital surplus generated from issuing stocks at a premium or receiving donations to original shareholders via issuing new shares or cash	
11. The company shall announce the shareholders' meeting convening notice, proxy form, and reasons and explanatory data for various proposals, including ratification, discussion, and Director election or dismissal matters, 30 days prior to the annual shareholders' meeting or 15 days prior to an extraordinary shareholders' meeting.	Article 61 of the Cayman Islands Companies Act stipulates that if there are no special provisions for convening a shareholders' meeting, the convening of a shareholders' meeting shall be notified to each shareholder by mail five days prior to the shareholders' meeting. If there are no relevant legal regulations regarding the number of people who may request the convening of a shareholders' meeting, three or more shareholders may convene a shareholders' meeting. Unless otherwise stipulated by the articles of association, the company shall notify each shareholder five days prior to convening a shareholders' meeting. However, Article 20.2 of the Company's Articles of Incorporation has stated a longer shareholders' meeting convening notice period to comply with R.O.C. legal regulations. Additionally, the provisions stipulated in Article 20.5 of the Articles of Incorporation are identical to those regarding the convening notice, proxy form, various proposals, and explanatory data.
12. If a company's shareholders' meeting adopts the written exercise of voting rights, it shall concurrently mail the aforementioned data and written voting right exercise forms to shareholders.	The Cayman Islands Companies Act does not regulate the content of shareholders' meeting convening notices. However, for matters proposed to be passed by a special resolution at a shareholders' meeting, the intention to pass such matters by special resolution shall be stated in the convening notice of the shareholders' meeting. Articles 20.2 and 20.5 of the Company's Articles of Incorporation have stipulated identical provisions; therefore, no discrepancies exist regarding the protection of shareholders' equity.
13. When convening a shareholders' meeting, the company shall compile a shareholders' meeting handbook and announce the meeting handbook and other meeting-related data 30 days prior to the annual shareholders' meeting or 15 days prior to an extraordinary shareholders' meeting.	The Cayman Islands Companies Act contains no special provisions regarding meeting handbooks and/or meeting procedures, except that when proposing to pass a special resolution at a shareholders' meeting, the plan for such a special proposal must be stated in advance within the shareholders' meeting convening notice. However, the Cayman Islands Companies Act does not prohibit a company from stipulating relevant provisions in its articles of association. Article 20.5 of the Company's Articles of Incorporation states, "The shareholders' meeting handbook and supplementary data are provided for all shareholders to request and review, and shall be transmitted to the Market Observation Post System 21 days prior to an annual shareholders' meeting or 15 days prior to an extraordinary shareholders' meeting. However, if the Company's paid-in capital at the conclusion of the most recent fiscal year reaches NT\$ 2 billion or more, or if the combined shareholding ratio of foreign and mainland Chinese investors recorded in the shareholder register for the annual shareholders' meeting convened in the most recent fiscal year reaches thirty percent (30%) or more, the Company shall complete the transmission of the aforementioned electronic files 30 days prior to the annual shareholders' meeting." However, because the Company's foreign shareholder holdings exceed 30%, the Company consistently announces the meeting handbook and other meeting-related data 30 days in advance. The Company intends to amend the Articles of Incorporation at the 2027 shareholders' meeting.

Nine. Set out matters with material impacts on the rights and interests of shareholders or stock prices as stated in subparagraph 2, paragraph 3, Article 36 of the Act in the most recent year and up to the publication date of the annual report: None.

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Chairman An-Che Liu





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