Stock Code: 6965

Chung Jye Investment Holding Co., Ltd. and Its Subsidiaries

Consolidated Financial Statements and Independent Auditor's Report

2024 and 2023

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Independent Auditors' Report

Board of Directors and shareholders of Chung Jye Investment Holding Co., Ltd.,

Opinion

We have audited the accompanying Consolidated Balance Sheet of Chung Jye Investment Holding Co., Ltd. and its subsidiaries (Chung Jye Group) as of December 31, 2024 and 2023, and the Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows, and the Notes to Consolidated Financial Statements, including a summary of significant accounting policies for the years then ended.

In our opinion, based on the audit results of the independent auditors and the audit report of other accountants, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Chung Jye Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulation Governing the Preparation of Financial Reports by Securities Issuers and the IFRSs, IASs, IFRIC Interpretations, and SIC Interpretations as endorsed and issued into effect by the Financial Supervisory Commission.

Basis for the Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report. We are independent of Chung Jye Group in accordance with the Norm of Professional Ethics for Certified Public Accountants of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that sufficient and appropriate audit evidence has been obtained in order to serve as the basis for presenting the audit opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 2024 consolidated financial statements of Chung Jye Group. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters of the 2024 consolidated financial statements of Chung Jye Group are described as follows:

Timing for recognizing the income from export sales

The main business of Chung Jye Group is the production and sale of leather shoes and sports and leisure outdoor shoes. The sales patterns are divided into domestic sales and export sales. The counterparties of export sales are located in many regions around the world. The transaction conditions with different customers may differ.
Regarding the export sales income of Chung Jye Group, sales income is recognized when the transaction conditions are achieved, and the control over products is transferred to purchasers based on the agreed transaction conditions with individual customers. As partial export sales transactions have longer transportation time, and the transaction conditions agreed upon with particular customers may result in the involvement of human judgment in the income recognition procedures, which may cause sales income not to be recorded in the accurate period. Therefore, we include the accuracy of the timing of the recognition of export sales income with particular transaction conditions in the key audit matters for the year.
The main audit procedures that we performed for the abovementioned timing of sales income recognition are as follows:

1. Understand and evaluate the operating procedures and internal control system for the recognition of sales income, and test the effectiveness of such control.
2. Perform cut-off tests for sales transactions with particular customers within a certain period before and after the balance sheet date, including verifying the transaction conditions and customs declarations of such transactions, and checking the shipping date to confirm that income recognition is recorded in the appropriate period.
3. Obtain the shipping statements summarized for the particular period manually for examination, sample and verify relevant certificates to confirm whether the adjustments to the timing of income recognition are accurate.

Responsibilities of the Management and Those Charged with Governance for the Consolidated Financial Statements

The management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRSs, IASs, IFRIC Interpretations, and SIC Interpretations endorsed and issued into effect by the Financial Supervisory Commission, and to maintain Internal controls necessary for the preparation of financial statements to ensure that the consolidated financial statements are free of material misstatement, whether due to fraud or error. In preparing the consolidated financial statements, the management is responsible for assessing Chung Jye Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Chung Jye Group or cease operations or has no realistic alternative but to do so.

Those charged with governance, including the Audit Committee, are responsible for overseeing the financial reporting process of Chung Jye Group.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report. Reasonable assurance is a high level of assurance. However, the auditing conducted in accordance with the auditing standards of the Republic of China cannot guarantee that it will be able to detect material misstatements in the consolidated financial statements. Misstatement can arise from fraud or error. If the individual or aggregate amount of the misstatement can reasonably be expected to affect the economic decisions made by users of the consolidated financial statements, they are considered material.

We exercise professional skepticism during the audit in accordance with the auditing standards. We also performed the following tasks:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of the internal control of Chung Jye Group.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Chung Jye Group's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause Chung Jye Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the parent company's only financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable (including relevant protection measures).

From matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 2024 consolidated financial statements of Chung Jye Group and are, therefore, key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG Taiwan

CPA Zhang, Qing-Xia

CPA Chiu, Meng-Jie

Certificate No. for the approval of the competent authority of securities
Jin-Guan-Zheng-Shen-Zi No. 1090347472

Certificate No. for the approval of the competent authority of securities
Jin-Guan-Zheng-Shen-Zi No. 1020025513

March 12, 2025

Chung Jye Investment Holding Co., Ltd. and Its Subsidiaries

Consolidated Balance Sheet

December 31, 2024 and 2023

Unit: NT$ thousand

Code	Assets	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current assets				
1100	Cash and cash equivalents (Note 6)	$ 3,603,548	19	$ 4,460,254	25
1136	Financial assets measured at amortized cost - Current (Notes 7 and 25)	557,555	3	1,057,163	6
1170	Accounts receivable (Note 8)	5,611,628	30	4,898,789	28
1180	Net accounts receivable - Related parties (Note 24)	228	-	-	-
1200	Other receivables	57,461	-	18,072	-
1220	Income tax assets for the period	26,051	-	11,177	-
1310	Inventory (Note 9)	3,071,209	17	2,399,198	14
1470	Other current assets	500,602	3	338,503	2
11XX	Total current assets	13,428,282	72	13,183,156	75
	Non-current assets				
1550	Investments accounted for using the equity method	45,939	-	39,605	-
1600	Property, plant and equipment (Notes 11 and 25)	3,989,013	22	3,476,861	20
1755	Right-of-use assets (Note 12)	650,025	4	391,297	2
1760	Investment property (Note 25)	8,739	-	45,175	-
1780	Intangible assets	5,389	-	4,264	-
1840	Deferred income tax assets (Note 19)	411,814	2	418,043	3
1920	Refundable deposits	19,395	-	9,846	-
1975	Net defined benefit assets (Note 15)	2,665	-	1,759	-
1990	Other non-current assets	57,533	-	-	-
15XX	Total non-current assets	5,190,512	28	4,386,850	25
1XXX	Total assets	$ 18,618,794	100	$ 17,570,006	100
Code	Liabilities and equity				
	Current liabilities				
2100	Short-term borrowings (Notes 13 and 25)	$ 1,018,935	5	$ 2,349,709	13
2170	Accounts payable	3,475,278	19	2,680,835	15
2180	Accounts payables - Related parties (Note 24)	161,681	1	150,502	1
2200	Other payables (Note 14)	2,519,542	14	2,280,807	13
2230	Income tax liabilities for the period	272,150	1	295,297	2
2280	Lease liabilities - Current (Note 12)	14,884	-	13,244	-
2320	Long-term borrowings due within one year (Notes 13 and 25)	171,158	1	137,799	1
2399	Other current liabilities	26,174	-	29,426	-
21XX	Total current liabilities	7,659,802	41	7,937,619	45
	Non-current liabilities				
2540	Long-term borrowings (Notes 13 and 25)	193,881	1	365,028	2
2570	Deferred income tax liabilities (Note 19)	15,522	-	3,001	-
2580	Lease liabilities - Non-current (Note 12)	47,137	-	42,079	-
2630	Deferred income - Non-current (Notes 12 and 21)	257,876	2	139,128	1
2645	Guarantee deposits received	15,978	-	4,272	-
25XX	Total non-current liabilities	530,394	3	553,508	3
2XXX	Total liabilities	8,190,196	44	8,491,127	48
	Equity attributable to owners of the Company (Note 16)				
3110	Share capital	1,400,000	8	1,400,000	8
3200	Capital reserve	2,677,907	14	2,677,907	15
3300	Retained earnings	6,094,448	33	5,152,664	30
3410	Exchange differences arising from the translation of the financial statements of foreign operations	24,002	-	(367,101)	(2)
31XX	Total equity attributable to the owners of the Company	10,196,357	55	8,863,470	51
36XX	Non-controlling interests (Note 16)	232,241	1	215,409	1
3XXX	Total equity	10,428,598	56	9,078,879	52
	Total liabilities and equity	$ 18,618,794	100	$ 17,570,006	100

The notes attached hereto form an integral part of the consolidated financial statements.

Chairperson: Liu, An-Che Manager: Liu, Yu-Hsuan Accounting officer: Tsai, Ying-Tzu

Chung Jye Investment Holding Co., Ltd. and Its Subsidiaries

Consolidated Statement of Comprehensive Income

For the years ended December 31, 2024 and 2023

Unit: NT$ thousand

Code		2024 Amount	2024 %	2023 Amount	2023 %
4000	Operating income (Notes 17 and 24)	$ 26,986,539	100	$ 22,739,253	100
5000	Operating costs (Notes 9, 18 and 24)	(22,881,820)	(85)	(18,516,546)	(81)
5900	Gross profit	4,104,719	15	4,222,707	19
	Operating expenses (Notes 8 and 18)				
6100	Marketing expenses	(452,753)	(2)	(242,176)	(1)
6200	Management fees	(1,180,223)	(4)	(1,218,516)	(5)
6300	R&D expenses	(662,379)	(2)	(603,804)	(3)
6450	Expected credit impairment loss	(6,889)	-	(20,904)	-
6000	Total operating expenses	(2,302,244)	(8)	(2,085,400)	(9)
6900	Net profit	1,802,475	7	2,137,307	10
	Non-operating income and expenses (Note 18)				
7100	Interest income	224,517	1	176,473	1
7010	Other income	128,911	-	93,211	-
7020	Other gains and losses	227,584	1	15,519	-
7050	Financial costs	(46,377)	-	(63,170)	-
7060	Share of investment gains or losses under the equity method	6,432	-	(8,203)	-
7000	Total non-operating income and expenses	541,067	2	213,830	1
7900	Net profit before tax	2,343,542	9	2,351,137	11
7950	Income tax expenses (Note 19)	(522,508)	(2)	(384,330)	(2)
8200	Net profit for the current year	1,821,034	7	1,966,807	9

(Cont'd)

(Cont'd)

Code		2024 Amount	2024 %	2023 Amount	2023 %
	Other comprehensive income				
8310	Items not reclassified as profit or loss				
8311	Remeasurement of defined benefit plans (Note 15)	$ 1,054	-	$ 238	-
8341	Exchange differences arising from the conversion to the presentation currency (Note 16)	677,754	2	19,289	-
8349	Income tax related to items not subject to reclassification (Note 19)	(212)	-	(48)	-
8360	Items that may be reclassified as profit or loss subsequently				
8361	Exchange differences arising from the translation of the financial statements of foreign operations (Note 16)	(289,463)	(1)	(232,053)	(1)
8399	Income tax related to items that may be reclassified (Note 19)	(32)	-	-	-
8300	Total other comprehensive income	389,101	1	(212,574)	(1)
8500	Total comprehensive income of the year	$ 2,210,135	8	$ 1,754,233	8
	Net profit attributable to:				
8610	Owners of the Company	$ 1,710,942	6	$ 1,896,687	9
8620	Non-controlling interests	110,092	1	70,120	-
8600		$ 1,821,034	7	$ 1,966,807	9
	Total comprehensive income attributable to:				
8710	Owners of the Company	$ 2,102,887	8	$ 1,707,186	8
8720	Non-controlling interests	107,248	-	47,047	-
8700		$ 2,210,135	8	$ 1,754,233	8
	Earnings per share (Note 20)				
9710	Basic	$ 12.22		$ 13.55	
9810	Diluted	$ 12.17		$ 13.49	

The notes attached hereto form an integral part of the consolidated financial statements.

Chairperson: Liu, An-Che Manager: Liu, Yu-Hsuan Accounting officer: Tsai, Ying-Tzu

Chung Jye Investment Holding Co., Ltd. and Its Subsidiaries

Consolidated Statement of Changes in Equity

For the years ended December 31, 2024 and 2023

Unit: NT$ thousand

Code		Equity attributable to the owners of the Company								
			Capital reserve							
		Capital	Premium of share capital	Differences between the price for the acquisition or disposal of equity of subsidiaries and the carrying amount	Changes in the ownership equity in subsidiaries	Retained earnings	Other equity items Exchange differences arising from the translation of the financial statements of foreign operations	Total	Non-controlling interests	Total equity
A1	Balance on January 1, 2023	$ 1,400,000	$ 2,591,805	$ 69,209	$ 16,893	$ 4,179,787	($ 177,410)	$ 8,080,284	$ 168,362	$ 8,248,646
	Earning appropriation and distribution in 2022									
B5	Cash dividends of the Company's shareholders	-	-	-	-	(924,000)	-	(924,000)	-	(924,000)
D1	Net profit in 2023	-	-	-	-	1,896,687	-	1,896,687	70,120	1,966,807
D3	Other comprehensive income in 2023	-	-	-	-	190	(189,691)	(189,501)	(23,073)	(212,574)
D5	Total comprehensive income in 2023	-	-	-	-	1,896,877	(189,691)	1,707,186	47,047	1,754,233
Z1	Balance on December 31, 2023	1,400,000	2,591,805	69,209	16,893	5,152,664	(367,101)	8,863,470	215,409	9,078,879
	Earning appropriation and distribution in 2023									
B5	Cash dividends of the Company's shareholders	-	-	-	-	(770,000)	-	(770,000)	-	(770,000)
D1	Net profit in 2024	-	-	-	-	1,710,942	-	1,710,942	110,092	1,821,034
D3	Other comprehensive income in 2024	-	-	-	-	842	391,103	391,945	(2,844)	389,101
D5	Total comprehensive income in 2024	-	-	-	-	1,711,784	391,103	2,102,887	107,248	2,210,135
O1	Cash dividends for non-controlling interests	-	-	-	-	-	-	-	(90,416)	(90,416)
Z1	Balance on December 31, 2024	$ 1,400,000	$ 2,591,805	$ 69,209	$ 16,893	$ 6,094,448	$ 24,002	$ 10,196,357	$ 232,241	$ 10,428,598

The notes attached hereto form an integral part of the consolidated financial statements.

Chairperson: Liu, An-Che Manager: Liu, Yu-Hsuan Accounting officer: Tsai, Ying-Tzu

Chung Jye Investment Holding Co., Ltd. and Its Subsidiaries

Consolidated Statement of Cash Flows

For the years ended December 31, 2024 and 2023

Unit: NT$ thousand

Code		2024	2023
	Cash flow from operating activities		
A10000	Net profit before tax for the year	$ 2,343,542	$ 2,351,137
A20010	Items of income and expenses		
A20100	Depreciation expenses	491,778	498,174
A20200	Amortization expenses	2,186	2,150
A20300	Expected credit impairment loss	6,889	20,904
A20400	Net gains on financial assets and liabilities at fair value through profit or loss	(5,365)	(6,439)
A20900	Financial costs	46,377	63,170
A21200	Interest income	(224,517)	(176,473)
A22300	Share of loss (gain) of affiliates and joint ventures recognized using the equity method	(6,432)	8,203
A22500	Net loss from the disposal of property, plant and equipment and right-of-use assets	1,398	1,171
A22800	Loss from the disposal of intangible assets	-	6
A23700	Inventory devaluation and obsolescence losses	14,144	58,962
A29900	Amortization of deferred income	(5,837)	(3,467)
A29900	Fire loss	-	12,996
A30000	Net changes in operating assets and liabilities		
A31115	Financial assets mandatorily at fair value through profit or loss	5,365	56,388
A31150	Accounts receivable	(719,728)	(99,149)
A31160	Accounts receivable - Related parties	(228)	-
A31180	Other receivables	(39,389)	50,355
A31200	Inventory	(686,155)	471,434
A31240	Other current assets	(162,099)	109,620
A31990	Net defined benefit assets	148	148
A32150	Accounts payable	794,443	(10,205)
A32160	Accounts payable - Related parties	11,179	60,495
A32180	Other payables	170,160	(3,674)
A32230	Other current liabilities	(3,252)	(14,636)
A32250	Deferred income	116,199	15,598
A33000	Cash inflow from operations	2,150,806	3,466,868
A33100	Interest received	224,517	176,473

(Cont'd)

(Cont'd)

Code		2024	2023
A33300	Interest paid	($ 43,676)	($ 61,566)
A33500	Income tax paid	(544,912)	(565,215)
AAAA	Net cash inflow from operating activities	1,786,735	3,016,560
	Net cash flow from investing activities		
B00040	Acquisition of financial assets measured at amortized cost	-	(517,879)
B00050	Disposal of financial assets measured at amortized cost	499,608	-
B02700	Acquisition of property, plant and equipment	(799,815)	(406,457)
B02800	Consideration from the disposal of property, plant and equipment and right-of-use assets	26,462	18,085
B03700	Increase in refundable deposits	(9,549)	-
B03800	Decrease in refundable deposits	-	3,751
B04500	Acquisition of intangible assets	(3,022)	(347)
B05350	Acquisition of right-of-use assets	(304,528)	-
B07100	Decrease in prepayment for equipment	-	1,410
BBBB	Net cash outflow from investing activities	(590,844)	(901,437)
	Net cash flow from financing activities		
C00100	Increase in short-term borrowings	-	1,225,506
C00200	Decrease in short-term borrowings	(1,330,774)	-
C01600	Proceeds from long-term borrowings	390,000	304,397
C01700	Repayment of long-term borrowings	(556,246)	(761,395)
C03000	Receipt of guarantee deposits received	11,706	-
C03100	Return of guarantee deposits received	-	(3,688)
C04020	Repayment of principal for lease liabilities	(15,396)	(14,578)
C04500	Distribution of cash dividends	(770,000)	(924,000)
C05800	Distribution of dividends of non-controlling interests	(90,416)	-
CCCC	Net cash outflow from financing activities	(2,361,126)	(173,758)
DDDD	Effects of exchange rate changes on cash and cash equivalents	308,529	(113,754)
EEEE	Increase (decrease) in cash and cash equivalents	(856,706)	1,827,611
E00100	Balance of cash and cash equivalents at the beginning of the year	4,460,254	2,632,643
E00200	Balance of cash and cash equivalents at the end of the year	$ 3,603,548	$ 4,460,254

The notes attached hereto form an integral part of the consolidated financial statements.

Chairperson: Liu, An-Che Manager: Liu, Yu-Hsuan Accounting officer: Tsai, Ying-Tzu

Chung Jye Investment Holding Co., Ltd. and Its Subsidiaries

Notes to the Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(Unless otherwise specified, all amounts are in NT$ thousand)

I. Company history

Chung Jye Investment Holding Co., Ltd. (the "Company") was established in the British Cayman Islands in December 2018, and it was established for the organizational structure reorganization to apply for the listing of stocks with the Taiwan Stock Exchange Corporation (TWSE). The Company completed the organizational reorganization with Guicheng Group Limited by way of share exchange on December 1, 2022, and Chung Jye Investment Holding Co., Ltd. became the ultimate holding company.

The abovementioned share exchange is an organizational reorganization under joint control. The Company is the extension of Guicheng Group Limited. The financial statements for the comparison period prepared for the consolidation are not restricted by the establishment date. The Company and its subsidiaries (the "Consolidated Company") are mainly engaged in the production and sale of leather shoes and sports and leisure outdoor shoes.

The Company's stocks were listed on the TWSE on March 7, 2025.

The Company's functional currency is the USD. To increase the comparability and consistency of financial statements, the consolidated financial statements are presented in NTD.

II. Date and procedure for the approval of financial statements

The consolidated financial statements were approved by the Board of Directors (the "Board") on March 12, 2025.

III Application of new and amended standards and interpretations

(I) After the initial applications of IFRSs, IASs, IFRIC Interpretations, and SIC Interpretations (the “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (the “FSC”), the application of amended IFRS Accounting Standards endorsed and issued into effect by the FSC will not cause material changes in the accounting policies of the Consolidated Company.

(II) IFRS Accounting Standards endorsed by the FSC applicable in 2025

New/amended/revised standards and interpretations	Effective date announced by the IASB
Amendments to IAS21 "Lack of Exchangeability"	January 1, 2025 (Note 1)
Amendments to IFRS9 and IFRS7 "Classification and Measurement Requirements of Financial Instruments" related to the amendments to the application guidelines for the classification of financial assets	January 1, 2026 (Note 2)

Note 1: Applicable to the annual reporting period beginning on or after January 1, 2025. For the initial application of the amendments, the comparison period may not be restated, and the effects shall be recognized as the exchange difference of foreign operations (as appropriate) and relevant assets and liabilities under the effects of retained earnings or equity on the initial application date

Note 2: It is applicable to the annual reporting periods beginning on or after January 1, 2026. Enterprises may also choose to apply it earlier than January 1, 2025. Upon the initial application of the amendments, the retrospective application shall be made; however, the comparison period is not required to be restated, and the effects from the initial application shall be recognized on the initial application date. However, if the enterprise can make a restatement without any hindsight, it may opt to restate the comparison period.

As of the approval date for the publication of the consolidated financial statements, the Consolidated Company has evaluated the amendments to standards and interpretations, which will not have material effects on the financial position and financial performance.

(III) IFRS Accounting Standards issued by the IASB but not yet endorsed and issued into effect by the FSC

New/amended/revised standards and interpretations	Effective date announced by the IASB (Note 1)
“IFRS Accounting Standards Annual Improvements - Volume 11”	January 1, 2026
Amendments to IFRS9 and IFRS7 "Classification and Measurement Requirements of Financial Instruments" related to the amendments to the application guidelines for the derecognition of financial assets	January 1, 2026
Amendment to IFRS9 and IFRS7 "Contracts that Reference Nature-dependent Electricity”	January 1, 2026
Amendment to IFRS10 and IAS28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be defined
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendment to IFRS 17	January 1, 2023
Amendment to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"	January 1, 2023
IFRS18 “Presentation and Disclosure in Financial Statements”	January 1, 2027
IFRS19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

Note 1: Unless otherwise specified, the above new/amended/revised standards or interpretations are effective in the annual reporting periods beginning after the respective dates.

IFRS18 “Presentation and Disclosure in Financial Statements”

IFRS18 will supersede IAS1 "Presentation of Financial Statements," and the main changes of the standard include:

- The income statement shall classify gain and expense items into operations, investments, fundraising, income tax, and discontinued operations.
- The income statement shall present the operating profit or loss, profit or loss before tax before fundraising, and the subtotal and total of profit or loss.
- Provide guidelines to enhance the summarizing and separation requirements: The Consolidated Company shall identify assets, liabilities, equity, gains, expenses, and cash flow generated from individual transactions or other matters and carry out the classification and summary based on the common characteristics to allow the single line items reported in the major financial statements have at least one similar characteristic. Items with non-similar characteristics shall be separated in the major financial statements and notes. The Consolidated Company may only mark such items as “others” when it is unable to find a more informative label.
- Addition of disclosures of performance measurement defined by the management: When the Consolidated Company is carrying out public communications other than financial statements, communicate with users of financial statements are communicating from the perspective of a certain aspect of the management regarding the overall financial performance of the consolidated company, relevant information on the performance measurement defined by the management shall be disclosed in a single note in the financial statements, including the description of the measurement, the calculation method, the reconciliation of it and the subtotal or total stipulated in the IFRSs, and the effects of relevant reconciliation items on income tax and non-controlling interests.

Except for the abovementioned effects, the Consolidated Company continues to evaluate the other effects of the amended standards and interpretations on the financial position and financial performance; relevant effects will be disclosed when the evaluation is completed.

IV. Summary of significant accounting policies

(I) Statement of compliance

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

(II) Basis of preparation

Except for financial instruments measured at fair value and net defined benefit assets recognized based on the present value of defined benefit obligations less the fair value of plan assets, the consolidated financial statements are prepared based on historical costs.

Fair value measurement is divided into levels 1 to 3 according to the observability and importance of relevant input values:

1. Level 1 input value: refers to the quoted price (unadjusted) of the same assets or liabilities available in the active market on the measurement date.
2. Level 2 input value: refers to the directly (i.e., price) or indirectly (i.e., derived from price) observable input value of assets or liabilities other than the quotation of level 1.
3. Level 3 input value: refers to the unobservable input value of assets or liabilities.

(III) Criteria for distinguishing between current and non-current assets and liabilities

Current assets include:

1. Assets held primarily for trading purposes;
2. Assets expected to be realized within 12 months of the balance sheet date; and
3. Cash and cash equivalents (other than those restricted from being exchanged or settled more than 12 months after the balance sheet date).

Current liabilities include:

1. Liabilities held primarily for trading purposes.
2. Liabilities to be settled within 12 months after the balance sheet date; and
3. Liabilities for which the Company has no substantive right to defer the settlement period to at least 12 months after the balance sheet date on the balance sheet date.

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

(IV) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and the entities (subsidiaries) controlled by the Company. The consolidated statement of comprehensive income has included the operating gain or loss of subsidiaries acquired or disposed of from the date of acquisition or to the date of disposal. The financial statements of the subsidiaries have been adjusted so that their accounting policies are consistent with those of the Consolidated Company. In the preparation of the consolidated financial statements, all transactions, account balances, gains and expense losses among the entities have been eliminated. The total comprehensive income of the subsidiaries is attributable to the owners and is the non-controlling interest of the Company, even if the non-controlling interest becomes a loss.

Where the change of ownership rights of the subsidiaries of the Consolidated Company does not result in a loss of control, it shall be treated as an equity transaction. The book amounts of the consolidated company and non-controlling interests have been adjusted to reflect the change in the relative interests in subsidiaries. The difference between the adjusted amount of non-controlling interests and the fair value of the consideration paid or received is directly recognized as equity and attributable to the owners of the Company.

For details of subsidiaries, shareholding ratio and scope of business, please refer to Note 10 and Table 7.

(V) Business combination

A business combination is treated by adopting the acquisition method. Relevant costs of acquisition are presented as expenses in the period in which the costs are incurred and the services are obtained.

Goodwill is measured at the net amount of sum of the amount of non-controlling interests of the acquired and the fair value of the equity of the acquired held by the acquirer previously on the acquisition date that exceeds the identifiable assets acquired and liabilities assumed on the acquisition date. After the re-valuation, if the net amount of identifiable assets acquired and the liabilities assumed exceeds the transfer consideration or the sum of the non-controlling interests of the acquired and the fair value of the equity of the acquired held by the acquirer previously on the acquisition date, the differences are bargain purchase gains, and are immediately recognized as profit or loss.

(VI) Foreign currency

When preparing the parent company only financial statements, the transactions denominated in currencies other than the functional currency of the parent company (foreign currencies) shall be converted to a functional currency based on the exchange rate on the transaction date for the recording.

Monetary items denominated in foreign currencies are translated at the closing rate at each balance sheet date. Exchange differences arising from the settlement of monetary items or the translation of monetary items are recognized in profit or loss in the period in which they occur.

Non-monetary items denominated in foreign currencies that are measured at fair value are translated at the exchange rates prevailing on the date when the fair value was determined, and the resulting exchange differences are recognized in profit or loss for the current period, except for those arising from changes in fair value recognized in other comprehensive income.

Non-monetary items denominated in foreign currencies that are measured at historical cost are translated at the exchange rates prevailing on the dates of transactions and are not retranslated.

To prepare consolidated financial statements, the assets and liabilities of the Company and its foreign operations (including subsidiaries or joint ventures that operate in countries or currencies different from those of the Company) are translated into New Taiwan dollars at the exchange rates prevailing on each balance sheet date. Income and expense items are translated at average exchange rates for the period, with the resulting exchange differences recorded in other comprehensive income and attributed to the Company's owners and noncontrolling interests, respectively.

(VII) Inventory

Inventory includes raw materials, semi-finished goods, inventories in transit, and finished goods. Inventories are measured at cost or net realizable value, whichever is lower. Comparisons between cost and net realizable value are made on an item-by-item basis, except for inventories of the same type. The net realizable value is the

estimated selling price under normal circumstances less the estimated costs still to be invested to completion and the estimated costs required to complete the sale. The cost of inventories is calculated using the weighted-average method.

(VIII) Investment in affiliates

Affiliates refer to those on which the Consolidated Company has significant influence but are not subsidiaries or joint ventures.

The Consolidated Company applies the equity method to the investment in associates and joint ventures.

Under the equity method, investments in associates and joint ventures are initially recognized at cost, and the carrying amount is increased or decreased in accordance with the Consolidated Company's share of the profit and loss of the associates and joint ventures, the share of other comprehensive income, and profit distributed. In addition, the changes in the equity of the affiliate are recognized in proportion to the shareholding.

(IX) Property, plant and equipment

Property, plant and equipment are recognized at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

Property, plant and equipment under construction are recognized at the amount of costs less accumulated impairment losses. Costs include professional service expenses and borrowing costs that fulfill the capitalization conditions. When such assets are completed and achieve the expected use status, they are classified in an appropriate category of property, plant, and equipment with the provision of depreciation commenced.

Except for land owned by the Company, which is not depreciated, property, plant and equipment are depreciated separately over their useful lives on a straight-line basis for each significant component. The Consolidated Company reviews the estimated useful lives, residual values and depreciation methods at least at the end of each year and defers the effect of changes in applicable accounting estimates.

When property, plant and equipment are derecognized, the difference between the net disposal price and the carrying amount of the assets is recognized in profit or loss.

(X) Investment property

An investment property refers to a property held for the purpose of earning rental or asset appreciation, or both, rather than a property held for normal business for sales or administrative purposes. Investment property includes land held with undetermined future use.

Investment properties are initially measured at cost and subsequently measured at cost (including transaction costs) less cumulative depreciation and cumulative impairment.

The depreciation of investment property is provided on a straight-line basis. Property, plant and equipment are reclassified as investment property based on the carrying amount at the end of self-use.
When investment property is derecognized, the difference between the net disposal price and the carrying amount of the assets is recognized in profit or loss.

(XI) Intangible assets

Individually acquired intangible assets with finite useful lives are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment losses. Intangible assets are amortized on a straight-line basis throughout the useful life. The Consolidated Company reviews the estimated useful lives, residual values and amortization methods at least at the end of each year and defers the effect of changes in applicable accounting estimates. Intangible assets with undefined useful life are reported based on costs less cumulative impairment losses.

When intangible assets are derecognized, the difference between the net disposal price and the carrying amount of the assets is recognized in the profit or loss of the period.

(XII) Impairment loss of property, plant and equipment, right-of-use assets and intangible assets

The Consolidated Company assesses at each balance sheet date whether there is any indication that property, plant and equipment, right-of-use assets and intangible assets may have been impaired. If any indication of impairment exists, the recoverable amount of the asset is estimated. If the recoverable amount of an individual asset cannot be estimated, the Consolidated Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the smallest cash-generating unit group on a reasonable and consistent basis.

The recoverable amount is the fair value less costs and its value-in-use, whichever is higher. If the recoverable amount of an asset or cash-generating unit is less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, and the impairment loss is recognized in profit or loss. When an impairment loss is subsequently reversed, the carrying amount of the asset or cash-generating unit is increased to the revised recoverable amount, provided that the increased carrying amount does not exceed the carrying amount (net of amortization or depreciation) that would have been determined if the impairment loss had not been recognized in prior years for that asset or cash-generating unit. Reversal of impairment loss is recognized in profit or loss.

(XIII) Financial instruments

Financial assets and financial liabilities are recognized in the consolidated balance sheet when the Consolidated Company becomes a party to the contractual provisions of the instrument.
When financial assets and financial liabilities are recognized at fair value through profit or loss, they are measured at fair value plus transaction costs directly attributable to the acquisition or issuance of the financial assets or financial liabilities. Transaction costs are directly attributable to the acquisition or issuance of financial assets or financial liabilities at fair value through profit or loss and are recognized immediately in profit or loss.

1. Financial assets

Regular transactions of financial assets are recognized and derecognized using trade date accounting.

(1) Measurement type

The types of financial assets held by the Consolidated Company are financial assets at fair value through profit or loss and financial assets measured at amortized cost.

A. Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets mandatorily at fair value through profit or loss and financial assets designated as measured at fair value through profit or loss. Financial assets mandatorily at fair value through profit or loss include investments in equity instruments not designated by the Consolidated Company as measured at fair value through other comprehensive income or loss, and debt instrument investments that do not qualify for classification as measured at amortized cost or at fair value through other comprehensive income or loss.

Financial assets at fair value through profit or loss are measured at fair value, and dividends and interests generated thereof are recognized in other income and interest income, respectively; gains or losses arising from remeasurement are recognized in other gains and losses. For the determination of fair value, please refer to Note 23.

B. Financial assets measured at amortized cost

The Consolidated Company's investment financial assets are classified as financial assets carried at amortized cost if both of the following two conditions are met.

a. Is held under an operating model in which financial assets are held for the purpose of receiving contractual cash flows; and
b. The terms of the contract generate cash flows on specific dates that are solely for the payment of principal and interest on the outstanding principal amount.

Financial assets carried at amortized cost (including cash and cash equivalents, accounts receivable measured at amortized cost, other receivables, and Refundable deposits) are measured at amortized cost using the effective interest method to determine the total carrying amount less any impairment loss after initial recognition, with any foreign currency exchange gain or loss recognized in profit or loss. Interest income is calculated by multiplying the effective interest rate by the total carrying amount of the financial assets, except for the following two cases.

a. Interest income on credit-impaired financial assets acquired or created is calculated by multiplying the credit-adjusted effective interest rate by the amortized cost of the financial assets.
b. For financial assets that are not acquired or impaired but subsequently become impaired, interest income should be computed by multiplying the effective interest rate by the amortized cost of the financial assets from the next reporting period after the impairment is applied.

Credit-impaired financial assets are those for which the issuer or the debtor has experienced significant financial difficulties, defaulted, or where it is probable that the debtor will declare bankruptcy or other financial reorganization, or where an active market for the financial assets has disappeared due to financial difficulties.

Cash equivalents include time deposits that are highly liquid, readily convertible into fixed deposits with minimal risk of changes in value within 3 months from the date of acquisition and are used to meet short-term cash commitments.

A contract with a third party that results in restricted demand deposits is cash. Unless such restrictions change the nature of deposits to allow them to no longer comply with the definition of cash. For the contract restrictions on the Consolidated Company in using demand deposits, please refer to Note 6. If the contract’s use restrictions on the demand deposits exceed 12 months after the balance sheet date, the relevant amounts care classified as non-current assets.

(2) Impairment on financial assets

Accounts receivable are recognized as an allowance for loss based on the expected credit loss over the period of survival.

Accounts receivable are recognized for loss allowance based on the lifetime expected credit losses. Other financial assets are first evaluated to determine whether there has been a significant increase in credit risk since initial recognition. If there is no significant increase, an allowance for loss is recognized based on the expected credit loss over 12 months, and if there is a significant increase, an allowance for loss is recognized based on the lifetime expected credit loss over the remaining period.

Expected credit loss is a weighted average credit loss weighted by the risk of default. The 12-month expected credit loss represents the expected credit loss arising from possible defaults within 12 months after the reporting date of the financial instrument, and the lifetime expected credit loss represents the expected credit loss arising from all possible defaults during the expected lifetime of the financial instrument.

For internal credit risk management purposes, the Consolidated Company determines, without regard to the collateral held, that a default on a financial asset has occurred in the following circumstances.

A. There is internal or external information that indicates that the debtor is unlikely to be able to pay its debts.

B. If more than 365 days past due, unless there is reasonable and supportable information indicating that the basis for delayed default is more appropriate.

All impairment losses on financial assets are reversed by reducing the carrying amount through an allowance account.

(3) Derecognition of financial assets

The Consolidated Company derecognizes financial assets only when the contractual rights to the cash flows from the financial assets lapse or when the financial assets have been transferred and substantially all the risks and rewards of ownership of the assets have been transferred to other enterprises.

The difference between the carrying amount of the financial asset and the consideration received is recognized in profit or loss when the financial asset is derecognized as a whole at amortized cost.

2. Equity instruments

Debt and equity instruments issued by the Consolidated Company are classified as financial liabilities or equity based on the substance of the contractual agreements and the definitions of financial liabilities and equity instruments.

Equity instruments issued by the Consolidated Company are recognized at the acquisition price less direct issue costs.

The re-acquisition of equity instruments of the Company is recognized under equity and deducted, and the carrying amount is calculated based on the weighted average of the stock category. The acquisition, disposal, issuance, or cancelation of the Company's equity instruments are not recognized in profit or loss.

3. Financial liabilities

(1) Subsequent measurement

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

(2) Derecognition of financial liabilities

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

(XIV) Income recognition

After the Consolidated Company identifies the performance obligations in a contract with a customer, the transaction price is allocated to each performance obligation, and income is recognized when fulfilling each performance obligation.

Sales of products

The Consolidated Company's sales income is mainly from the sales of outdoor sports and leisure outdoor shoes. Income is recognized when customers obtain control over the promised assets for product sales. That is, when the products are delivered to the location designated by a customer, the customer has the right to set the price and use the product, bears the major responsibility for resales, and assumes the risk of product obsolescence, the Consolidated Company recognizes income and accounts receivable at the time.

For processing without imported materials, the control over the ownership of the processed products is not transferred; therefore, income is not recognized for not importing materials.

(XV) Leasing

The Consolidated Company assesses whether a contract is (or contains) a lease at the contract inception date.

Consolidated Company as lessee

Right-of-use assets and lease liabilities are recognized at the lease commencement date for all leases, except for leases of low-value underlying assets to which the recognition exemption applies and short-term leases, where lease payments are recognized as expenses on a straight-line basis over the lease term.

The right-of-use asset is measured initially at cost (consisting of the original measurement amount of the lease liability, lease payments made before the commencement date of the lease less lease incentives received, original direct cost and estimated cost of restoration of the subject asset) and subsequently measured at cost less accumulated depreciation and accumulated impairment losses, and the remeasurement of the lease liability is adjusted. Right-of-use assets are presented separately in the consolidated balance sheet.

Right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the end of the useful life or the end of the lease term, whichever is earlier.

Lease liabilities are measured initially at the present value of lease payments (including fixed payments, substantive fixed payments, and the penalty for the termination of the lease during the leasing period less the lease incentives received). Lease payments are discounted using the interest rate implied by the lease if it is readily recognizable. If the rate is not readily identifiable, the lessee's incremental borrowing rate is used.

Subsequently, the lease liabilities are measured at amortized cost using the effective interest method, and interest expense is allocated over the lease term. During the leasing period, if the changes in the valuation of the expected payment amount under the residual value guarantee or the purchase option of target assets result in changes in future lease payments, the Consolidated Company remeasures the lease liabilities and adjusts the right-of-use assets accordingly. However, if the carrying amount of right-of-use assets is reduced to zero, the remaining remeasurement amount is recognized in profit or loss. For lease modifications not treated as separate leases, remeasure the adjustments to the right-of-use assets based on the lease liabilities off the reduced leasing scope and recognize the gain or loss on the partial or entire termination of leases; remeasure the adjustments to right-of-use assets based on lease liabilities of other modifications. Lease liabilities are presented separately in the consolidated balance sheet.

(XVI) Government subsidies

The government subsidies may be recognized only when the Consolidated Company is reasonably certain to comply with the conditions attached to the government subsidies and the subsidies may be received.

Government subsidies related to revenues are recognized as a reduction of related costs/other income on a systematic basis in the period in which the related costs for which they are intended to be reimbursed are recognized as expenses by the Consolidated Company. Government subsidies conditioned on the acquisition, construction or other acquisition of non-current assets by the Consolidated Company are recognized as deferred income and are transferred to profit or loss on a reasonable and systematic basis over the useful lives of the related assets.

Government subsidies are recognized in profit or loss in the period in which they become receivable if they are intended to compensate for expenses or losses already incurred or to provide immediate financial support to the Consolidated Company and have no future related costs.

(XVII) Employee benefits

1. Short-term employee benefits

Short-term employee benefit-related liabilities are measured at the non-discounted amount expected to be paid in exchange for employee services.

2. Post-retirement benefits

The defined contribution pension plan is an expense that recognizes the amount of pension benefits to be contributed during the employees' service period. The defined benefit cost (including service cost, net interest and remeasurement) of the defined benefit pension plan is actuarially determined using the projected unit benefit method. Service cost and net interest on net defined benefit liabilities (assets) are recognized as employee benefit expenses as incurred. Remeasurements (including actuarial gains and losses and return on plan assets, net of interest) are recognized in other comprehensive income as incurred and included in retained earnings, and are not reclassified to profit or loss in subsequent periods.

The net defined benefit liabilities (assets) represent the deficit (surplus) in the defined benefit pension plan. Net defined benefit assets shall not exceed the present value of the amount of appropriation that can be returned from the plan or the future amount of appropriated reduced.

(XVIII) Income tax

Income tax expense is the sum of current income tax and deferred income tax changes.

1. Current income tax

The consolidated company determines the current income (loss) in accordance with the regulations of each income tax filing jurisdiction and calculates the income tax payable (recoverable) accordingly.

Income tax on undistributed earnings calculated in accordance with the Income Tax Act of the Republic of China is recognized in the year when the shareholders resolve to retain the earnings.

Adjustments to prior years' income tax payable are included in the current income tax.

2. Deferred income tax

Deferred income tax is computed on temporary differences between the carrying amounts of assets and liabilities and the tax basis of taxable income. Deferred income tax liabilities are generally recognized for all taxable temporary differences, and deferred income tax assets are recognized to the extent that it is probable that taxable profit will be available against which income tax credits can be utilized for temporary differences.

Deferred income tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and affiliates, except where the Consolidated Company can control the timing of the reversal of the

temporary difference, and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax assets are recognized for deductible temporary differences associated with such investments only to the extent that it is probable that sufficient taxable income will be available to allow the temporary differences to be realized and to the extent that a reversal is expected in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient tax assets will be available to allow recovery of all or part of the asset. Deferred income tax assets that have not been recognized are reviewed at each balance sheet date, and the carrying amount is increased to the extent that it is probable that future taxable income will be available to recover all or part of the asset.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the liability is settled, or the asset is realized, which are based on tax rates and tax laws that have been legislated or substantively legislated at the balance sheet date. The measurement of deferred income tax liabilities and assets reflects the tax consequences of the manner in which the Consolidated Company expects to recover or settle the carrying amounts of its assets and liabilities at the balance sheet date.

3. Current and deferred income tax

Current and deferred income taxes are recognized in profit or loss, except for current and deferred income taxes related to items recognized in other comprehensive income or directly in equity, which are recognized in other comprehensive income or directly in equity, respectively.

V. Major sources of uncertainty of significant accounting judgments, assumptions, and estimates

In adopting accounting policies, the Consolidated Company's management is required to make judgments, estimates and assumptions that are based on historical experience and other relevant factors when relevant information is not readily available from other sources. Actual results may differ from estimates.

When developing major accounting estimates, the Consolidated Company takes the possible impact into consideration for material estimates. The management will continue to examine the estimates and basic assumptions on an ongoing basis.

After the evaluation of the management of the Company, the accounting policies, estimates, and basic assumptions adopted by the Consolidated Company have no major source of uncertainty of significant accounting judgments, assumptions, and estimates.

VI. Cash and cash equivalents

	December 31, 2024	December 31, 2023
Cash on hand and working capital	$ 8,879	$ 4,272
Bank check and demand deposit	3,317,114	2,981,863
Cash equivalents (investment with an original maturity date of less than 3 months)		
Time deposits with banks	277,555	1,474,119
	$ 3,603,548	$ 4,460,254

The interest rate range of time deposits with banks on the balance sheet date is as follows:

	December 31, 2024	December 31, 2023
Time deposits with banks	1.29%～4.47%	2%～6%

VII. Financial assets measured at amortized cost

	December 31, 2024	December 31, 2023
Pledge of time deposits (I)	$ 228,786	$ 910,195
Pledged demand deposit	-	26
Time deposits with an original maturity date of more than 3 months (II)	328,769	146,942
	$ 557,555	$ 1,057,163

(I) As of December 31, 2024 and 2023, the interest rate range of the pledged time deposits was 1.69% to 5.20% and 1.57% to 5.65%, respectively.

(II) As of December 31, 2024 and 2023, the interest rate range of the time deposits with an original maturity date of more than 3 months was 4.20% to 5.24% and 1.9% to 7.1%, respectively.

(III) For information on the pledged financial assets measured at amortized cost, please refer to Note 25.

VIII. Accounts receivable

	December 31, 2024	December 31, 2023
Measured at amortized cost		
Total carrying amount	$ 5,686,226	$ 4,962,067
Less: Loss allowance	(74,598)	(63,278)
	$ 5,611,628	$ 4,898,789

The average credit period of the Consolidated Company for commodity sales is approximately 90 days, and the accounts receivable are not subject to interest. In order to reduce credit risk, the management of the consolidated company has assigned a special team to be responsible for the decision of credit facilities, credit approval and other monitoring procedures to ensure that appropriate actions have been taken for the recovery of overdue amounts receivable. In addition, the Consolidated Company will review the recoverable amounts of amounts receivable one by one on the balance sheet date to ensure that appropriate impairment loss has been provided for the receivables that cannot be recovered. Therefore, the management of the consolidated company thinks that the credit risk of the Consolidated Company has been significantly reduced.

The Consolidated Company shall recognize the provision for loss of notes receivable and accounts receivable according to the lifetime expected credit loss. Apart from the provision of impairment losses based on the credit impairment of individual customers, the Consolidated Company set up the expected credit loss rate with reference to the past default records and current financial position of customers and the economic development of the industry, taking into account the GDP forecasts and industry prospects. In addition, for accounts receivable aging over 365 days with no other credit guarantees provided, 100% of the loss allowance is recognized. As the historical experience of credit loss of the Consolidated Company shows that there is no significant difference in the loss pattern of different customer groups, the preparation matrix does not further distinguish customer groups, and only uses the overdue days of accounts receivable to determine the expected credit loss rate.

If there is evidence that the counterparty is facing serious financial difficulties and the Consolidated Company cannot reasonably expect the recoverable amount (i.e., if the transaction counterparty is in liquidation or the debt is overdue for over two years), the Consolidated Company will directly write off the relevant accounts receivables, but will continue the recourse activities, and the amount recovered due to recourse will be recognized as income.

The Consolidated Company measures the provision for loss of accounts receivable according to the provision matrix as follows:

December 31, 2024

	0 - 90 days	91 - 120 days	121 - 180 days	181 - 365 days	Over 365 days	Total
Expected credit loss rate	0.15%	9.00%	41.58%	-	100%	
Total carrying amount	$ 5,536,085	$ 86,696	$ 8,067	$ -	$ 55,378	$ 5,686,226
Loss allowance (lifetime expected credit loss)	(8,064)	(7,802)	(3,354)	(-)	(55,378)	(74,598)
Amortized cost	$ 5,528,021	$ 78,894	$ 4,713	$ -	$ -	$ 5,611,628

December 31, 2023

	0 - 90 days	91 - 120 days	121 - 180 days	181 - 365 days	Over 365 days	Total
Expected credit loss rate	0.19%	4.92%	-	100%	100%	
Total carrying amount	$ 4,863,678	$ 46,525	$ -	$ 8,729	$ 43,135	$ 4,962,067
Loss allowance (lifetime expected credit loss)	(9,124)	(2,290)	-	(8,729)	(43,135)	(63,278)
Amortized cost	$ 4,854,554	$ 44,235	$ -	$ -	$ -	$ 4,898,789

The changes in the loss allowance of accounts receivable are as follows:

	2024	2023
Opening balance	$ 63,278	$ 42,685
Provision of impairment loss during the year	6,889	20,904
Write-offs during the year	-	(2)
Currency exchange differences	4,431	(309)
Closing balance	$ 74,598	$ 63,278

IX. Inventory

	December 31, 2024	December 31, 2023
Raw materials	$ 726,656	$ 586,789
Semi-finished goods	1,516,919	1,249,140
Finished goods	768,884	548,941
Inventories in transit	58,750	14,328
	$ 3,071,209	$ 2,399,198

The operating costs related to inventories in 2024 and 2023 were NT$22,881,820 thousand and NT$18,516,546 thousand, respectively.

Operating costs for 2024 and 2023 included inventory devaluation losses of NT$14,144 thousand and NT$58,962 thousand, respectively.

X. Subsidiaries

The entities included in the consolidated financial statements are as follows:

Name of investee	Name of subsidiary	Business nature	Shareholding ratio		Description
			December 31, 2024	December 31, 2023	
The Company	Guicheng Group Limited	Holding company	100.00%	100.00%	-
Guicheng Group Limited	Chung Jye Shoes Holdings Limited (Samoa Chung Jye)	Import and export trade and sales of leisure outdoor shoes	100.00%	100.00%	-
	Better Power Group Limited	Holding company	100.00%	100.00%	-
	Wealthy International Ltd.	Holding company	100.00%	100.00%	-
	Fortune Leader Industries Co., Ltd.	Holding company	100.00%	100.00%	-
	Smartlook Investments Limited	Holding company	100.00%	100.00%	-
	Trinity-Star Holdings Limited	Holding company	68.09%	68.09%	-
	Jewel Investment Limited	Holding company	100.00%	100.00%	-
	Agile Gain Investment Limited	Holding company	100.00%	100.00%	-
	Chung Jye Shoes Co., Ltd. (Chung Jye Shoes)	Import and export trade and sales of leisure outdoor shoes	100.00%	100.00%	-
	PT Chung Jye Indonesia	Production of outdoor sports and leisure outdoor shoes	0.09%	-	4

(Cont'd)

(Cont'd)

Name of investee	Name of subsidiary	Business nature	Shareholding ratio		Description
			December 31, 2024	December 31, 2023	
Fortune Leader Industries Co., Ltd.	Zhaoqing Chung Jye Shoes Industry Co., Ltd. (Zhaoqing Chung Jye)	Production of outdoor sports and leisure outdoor shoes	100.00%	100.00%	-
Smartlook Investments Limited	Shanggao Chung Jye Shoes Industry Co., Ltd. (Shanggao Chung Jye)	Production of outdoor sports and leisure outdoor shoes	100.00%	100.00%	-
	Yifeng Chung Jye Shoes Industry Co., Ltd. (Yifeng Chung Jye)	Production of outdoor sports and leisure outdoor shoes	100.00%	100.00%	-
	Shanggao Chung Liang Shoes Industry Co., Ltd. (Shanggao Chung Liang)	Production of outdoor sports and leisure outdoor shoes	-	-	2
	Fengcheng Chung Jye Shoes Industry Co., Ltd. (Fengcheng Chung Jye)	Production of outdoor sports and leisure outdoor shoes	100.00%	100.00%	-
Wealthy International Ltd.	Hai Duong - Viet Nam Chung Jye Shoes Manufacturing Co., Ltd (Hai Duong Chung Jye)	Production of outdoor sports and leisure outdoor shoes	100.00%	100.00%	-
	Ninh Binh - Viet Nam Chung Jye Shoes Manufacturing Co., Ltd. (Ninh Binh Chung Jye)	Production of outdoor sports and leisure outdoor shoes	100.00%	100.00%	-
Trinity-Star Holdings Limited	Shanggao Jye Sheng Industry Co., Ltd. (Shanggao Jye Sheng)	Production of outdoor sports and leisure outdoor shoes	100.00%	100.00%	-
Agile Gain Investment Limited	Shanggao Chung Yi Industry Co., Ltd. (Shanggao Chung Yi)	Production of outdoor sports and leisure outdoor shoes	-	-	1
	Sihui Chung Jye Shoes Industry Co., Ltd. (Sihui Chung Jye)	Production of outdoor sports and leisure outdoor shoes	-	-	1
	Guangning Chung Bao Shoes Industry Co., Ltd. (Guangning Chung Bao)	Production of outdoor sports and leisure outdoor shoes	-	-	1
	PT Chung Jye Indonesia	Production of outdoor sports and leisure outdoor shoes	99.91%	-	4
Better Power Group Limited	Tuyen Chuan - Vietnam Chung Jye Shoes Manufacturing Co., Ltd. (Tuyen Chuan Chung Jye)	Production of outdoor sports and leisure outdoor shoes	100.00%	100.00%	-
	BACKAN－VIET NAM CHUNG JYE SHOES MANUFACTURE LTD	Production of outdoor sports and leisure outdoor shoes	100.00%	-	3
Zhaoqing Chung Jye Shoes Industry Co., Ltd. (Zhaoqing Chung Jye)	Runan Chung Jye Shoes Industry Co., Ltd. (Runan Chung Jye)	Production of outdoor sports and leisure outdoor shoes	100.00%	100.00%	-
	Sihui Chung Jye Shoes Industry Co., Ltd. (Sihui Chung Jye)	Production of outdoor sports and leisure outdoor shoes	100.00%	100.00%	1
	Guangning Chung Bao Shoes Industry Co., Ltd. (Guangning Chung Bao)	Production of outdoor sports and leisure outdoor shoes	100.00%	100.00%	1
Shanggao Chung Yi Industry Co., Ltd.	Zhaoqing Yong Xin Shoe Industry Co., Ltd. (Zhaoqing Yong Xin)	Production of outdoor sports and leisure outdoor shoes	90.00%	90.00%	-
Shanggao Chung Jye Shoes Industry Co., Ltd. (Shanggao Chung Jye)	Guangzhou Quants Trading Co., Ltd. (Guangzhou Quants)	Production and sales of sports and leisure outdoor shoes	-	-	2
	Guangdong Xin Jye Technology Co., Ltd. (Guangdong Xin Jye)	Production and sales of sports and leisure outdoor shoes	-	-	2
	Shanggao Chung Liang Shoes Industry Co., Ltd. (Shanggao Chung Liang)	Production of outdoor sports and leisure outdoor shoes	100.00%	100.00%	1
	Shanggao Chung Yi Industry Co., Ltd. (Shanggao Chung Yi)	Production of outdoor sports and leisure outdoor shoes	100.00%	100.00%	1

(Cont'd)

(Cont'd)

Name of investee	Name of subsidiary	Business nature	Shareholding ratio		Description
			December 31, 2024	December 31, 2023	
Chung Jye Shoes Co., Ltd. (Chung Jye Shoes)	Shoemaker American Inc.	Import and export trade and sales of leisure outdoor shoes	100.00%	100.00%	-
Shanggao Jye Sheng Industry Co., Ltd. (Shanggao Jye Sheng)	Shanggao Da Zhong Shoes Materials Co., Ltd. (Shanggao Da Zhong)	Production of outdoor sports and leisure outdoor shoes	-	100.00%	5
Nih Binh - Vietnam Chung Jye Shoes Manufacturing Co., Ltd. (Nih Binh Chung Jye)	New Horizon Corporation Limited Company	Property lease	100.00%	100.00%	-

Remarks:

1. The Consolidated adjusted its organizational structure in 2023. Zhaoqing Chung Jye acquired 100% equity of Sihui Chung Jye and Guangning Chung Bao from Agile Gain Investment Limited. Shanggao Chung Jye acquired Shanggao Chung Yi and Shanggao Chung Liang from Agile Gain Investment Limited and Smartlook Investments Limited, respectively. The above transactions are organizational reorganizations under joint control, and the carrying amount method is adopted for relevant transfers.

2. To simplify the investment structure and effectively integrate resources, the Consolidated Company resolved to liquidate and dissolve Guangzhou Quants and Guangdong Xin Jye; the cancelation was completed in 2023.

3. The Board resolved to approve the proposal for the investment in Backan - Vietnam Chung Jye Shoes Manufacturing Ltd in September 2023 and made a capital contribution of US$15,000 thousand in March 2024.

4. The Board resolved to approve the proposal for the investment in PT Chung Jye Indonesia in May 2024. Capital contributions of US$3 thousand and NT$2,876 thousand had been made by Guicheng Group Limited and Agile Gain Investment Limited, respectively, from July to November 2024, totaling NT$2,879 thousand. For the subsequent investment plan, please refer to the description in Note 26.

5. The shareholders' meeting of Shanggao Jye Sheng resolved to absorb and combine with Shanggao Da Zhong in February 2024, and Shanggao Da Zhong completed the cancelation procedures in July 2024.

XI. Property, plant and equipment

2024

	Land	Buildings	Machinery and equipment	Transportation equipment	Other equipment	Unfinished construction	Total
Cost							
Balance on January 1, 2024	$ 19,714	$ 3,077,235	$ 2,516,144	$ 104,357	$ 503,635	$ 54,671	$ 6,275,756
Addition	-	39,410	288,367	16,557	31,578	493,064	868,976
Disposal	-	(1,531)	(85,310)	(7,996)	(17,645)	(11,473)	(123,955)
Reclassification	33,676	11,529	164,491	(200)	(162)	(191,412)	17,922
Net exchange difference	-	104,825	101,188	4,836	22,897	7,576	241,322
Balance on December 31, 2024	$ 53,390	$ 3,231,468	$ 2,984,880	$ 117,554	$ 540,303	$ 352,426	$ 7,280,021
Accumulated depreciation							
Balance on January 1, 2024	$ -	$ 1,184,705	$ 1,175,300	$ 70,108	$ 368,782	$ -	$ 2,798,895
Depreciation expenses	-	162,967	259,802	8,276	36,373	-	467,418
Disposal	-	(1,531)	(71,311)	(7,196)	(16,057)	-	(96,095)
Reclassification	-	9,103	(21)	(180)	(9,321)	-	(419)
Net exchange difference	-	51,267	48,870	3,384	17,688	-	121,209
Balance on December 31, 2024	$ -	$ 1,406,511	$ 1,412,640	$ 74,392	$ 397,465	$ -	$ 3,291,008
Net amount on December 31, 2024	$ 53,390	$ 1,824,957	$ 1,572,240	$ 43,162	$ 142,838	$ 352,426	$ 3,989,013

2023

	Land	Buildings	Machinery and equipment	Transportation equipment	Other equipment	Unfinished construction	Total
Cost							
Balance on January 1, 2023	$ 19,714	$ 2,974,365	$ 2,408,121	$ 98,075	$ 515,425	$ 163,510	$ 6,179,210
Addition	-	80,803	180,703	10,474	23,402	111,075	406,457
Disposal	-	(4,942)	(124,881)	(2,170)	(20,790)	-	(152,783)
Derecognition of fire loss	-	(15,149)	-	-	-	-	(15,149)
Reclassification	-	112,311	110,051	-	(3,779)	(218,583)	-
Net exchange difference	-	(70,153)	(57,850)	(2,022)	(10,623)	(1,331)	(141,979)
Balance on December 31, 2023	$ 19,714	$ 3,077,235	$ 2,516,144	$ 104,357	$ 503,635	$ 54,671	$ 6,275,756
Accumulated depreciation							
Balance on January 1, 2023	$ -	$ 1,029,900	$ 1,064,916	$ 66,427	$ 348,298	$ -	$ 2,509,541
Depreciation expenses	-	182,470	252,776	6,968	33,543	-	475,757
Derecognition of fire loss	-	(2,153)	-	-	-	-	(2,153)
Disposal	-	(600)	(117,276)	(1,953)	(16,031)	-	(135,860)
Reclassification	-	127	-	-	10,655	-	10,782
Net exchange difference	-	(25,039)	(25,116)	(1,334)	(7,683)	-	(59,172)
Balance on December 31, 2023	$ -	$ 1,184,705	$ 1,175,300	$ 70,108	$ 368,782	$ -	$ 2,798,895
Net amount on December 31, 2023	$ 19,714	$ 1,892,530	$ 1,340,844	$ 34,249	$ 134,853	$ 54,671	$ 3,476,861

In 2024 and 2023, the Consolidated Company did not recognize or reverse impairment losses.

The depreciation expenses are provided on a straight-line basis over the estimated useful lives as shown:

Buildings	50 to 60 years
Machinery and equipment	5 to 10 years
Transportation equipment	5 to 10 years
Other equipment	3 to 10 years

For the property, plant and equipment provided as collaterals for borrowing, please refer to Note 25.

XII. Lease agreements

(I) Right-of-use assets

	December 31, 2024	December 31, 2023
Carrying amount of right-of-use assets		
Land	$ 598,004	$ 344,482
Buildings	49,519	44,096
Others	2,502	2,719
	$ 650,025	$ 391,297

	2024	2023
Addition of right-of-use assets	$ 262,939	$ 2,757
Depreciation expenses of right-of-use assets		
Land	$ 10,994	$ 9,344
Buildings	12,966	12,656
Others	353	346
	$ 24,313	$ 22,346

(II) Lease liabilities

	2024	2023
Carrying amount of lease liabilities		
Current	$ 14,884	$ 13,244
Non-current	$ 47,137	$ 42,079

The discount rate range of lease liabilities is as follows:

	2024	2023
Land	9.46%~10.20%	9.46%~10.20%
Buildings	4.35%~5.43%	2.32%~5.43%
Others	3.69%	3.69%

(III) Major lease activities and terms

In September 2024, the Consolidated Company acquired the land use rights in Runan County, Zhumadian City, Henan Province, Mainland China, for the land for the future plant and office. The area acquired totaled 22.97 hectares, and the leasing period is 50 years.

In October 2024, the Consolidated Company acquired the land use rights in Backan Province, Vietnam, for the land for the future plant and office. The area acquired totaled 13.05 hectares, and the leasing period is 50 years.

The Consolidated Company leased certain buildings, lands, and buildings in Vietnam and Mainland China for operating use as plants and offices, and the leasing period is 3 to 50 years. Upon the termination of the leasing period, the Consolidated Company has no right of first refusal for the land and buildings it leased.

Partial subsidiaries in Mainland China obtained governmental subsidies for the acquisition of land use rights. Relevant amounts were presented as deferred income, and were reclassified as profit or loss during the useful life of relevant assets. In 2024 and 2023, other income of NT$5,837 thousand and NT$3,467 thousand was recognized, respectively.

(IV) Other lease information

	2024	2023
Short-term lease expenses	$ 809	$ 844
Low-value assets lease expenses	$ 73	$ 111
Variable lease payments not included in the measurement of lease liabilities	$ 10,938	$ -
Total cash (outflow) from lease	($ 30,503)	($ 18,639)

XIII. Borrowings

(I) Short-term borrowings

	December 31, 2024	December 31, 2023
Secured bank borrowings (Note 25)	$ 791,562	$ 1,832,774
Credit limit borrowings	227,373	516,935
	$ 1,018,935	$ 2,349,709

The interest rate of bank revolving loans ranged from 1.8% to 2.9% and 1.88% to 3.00% as of December 31, 2024 and 2023, respectively.

(II) Long-term borrowings

	December 31, 2024	December 31, 2023
Secured borrowings (Note 25)		
Bank borrowings (1)	$ 30,039	$ 31,827
Bank borrowings (2)	335,000	471,000
	365,039	502,827
Less: Portion presented as due within one year	(171,158)	(137,799)
Long-term borrowings	$ 193,881	$ 365,028

1. The bank borrowings are secured by the Consolidated Company's self-owned land and buildings. The maturity date of the borrowings is January 7, 2039. As of December 31, 2024 and 2023, the interest rates of the borrowings were 2.32% and 2.19%, respectively, and are amortized and repaid throughout 20 years.

2. These borrowings are guaranteed by the Consolidated Company's bank deposits. The maturity dates are from May 2026 to September 2026. As of December 31, 2024 and 2023, the interest rates of the borrowings were 2.00% to 2.05% and 2.08% to 2.11%, respectively.

XIV. Other payables

	December 31, 2024	December 31, 2023
Insurance premiums payable	$ 1,390,457	$ 1,305,318
Salaries and bonuses payable	668,395	566,747
Remuneration of employees and Directors payable	47,000	64,500
Equipment payments payable	105,045	35,884
Taxes payable	41,639	63,961
Others (Note)	267,006	244,397
Total	$ 2,519,542	$ 2,280,807

Note: Mainly refer to freight and processing fees payable.

XV. Post-retirement benefit plan

(I) Defined contribution plan

The employee retirement regulations established by the subsidiary Chung Jye Shoes and Chung Jye Shoes Holdings Limited Taiwan Branch according to the "Labor Pension Act" is a government-administered defined contribution retirement plan, with 6% of the employee's monthly salary allocated to the individual account of the Bureau of Labor Insurance.

The employees of the subsidiaries of the Consolidated Company in Mainland China are members of the local government-operated retirement benefit plan. The subsidiaries are required to allocate a specific proportion of the cost of salaries to the retirement benefit plan to fund the plan. The obligation of the Consolidated Company to the retirement benefit plan operated by the government is only the allocation of a specific amount.

In addition, the Consolidated Company is an investment holding company and has only a few employees or no employees; therefore, it did not establish its employee retirement regulations nor appropriate or recognize pension expenses. Subsidiaries other than the abovementioned companies appropriate pensions according to the laws and regulations of the local government and recognize them as gain or loss of the period upon the appropriation.

(II) Defined benefit plan

The pension system organized by subsidiary Chung Jye Shoes according to the “Labor Standards Act” is a government-administered defined benefit retirement plan. The employee's pension is calculated based on the length of service and the average salary for the six months before the approved retirement date. The subsidiary Chung Jye Shoes allocates 2% of the total monthly salary of the employees to the pension, and hands it over to the Labor Pension Reserve Supervision Committee to deposit it into the special account of the Bank of Taiwan in the name of the Committee. Before the end of the year, if it is estimated that the balance of the special account is not sufficient to pay the workers who are expected to meet the retirement conditions in the next year, the difference will be provided in one go by the end of March of the next year. The management of the account is entrusted to the Bureau of Labor Fund

Utilization, Ministry of Labor, and the subsidiary Chung Jye Shoes has no right to influence the investment management strategy.

The amounts included in the consolidated balance sheet for defined benefit plans are as follows

	December 31, 2024	December 31, 2023
Present value of defined benefit obligations	$ 14,487	$ 13,812
Fair value of plan assets	(17,152)	(15,571)
Net defined benefit assets	($ 2,665)	($ 1,759)

Changes in net defined benefit liabilities (assets) are as follows:

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liabilities (assets)
January 1, 2023	$ 13,578	($ 15,247)	($ 1,669)
Service costs	168	-	168
Interest expenses (income)	170	(190)	(20)
Recognized in profit or loss	338	(190)	148
Remeasurement			
Return on plan assets	-	(134)	(134)
Actuarial gains - Adjustments based on experiences	(104)	-	(104)
Recognized in other comprehensive income	(104)	(134)	(238)
December 31, 2023	13,812	(15,571)	(1,759)
Service costs	170	-	170
Interest expenses (income)	173	(195)	(22)
Recognized in profit or loss	343	(195)	148
Remeasurement			
Return on plan assets	-	(1,386)	(1,386)
Actuarial (gains) losses			
- Changes in financial assumptions	(66)	-	(66)
- Adjustments based on experiences	398	-	398
Recognized in other comprehensive income	332	(1,386)	(1,054)
December 31, 2024	$ 14,487	($ 17,152)	($ 2,665)

The subsidiary Chung Jye Shoes is exposed to the following risks as a result of the pension system of the “Labor Standards Act”:

1. Investment risk: The Bureau of Labor Fund Operation of the Ministry of Labor invests the Labor Pension Fund in domestic (and foreign) equity and debt securities and bank deposits through self-application and entrusted operation, but the amount of plan assets allocated to the subsidiary Chung Jye Shoes is based on the income calculated at an interest rate not lower than the local bank's two-year time deposit rate.

2. Interest rate risk: A decrease in interest rates on government bonds will increase the present value of the defined benefit obligation, with a corresponding increase in the return on investment in plan assets, both of which have a partially offsetting effect on the net defined benefit obligation.

3. Salary Risk: The present value of the defined benefit obligation is calculated by reference to the future salary of plan members. Therefore, increases in plan members' salaries will result in an increase in the present value of the defined benefit obligation.

The present value of the subsidiary Chung Jye Shoes's defined benefit obligations was actuarially determined by a qualified actuary with the following significant assumptions as of the measurement date:

	December 31, 2024	December 31, 2023
Discount rate	1.40%	1.25%
Expected rate of salary increase	1.50%	1.50%

If reasonable and possible changes occurred to significant actuarial assumptions, with all other assumptions remaining unchanged, the present value of defined benefit obligations will increase (decrease) as follows:

	December 31, 2024	December 31, 2023
Discount rate		
Increase by 0.25%	($ 106)	($ 134)
Decrease by 0.25%	$ 110	$ 138
Expected rate of salary increase		
Increase by 1%	$ 449	$ 566
Decrease by 1%	($ 416)	($ 523)

As the actuarial assumptions may be related; therefore, the possibility of changes in a single assumption is low; therefore, the abovementioned sensitivity analysis may not reflect the changes in the present value of defined benefit obligations.

	December 31, 2024	December 31, 2023
Amount expected to be appropriated within 1 year	$ -	$ -
Average expiry of defined benefit obligations	3.5 years	4.7 years

XVI. Equity

(I) Share capital

Ordinary shares

	December 31, 2024	December 31, 2023
Number of authorized shares (thousand shares)	300,000	300,000
Authorized share capital	$ 3,000,000	$ 3,000,000
Number of issued and fully paid shares (thousand shares)	140,000	140,000
Issued share capital	$ 1,400,000	$ 1,400,000

The Company performed a capital increase in cash through the issuance of 15,750 thousand ordinary shares, with a par value of NT$10 per share, totaling NT$157,500 thousand, for the public underwriting before the initial listing, which was filed and became effective based on Letter Tai-Zheng-Shang-Er-Zi No. 11317044831 dated October 17, 2024. For the proposal for a capital increase in cash, March 5, 2025 was the base day for the capital increase, and share payments of NT$2,887,053 thousand were received.

(II) Capital reserve

	December 31, 2024	December 31, 2023
Can be used to cover losses, issue cash or supplement share capital (1)		
Premium from share issuance	$ 2,591,805	$ 2,591,805
Differences between the price for the acquisition or disposal of equity of subsidiaries and the carrying amount	69,209	69,209
Can only be used to cover losses		
Changes in the ownership equity in subsidiaries (2)	16,893	16,893
	$ 2,677,907	$ 2,677,907

1. Such capital reserve may be used to make up for losses and may also be used to distribute cash or be allocated as share capital when the Company has no losses, provided that the share capital allocation is limited to a certain proportion of the paid-in capital each year.

2. Such capital reserve is the effects of equity transactions recognized due to the changes in equity of subsidiaries when the Company has not acquired or disposed of the equity of subsidiaries.

(III) Retained earnings and dividend policy

According to the earning distribution policy of the Articles of Incorporation, during the listing period of shares in the Republic of China, if there are earnings after the annual final account, the Company shall pay taxes, compensate for accumulated losses, and appropriate 10% as the legal reserve; however, if the legal reserve has reached the paid-in capital of the Company, the appropriation is no longer required. For the remaining, appropriate or reverse the special reserve according to laws and regulations. If there is any balance, combine it with the accumulated undistributed earnings, and the Board shall formulate the proposal for earning distribution and submit it to the shareholders' meeting to resolve the distribution of shareholders' dividends. For the distribution policy of remuneration of employees and Directors, please refer to Note 18(6) remuneration of employees and remuneration of Directors. In addition, according to the Articles of Incorporation, shareholders' dividends may be distributed in cash dividends or stock dividends, and the ratio of the distribution of cash dividends shall not be less than 30%, in principle.

The legal reserve shall be appropriated until the balance reaches the total paid-in capital of the Company. The legal reserve can be used for loss compensation. When the Company has no loss, the part of the legal reserve exceeding 25% of the total paid-in share capital may be distributed in cash in addition to being appropriated as share capital.

Furthermore, according to the earning distribution policy of the Articles of Incorporation, during the listing period of shares in the Republic of China, appropriate and reverse the special reserve according to Letter Jin-Guan-Zheng-Fa-Zi No. 1090150022 and the "Q&A for the Application of the Appropriation of the Special Reserve after the Adoption of International Financial Reporting Standards (IFRS Accounting Standards)."

The Company held its annual shareholders' meeting on May 10, 2024 and June 15, 2023, and the proposal for the earning distribution for 2023 and 2022 resolved and approved is as follows:

	2023	2022
Cash dividends	$ 770,000	$ 924,000

The proposal for earning distribution for 2024 formulated by the Board on March 12, 2025 is as follows:

	2024
Cash dividends	$ 934,500
Cash dividends per share (NT$)	$ 6

The proposal for earning distribution for 2024 is to be resolved by the annual shareholders' meeting to be convened on June 10, 2025.

(IV) Exchange difference arising from the translation of the financial statements of foreign operations

	2024	2023
Opening balance	($ 367,101)	($ 177,410)
Generated during the year		
Translation differences in foreign operations	(285,717)	(209,314)
Translation difference for the presentation currency	676,820	19,623
Closing balance	$ 24,002	($ 367,101)

(V) Non-controlling interests

	2024	2023
Opening balance	$ 215,409	$ 168,362
Net profit for the current year	110,092	70,120
Cash dividends distributed during the year	(90,416)	-
Other comprehensive income of the year		
Exchange differences arising from the translation of the financial statements of foreign operations	(3,778)	(22,739)
Translation difference for the presentation currency	934	(334)
Closing balance	$ 232,241	$ 215,409

XVII. Income

	2024	2023
Income from contracts with customers		
Product sales income	$ 26,986,539	$ 22,739,253

XVIII. Net profit of continuing operations

(I) Other income

	2024	2023
Government subsidy income (Note 21)	$ 86,657	$ 47,445
Others	42,254	45,766
	$ 128,911	$ 93,211

(II) Other gains and losses

	2024	2023
Net currency exchange gain or loss	$ 247,163	$ 35,145
Net gain or loss from the disposal of property, plant and equipment	(1,398)	(1,171)
Gains or loss on financial instruments measured at fair value through profit or loss	5,365	6,439
Depreciation expenses of investment property	(47)	(71)
Fire loss	-	(12,996)
Others	(23,499)	(11,827)
	$ 227,584	$ 15,519

(III) Financial costs

	2024	2023
Interests on bank borrowings	$ 43,090	$ 60,064
Interest on lease liabilities	3,287	3,106
	$ 46,377	$ 63,170

(IV) Depreciation and amortization

	2024	2023
Depreciation summarized by function		
Operating costs	$ 438,615	$ 422,232
Operating expenses	53,116	75,871
Other expenses	47	71
	$ 491,778	$ 498,174
Amortization summarized by function		
Operating expenses	$ 2,186	$ 2,150

(V) Employee benefit expenses

	2024	2023
Post-retirement benefits		
Defined benefit plan (Note 15)	$ 148	$ 148
Defined contribution plan	342,304	263,557
Other employee benefits	6,065,251	5,037,142
	$ 6,407,703	$ 5,300,847
Summarized by function		
Operating costs	$ 5,082,210	$ 4,047,369
Operating expenses	1,325,493	1,253,478
	$ 6,407,703	$ 5,300,847

(VI) Remuneration of employees and remuneration of Directors

According to the Articles of Incorporation, no less than 0.1% and no more than 3% of net profit before tax and before the deduction of remuneration of employees and remuneration of Directors of the year shall be appropriated as remuneration of employees and remuneration of Directors, respectively. The remuneration of employees and remuneration of Directors estimated in 2024 and 2023 were resolved by the Board on March 12, 2025 and April 29, 2024 as follows:

Estimation ratio

	2024	2023
Remuneration of employees	1.22%	1.54%
Remuneration of Directors	0.80%	1.22%

Amount

	2024	2023
	Cash	Cash
Remuneration of employees	$ 27,617	$ 36,000
Remuneration of Directors	$ 18,000	$ 28,500

If there is still any change in the amount after the approval date for the publication of the consolidated financial statement, it is treated as a change in the accounting estimate and is adjusted and accounted for in the following year.

There is no difference between the distribution amount paid in 2023 and 2022 and the amount recognized in the 2023 and 2022 consolidated financial statements. For information on the remuneration of employees and remuneration of Directors resolved by the Board, please visit the "MOPS" of TWSE for inquiries.

XIX. Income tax

(I) Income tax recognized in profit or loss

The main components of the income tax expenses are as follows:

	2024	2023
Current income tax		
Those generated during the year	$ 521,147	$ 481,425
Additional tax levied on the undistributed earnings	-	9
Adjustments for prior years	(32,345)	(84,823)
Deferred income tax		
Those generated during the year	33,706	(12,281)
Income tax expenses recognized in profit or loss	$ 522,508	$ 384,330

The reconciliation between the accounting income and the income tax gains is as follows:

	2024	2023
Net profit before tax of continuing operations	$ 2,343,542	$ 2,351,137
Income tax expenses calculated based on net income before tax at the statutory tax rate	$ 540,077	$ 513,666
Tax-exempted income	(1,612)	(6,399)
Additional tax levied on the undistributed earnings	-	9
Items that shall be adjusted for an increase (decrease) when determining the taxable income	(33,939)	(16,696)
Unrecognized temporary differences	(442)	(428)
Unrecognized loss credits	50,769	(20,999)
Adjustments to the income tax expenses in prior years during the year	(32,345)	(84,823)
Income tax expenses recognized in profit or loss	$ 522,508	$ 384,330

The Consolidated Company is an entity subject to the Income Tax Act of the Republic of China, and the tax rate for the profit-seeking enterprise income tax is 20%. The taxes generated in other jurisdictions are calculated based on the applicable tax rates of different jurisdictions.

(II) Income tax recognized in other comprehensive income

	2024	2023
Deferred income tax		
Generated during the year		
Exchange differences arising from the translation of the financial statements of foreign operations	$ 32	$ -
Remeasurement of the defined benefit plan	212	48
	$ 244	$ 48

(III) Deferred income tax assets and liabilities

Changes in deferred income tax assets and liabilities are as follows:

2024

Deferred income tax assets	Opening balance	Recognized in (losses) gains	Recognized in other comprehensive income	Exchange differences	Closing balance
Temporary differences					
Inventory devaluation and obsolescence losses	$ 64,308	($ 11,747)	$ -	$ 2,713	$ 55,274
Other payables	311,863	(3,805)	-	13,769	321,827
Salaries and unused annual leave bonuses payable	10,335	715	-	504	11,554
Unrealized gross profit from sales	2,134	(1,043)	-	122	1,213
Unrealized exchange losses	9,264	(9,099)	-	(82)	83

(Cont'd)

(Cont'd)

	Opening balance	Recognized in (losses) gains	Recognized in other comprehensive income	Exchange differences	Closing balance
Loss allowance	$ 4,738	$ 528	$ -	$ 332	$ 5,598
Investment losses under the equity method	165	(59)	-	-	106
Defined benefit pension plan	145	30	-	-	175
Exchange differences of foreign operations	10	-	(10)	-	-
Others	958	127	-	51	1,136
Loss credits	14,123	-	-	725	14,848
	$ 418,043	($ 24,353)	($ 10)	$ 18,134	$ 411,814
Deferred income tax liabilities					
Temporary differences					
Defined benefit pension plan	$ 1,592	$ -	$ 212	$ -	$ 1,804
Unrealized exchange gains	85	10,220	-	2,877	13,182
Exchange differences of foreign operations	-	-	22	-	22
Others	1,324	(867)	-	57	514
	$ 3,001	$ 9,353	$ 234	$ 2,934	$ 15,522

2023

	Opening balance	Recognized in (losses) gains	Recognized in other comprehensive income	Exchange differences	Closing balance
Deferred income tax assets					
Temporary differences					
Inventory devaluation and obsolescence losses	$ 76,212	($ 3,144)	$ -	($ 8,760)	$ 64,308
Other payables	309,718	7,288	-	(5,143)	311,863
Salaries and unused annual leave bonuses payable	13,521	(1,388)	-	(1,798)	10,335
Unrealized gross profit from sales	4,285	(2,182)	-	31	2,134
Unrealized exchange losses	-	8,882	-	382	9,264
Loss allowance	-	4,793	-	(55)	4,738
Investment losses under the equity method	154	11	-	-	165
Defined benefit pension plan	116	29	-	-	145
Exchange differences of foreign operations	10	-	-	-	10
Others	1,682	(4,195)	-	3,471	958
Loss credits	37,800	(23,431)	-	(246)	14,123
	$ 443,498	($ 13,337)	$ -	($ 12,118)	$ 418,043
Deferred income tax liabilities					
Temporary differences					
Defined benefit pension plan	$ 1,544	$ -	$ 48	$ -	$ 1,592
Unrealized exchange gains	23,670	(23,860)	-	275	85
Others	3,107	(1,758)	-	(25)	1,324
	$ 28,321	($ 25,618)	$ 48	$ 250	$ 3,001

(IV) Approval of income tax

The profit-seeking enterprise income tax returns of Chung Jye Shoes Co., Ltd., Chung Jye Shoes Holdings Limited Taiwan Branch, and Trinity-Star Holdings Limited Taiwan Branch have been approved by the tax authorities up to 2022.

XX. Earnings per share

Unit: NT$ per share

	2024	2023
Basic earnings per share	$ 12.22	$ 13.55
Diluted earnings per share	$ 12.17	$ 13.49

The net profit and the weighted average number of ordinary shares used to calculate the earnings per share are as follows:

	2024	2023
Net profit attributable to the owners of the Company	$ 1,710,942	$ 1,896,687

Number of shares

Unit: Thousand shares

	2024	2023
Weighted average number of ordinary shares used to calculate the basic earnings per share	140,000	140,000
Effects of potentially dilutive ordinary shares:		
Remuneration of employees	537	611
Weighted average number of ordinary shares used to calculate diluted earnings per share	140,537	140,611

Suppose the Consolidated Company has the option to pay employees' remuneration in shares or cash. In that case, the calculation of diluted earnings per share is based on the assumption that the employees' remuneration will be issued in shares. The weighted average number of outstanding shares will be included in the calculation of diluted earnings per share when the potential common shares are diluted. When calculating the diluted earnings per share before the issuance of employees' remuneration shares in the next annual resolution, the dilution effect of such potential common shares shall also be considered.

XXI. Government subsidy

The Consolidated Company obtained government subsidies of NT$161,089 thousand (accounted for under deferred income) for the acquisition of land from 2012 to 2021. In addition, it obtained NT$110,019 thousand in 2024; the subsidy is recognized as income by period based on the period of use of land use rights. The amount of government subsidy income in 2024 and 2023 was NT$3,969 thousand and NT$3,182 thousand.

The amounts of government subsidies received by the Consolidated Company in 2024 and 2023 used as capital expenditures were NT$16,082 thousand and NT$15,598 thousand (accounted for under deferred income), respectively, and NT$1,868 thousand and NT$285 thousand were reclassified as subsidy income in 2024 and 2023, respectively.

The consolidated company has received and recognized government subsidy income of NT$80,820 thousand and NT$43,978 thousand for 2024 and 2023, respectively, in accordance with other government subsidy regulations.

XXII. Capital risk management

The Consolidated Company performs capital management to ensure that enterprises within the Group can continue to operate and maximize the return for shareholders through the optimization of the balance of debts and equity.

The Consolidated Company's capital structure consists of the Consolidated company's net debt (i.e., borrowings less cash and cash equivalents) and equity attributable to the owners of the Company (i.e., share capital, capital reserve, retained earnings, and other equity items).

The key management of the Consolidated Company regularly examines the capital structure of the Group, and the examination content includes the consideration of costs and relevant risks of various capital. The Consolidated Company balances its overall capital structure by paying dividends, issuing new shares, issuing new debts, or repaying old debts based on the recommendations of the key management.

XXIII. Financial Instruments

(I) Information on fair value - Financial instruments not measured at fair value

The management of the Consolidated Company considers that the carrying amount of financial assets and financial liabilities not measured at fair value approximates their fair value.

(II) Information on fair value - Financial instruments measured at fair value on a repetitive basis

1. Level of fair value

December 31, 2024: None

December 31, 2023: None

2. Reconciliation of financial instruments measured at Level 3 fair value

	Financial instruments measured at fair value through profit or loss	
	2024	2023
Financial assets		
Opening balance	$ -	$ 49,949
Recognized in profit or loss (other gains and losses)		
- Realized	5,365	6,439
Purchase	6,933,103	6,783,599
Disposal	(6,938,468)	(6,839,987)
Closing balance	$ -	$ -

3. Valuation techniques and inputs for Level 3 fair value measurement

The wealth management products in RMB purchased by subsidiaries adopted the quotation of the counterparty as the valuation technique and material unobservable input to calculate the expected income gain from holding such instruments.

(III) Categories of financial instruments

	December 31, 2024	December 31, 2023
Financial assets		
Financial assets measured at amortized cost (Note 1)	$ 9,849,815	$ 10,444,124
Financial liabilities		
Financial liabilities measured at amortized cost (Note 2)	7,556,453	7,968,952

Note 1: The balance includes cash and cash equivalents, financial assets measured at amortized cost, accounts receivable, accounts receivable - related parties, other receivables, refundable deposits, and other financial assets measured at amortized cost.

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

(IV) Purpose and policy of financial risk management

The Consolidated Company's main financial instruments include accounts receivable, accounts payable, borrowings, and lease liabilities. The Financial Management Department of the consolidated company provides services for all business units, coordinates the entry into domestic and international financial markets, and supervises and manages the financial risks related to the operation of the consolidated company by analyzing the internal risk report of the exposure according to the risk level and breadth. These risks include market risk (including exchange rate risk and interest rate risk), credit risk and liquidity risk.

1. Market risk

The main financial risk caused by the operating activities of the consolidated company to the consolidated company is the foreign currency exchange rate change risk (refer to (1) below) and the interest rate change risk (refer to (2) below).

(1) Exchange rate risk

Multiple subsidiaries of the Consolidated engage in sales and purchases denominated in foreign currencies, which results in the exposure of the Consolidated Company to changes in the exchange rate. For the management of exchange rate exposure, the Consolidated Company adopts natural hedging measures for foreign currency positions generated from operating activities, and the financial and accounting departments will carefully select the timing of foreign exchange settlement and adjust the ratio of different foreign currency accounts to achieve the management of exchange rate risk.

For the carrying amount of monetary assets and monetary liabilities denominated in non-functional currency on the balance sheet date

(including monetary items denominated in non-functional currency written off in the consolidated financial statements), please refer to Note 27.

Sensitivity analysis

The consolidated company is mainly affected by fluctuations in the exchange rates of the USD and NTD.

The table below details the sensitivity analysis of the Consolidated Company when the exchange rate of the functional currency changes by 1% against relevant foreign currencies. The sensitivity analysis only includes the monetary items that are in circulation, and the conversion at the end of the period is adjusted by 1% of the exchange rate change. The positive numbers in the following table represent the amount of net profit before tax that will increase when the functional currency depreciates by 1% relative to each foreign currency; when the functional currency appreciates by 1% relative to each relevant foreign currency, its impact on the net profit before tax will be a negative number of the same amount.

	Effects of USD (Note 1)		Effects of NTD (Note 2)	
	2024	2023	2024	2023
Profit or loss	$ 24,532	$ 21,203	($ 15,626)	($ 24,870)

Note 1: Note: It mainly comes from the Consolidated Company's outstanding cash and cash equivalents, accounts receivable, and accounts payable denominated in USD that are still outstanding on the balance sheet date without cash flow hedging.

Note 2: It mainly comes from the Consolidated Company's outstanding cash and cash equivalents, borrowings, and accounts payable denominated in NTD that are still outstanding on the balance sheet date without cash flow hedging.

(2) Interest rate risk

Interest rate exposure is caused by the fact that entities in the Consolidated Company borrow funds at fixed and floating rates. The Consolidated Company manages interest rate risk by maintaining an appropriate profile of fixed and floating interest rates.

The carrying amounts of the financial assets and financial liabilities of the Consolidated Company subject to interest rate exposure on the balance sheet date are as follows:

	December 31, 2024	December 31, 2023
Interest rate risk involving fair value		
Financial assets	$ 832,110	$ 2,528,256
Financial liabilities	797,021	1,623,097
Interest rate risk involving cash flow		
Financial assets	3,320,114	2,981,493
Financial liabilities	648,974	1,284,762

Sensitivity analysis

The following sensitivity analysis is based on the interest rate exposure of non-derivative instruments on the balance sheet date. For floating rate assets and liabilities, it is assumed that the amount of assets and liabilities outstanding on the balance sheet date is also outstanding during the reporting period. The change rate used within the Group to report interest rates to the key management is the increase/decrease in interest rate by 50 base points, which also represents the evaluation of the management regarding the scope of reasonable and possible changes in interest rate.

If interest rates increase/decrease by 50 base points, with all other variables remaining unchanged, the net profit before tax of the Consolidated Company in 2024 and 2023 will increase/decrease by NT$13,356 thousand and NT$8,484 thousand, respectively.

2. Credit risk

Credit risk refers to the risk of financial loss caused by default of contractual obligations of the counterparty. As of the balance sheet date, the maximum credit risk exposure of the Consolidated Company that may be due to financial losses caused by the failure of counterparties in performing the obligations is mainly from the carrying amount of financial assets recognized in the balance sheet.

The policy adopted by the Consolidated Company is to conduct transactions only with reputable counterparties and obtain sufficient guarantees under necessary circumstances to reduce the risk of financial losses due to defaults. The Consolidated Company continues to monitor credit risks and the credit ratings of its counterparties, and controls credit exposure through regular examination and approval of credit limits of the counterparties.

Except for the top three customers, the Consolidated Company does not have any material credit exposure due to any single counterparty or a group of counterparties with similar features. When the counterparty is an affiliate, the Consolidated Company defines it as a counterparty with similar features. Among the balance of accounts receivable on December 31, 2024 and 2023, the credit risk concentration regarding the top three customers has not exceeded 45% and 38% of total monetary assets, and the credit risk concentration regarding other counterparties has not exceeded 15% and 10% of total monetary assets, respectively.

3. Liquidity risk

The Consolidated Company manages and maintains sufficient cash positions to support the Group's operations and mitigate the impact of cash flow fluctuations. The management of the Consolidated Company supervises the use of the bank financing limit and ensures compliance with the terms of borrowing contracts.

Bank borrowings are an important source of liquidity for the Consolidated Company. For the Consolidated Company's unused financing limit, please refer to the description in (3) financing limit below.

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

The maturity analysis of the remaining contracts of non-derivative financial liabilities is based on the undiscounted cash flow (including principal and estimated interest) of financial liabilities on the earliest possible repayment date of the Consolidated Company. Therefore, the series of bank loans that the consolidated company may be required to repay immediately shall not take into account the probability of the bank executing the right immediately in the earliest period in the table below; the maturity analysis of other non-derivative financial liabilities shall be prepared according to the agreed repayment date.

The following table is the maturity analysis of non-derivative financial liabilities with agreed repayment periods of the Consolidated Company summarized and presented based on the maturity date and the undiscounted maturity amount:

December 31, 2024

	less than 3 months	3 months to 1 year	1 to 5 years	Over 5 years
Liabilities with no interest	$ 5,997,754	$ 158,747	$ 15,978	$ -
Lease liabilities	4,625	15,213	19,066	59,036
Instruments with floating interest rates	626	629,498	10,009	22,729
Instruments with fixed interest rate instruments	144,287	431,916	168,674	-
	$ 6,147,292	$ 1,235,374	$ 213,727	$ 81,765

December 31, 2023

	less than 3 months	3 months to 1 year	1 to 5 years	Over 5 years
Liabilities with no interest	$ 4,831,937	$ 280,207	$ 4,272	$ -
Lease liabilities	4,043	12,963	28,573	79,719
Instruments with floating interest rates	1,033,702	236,825	9,302	23,454
Instruments with fixed interest rate instruments	1,114,907	133,341	343,498	-
	$ 6,984,589	$ 663,336	$ 385,645	$ 103,173

(2) Financing limit

	December 31, 2024	December 31, 2023
Unsecured bank borrowing limit		
- Used amount	$ 227,373	$ 516,935
- Unused amount	456,798	1,150,806
	$ 684,171	$ 1,667,741
Secured bank borrowing limit		
- Used amount	$ 1,156,601	$ 2,335,601
- Unused amount	7,528,209	4,013,982
	$ 8,684,810	$ 6,349,583

XXIV. Related party transactions

Transactions, account balances, gains and expenses between the Company and its subsidiaries (which are related parties of the Company) are eliminated in full at the time of consolidation, so they are not disclosed in this note. In addition to those disclosed in other notes, the transactions between the Consolidated Company and other related parties are as follows.

(I) Name of related party and its relationship

Name of related party	Relationship with the Consolidated Company
Jiangxi Junjie Shoe Material Co., Ltd.	Affiliate

(II) Sales

Category/name of related party	2024	2023
Affiliate	$ 6,213	$ -

(III) Purchase

Category/name of related party	2024	2023
Affiliate	$599,862	$625,147

(IV) Processing expenses

Category/name of related party	2024	2023
Affiliate	$ 95,162	$ 81,946

(V) Amounts receivable from related parties

Item	Category/name of related party	December 31, 2024	December 31, 2023
Accounts receivable	Affiliate	$ 228	$ -

(VI) Amounts payables to related parties

Item	Category/name of related party	December 31, 2024	December 31, 2023
Accounts payable	Affiliate	$ 161,681	$ 150,502

(VII) Remuneration of the key management

	2024	2023
Short-term employee benefits	$ 131,992	$ 140,577
Post-retirement benefits	810	84
	$ 132,802	$ 140,661

The salaries of Directors and other key management are determined by the Remuneration Committee based on personal performance and market trends.

XXV. Assets pledged

The following assets have been provided as collateral for bank borrowings and purchases:

	December 31, 2024	December 31, 2023
Pledged bank deposits (accounted for as financial assets measured at amortized cost)	$ 228,786	$ 910,221
Property, plant and equipment - Land	45,848	12,173
Net property, plant and equipment -Buildings	3,509	839
Investment property	8,739	45,175
	$ 286,882	$ 968,408

(XXVI) Material events after the period

(I) To plan for the long-term operating strategy of the Group and improve the flexibility of production capacity and market exploration, the Board resolved to increase its investment in subsidiary Guicheng Group Limited (the “Guicheng Limited”) in the amount of US$50,000 thousand, Guicheng Limited shall increase its investments in Agile Gain Investment Limited (the “Agile Ltd.”) in the amount of US$49,957

thousand, and Guicheng Limited and Agile Ltd. shall increase their investments in PT Chung Jye Indonesia, a subsidiary in Indonesia, based on their respective shareholding, with an increase in investment in PT Chung Jye Indonesia totaling US$50,000 thousand, on February 13, 2025.

(II) The Board resolved the investment in the plant construction plan of PT Chung Jye Indonesia, a subsidiary in Indonesia, on February 13, 2025, and the total amount of the investment plan is US$201,611 thousand.

(III) To fulfill corporate social responsibility, implement the concepts of sustainable management, and promote social welfare charitable activities, the Board resolved to donate NT$15 million to the Chung Jye Foundation on February 13, 2025 for the foundation to organize various charitable and public welfare activities.

XXVII. Information on financial assets and liabilities in foreign currencies with significant impact

The following information is summarized and expressed in foreign currencies other than the functional currencies of each entity of the Consolidated Company. The disclosed exchange rate refers to the exchange rate converted from such foreign currencies to functional currencies. Financial assets and liabilities in foreign currencies with significant impact are as follows:

December 31, 2024

	Foreign currency	Exchange rate	Carrying amount
Assets in foreign currencies			
Monetary item			
USD	$ 64,187	7.1879 (USD:RMB)	$ 2,104,368
USD	33,426	25,220 (USD:VND)	$ 1,095,870
NTD	41,954	0.0305 (NTD:USD)	$ 41,954
Liabilities in foreign currencies			
Monetary item			
USD	22,787	7.1879 (USD:RMB)	$ 747,074
NTD	1,604,520	0.0305 (NTD:USD)	$ 1,604,520

December 31, 2023

	Foreign currency	Exchange rate	Carrying amount
Assets in foreign currencies			
Monetary item			
USD	$ 78,120	7.0770 (USD:RMB)	$ 2,398,677
USD	48,571	24,060 (USD:VND)	$ 1,491,377
NTD	33,253	0.0326 (NTD:USD)	$ 33,253

(Cont'd)

(Cont'd)

Liabilities in foreign currencies	Foreign currency	Exchange rate	Carrying amount
Monetary item			
USD	$ 57,636	7.0770 (USD:RMB)	$ 1,769,706
NTD	2,520,241	0.0326 (NTD:USD)	$ 2,520,241

The realized and unrealized currency exchange gains in 2024 and 2023 were NT$247,163 thousand and NT$35,145 thousand. As there are plenty of transactions in foreign currencies and functional currencies of the entities of the Group, the exchange gain or loss may not be disclosed based on each foreign currency with significant impacts.

XXVIII. Other disclosures

(I) Information on significant transactions:

1. Loaning of funds to others: Table 1.

2. Endorsements and guarantees for others: Table 2.

3. Holding of securities at the end of the period (excluding investments in the equity of subsidiaries, affiliates and joint ventures): None.

4. Accumulated purchases or sales of the same securities reaching NT$300 million or more than 20% of the paid-in capital: Table 3.

5. The property acquired reaching NT$300 million or more than 20% of the paid-in capital: Table 4.

6. The property disposed of reaching NT$300 million or more than 20% of the paid-in capital: None.

7. The purchases or sales with related parties reaching NT$100 million or more than 20% of the paid-in capital: Table 5.

8. Amounts receivable from related parties reaching NT$100 million or more than 20% of the paid-in capital: Table 6.

9. Derivatives transaction: None.

10. Others: business relationships and significant transactions between the parent company and its subsidiaries and between subsidiaries: Table 9.

(II) Information on investees: Table 7.

(III) Information on investment in Mainland China:

1. Name of the investee in Mainland China, the main scope of business, paid-in capital, investment method, capital remittances, shareholding ratio, investment gain or loss, carrying amount of investment at the end of the period, repatriated investment gain or loss, and investment limit in Mainland China: Table 8.
2. Major transactions with the investees in Mainland China directly, indirectly, or through a third region, the price, payment conditions, and realized gain or loss: None.

   (1) Purchase amount and ratio and the closing balance of relevant amounts payable and ratio.
   (2) Sales amount and ratio and the closing balance of relevant amounts receivable and ratio.
   (3) Property transaction amount and gain or loss amount generated thereof.
   (4) Closing balance of endorsements or guarantees for notes or collateral provided and purposes.
   (5) The highest balance, closing balance, interest rate range and total interests of the period of financing.
   (6) Other transactions that have a significant impact on the current profit or loss or financial position (i.e., the provision or receipt of services).

(IV) Information on major shareholders: Name, number of shares held, and ratio of shareholders with over 5% shareholding: Table 10.

XXIX. Segment information

The Consolidated Company has identified the reportable segment based on the report information used in the formulation of decisions by the management and identified it as the shoe manufacturing business segment.

(I) Segment income and operating results

The profit and loss of the operating segment is mainly measured based on net profit before tax, and is used as the basis for evaluation. In addition, there is no significant inconsistency between the accounting policies used by the operating segment and the summary of important accounting policies described in Note 4.

(II) Income from main products

The income from the main products of the Consolidated Company is analyzed as follows:

	December 31, 2024	December 31, 2023
Shoe manufacturing business	$ 26,986,539	$ 22,739,253

(III) Information by region

Information on income from external customers divided based on countries or regions where they are located and non-current assets divided based on the location of assets are presented as follows:

	Income from external customers		Non-current assets	
			2024	2023
	2024	2023	December 31	December 31
Asia	$ 12,867,668	$ 9,699,714	$ 4,719,092	$ 3,920,882
America	9,382,247	6,599,812	37,546	36,320
Others	4,736,624	6,439,727	-	-
	$ 26,986,539	$ 22,739,253	$ 4,756,638	$ 3,957,202

Non-current assets exclude refundable deposits, deferred income tax assets, and net defined benefit assets.

(IV) Information on major customers

Income from a single customer that reaches 10% of the total income of the Consolidated Company is as follows:

	2024		2023	
Name of customer	Amount	%	Amount	%
A	$14,848,305	55	$12,183,452	54
B	2,866,904	11	2,391,932	11

Chung Jye Investment Holding Co., Ltd. and Its Subsidiaries

Table of Loaning of Funds to Others

From January 1 to December 31, 2024

Table 1

Unit: Unless otherwise specified, the unit is NT$ thousand

No.	Creditor	Borrower	Item	Whether a related party	Highest balance during the period (Note 4)	Closing balance (Note 4)	Amount withdrawn (Note 5)	Interest rate range	Nature of the loan (Note 1)	Amount of business transactions	Reasons for the need for short-term financing	Allowance for bad debt provided	Collateral		Limit of loans to individual counterparty (Note 2)	Total limit of loans (Note 3)	Remarks
													Name	Value			
0	Shanggao Chung Jye Shoes Industry Co., Ltd.	Yifeng Chung Jye Shoes Industry Co., Ltd.	Other receivables	Yes	$ 228,057 RMB 50,000	$ 228,057 RMB 50,000	$ 159,640 RMB 35,000	2.7%~3.00%	2	$ -	Working capital	$ -	—	$ -	$ 13,262,668	$ 13,262,668	
1	Shanggao Chung Jye Shoes Industry Co., Ltd.	Runan Chung Jye Shoes Industry Co., Ltd.	Other receivables	Yes	273,668 RMB 60,000	273,668 RMB 60,000	273,668 RMB 60,000	3%	2	-	Working capital	-	—	-	13,262,668	13,262,668	
2	Wealthy International Ltd.	Guicheng Group Limited	Other receivables	Yes	327,850 USD 10,000	- USD -	- USD -	-	2	-	Working capital	-	—	-	10,217,272	10,217,272	
3	Chung Jye Shoes Holdings Limited Taiwan Branch	Guicheng Group Limited	Other receivables	Yes	491,775 USD 15,000	491,775 USD 15,000	- USD -	-	2	-	Working capital	-	—	-	5,802,524	5,802,524	
4	Tuyen Chuan - Vietnam Chung Jye Shoes Manufacturing Co., Ltd.	Backan-Vietnam Chung Jye Shoes Manufacture Ltd	Other receivables	Yes	129,996 VND 100 billion	129,996 VND 100 billion	32,759 VND 25.2 billion	5%~6%	2	-	Working capital	-	—	-	2,745,488	2,745,488	
5	Nih Binh - Vietnam Chung Jye Shoes Manufacturing Co., Ltd.	New Horizon Corporation Limited Company	Other receivables	Yes	65 VND 50 million	- VND -	- VND -	-	2	-	Working capital	-	—	-	7,699,152	7,699,152	

Note 1: (1) With business transactions.
(2) Those with the need for short-term financing

Note 2: For companies with business transactions with the Company, the individual loan amount shall not exceed the amount of business transactions between both parties, and shall not exceed 10% of net worth in the financial statements of the latest period certified by CPAs. For those with the need for short-term financing, the individual loan amount shall not exceed 10% of net worth in the financial statements of the latest period certified by CPAs. Loans between foreign companies in which the Company directly and indirectly holds 100% of shares with voting rights or a foreign company or between a foreign company in which the Company directly and indirectly holds 100% of shares with voting rights or a foreign company and the Company is not restricted by the limit on short-term financing; however, the limit on the counterparty of loans shall not exceed four times the net worth in the financial statements of the latest period certified by CPAs.

Note 3: For those who require loans due to business transactions with the Company, the total limit of loans shall not exceed 40% of net worth in the financial statements of the latest period certified by CPAs. For those with the need for short-term financing, the total limit of loans shall not exceed 40% of net worth in the financial statements of the latest period certified by CPAs. Loans between foreign companies in which the Company directly and indirectly holds 100% of shares with voting rights or a foreign company or between a foreign company in which the Company directly and indirectly holds 100% of shares with voting rights or a foreign company and the Company is not restricted by the limit on short-term financing; however, the limit on the total loans shall not exceed four times the net worth in the financial statements of the latest period certified by CPAs.

Note 4: The valuation was performed based on the exchange rate at the end of the period.

Note 5: Written off.

Chung Jye Investment Holding Co., Ltd. and Its Subsidiaries

Endorsements and guarantees for others

From January 1 to December 31, 2024

Table 2

Unit: Unless otherwise specified, the unit is NT$ thousand

No.	Name of the endorsement or guarantee provider	Name of the counterparty of endorsement or guarantee		Endorsement and guarantee for a single enterprise Limit (Note 2)	Highest endorsement or guarantee balance during the period	Endorsement or guarantee balance at the end of the period	Amount withdrawn	Amount of endorsement or guarantee with property as collateral	Ratio of the accumulated endorsement and guarantee amount to the net worth of the latest financial statements (%)	Maximum limit of endorsement or guarantee (Notes 2 and 4)	Endorsement and guarantee provided by the parent company to subsidiaries	Endorsement and guarantee provided by subsidiaries to the parent company	Endorsement and guarantee provided in Mainland China	Remarks
		Name of company	Relationship (Note 1)											
0	Chung Jye Investment Holding Co., Ltd.	Chung Jye Shoes Holdings Limited Taiwan Branch	4	$ 40,785,428	$ 6,795,425	$ 6,795,425	$ 1,135,000	$ 212,103	66.65	$ 40,785,428	Y	N	N	Note 5
0	Chung Jye Investment Holding Co., Ltd.	Chung Jye Shoes Industry Co., Ltd.	4	40,785,428	10,000	10,000	-	-	0.10	40,785,428	Y	N	N	Note 5
0	Chung Jye Investment Holding Co., Ltd.	Chao Ching City Zhongjie Shoes Co., Ltd.	4	40,785,428	821,005	821,005	-	-	8.05	40,785,428	Y	N	Y	Notes 5, 6, and 7
0	Chung Jye Investment Holding Co., Ltd.	Shanggao Chung Jye Shoes Industry Co., Ltd.	4	40,785,428	364,891	364,891	-	-	3.58	40,785,428	Y	N	Y	Notes 5 and 7
0	Chung Jye Investment Holding Co., Ltd.	Yifeng Chung Jye Shoes Industry Co., Ltd.	4	40,785,428	456,114	456,114	-	13,683	4.47	40,785,428	Y	N	Y	Notes 5 and 6
1	Guicheng Group Limited	Chung Jye Shoes Holdings Limited Taiwan Branch	4	40,862,276	4,076,750	-	-	-	-	40,862,276	Y	N	N	Note 5
1	Guicheng Group Limited	Yifeng Chung Jye Shoes Industry Co., Ltd.	4	40,862,276	455,343	-	-	-	-	40,862,276	Y	N	Y	Note 5
1	Guicheng Group Limited	Chao Ching City Zhongjie Shoes Co., Ltd.	4	40,862,276	364,274	-	-	-	-	40,862,276	Y	N	Y	Note 5
1	Guicheng Group Limited	Shanggao Chung Jye Shoes Industry Co., Ltd.	4	40,862,276	364,274	-	-	-	-	40,862,276	Y	N	Y	Note 5
2	Chung Jye Shoes Industry Co., Ltd.	Guicheng Group Limited	4	364,184	1,280,000	-	-	-	-	364,184	N	Y	N	Note 5
2	Chung Jye Shoes Industry Co., Ltd.	Chung Jye Shoes Holdings Limited Taiwan Branch	4	364,184	4,270,000	-	-	-	-	364,184	N	N	N	Note 5
3	Chung Jye Shoes Holdings Limited Taiwan Branch	Guicheng Group Limited	4	5,802,524	2,109,250	-	-	-	-	5,802,524	N	Y	N	Note 5
3	Chung Jye Shoes Holdings Limited Taiwan Branch	Chao Ching City Zhongjie Shoes Co., Ltd.	4	5,802,524	364,274	-	-	-	-	5,802,524	N	N	Y	Note 5
3	Chung Jye Shoes Holdings Limited Taiwan Branch	Shanggao Chung Jye Shoes Industry Co., Ltd.	4	5,802,524	364,274	-	-	-	-	5,802,524	N	N	Y	Note 5
4	Chao Ching City Zhongjie Shoes Co., Ltd.	Yifeng Chung Jye Shoes Industry Co., Ltd.	4	1,209,816	455,343	-	-	-	-	1,209,816	N	N	Y	Note 5

Note 1: Relationship between the endorsement or guarantee provided and the counterparty of endorsement or guarantee:

(1) Companies with business transactions with the Company.

(2) Companies in which the Company directly and indirectly holds over 50% of shares with voting rights.

(3) Companies that directly or indirectly hold over 50% of the Company's shares with voting rights.

(4) Companies in which the Company directly and indirectly holds over 90% of shares with voting rights.

Note 2: The total endorsement and guarantee amount provided by the Company to external parties shall not exceed 40% of net worth in the financial statements of the latest period. The total endorsement and guarantee amount provided by the Company and its subsidiaries as a whole shall not exceed 40% of net worth in the financial statements of the latest period. The limit on endorsement and guarantee provided to a single enterprise shall not exceed 30% of net worth in the financial statements of the latest period. If the Company provides endorsement or guarantee to a company with business relations, except for otherwise stated by the regulations, the individual endorsement or guarantee amount shall be limited to the total accumulated transaction amount of the business transactions in the most recent 12 months, and shall not exceed 10% of net worth in the financial statements of the latest period.

Note 3: For endorsements and guarantees between the Company and a company in which the Company directly and indirectly holds over 50% of shares with voting rights, a company that directly or indirectly holds over 50% of the Company's shares with voting rights, or a company in which the Company directly and indirectly holds over 90% of shares with voting rights, the individual total endorsement and guarantee amount shall not exceed 10% of net worth in the financial statements of the latest period.

Note 4: Endorsements and guarantees between companies in which the Company directly and indirectly holds 100% of shares with voting rights are not subject to the restrictions in the preceding two paragraphs. The total endorsement and guarantee amount shall not exceed 10% of net worth in the financial statements of the latest period.

Note 5: If the Company has capital requirements through financing with banks for its operations, when applying for the financing limit with banks, the banks require the inclusion of Chung Jye Shoes Co., Ltd., which is substantially operating in Taiwan and holds properties in the endorsement and guarantee. The financing limit is shared by Chung Jye Shoes Co., Ltd.Chung Jye Shoes Holdings Limited Taiwan Branch, and Guicheng Group Limited; however, the properties are not listed as the property guarantee item as of December 31, 2024. The Board of Directors in June 2024 approved the provision of endorsement and guarantee by Zhongjie Investment Holding Co., Ltd. and the guarantor for the change of financing limit with financial institutions.

Note 6: The Company provided a joint guarantee to Yifeng Chung Jye Shoes Industry Co., Ltd. and Chao Ching City Zhongjie Shoes Co., Ltd. to obtain the bank borrowings of RMB100,000. The table above presented them separately and resulted in the double counting of the closing balance. They are joint endorsements and guarantees for obtaining a single credit limit.

Note 7: The Company provided a joint guarantee to Shanggao Chung Jye Shoes Industry Co., Ltd. and Chao Ching City Zhongjie Shoes Co., Ltd. to obtain the bank borrowings of RMB80,000. The table above presented them separately and resulted in the double counting of the closing balance. They are joint endorsements and guarantees for obtaining a single credit limit.

Chung Jye Investment Holding Co., Ltd. and Its Subsidiaries

Accumulated purchases or sales of the same securities reaching NT$300 million or more than 20% of the paid-in capital

From January 1 to December 31, 2024

Table 3

Unit: Thousand shares and NT$ thousand

Buyer or seller	Category and name of securities	Item	Counterparty	Relationship	At the beginning of the period		Purchase		Sales				At the end of the period	
					Number of shares	Amount	Number of shares	Amount	Number of shares	Selling price	Carrying amount	Disposal gain or loss	Number of shares	Amount (cost)
	Wealth management products													
Shanggao Chung Jye Shoes Industry Co., Ltd.	TLB wealth management product of Industrial and Commercial Bank of China	Financial assets at fair value through profit or loss - Current	—	—	-	$ -	-	$ 940,319	-	$ 940,808	$ 940,319	$ 489	-	$ -
Shanggao Chung Jye Shoes Industry Co., Ltd.	RJYL wealth management product of the Bank of China	Financial assets at fair value through profit or loss - Current	—	—	-	-	-	417,168	-	417,392	417,168	224	-	-
Shanggao Chung Jye Shoes Industry Co., Ltd.	AMHQLX wealth management product of the Bank of China	Financial assets at fair value through profit or loss - Current	—	—	-		-	739,627	-	740,235	739,627	608	-	-
Shanggao Chung Jye Shoes Industry Co., Ltd.	AMHQLX 4 wealth management product of the Bank of China	Financial assets at fair value through profit or loss - Current	—	—	-		-	450,992	-	451,287	450,992	295	-	-
Shanggao Chung Jye Shoes Industry Co., Ltd.	23GS5355 wealth management product of Industrial and Commercial Bank of China	Financial assets at fair value through profit or loss - Current	—	—	-	-	-	2,254,961	-	2,256,527	2,254,961	1,566	-	-
Chao Ching City Zhongjie Shoes Co., Ltd.	AMHQLX wealth management product of the Bank of China	Financial assets at fair value through profit or loss - Current	—	—	-	-	-	888,455	-	889,029	888,455	574	-	-
Shanggao Jye Sheng Industry Co., Ltd.	TLB wealth management product of Industrial and Commercial Bank of China	Financial assets at fair value through profit or loss - Current	—	—	-	-	-	644,919	-	645,614	644,919	695	-	-

Chung Jye Investment Holding Co., Ltd. and Its Subsidiaries

The property acquired reaching NT$300 million or more than 20% of the paid-in capital

From January 1 to December 31, 2024

Table 4

Unit: Unless otherwise specified, the unit is NT$ thousand

Acquirer	Name of property	Date of occurrence	Transaction amount	Consideration payment status	Counterparty	Relationship	If the counterparty is a related party, the information on the previous transfer				Reference for price determination	Acquisition purpose and use	Other agreed matters
							Owner	Relationship with the issuer	Date of transfer	Amount			
Backan-Viet Nam Chung Jye Shoes Manufacture Ltd	Consigned Plant Construction Contract of Backan-Viet Nam Chung Jye Shoes Manufacture Ltd	July 2024	$ 460,627 (VND 354.3 billion)	As of the reporting date, the work has been outsourced, and payments are made based on the implementation progress of the construction.	TAN VIET CONSTRUCTION COMPANY LIMITED	Non-related parties	-	-	-	$ -	-	Newly built shoe plant of Backan-Viet Nam Chung Jye Shoes Manufacturing Ltd.	None

Chung Jye Investment Holding Co., Ltd. and Its Subsidiaries

The purchases or sales with related parties reaching NT$100 million or more than 20% of the paid-in capital

From January 1 to December 31, 2024

Table 5

Unit: NT$ thousand

Purchaser (seller)	Name of counterparty	Relationship	Transaction Status				Transaction conditions different from general transactions, and reasons		Notes and accounts receivable (payable)		Remarks
			(Purchases) sales	Amount	As a percentage of total (purchases) sales (%)	Credit period	Unit price	Credit period	Balance	As a percentage of total notes and accounts receivable (payable) (%)	
Shanggao Jye Sheng Industry Co., Ltd.	Chao Ching City Zhongjie Shoes Co., Ltd.	Brother company	Sales	$ 186,087	11%	Approximately 90 days	Cost plus	No significant difference	$ 46,895	14%	
Shanggao Jye Sheng Industry Co., Ltd.	Shanggao Chung Jye Shoes Industry Co., Ltd.	Brother company	Sales	801,278	45%	Approximately 90 days	Cost plus	No significant difference	127,106	37%	
Shanggao Jye Sheng Industry Co., Ltd.	Trinity-Star Holdings Limited	Brother company	Sales	625,997	36%	Approximately 90 days	Cost plus	No significant difference	102,317	30%	
Shanggao Chung Jye Shoes Industry Co., Ltd.	Chung Jye Shoes Holdings Limited Taiwan Branch	Brother company	Sales	3,453,466	35%	Approximately 90 days	Cost plus	No significant difference	931,537	44%	
Shanggao Chung Jye Shoes Industry Co., Ltd.	Chung Jye Shoes Holdings Limited Taiwan Branch	Brother company	Purchases	(1,317,510)	(15%)	Approximately 90 days	Cost plus	No significant difference	(227,077)	(17%)	
Shanggao Chung Jye Shoes Industry Co., Ltd.	Shanggao Jye Sheng Industry Co., Ltd.	Brother company	Purchases	(801,278)	(9%)	Approximately 90 days	Cost plus	No significant difference	(127,106)	(10%)	
Shanggao Chung Jye Shoes Industry Co., Ltd.	Runan Chung Jye Shoes Industry Co., Ltd.	Brother company	Purchases	(436,359)	(5%)	Approximately 90 days	Cost plus	No significant difference	(38,022)	(3%)	
Shanggao Chung Jye Shoes Industry Co., Ltd.	Fengcheng Chung Jye Shoes Industry Co., Ltd.	Brother company	Purchases	(259,668)	(3%)	Approximately 90 days	Cost plus	No significant difference	(7,711)	(1%)	
Shanggao Chung Jye Shoes Industry Co., Ltd.	Chao Ching City Zhongjie Shoes Co., Ltd.	Brother company	Purchases	(374,881)	(4%)	Approximately 90 days	Cost plus	No significant difference	(23,019)	(2%)	
Taiwan Chung Jye Shoes Industry Co., Ltd.	Chung Jye Shoes Holdings Limited Taiwan Branch	Brother company	Sales	234,757	100%	Approximately 90 days	Cost plus	No significant difference	28,771	100%	
Sihui Chung Jye Shoes Industry Co., Ltd.	Chao Ching City Zhongjie Shoes Co., Ltd.	Brother company	Sales	126,323	91%	Approximately 90 days	Cost plus	No significant difference	5,406	41%	
Runan Chung Jye Shoes Industry Co., Ltd.	Shanggao Chung Jye Shoes Industry Co., Ltd.	Brother company	Sales	436,359	80%	Approximately 90 days	Cost plus	No significant difference	38,022	29%	
Tuyen Chuan - Vietnam Chung Jye Shoes Manufacturing Co., Ltd.	Chung Jye Shoes Holdings Limited Taiwan Branch	Brother company	Sales	764,351	60%	Approximately 90 days	Cost plus	No significant difference	25,049	34%	
Tuyen Chuan - Vietnam Chung Jye Shoes Manufacturing Co., Ltd.	Hai Duong - Viet Nam Chung Jye Shoes Manufacturing Co., Ltd	Brother company	Sales	184,244	14%	Approximately 90 days	Cost plus	No significant difference	33,158	46%	
Tuyen Chuan - Vietnam Chung Jye Shoes Manufacturing Co., Ltd.	Nih Binh - Vietnam Chung Jye Shoes Manufacturing Co., Ltd.	Brother company	Sales	328,694	26%	Approximately 90 days	Cost plus	No significant difference	14,630	20%	
Hai Duong - Viet Nam Chung Jye Shoes Manufacturing Co., Ltd	Chung Jye Shoes Holdings Limited Taiwan Branch	Brother company	Sales	848,948	98%	Approximately 90 days	Cost plus	No significant difference	345,181	100%	
Hai Duong - Viet Nam Chung Jye Shoes Manufacturing Co., Ltd	Tuyen Chuan - Vietnam Chung Jye Shoes Manufacturing Co., Ltd.	Brother company	Purchases	(184,244)	(23%)	Approximately 90 days	Cost plus	No significant difference	(33,158)	(40%)	
Nih Binh - Vietnam Chung Jye Shoes Manufacturing Co., Ltd.	Chung Jye Shoes Holdings Limited Taiwan Branch	Brother company	Sales	2,035,811	88%	Approximately 90 days	Cost plus	No significant difference	644,942	92%	
Nih Binh - Vietnam Chung Jye Shoes Manufacturing Co., Ltd.	Trinity-Star Holdings Limited	Brother company	Sales	288,416	12%	Approximately 90 days	Cost plus	No significant difference	58,659	8%	
Nih Binh - Vietnam Chung Jye Shoes Manufacturing Co., Ltd.	Tuyen Chuan - Vietnam Chung Jye Shoes Manufacturing Co., Ltd.	Brother company	Purchases	(328,694)	(15%)	Approximately 90 days	Cost plus	No significant difference	(14,630)	(11%)	
Chao Ching City Zhongjie Shoes Co., Ltd.	Chung Jye Shoes Holdings Limited Taiwan Branch	Brother company	Sales	2,614,629	66%	Approximately 90 days	Cost plus	No significant difference	429,960	61%	

(Cont'd)

(Cont'd)

Purchaser (seller)	Name of counterparty	Relationship	Transaction Status				Transaction conditions different from general transactions, and reasons		Notes and accounts receivable (payable)		Remarks
			(Purchases) sales	Amount	As a percentage of total (purchases) sales (%)	Credit period	Unit price	Credit period	Balance	As a percentage of total notes and accounts receivable (payable) (%)	
Chao Ching City Zhongjie Shoes Co., Ltd.	Shanggao Chung Jye Shoes Industry Co., Ltd.	Brother company	Sales	$ 374,881	9%	Approximately 90 days	Cost plus	No significant difference	$ 23,019	3%	
Chao Ching City Zhongjie Shoes Co., Ltd.	Chung Jye Shoes Holdings Limited Taiwan Branch	Brother company	Purchases	(928,020)	(28%)	Approximately 90 days	Cost plus	No significant difference	(423,098)	(49%)	
Chao Ching City Zhongjie Shoes Co., Ltd.	Shanggao Jye Sheng Industry Co., Ltd.	Brother company	Purchases	(186,087)	(6%)	Approximately 90 days	Cost plus	No significant difference	(46,895)	(5%)	
Chao Ching City Zhongjie Shoes Co., Ltd.	Sihui Chung Jye Shoes Industry Co., Ltd.	Brother company	Purchases	(126,323)	(4%)	Approximately 90 days	Cost plus	No significant difference	(5,406)	(1%)	
Chao Ching City Zhongjie Shoes Co., Ltd.	Guangning Chung Bao Shoes Industry Co., Ltd.	Brother company	Purchases	(166,433)	(5%)	Approximately 90 days	Cost plus	No significant difference	-	-	
Guangning Chung Bao Shoes Industry Co., Ltd.	Chao Ching City Zhongjie Shoes Co., Ltd.	Brother company	Sales	166,433	99%	Approximately 90 days	Cost plus	No significant difference	-	-	
Chung Jye Shoes Holdings Limited Taiwan Branch	Taiwan Chung Jye Shoes Industry Co., Ltd.	Brother company	Purchases	(234,757)	(1%)	Approximately 90 days	Cost plus	No significant difference	(28,771)	(1%)	
Chung Jye Shoes Holdings Limited Taiwan Branch	Chao Ching City Zhongjie Shoes Co., Ltd.	Brother company	Sales	928,020	5%	Approximately 90 days	Cost plus	No significant difference	423,098	42%	
Chung Jye Shoes Holdings Limited Taiwan Branch	Shanggao Chung Jye Shoes Industry Co., Ltd.	Brother company	Sales	1,317,510	7%	Approximately 90 days	Cost plus	No significant difference	227,077	5%	
Chung Jye Shoes Holdings Limited Taiwan Branch	Chao Ching City Zhongjie Shoes Co., Ltd.	Brother company	Purchases	(2,614,629)	(15%)	Approximately 90 days	Cost plus	No significant difference	(429,960)	(11%)	
Chung Jye Shoes Holdings Limited Taiwan Branch	Shanggao Chung Jye Shoes Industry Co., Ltd.	Brother company	Purchases	(3,453,466)	(20%)	Approximately 90 days	Cost plus	No significant difference	(931,537)	(25%)	
Chung Jye Shoes Holdings Limited Taiwan Branch	Trinity-Star Holdings Limited	Brother company	Purchases	(1,059,263)	(6%)	Approximately 90 days	Cost plus	No significant difference	(172,507)	(5%)	
Chung Jye Shoes Holdings Limited Taiwan Branch	Nih Binh - Vietnam Chung Jye Shoes Manufacturing Co., Ltd.	Brother company	Purchases	(2,035,811)	(12%)	Approximately 90 days	Cost plus	No significant difference	(644,942)	(17%)	
Chung Jye Shoes Holdings Limited Taiwan Branch	Tuyen Chuan - Vietnam Chung Jye Shoes Manufacturing Co., Ltd.	Brother company	Purchases	(764,351)	(4%)	Approximately 90 days	Cost plus	No significant difference	(25,049)	(1%)	
Chung Jye Shoes Holdings Limited Taiwan Branch	Hai Duong - Viet Nam Chung Jye Shoes Manufacturing Co., Ltd	Brother company	Purchases	(848,948)	(5%)	Approximately 90 days	Cost plus	No significant difference	(345,181)	(9%)	
Trinity-Star Holdings Limited	Shanggao Jye Sheng Industry Co., Ltd.	Brother company	Purchases	(625,997)	(56%)	Approximately 90 days	Cost plus	No significant difference	(102,317)	(57%)	
Trinity-Star Holdings Limited	Chung Jye Shoes Holdings Limited Taiwan Branch	Brother company	Sales	1,059,263	75%	Approximately 90 days	Cost plus	No significant difference	172,507	69%	
Trinity-Star Holdings Limited	Nih Binh - Vietnam Chung Jye Shoes Manufacturing Co., Ltd.	Brother company	Purchases	(288,416)	(26%)	Approximately 90 days	Cost plus	No significant difference	(58,659)	(33%)	
Fengcheng Chung Jye Shoes Industry Co., Ltd.	Shanggao Chung Jye Shoes Industry Co., Ltd.	Brother company	Sales	259,668	69%	Approximately 90 days	Cost plus	No significant difference	7,711	7%	

Note: The purchases and sales between the consolidation entities are written off.

Chung Jye Investment Holding Co., Ltd. and Its Subsidiaries

Amounts receivable from related parties reaching NT$100 million or more than 20% of the paid-in capital

December 31, 2024

Table 6

Unit: NT$ thousand

Company with accounts receivable	Name of counterparty	Relationship	Balance of accounts receivable from related parties	Turnover rate (time)	Overdue amounts receivable from related parties		Amounts receivable from related parties recovered after the period	Amount of loss allowance provided	Remarks
					Amount	Treatment			
Shanggao Chung Jye Shoes Industry Co., Ltd.	Chung Jye Shoes Holdings Limited Taiwan Branch	Brother company	$ 931,537	3.44	$ -	-	$ 457,054	$ -	—
Hai Duong - Viet Nam Chung Jye Shoes Manufacturing Co., Ltd	Chung Jye Shoes Holdings Limited Taiwan Branch	Brother company	345,181	2.19	-	-	66,554	-	—
Nih Binh - Vietnam Chung Jye Shoes Manufacturing Co., Ltd.	Chung Jye Shoes Holdings Limited Taiwan Branch	Brother company	644,942	2.66	-	-	224,905	-	—
Chao Ching City Zhongjie Shoes Co., Ltd.	Chung Jye Shoes Holdings Limited Taiwan Branch	Brother company	429,960	5.10	-	-	247,050	-	—
Chung Jye Shoes Holdings Limited Taiwan Branch	Chao Ching City Zhongjie Shoes Co., Ltd.	Brother company	423,098	2.83	-	-	-	-	—
Trinity-Star Holdings Limited	Chung Jye Shoes Holdings Limited Taiwan Branch	Brother company	172,507	5.97	-	-	88,804	-	—
Chung Jye Shoes Holdings Limited Taiwan Branch	Shanggao Chung Jye Shoes Industry Co., Ltd.	Brother company	227,077	7.45	-	-	102,032	-	—
Shanggao Jye Sheng Industry Co., Ltd.	Shanggao Chung Jye Shoes Industry Co., Ltd.	Brother company	127,106	6.12	-	-	60,964	-	—
Shanggao Jye Sheng Industry Co., Ltd.	Trinity-Star Holdings Limited	Brother company	102,317	6.90	-	-	48,736	-	—
Shanggao Chung Jye Shoes Industry Co., Ltd.	Runan Chung Jye Shoes Industry Co., Ltd.	Brother company	273,668	Not applicable	-	-	-	-	Note 1
Shanggao Chung Jye Shoes Industry Co., Ltd.	Yifeng Chung Jye Shoes Industry Co., Ltd.	Brother company	159,640	Not applicable	-	-	-	-	Note 1

Note 1: Loaning of funds.

Chung Jye Investment Holding Co., Ltd. and Its Subsidiaries

Name of investee, location, and other relevant information

From January 1 to December 31, 2024

Table 7

Unit: Unless otherwise specified, the unit is NT$ thousand or thousand in foreign currency

Name of investee	Name of investee	Location	Main scope of business	Initial investment amount		Held at the end of the period			(Loss) profits of the investee of the period	Investment gains (losses) recognized during the period	Remarks
				At the end of the period	At the end of the preceding period	Number of shares	Ratio (%)	Carrying amount			
Chung Jye Investment Holding Co., Ltd.	Guicheng Group Limited	Samoa	Investment holding business	USD 3,342	USD 3,342	2,248,892	100%	USD 318,677	USD 54,893	USD 54,893	
Guicheng Group Limited	Chung Jye Shoes Holdings Limited	Samoa	Import and export trade and sales of leisure outdoor shoes	USD 3,200	USD 3,200	1,000,000	100%	USD 44,382	USD 40,147	USD 40,074	
	Better Power Group Limited	Samoa	Investment holding business	USD 39,382	USD 24,382	1,000,000	100%	USD 35,986	USD 2,059	USD 2,059	
	Wealthy International Ltd.	Belize	Investment holding business	USD 67,879	USD 67,879	50,000	100%	USD 77,911	(USD 4,882)	(USD 4,882)	
	Fortune Leader Industries Co., Ltd.	British Virgin Island	Investment holding business	USD 20,000	USD 20,000	38,800	100%	USD 9,338	(USD 9,270)	(USD 9,270)	
	Smartlook Investments Limited	Samoa	Investment holding business	USD 82,050	USD 82,050	1,000,000	100%	USD 115,436	USD 19,072	USD 19,072	
	Trinity-Star Holdings Limited	Samoa	Investment holding business	USD 11,900	USD 11,900	750,000	68.09%	USD 15,851	USD 10,740	USD 7,259	
	Jewel Investment Limited	Samoa	Investment holding business	USD -	USD -	1,100,000	100%	(USD 17)	(USD 4)	(USD 4)	
	Agile Gain Investment Limited	Samoa	Investment holding business	USD 4,210	USD 2,210	100,000	100%	USD 6,305	USD 238	USD 238	
	Chung Jye Shoes Co., Ltd.	Taichung City	Import and export trade and sales of leisure outdoor shoes	NTD 86,000	NTD 86,000	860,000	100%	USD 2,777	USD 13	USD 13	
	PT Chung Jye Indonesia	Indonesia	Production of outdoor sports and leisure outdoor shoes	USD 3	-	10	0.09%	USD 3	(USD 89)	USD -	
Wealthy International Ltd.	Hai Duong - Viet Nam Chung Jye Shoes Manufacturing Co., Ltd	Hai Duong City, Vietnam	Production of outdoor sports and leisure outdoor shoes	USD 18,064	USD 18,064	-	100%	USD 16,403	USD 521	USD 521	
	Nih Binh - Vietnam Chung Jye Shoes Manufacturing Co., Ltd.	Nih Binh City, Vietnam	Production of outdoor sports and leisure outdoor shoes	USD 62,992	USD 62,992	-	100%	USD 58,782	USD 2,208	USD 2,208	
Agile Gain Investment Limited	PT Chung Jye Indonesia	Indonesia	Production of outdoor sports and leisure outdoor shoes	USD 2,876	-	11,490	99.91%	USD 2,853	(USD 89)	(USD 89)	
Better Power Group Limited	Tuyen Chuan - Vietnam Chung Jye Shoes Manufacturing Co., Ltd.	Tuyen Chuan City, Vietnam	Production of outdoor sports and leisure outdoor shoes	USD 26,000	USD 26,000	-	100%	USD 20,961	USD 1,654	USD 1,654	
	Backan-Viet Nam Chung Jye Shoes Manufacture Ltd.	Backan City, Vietnam	Production of outdoor sports and leisure outdoor shoes	USD 15,000	USD -	-	100%	USD 15,024	USD 407	USD 407	
Chung Jye Shoes Co., Ltd.	Shoemaker American Inc	USA	Import and export trade and sales of leisure outdoor shoes	USD 100	USD 100	100,000	100%	USD 83	USD 9	USD 9	
Nih Binh - Vietnam Chung Jye Shoes Manufacturing Co., Ltd.	New Horizon CorporationLimited Company	Haiphong City, Vietnam	Property lease	VND 138,000 ($ million)	VND 138,000 ($ million)	-	100%	VND 105,210 ($ million)	(VND 5,511) ($ million)	(VND 5,511) ($ million)	

Note 1: The abovementioned investees that are subsidiaries are included in the consolidated financial statements, and relevant investments and profit or loss are fully written off.

Note 2: For information on investees in Mainland China, please refer to Table 8.

Note 3: The unit of VND is a million.

Chung Jye Investment Holding Co., Ltd. and Its Subsidiaries

Information on investment in Mainland China

From January 1 to December 31, 2024

Table 8

Unit: Unless otherwise specified, the unit is NT$ thousand or thousand in foreign currency

Name of investee	Name of investee in Mainland China	Main scope of business	Paid-in capital	Investment method	Accumulated investment amount remitted from Taiwan at the beginning of the period	Investment amount remitted or recovered during the period		Accumulated investment amount remitted from Taiwan at the end of the period	Profit or loss of investee (Note 4)	Ratio of direct or indirect investment in the Company	Investment (losses) gains recognized during the period (Notes 4 and 5)	Carrying amount of investments at the end of the period (Notes 3 and 5)	Repatriated investment gains as of the current period	Remarks
						Remitted	Recovered							
Fortune Leader Industries Co., Ltd.	Chao Ching City Zhongjie Shoes Co., Ltd.	Production of outdoor sports and leisure outdoor shoes	$ 711,624 CNY 156,019	Note 1	$ -	-	-	$ -	($ 297,488) (CNY 65,963)	100.00%	($ 297,141) (CNY 65,886)	$ 302,805 CNY 66,388	$ -	
Chao Ching City Zhongjie Shoes Co., Ltd.	Sihui Chung Jye Shoes Industry Co., Ltd.	Production of outdoor sports and leisure outdoor shoes	45,611 CNY 10,000	Note 2	-	-	-	-	(2,774) (CNY 615)	100.00%	(2,774) (CNY 615)	(11,312) (CNY 2,480)	-	
	Guangning Chung Bao Shoes Industry Co., Ltd.	Production of outdoor sports and leisure outdoor shoes	22,350 CNY 4,900	Note 2	-	-	-	-	1,854 CNY 411	100.00%	1,854 CNY 411	(44,257) (CNY 9,703)	-	
	Runan Chung Jye Shoes Industry Co., Ltd.	Production of outdoor sports and leisure outdoor shoes	228,057 CNY 50,000	Note 2					(76,795) (CNY 17,028)	100.00%	(76,795) (CNY 17,028)	(42,067) (CNY 9,223)	-	
Smartlook Investments Limited	Shanggao Chung Jye Shoes Industry Co., Ltd.	Production of outdoor sports and leisure outdoor shoes	1,732,097 CNY 379,751	Note 1	-	-	-	-	622,338 CNY 137,993	100.00%	622,338 CNY 137,993	3,315,669 CNY 726,939	-	
	Yifeng Chung Jye Shoes Industry Co., Ltd.	Production of outdoor sports and leisure outdoor shoes	334,030 CNY 73,234	Note 1	-	-	-	-	25,413 CNY 5,635	100.00%	25,413 CNY 5,635	125,481 CNY 27,511	-	
	Fengcheng Chung Jye Shoes Industry Co., Ltd.	Production of outdoor sports and leisure outdoor shoes	458,736 CNY 100,575	Note 1	-	-	-	-	(18,013) (CNY 3,994)	100.00%	(18,013) (CNY 3,994)	338,363 CNY 74,184	-	
Shanggao Chung Jye Shoes Industry Co., Ltd.	Shanggao Chung Liang Shoe Industry Co., Ltd.	Production of outdoor sports and leisure outdoor shoes	20,926 CNY 4,588	Note 2	-	-	-	-	1,403 CNY 311	100.00%	1,403 CNY 311	43,413 CNY 9,518	-	
	Shanggao Chung Yi Industry Co., Ltd.	Production of outdoor sports and leisure outdoor shoes	48,977 CNY 10,738	Note 2	-	-	-	-	4,122 CNY 914	100.00%	4,122 CNY 914	85,111 CNY 18,660	-	
Trinity-Star Holdings Limited	Shanggao Jye Sheng Industry Co., Ltd.	Production of outdoor sports and leisure outdoor shoes	352,079 CNY 77,191	Note 1	-	-	-	-	49,672 CNY 11,014	100.00%	49,672 CNY 11,014	486,226 CNY 106,602	-	
Shanggao Jye Sheng Industry Co., Ltd.	Shanggao Da Zhong Shoes Materials Co., Ltd.	Production of outdoor sports and leisure outdoor shoes	- CNY -	Note 2	-	-	-	-	7,419 CNY 1,645	100.00%	7,419 CNY 1,645	- CNY -	-	Note 9
Shanggao Chung Yi Industry Co., Ltd.	Zhaoqing Chung Jye Shoes Industry Co., Ltd.	Production of outdoor sports and leisure outdoor shoes	18,245 CNY 4,000	Note 2	-	-	-	-	365 CNY 81	90.00%	329 CNY 73	20,472 CNY 4,488	-	

Accumulated amount of investment in Mainland China remitted from Taiwan at the end of the period	Amount of investment approved by the Investment Commission, MOEA	The limit for investments in Mainland China set by the Investment Commission, MOEA
Note 8	Note 8	Note 8

Note 1: Investments in Mainland China through a holding company.

Note 2: Investments between companies in Mainland China.

Note 3: Calculated based on the exchange rate of RMB$1 = NT$4.561 at the end of December 2024.

Note 4: Calculated based on the average exchange rate of RMB$1 = NT$4.51 at the end of December 2024.

Note 5: Calculated based on the financial statements audited and certified by the parent company's CPA in Taiwan.

Note 6: The recognition of relevant investment gain or loss is recognized at the profit or loss of investees after tax less side-stream transactions and realized and unrealized gains.

Note 7: Consolidated and written off upon the preparation of the consolidated financial statements.

Note 8: Not applicable, as the Company is not established in the Republic of China.

Note 9: The shareholders’ meeting of Shanggao Jye Sheng resolved to absorb and combine with Shanggao Da Zhong in February 2024, and Shanggao Da Zhong completed the cancelation procedures in July 2024.

Chung Jye Investment Holding Co., Ltd. and Its Subsidiaries

Business relationships and significant transactions between the parent company and subsidiaries

From January 1 to December 31, 2024

Table 9

Unit: NT$ thousand

No. (Note 1)	Name of trader	Counterparty	Relationship with the trader (Note 2)	Transaction status			
				Item	Amount	Transaction conditions	As a percentage of consolidated total operating income or total assets (Note 3)
1	Shanggao Jye Sheng Industry Co., Ltd.	Shanggao Chung Jye Shoes Industry Co., Ltd.	3	Sales income	$ 801,278	O/A with net 90 to 180 days	3%
1	Shanggao Jye Sheng Industry Co., Ltd.	Shanggao Chung Jye Shoes Industry Co., Ltd.	3	Accounts receivable	127,106	O/A with net 90 to 180 days	1%
1	Shanggao Jye Sheng Industry Co., Ltd.	Trinity-Star Holdings Limited	3	Sales income	625,997	O/A with net 90 to 180 days	2%
1	Shanggao Jye Sheng Industry Co., Ltd.	Trinity-Star Holdings Limited	3	Accounts receivable	102,317	O/A with net 90 to 180 days	1%
1	Shanggao Jye Sheng Industry Co., Ltd.	Chao Ching City Zhongjie Shoes Co., Ltd.	3	Sales income	186,087	O/A with net 90 to 180 days	1%
2	Shanggao Chung Jye Shoes Industry Co., Ltd.	Chung Jye Shoes Holdings Limited Taiwan Branch	3	Accounts receivable	931,537	O/A with net 90 to 180 days	5%
2	Shanggao Chung Jye Shoes Industry Co., Ltd.	Chung Jye Shoes Holdings Limited Taiwan Branch	3	Sales income	3,453,466	O/A with net 90 to 180 days	13%
2	Shanggao Chung Jye Shoes Industry Co., Ltd.	Runan Chung Jye Shoes Industry Co., Ltd.	3	Other receivables	273,668	—	1%
2	Shanggao Chung Jye Shoes Industry Co., Ltd.	Yifeng Chung Jye Shoes Industry Co., Ltd.	3	Other receivables	159,640	—	1%
3	Tuyen Chuan - Vietnam Chung Jye Shoes Manufacturing Co., Ltd.	Chung Jye Shoes Holdings Limited Taiwan Branch	3	Sales income	764,351	O/A with net 90 to 180 days	3%
3	Tuyen Chuan - Vietnam Chung Jye Shoes Manufacturing Co., Ltd.	Hai Duong - Viet Nam Chung Jye Shoes Manufacturing Co., Ltd	3	Sales income	184,244	O/A with net 90 to 180 days	1%
3	Tuyen Chuan - Vietnam Chung Jye Shoes Manufacturing Co., Ltd.	Nih Binh - Vietnam Chung Jye Shoes Manufacturing Co., Ltd.	3	Sales income	328,694	O/A with net 90 to 180 days	1%
4	Hai Duong - Viet Nam Chung Jye Shoes Manufacturing Co., Ltd	Chung Jye Shoes Holdings Limited Taiwan Branch	3	Accounts receivable	345,181	O/A with net 90 to 180 days	2%
4	Hai Duong - Viet Nam Chung Jye Shoes Manufacturing Co., Ltd	Chung Jye Shoes Holdings Limited Taiwan Branch	3	Sales income	848,948	O/A with net 90 to 180 days	3%
5	Nih Binh - Vietnam Chung Jye Shoes Manufacturing Co., Ltd.	Chung Jye Shoes Holdings Limited Taiwan Branch	3	Accounts receivable	644,942	O/A with net 90 to 180 days	3%
5	Nih Binh - Vietnam Chung Jye Shoes Manufacturing Co., Ltd.	Chung Jye Shoes Holdings Limited Taiwan Branch	3	Sales income	2,035,811	O/A with net 90 to 180 days	8%
5	Nih Binh - Vietnam Chung Jye Shoes Manufacturing Co., Ltd.	Trinity-Star Holdings Limited	3	Sales income	288,416	O/A with net 90 to 180 days	1%
6	Chao Ching City Zhongjie Shoes Co., Ltd.	Chung Jye Shoes Holdings Limited Taiwan Branch	3	Accounts receivable	429,960	O/A with net 90 to 180 days	2%
6	Chao Ching City Zhongjie Shoes Co., Ltd.	Chung Jye Shoes Holdings Limited Taiwan Branch	3	Sales income	2,614,629	O/A with net 90 to 180 days	10%
6	Chao Ching City Zhongjie Shoes Co., Ltd.	Shanggao Chung Jye Shoes Industry Co., Ltd.	3	Sales income	374,881	O/A with net 90 to 180 days	1%
7	Chung Jye Shoes Holdings Limited Taiwan Branch	Chao Ching City Zhongjie Shoes Co., Ltd.	3	Accounts receivable	423,098	O/A with net 90 to 180 days	2%
7	Chung Jye Shoes Holdings Limited Taiwan Branch	Chao Ching City Zhongjie Shoes Co., Ltd.	3	Sales income	928,020	O/A with net 90 to 180 days	3%
7	Chung Jye Shoes Holdings Limited Taiwan Branch	Shanggao Chung Jye Shoes Industry Co., Ltd.	3	Accounts receivable	227,077	O/A with net 90 to 180 days	1%
7	Chung Jye Shoes Holdings Limited Taiwan Branch	Shanggao Chung Jye Shoes Industry Co., Ltd.	3	Sales income	1,317,510	O/A with net 90 to 180 days	5%
8	Trinity-Star Holdings Limited	Chung Jye Shoes Holdings Limited Taiwan Branch	3	Accounts receivable	172,507	O/A with net 90 to 180 days	1%
8	Trinity-Star Holdings Limited	Chung Jye Shoes Holdings Limited Taiwan Branch	3	Sales income	1,059,263	O/A with net 90 to 180 days	4%
9	Fengcheng Chung Jye Shoes Industry Co., Ltd.	Shanggao Chung Jye Shoes Industry Co., Ltd.	3	Sales income	259,668	O/A with net 90 to 180 days	1%
10	Chung Jye Shoes Co., Ltd.	Chung Jye Shoes Holdings Limited Taiwan Branch	3	Sales income	234,757	O/A with net 90 to 180 days	1%
11	Runan Chung Jye Shoes Industry Co., Ltd.	Shanggao Chung Jye Shoes Industry Co., Ltd.	3	Sales income	436,359	O/A with net 90 to 180 days	2%
12	Guangning Chung Bao Shoes Industry Co., Ltd.	Chao Ching City Zhongjie Shoes Co., Ltd.	3	Sales income	166,433	O/A with net 90 to 180 days	1%

Note 1: The business information between the parent company and the subsidiaries shall be indicated in the number column respectively, and the number shall be filled in as follows:

(1) Fill in 0 for the parent company.

(2) Subsidiaries are numbered in sequence starting from number 1.

Note 2: There are three types of relationships with the trader; just indicate the type:

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

Note 3: For the calculation of the ratio of the transaction to consolidated operating income or total assets, calculate as the ratio of balance at the end of the year to total consolidated assets for assets and liabilities or calculate as the ratio of the accumulated amount of the year to total consolidated operating income for profit or loss.

Note 4: The Company may decide whether to present the material transaction status in the table based on the principle of materiality.

Note 5: All transactions between the consolidated entities have been written off when preparing the consolidated financial statements.

Note 6: Related party transactions with an amount of over 1% of total consolidated operating income or total assets are disclosed; the other related party transactions will not otherwise be disclosed.

Chung Jye Investment Holding Co., Ltd.

Information on major shareholder

December 31, 2024

Table 10

Name of major shareholder	Share	
	Number of shares held (share)	Shareholding ratio
He De Gui Limited	24,505,597 shares	17.50%
Earn Great Investments Limited	24,505,597 shares	17.50%
Furong Family Holdings Limited	12,638,268 shares	9.03%
Ronggui Family Holdings Limited	11,893,351 shares	8.50%
Long En Ci Co., Ltd.	11,509,686 shares	8.22%
Cuiyu International Co., Ltd.	10,121,136 shares	7.23%
Yichun Investment Co., Ltd.	8,718,702 shares	6.23%
Fengrui International Holdings Limited	8,590,023 shares	6.14%

Note: The information on major shareholders in the table is the data on shareholders who hold a total of 5% of ordinary shareholders or above.