

**FENG TAY ENTERPRISES COMPANY LIMITED
AND ITS SUBSIDIARIES**

Consolidated Financial Statements

**With Independent Auditors' Review Report
For the Three Months Ended March 31, 2026 and 2025**

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The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

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Independent Auditors' Review Report

To the Board of Directors of Feng Tay Enterprises Company Limited:

Introduction

We have reviewed the accompanying consolidated balance sheets of Feng Tay Enterprises Company Limited and its subsidiaries ("the Group"), as of March 31, 2026 and 2025, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 2026 and 2025, and notes to the consolidated financial statements, including a summary of significant accounting policies. 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 International Accounting Standard ("IASs") 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Basis for Qualified Conclusion

As stated in Note (4)(b), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect total assets amounting to \$15,671,875 thousand and \$17,296,099 thousand, constituting 30.02% and 31.76% of consolidated total assets as of March 31, 2026 and 2025, respectively; total liabilities amounting to \$4,715,102 thousand and \$4,961,093 thousand, constituting 19.96% and 20.38% of consolidated total liabilities as of March 31, 2026 and 2025, respectively, and total comprehensive income (loss) amounting to \$90,869 thousand and \$299,371 thousand, constituting 9.28% and 19.29% of consolidated total comprehensive income for the three months ended March 31, 2026 and 2025, respectively.

Furthermore, as stated in Note (6)(d), the other equity accounted investments of the Group in its investee companies of \$1,445,351 thousand and \$1,323,826 thousand as of March 31, 2026 and 2025, respectively, and its equity in net loss on these investee companies of \$22,597 thousand and \$8,871 thousand for the three months ended March 31, 2026 and 2025, respectively, were recognized solely on the financial statements prepared by these investee companies, but not reviewed by independent auditors.

Qualified Conclusion

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and equity accounted investee companies described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2026 and 2025, and of its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2026 and 2025 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors’ review report are Kuo, Rou-Lan and Chen, Ying-Ju.

KPMG

Taipei, Taiwan (Republic of China)
May 12, 2026

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated statement of financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to review such consolidated financial statements are those generally accepted and applied in the Republic of China.

The independent auditors’ reviewreport and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors’ reviewreport and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES

Consolidated Balance Sheets

March 31, 2026, December 31, 2025, and March 31, 2025

(Expressed in Thousands of New Taiwan Dollars)

		March 31, 2026		December 31, 2025		March 31, 2025						March 31, 2026		December 31, 2025		March 31, 2025	
Assets		Amount	%	Amount	%	Amount	%	Liabilities and Equity		Amount	%	Amount	%	Amount	%	Amount	%
Current assets:								Current liabilities:									
1100	Cash and cash equivalents (Note (6)(a))	\$ 4,598,062	9	5,282,741	10	3,806,754	7	2100	Short-term borrowings (Note (6)(j))	\$ 4,354,111	8	2,697,941	5	4,369,975	8		
1170	Accounts receivable (Notes (6)(b) and (q))	8,991,953	17	8,468,314	16	9,157,072	17	2130	Current contract liabilities (Note (6)(q))	983	-	1,098	-	1,099	-		
1200	Other receivables (Note (7))	945,122	2	864,933	2	936,062	2	2170	Notes and accounts payable	4,259,896	8	3,998,596	8	4,204,080	8		
1220	Current tax assets	315,592	-	360,490	1	531,745	1	2200	Other payables	3,613,034	7	4,827,917	9	4,216,306	7		
130X	Inventories (Note (6)(c))	8,707,045	17	8,670,867	16	9,301,967	17	2230	Current tax liabilities	2,334,352	5	2,108,570	4	1,449,776	3		
1476	Other current financial assets (Note (8))	6,080	-	8,591	-	970	-	2280	Current lease liabilities (Note (6)(l))	37,679	-	38,559	-	37,932	-		
1479	Other current assets, others	1,002,579	2	970,069	2	1,012,169	2	2320	Long-term liabilities, current portion (Note (6)(k))	-	-	68,001	-	69,517	-		
	Total current assets	24,566,433	47	24,626,005	47	24,746,739	46	2399	Other current liabilities, others	31,841	-	28,651	-	58,432	-		
Non-current assets:									Total current liabilities	14,631,896	28	13,769,333	26	14,407,117	26		
1550	Investments accounted for using equity method (Note (6)(d))	1,445,351	3	1,444,980	3	1,323,826	3		Non-Current liabilities:								
1600	Property, plant and equipment (Note (6)(f))	21,869,131	42	22,075,343	42	23,457,904	43	2540	Long-term borrowings (Note (6)(k))	1,333,384	3	3,067,431	6	1,746,274	3		
1755	Right-of-use assets (Note (6)(g))	1,639,492	3	1,639,907	3	1,770,210	3	2570	Deferred tax liabilities	3,263,173	6	3,612,742	7	3,372,347	6		
1760	Investment property, net (Note (6)(h))	6,858	-	6,858	-	57,440	-	2580	Non-current lease liabilities (Note (6)(l))	534,326	1	554,172	1	548,704	1		
1780	Intangible assets (Note (6)(i))	448,546	1	457,489	1	465,799	1	2640	Non-current net defined benefit liability (Note (6)(m))	3,648,930	7	3,645,226	7	4,033,683	8		
1840	Deferred tax assets	1,496,806	3	1,699,644	3	1,833,895	3	2670	Other non-current liabilities, others	207,090	-	217,012	-	235,729	-		
1980	Other non-current financial assets (Note (8))	93,543	-	94,327	-	104,581	-		Total non-current liabilities	8,986,903	17	11,096,583	21	9,936,737	18		
1990	Other non-current assets, others	635,748	1	646,437	1	701,509	1		Total liabilities	23,618,799	45	24,865,916	47	24,343,854	44		
	Total non-current assets	27,635,475	53	28,064,985	53	29,715,164	54		Equity attributable to owners of parent (Note (6)(o)):								
								3110	Total capital stock	9,874,828	19	9,874,828	19	9,874,828	18		
								3200	Capital surplus	47,170	-	47,170	-	49,085	-		
									Retained earnings:								
								3310	Legal reserve	7,623,478	14	7,623,478	15	6,979,145	13		
								3320	Special reserve	-	-	-	-	1,127,303	2		
								3350	Unappropriated retained earnings	9,827,885	19	9,153,910	17	9,598,448	18		
									Other equity interest:								
								3410	Exchange differences on translation of foreign financial statements	(615,446)	(1)	(894,893)	(2)	690,350	1		
									Total equity attributable to owners of parent:	26,757,915	51	25,804,493	49	28,319,159	52		
								36XX	Non-controlling interests	1,825,194	4	2,020,581	4	1,798,890	4		
									Total equity	28,583,109	55	27,825,074	53	30,118,049	56		
	Total assets	\$ 52,201,908	100	52,690,990	100	54,461,903	100		Total liabilities and equity	\$ 52,201,908	100	52,690,990	100	54,461,903	100		

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the three months ended March 31, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)

		For the three months ended March 31			
		2026		2025	
		Amount	%	Amount	%
4000	Operating revenues (Note (6)(q))	\$ 19,234,899	100	20,722,823	100
5000	Operating costs (Note (6)(c))	(15,889,994)	(83)	(16,347,342)	(79)
	Gross profit from operations	3,344,905	17	4,375,481	21
	Operating expenses:				
6100	Selling and administrative expenses	(1,879,700)	(10)	(2,284,943)	(11)
6300	Research and development expenses	(695,884)	(3)	(701,437)	(3)
	Total operating expenses	(2,575,584)	(13)	(2,986,380)	(14)
	Net operating income	769,321	4	1,389,101	7
	Non-operating income and expenses:				
7100	Interest income (Note (6)(s))	17,063	-	11,212	-
7010	Other income (Notes (6)(s) and (7))	109,034	-	111,935	-
7020	Other gains and losses, net (Note (6)(s))	142,009	1	213,473	1
7050	Financial costs (Note (6)(s))	(56,386)	-	(63,183)	-
7060	Share of profit of associates and joint ventures accounted for using equity method (Note (6)(d))	(22,597)	-	(8,871)	-
	Total non-operating income and expenses	189,123	1	264,566	1
7900	Profit before tax	958,444	5	1,653,667	8
7950	Income tax expenses (Notes (4) and (6)(n))	(289,836)	(2)	(457,380)	(2)
	Net profit	668,608	3	1,196,287	6
	Other comprehensive income:				
8360	Item that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements	312,791	2	357,421	1
8399	Income tax related to components of other comprehensive loss that will may be reclassified to profit or loss (Note (6)(n))	(2,007)	-	(1,396)	-
	Item that may be reclassified subsequently to profit or loss	310,784	2	356,025	1
	Other comprehensive income	310,784	2	356,025	1
8500	Total comprehensive income	\$ 979,392	5	1,552,312	7
	Net profit, attributable to:				
8610	Net profit, attributable to owners of parent	673,975	3	1,148,764	6
8620	Net profit, attributable to non-controlling interests	(5,367)	-	47,523	-
		\$ 668,608	3	1,196,287	6
	Comprehensive income attributable to:				
8710	Comprehensive income, attributable to owners of parent	\$ 953,422	5	1,479,108	7
8720	Comprehensive income, attributable to non-controlling interests	25,970	-	73,204	-
		\$ 979,392	5	1,552,312	7
	Earnings per common share expressed in dollars (Note (6)(p))				
9750	Basic earnings per share (dollars)	\$ 0.68		1.16	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the three months ended March 31, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent					Total other equity interest			
	Share capital		Retained earnings			Exchange differences on translation of foreign financial statements	Total equity attributable to owners of parent	Non-controlling interests	Total equity
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings				
Balance at January 1, 2025	\$ 9,874,828	49,085	6,979,145	1,127,303	8,449,684	360,006	26,840,051	1,988,831	28,828,882
Net profit	-	-	-	-	1,148,764	-	1,148,764	47,523	1,196,287
Other comprehensive income	-	-	-	-	-	330,344	330,344	25,681	356,025
Total comprehensive income	-	-	-	-	1,148,764	330,344	1,479,108	73,204	1,552,312
Changes in non-controlling interests	-	-	-	-	-	-	-	(263,145)	(263,145)
Balance at March 31, 2025	<u>\$ 9,874,828</u>	<u>49,085</u>	<u>6,979,145</u>	<u>1,127,303</u>	<u>9,598,448</u>	<u>690,350</u>	<u>28,319,159</u>	<u>1,798,890</u>	<u>30,118,049</u>
Balance at January 1,2026	\$ 9,874,828	47,170	7,623,478	-	9,153,910	(894,893)	25,804,493	2,020,581	27,825,074
Net profit (loss)	-	-	-	-	673,975	-	673,975	(5,367)	668,608
Other comprehensive income	-	-	-	-	-	279,447	279,447	31,337	310,784
Total comprehensive income	-	-	-	-	673,975	279,447	953,422	25,970	979,392
Changes in non-controlling interests	-	-	-	-	-	-	-	(221,357)	(221,357)
Balance at March 31, 2026	<u>\$ 9,874,828</u>	<u>47,170</u>	<u>7,623,478</u>	<u>-</u>	<u>9,827,885</u>	<u>(615,446)</u>	<u>26,757,915</u>	<u>1,825,194</u>	<u>28,583,109</u>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES

Consolidated Statements of Cash Flows
For the three months ended March 31, 2026 and 2025
(Expressed in Thousands of New Taiwan Dollars)

	For the three months ended March 31	
	2026	2025
Cash flows used in operating activities:		
Profit before tax	\$ 958,444	1,653,667
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	753,675	783,073
Amortization expense	20,012	20,654
Interest expense	56,386	63,183
Interest income	(17,063)	(11,212)
Share of loss of associates and joint ventures accounted for using equity method	22,597	8,871
Gains on disposal of property, plant and equipment	(443)	(391)
Reversal of impairment loss	(444)	(103)
Total adjustments to reconcile profit	834,720	864,075
Changes in operating assets and liabilities:		
Changes in operating assets:		
Accounts receivable	(498,473)	(1,031,129)
Other receivables	(84,616)	(18,680)
Inventories	107,467	54,485
Other current assets, others	(18,608)	(39,356)
Other current financial assets	2,708	(50)
Total changes in operating assets	(491,522)	(1,034,730)
Changes in operating liabilities:		
Current contract liabilities	(133)	(56)
Notes and accounts payable	150,798	44,686
Other payable	(1,471,363)	(1,719,790)
Other current liabilities, others	2,493	14,056
Net defined benefit liability	(54,320)	54,193
Other non-current liabilities, others	(11,647)	(5,239)
Total changes in operating liabilities	(1,384,172)	(1,612,150)
Total changes in operating assets and liabilities	(1,875,694)	(2,646,880)
Total adjustments	(1,040,974)	(1,782,805)
Cash outflow generated from operations	(82,530)	(129,138)
Interest received	19,002	12,493
Interest paid	(56,085)	(63,332)
Income taxes paid	(167,095)	(237,336)
Net cash flows used in operating activities	(286,708)	(417,313)
Cash flows used in investing activities:		
Acquisition of property, plant and equipment	(427,859)	(708,356)
Proceeds from disposal of property, plant and equipment	54,901	16,936
Acquisition of intangible assets	(9,788)	(25,720)
Other non-current financial assets	(208)	(15)
Other non-current assets, others	3,147	4,987
Net cash flows used in investing activities	(379,807)	(712,168)
Cash flows used in financing activities:		
Increase in short-term loans	1,632,993	1,371,576
Proceeds from long-term borrowings	24,894	21,026
Repayments of long-term borrowings	(1,851,891)	(1,628,128)
Payments of lease liabilities	(37,190)	(36,470)
Net cash flows used in financing activities	(231,194)	(271,996)
Effect of exchange rate changes on cash and cash equivalents	142,304	67,688
Net decrease in cash and cash equivalents	(755,405)	(1,333,789)
Cash and cash equivalents at the beginning of period (restated) (Note 3(a))	5,353,467	5,140,543
Cash and cash equivalents at the end of period	\$ 4,598,062	3,806,754

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements
March 31, 2026 and 2025
(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

(1) Company history

Feng Tay Enterprises Company Limited (hereinafter referred to as “the Company”), founded in 1971, is a manufacturer specialized in athletic shoes. Other business activities include developing and producing casual shoes, ice skates, ski boots, golf balls, soccer balls, backpack, ice hockey helmets and sticks, footwear accessories, as well as shoe molds and tools. The Company’s common shares were listed on the Taiwan Stock Exchange (TWSE) on February 18, 1992. The Company has a headquarter located at the Yunlin Science and Industrial Park, wherein it conducts order management, product development, technology research, finished goods and shoe material trade, and constant cultivation of multinational management talents, while its factories of mass production are spread throughout China, Vietnam, Indonesia, and India. The consolidated financial statements comprise the Company and its subsidiaries (together referred to as the “Group” and individually as “Group entities”). Please refer to note 14 for related information of the Group entities’ main business activities.

(2) Approval date and procedures of the consolidated financial statements:

The consolidated financial statements were authorized for issuance by the Board of Directors on May 12, 2026.

(3) New standards, amendments and interpretations adopted:

- (a) The impact of the IFRS Accounting Standards endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The details of impact on the Group’s adoption of the new amendments beginning January 1, 2026 are as follows:

- (i) Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”

These amendments clarify that financial assets and financial liabilities can only be derecognized upon settlement of the payment and introduce new requirements for the derecognition of financial liabilities settled through electronic payment systems.

In accordance with the relevant amendments, for checks of the Group that have matured as of the balance sheet date, the date on which the financial liability is derecognized has been changed from the maturity date of the checks to the date on which the counterparty cashes them.

According to the transition of the amendments, the Group is not required to restate its comparative information for prior periods. On the date of initial application, the increase of \$70,726 thousand is recognized in cash and notes payable, respectively.

- (ii) Other amendments

The following amendments are not expected to have a significant impact on the Group’s consolidated financial statements.

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FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

- (b) The impact of IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities. ● A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities. ● Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. ● Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.	January 1, 2027 note: On September 25, 2025, the FSC issued a press release announcing that Taiwan will adopt IFRS 18 beginning in 2028. Entities that need to adopt the new standard earlier may do with the endorsement of the FSC.

(Continued)

FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to the Consolidated Financial Statements

The Group is evaluating the impact on its consolidated financial position and consolidated financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures” and amendments to IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
- Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”

(4) Summary of material accounting policies:

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the preparation and guidelines of IAS 34 “Interim Financial Reporting” which are endorsed and issued into effect by FSC, and do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS Accounting Standards endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except the following accounting policies mentioned below, the significant accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2025. For the related information, please refer to note (4) of the consolidated financial statements for the year ended December 31, 2025.

(b) Basis of consolidation

(i) List of subsidiaries in the consolidated financial statements

Name of investor	Name of subsidiary	Principal activity	Shareholding			Description
			March 31, 2026	December 31, 2025	March 31, 2025	
The Company - GLO	PT Feng Tay Indonesia Enterprises	Manufactures athletic shoes, casual shoes, semi-finished footwear and footwear accessories.	100.00 %	100.00 %	100.00 %	PT Feng Tay Indonesia Enterprises was established in Indonesia in 1992, and has paid in capital of USD27,000,000. (Note 1)
The Company	Growth-Link Overseas Company Limited(GLO)	Investment holding.	100.00 %	100.00 %	100.00 %	Growth-Link Overseas Company Limited was established in Bermuda in 1991, and has paid in capital of USD27,513,036 (including share premium of USD27,453,036).

(Continued)

FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of investor	Name of subsidiary	Principal activity	Shareholding			Description
			March 31, 2026	December 31, 2025	March 31, 2025	
The Company 、GLO	VX Holdings Limited (VXH)	Investment holding.	92.13 %	92.13 %	92.13 %	VX Holdings Limited was established in British Virgin Islands in 1997, and has paid in capital of USD32,335,923 (including share premium of USD32,254,923). (Note 1)
The Company 、GLO	Dona Orient Holdings Limited (DOH)	Investment holding.	100.00 %	100.00 %	100.00 %	Dona Orient Holdings Limited was established in British Virgin Islands in 2003, and has paid in capital of USD111,593,053 (including share premium of USD111,483,817).
The Company 、GLO	PT Rich Valley Indonesia	Manufactures athletic shoes, casual shoes, semi-finished footwear and footwear accessories.	100.00 %	100.00 %	100.00 %	PT Rich Valley Indonesia was established in Indonesia in 2019, and has paid in capital of USD36,431,286. (Note 1)
The Company	Great Eastern Industries Limited	International trade services.	100.00 %	100.00 %	100.00 %	Great Eastern Industries Limited, was established in Hong Kong in 2019, and has paid in capital of USD1,000,000 (including share premium of USD999,000). (Note 1)
The Company	Great South Private Limited	Investing holding.	100.00 %	100.00 %	100.00 %	Great South Private Limited was established in Singapore in 2021, and has paid in capital of SGD1,700,000. (Note 1)
The Company	India Tindivanam Footwear Private Private Limited	Manufactures athletic shoes, semi-finished footwear and footwear accessories.	96.49 %	96.49 %	95.85 %	India Tindivanam Footwear Private Limited was established in India in 2022, and has paid in capital of INR5,687,949,690. (Note 1)
GLO	Fujian Da Feng Holdings Company Limited(DF)	Investment holding.	70.00 %	70.00 %	70.00 %	Fujian Da Feng Holdings Company Limited was established in Fujian Province, China in 1993, and has paid in capital of USD27,000,000. (Note 1)

(Continued)

FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of investor	Name of subsidiary	Principal activity	Shareholding			Description
			March 31, 2026	December 31, 2025	March 31, 2025	
DF	Fujian Lifeng Footwear Industrial Development Company Limited(LF)	Manufactures athletic shoes, semi-finished footwear, and footwear accessories.	100.00 %	100.00 %	100.00 %	Fujian Lifeng Footwear Industrial Development Company Limited was established in Fujian Province, China in 1988, and has paid in capital of USD15,000,000.
GLO and DF	Fujian Xiefeng Footwear Company Limited	Manufactures athletic shoes, semi-finished footwear, and footwear accessories.	100.00 %	100.00 %	100.00 %	Fujian Xiefeng Footwear Company Limited was established in Fujian Province, China in 1989, and has paid in capital of USD15,000,000.
GLO and DF	Fujian San Feng Footwear Company Limited	Manufactures athletic shoes, semi-finished footwear, and footwear accessories.	80.00 %	80.00 %	80.00 %	Fujian San Feng Footwear Company Limited was established in Fujian Province, China in 1992, and has paid in capital of USD15,000,000.
GLO	Fujian Putian Xie Feng Mold Company Limited(XM)	Manufactures and repairs molds, cutting dies, shoe lasts, injections, and processing of metal parts.	50.34 %	50.34 %	50.34 %	Fujian Putian Xie Feng Mold Company Limited was established in Fujian Province, China in 1991, and has paid in capital of USD3,000,000. (Note 1)
GLO, DF, LF and XM	Fujian Great Hope Footwear Company Limited(GH)	Manufactures athletic shoes, casual shoes, semi-finished footwear, footwear accessories, protective gear, and other supporting products.	100.00 %	100.00 %	100.00 %	Fujian Great Hope Footwear Company Limited was established in Fujian Province, China in 1989, and has paid in capital of USD7,950,000. (Note 1)
LF, GH and XM	Suzhou Yufeng Plastics Technology Co., Ltd.	Manufacturing and processing of plastic products.	100.00 %	100.00 %	100.00 %	Suzhou Yufeng Plastic Technology Co., Ltd., was established in Jiangsu Province, China in 2009, and has paid in capital of USD2,562,738. (Note 1)
GLO	Fujian Wu Feng Department Store Co., Ltd.	Wholesaler and retailer of general merchandise, and related services.	50.00 %	50.00 %	50.00 %	Fujian Wu Feng Department Store Co., Ltd. was established in Fujian Province, China in 1992, and has paid in capital of USD4,500,000. (Note 1 and 3)

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FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of investor	Name of subsidiary	Principal activity	Shareholding			Description
			March 31, 2026	December 31, 2025	March 31, 2025	
GLO	Dona Pacific Holdings Limited (DPH)	Investment holding.	92.00 %	92.00 %	92.00 %	Dona Pacific Holdings Limited was established in British Virgin Islands in 2000, and has paid in capital of USD13,558,901 (including share premium of USD13,533,901). (Note 1)
GLO	VX Mold Company Limited(VXM)	Investment holding.	93.00 %	93.00 %	93.00 %	VX Mold Company Limited was established in British Virgin Islands in 1999, and has paid in capital of USD400,000. (Note 1)
GLO	Lotus Footwear Enterprises Private Limited (LUH)	Investment holding business, and manufacturing and selling of finished shoes.	88.00 %	88.00 %	88.00 %	Lotus Footwear Enterprises Private Limited was established in British Virgin Islands in 2006. In May 2025, the company re-domiciled to Singapore, with a paid-in capital of USD79,141,400.
VXH	Dona Victor Footwear Co., Ltd.	Manufactures athletic shoes, semi-finished footwear, and footwear accessories.	100.00 %	100.00 %	100.00 %	Dona Victor Footwear Co., Ltd., was established in Vietnam in 1994, and has paid in capital of USD35,400,000.
DOH	Vietnam Dona Orient Co., Ltd.	Manufactures athletic shoes, semi-finished footwear, and footwear accessories.	100.00 %	100.00 %	100.00 %	Vietnam Dona Orient Co.,Ltd., was established in Vietnam in 2003, and has paid in capital of USD44,000,000.
DOH	Vietnam Dona Standard Footwear Co., Ltd.	Manufactures athletic shoes, semi-finished footwear, and footwear accessories.	100.00 %	100.00 %	100.00 %	Vietnam Dona Standard Footwear Co., Ltd., was established in Vietnam in 2006, and has paid in capital of USD75,700,000.
DOH	Vung Tau Orient Co., Ltd.	Manufactures golf balls, soccer balls, backpack and bags.	100.00 %	100.00 %	100.00 %	Vung Tau Orient Co., Ltd., was established in Vietnam in 2005, and has paid in capital of USD41,000,000. (Note 1)
DOH	Vietnam Nam Ha Footwear Company Limited	Manufactures athletic shoes, semi-finished footwear, and footwear accessories.	100.00 %	100.00 %	100.00 %	Vietnam Nam Ha Footwear Company Limited was established in Vietnam in 2019, and has paid in capital of USD62,000,000. (Note 1)

(Continued)

FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of investor	Name of subsidiary	Principal activity	Shareholding			Description
			March 31, 2026	December 31, 2025	March 31, 2025	
DPH	Dona Pacific (Vietnam) Co., Ltd.	Manufactures athletic shoes, semi-finished footwear, and footwear accessories.	100.00 %	100.00 %	100.00 %	Dona Pacific (Vietnam) Co., Ltd., was established in Vietnam in 2000, and has paid in capital of USD20,000,000.
VXM	Dona Victor Molds MFG. Co., Ltd.	Manufactures and repairs molds, cutting dies, and processing of metal parts.	100.00 %	100.00 %	100.00 %	Dona Victor Molds MFG. Co., Ltd., was established in Vietnam in 1999, and has paid in capital of USD3,100,000. (Note 1)
GLO and LUH	Cheyyar SEZ Developers Private Limited	Development in India's Industrial Park.	100.00 %	100.00 %	100.00 %	Cheyyar SEZ Developers Private Limited was established in Indian in 2006, and has paid in capital of USD119,893,561. (Note 1)
LUH	East Wind Footwear Company Limited	Investment holding and production of athletic shoes.	100.00 %	100.00 %	100.00 %	East Wind Footwear Company Limited was established in British Virgin Islands in 2010, and has paid in capital of USD15,695,471 (including share premium of USD15,685,720). (Note 2)
LUH	Fairway Enterprises Company Limited	Investment holding and production of athletic shoes.	100.00 %	100.00 %	100.00 %	Fairway Enterprises Company Limited was established in British Virgin Islands in 2014, and has paid in capital of USD42,749,526 (including share premium of USD42,720,025). (Note 2)

Note 1: This company is a non-significant subsidiary, its financial statements have not been reviewed.

Note 2: This company is a non-significant subsidiary, and the financial statements of the Indian branch have been reviewed.

Note 3: The Group approved the liquidation plan through its Board of Directors on March 6, 2026, and the liquidation procedures are still in progress.

(ii) Subsidiaries excluded from the consolidated financial statements: None.

(c) Employee benefits

The pension cost in the interim period was calculated and disclosed on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events.

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FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

(d) Income taxes

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of International Financial Reporting Standards 34, Interim Reporting.

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period using the effective annual tax rate as forecasted by the management. This should be recognized fully as tax expense for the current period.

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time of the asset or liability is recovered or settled, and be recognized directly in equity or other comprehensive income as tax expense.

(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty:

The preparation of the consolidated financial statements in conformity with the Regulations and IFRS Accounting Standards (in accordance with IAS 34 “Interim Financial Reporting” and endorsed by the FSC) requires management to make judgments, and estimates about the future, including climate-related risks and opportunities, that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The preparation of the consolidated interim financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2025. For the related information, please refer to note (5) of the consolidated financial statements for the year ended December 31, 2025.

(6) Explanation of significant accounts:

(a) Cash and cash equivalents

	March 31, 2026	December 31, 2025	March 31, 2025
Cash	\$ 989	993	1,097
Demand deposits and check deposit	2,169,315	1,578,353	1,414,184
Time deposits	<u>2,427,758</u>	<u>3,703,395</u>	<u>2,391,473</u>
Cash and cash equivalents in the consolidated statement of cash flows	<u><u>\$ 4,598,062</u></u>	<u><u>5,282,741</u></u>	<u><u>3,806,754</u></u>

Please refer to Note (6)(t) for the interest rate risk and sensitivity analysis of the financial assets and liabilities of the Group.

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FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

(b) Accounts receivable

	March 31, 2026	December 31, 2025	March 31, 2025
Accounts receivable—measured at amortized cost	\$ 8,991,953	8,468,314	9,157,072
Less: Allowance for credit loss	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 8,991,953</u>	<u>8,468,314</u>	<u>9,157,072</u>

The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all accounts receivable. To measure the expected credit losses, accounts receivable have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information. The allowance for credit loss was determined as follows:

March 31, 2026			
	Gross carrying amount	Weighted- average loss rate	Allowance for credit loss provision
Current	\$ 8,083,318	0.00%	-
1 to 10 days past due	889,182	0.00%	-
11 to 60 days past due	10,674	0.00%	-
61 days to 1 year past due	<u>8,779</u>	<u>0.00%</u>	<u>-</u>
	<u>\$ 8,991,953</u>		<u>-</u>
December 31, 2025			
	Gross carrying amount	Weighted- average loss rate	Allowance for credit loss provision
Current	\$ 7,662,698	0.00%	-
1 to 10 days past due	769,410	0.00%	-
11 to 60 days past due	24,123	0.00%	-
61 days to 1 year past due	<u>12,083</u>	<u>0.00%</u>	<u>-</u>
	<u>\$ 8,468,314</u>		<u>-</u>
March 31, 2025			
	Gross carrying amount	Weighted- average loss rate	Allowance for credit loss provision
Current	\$ 7,996,539	0.00%	-
1 to 10 days past due	1,112,291	0.00%	-
11 to 60 days past due	43,044	0.00%	-
61 days to 1 year past due	<u>5,198</u>	<u>0.00%</u>	<u>-</u>
	<u>\$ 9,157,072</u>		<u>-</u>

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FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

As of March 31, 2026, December 31, 2025 and March 31, 2025, the accounts receivable of the Group were not pledged as collateral for its loan.

(c) Inventories

	March 31, 2026	December 31, 2025	March 31, 2025
Raw materials	\$ 3,757,853	3,731,546	3,830,375
Work in process	1,464,243	1,431,695	1,434,469
Finished goods	2,181,978	2,380,920	2,449,298
Merchandise inventory	148,398	165,816	81,616
Inventory in transit	1,154,536	959,328	1,506,196
Others	37	1,562	13
	\$ 8,707,045	8,670,867	9,301,967

The details of operating cost were as follows:

	For the three months ended March 31	
	2026	2025
Cost of goods sold	\$ 15,772,125	16,001,565
Unallocated production overheads	84,559	322,722
Net gains on physical inventory	(416)	(744)
Inventory scrap loss	21,138	18,542
Revenue from sale of scraps	(13,906)	(13,398)
Losses on obsolescence and inventory valuation	26,494	18,655
Total	\$ 15,889,994	16,347,342

Write-down of inventory valuation is due to obsolescence or out of use, wherein the amount of the net realizable value of the inventory which is lower than the cost is recognized as operating costs.

As of March 31, 2026, December 31, 2025 and March 31, 2025, the inventory of the Group was not pledged as collateral for its loan.

(d) Investments accounted for using equity method

(i) Joint ventures

Shoe Majesty Co., Ltd. is a joint venture under the Group's joint arrangements. The Group classified the joint agreement as a joint venture using the equity method.

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FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

The Group's financial information for investments accounted for using the equity method that were individually insignificant was as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Individually insignificant joint venture	\$ <u><u>1,445,351</u></u>	<u><u>1,444,980</u></u>	<u><u>1,323,826</u></u>
	For the three months ended March 31		
	2026	2025	
Attributable to the Group:			
Profit from continuing operation	\$ (22,597)	(8,871)	
Other comprehensive income	22,093	15,362	
Comprehensive income	\$ <u><u>(504)</u></u>	<u><u>6,491</u></u>	

(ii) Collateral

As of March 31, 2026, December 31, 2025 and March 31, 2025, the investment accounted for using equity method of the Group was not pledged as collateral for its loan.

(iii) The unreviewed financial statements of investments accounted for using equity method

Investments were accounted for by using the equity method, and the share of profit or loss and other comprehensive income of those investments were calculated based on the financial statements that have not been reviewed.

(e) Material non-controlling interests of subsidiaries

The material non-controlling interests of subsidiaries were as follows:

Subsidiaries	Main operation place	Percentage of non-controlling interests		
		March 31, 2026	December 31, 2025	March 31, 2025
Fujian Da Feng Holdings Company Limited	China	30.00 %	30.00 %	30.00 %

The following information of the aforementioned subsidiaries have been prepared in accordance with the IFRS Accounting Standards endorsed by the FSC. Included in this information are the fair value adjustment made during the acquisition and the relevant difference in accounting principles between the Group and its subsidiaries as at the acquisition date. Intra-group transactions were not eliminated in this information.

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FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

(i) Fujian Da Feng Holdings Company Limited's collective financial information:

	March 31, 2026	December 31, 2025	March 31, 2025
Current assets	\$ 458,869	440,064	325,778
Non-current assets	2,404,988	2,367,141	2,455,066
Current liabilities	(325,906)	(36,541)	(298,478)
Net assets	<u><u>\$ 2,537,951</u></u>	<u><u>2,770,664</u></u>	<u><u>2,482,366</u></u>
Non-controlling interests	<u><u>\$ 761,385</u></u>	<u><u>831,199</u></u>	<u><u>744,710</u></u>
	For the three months ended March 31		
	2026	2025	
(Loss) profit for the period	\$ (13,483)	48,175	
Other comprehensive income	82,155	35,501	
Total comprehensive income	<u><u>\$ 68,672</u></u>	<u><u>83,676</u></u>	
(Loss) profit, attributable to non-controlling interests	<u><u>\$ (4,045)</u></u>	<u><u>14,453</u></u>	
Total comprehensive income, attributable to non-controlling interests	<u><u>\$ 20,602</u></u>	<u><u>25,103</u></u>	
Net cash flows from (used in) operating activities	\$ 7,509	(12,641)	
Net cash flows used in investing activities	-	(64)	
Net cash flows from financing activities	-	-	
Net increase (decrease) in cash and cash equivalents	<u><u>\$ 7,509</u></u>	<u><u>(12,705)</u></u>	
Cash dividends to non-controlling interests	<u><u>\$ -</u></u>	<u><u>-</u></u>	

(f) Property, plant and equipment

The cost, depreciation, and impairment of the property, plant and equipment of the Group for the three months ended March 31, 2026 and 2025 were as follows:

		Land	Buildings	Machinery and equipment	Computer and communication equipment	Test equipment	Transportation equipment	Office equipment	Other equipment	Equipment to be inspected and construction in progress	Total
Cost:											
Balance at January 1, 2026	\$	1,889,786	17,191,778	26,977,764	622,054	118,683	628,376	815,282	110,221	3,037,925	51,391,869
Additions		-	1,848	158,709	3,624	182	931	5,389	527	401,390	572,600
Disposals		-	(21,716)	(198,176)	(3,091)	(1,879)	(5,615)	(18,071)	(66)	(1,708)	(250,322)
Reclassifications		-	19,637	332,189	4,725	-	5,926	784	609	(363,870)	-
Effect of changes in foreign exchange rates		7,674	132,191	466,001	7,057	-	11,151	5,841	491	(7,389)	623,017
Balance at March 31, 2026	<u><u>\$</u></u>	<u><u>1,897,460</u></u>	<u><u>17,323,738</u></u>	<u><u>27,736,487</u></u>	<u><u>634,369</u></u>	<u><u>116,986</u></u>	<u><u>640,769</u></u>	<u><u>809,225</u></u>	<u><u>111,782</u></u>	<u><u>3,066,348</u></u>	<u><u>52,337,164</u></u>

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FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

									Equipment to be inspected and construction in progress	Total
	Land	Buildings	Machinery and equipment	Computer and communication equipment	Test equipment	Transportation equipment	Office equipment	Other equipment		
Balance at January 1, 2025	\$ 1,655,182	17,751,741	26,915,429	593,077	115,367	614,205	824,475	110,137	2,793,987	51,373,600
Additions	-	1,419	217,909	5,325	113	185	5,334	200	742,266	972,751
Disposals	-	(50,019)	(210,769)	(5,257)	(893)	(727)	(6,133)	(618)	-	(274,416)
Reclassifications	-	113,000	518,763	31,878	2,466	4,199	19,315	-	(689,621)	-
Effect of changes in foreign exchange rates	5,705	198,673	349,868	5,930	-	7,532	10,168	366	28,817	607,059
Balance at March 31, 2025	<u>\$ 1,660,887</u>	<u>18,014,814</u>	<u>27,791,200</u>	<u>630,953</u>	<u>117,053</u>	<u>625,394</u>	<u>853,159</u>	<u>110,085</u>	<u>2,875,449</u>	<u>52,678,994</u>
Depreciation and impairment loss:										
Balance at January 1, 2026	\$ -	9,143,948	18,491,876	481,496	107,703	376,741	623,276	91,486	-	29,316,526
Depreciation	-	161,271	494,916	18,609	1,532	36,801	17,242	2,208	-	732,579
Reversal of impairment loss	-	-	(444)	-	-	-	-	-	-	(444)
Disposals	-	(19,137)	(148,581)	(3,029)	(1,766)	(5,333)	(17,955)	(63)	-	(195,864)
Reclassifications	-	5,475	11,686	29	-	(17,190)	-	-	-	-
Effect of changes in foreign exchange rates	-	117,472	475,513	6,180	-	7,093	8,607	371	-	615,236
Balance at March 31, 2026	<u>\$ -</u>	<u>9,409,029</u>	<u>19,324,966</u>	<u>503,285</u>	<u>107,469</u>	<u>398,112</u>	<u>631,170</u>	<u>94,002</u>	<u>-</u>	<u>30,468,033</u>
Balance at January 1, 2025	\$ -	8,891,490	17,691,969	449,094	102,400	336,396	598,993	87,923	-	28,158,265
Depreciation	-	169,899	520,235	16,102	1,895	33,738	18,437	1,588	-	761,894
Reversal of impairment loss	-	-	(103)	-	-	-	-	-	-	(103)
Disposals	-	(48,598)	(196,691)	(4,968)	(840)	(408)	(5,841)	(525)	-	(257,871)
Reclassifications	-	30,818	80,680	27	-	(111,525)	-	-	-	-
Effect of changes in foreign exchange rates	-	103,694	440,201	4,377	-	3,346	7,016	271	-	558,905
Balance at March 31, 2025	<u>\$ -</u>	<u>9,147,303</u>	<u>18,536,291</u>	<u>464,632</u>	<u>103,455</u>	<u>261,547</u>	<u>618,605</u>	<u>89,257</u>	<u>-</u>	<u>29,221,090</u>
Carrying amounts:										
Balance at January 1, 2026	<u>\$ 1,889,786</u>	<u>8,047,830</u>	<u>8,485,888</u>	<u>140,558</u>	<u>10,980</u>	<u>251,635</u>	<u>192,006</u>	<u>18,735</u>	<u>3,037,925</u>	<u>22,075,343</u>
Balance at March 31, 2026	<u>\$ 1,897,460</u>	<u>7,914,709</u>	<u>8,411,521</u>	<u>131,084</u>	<u>9,517</u>	<u>242,657</u>	<u>178,055</u>	<u>17,780</u>	<u>3,066,348</u>	<u>21,869,131</u>
Balance at January 1, 2025	<u>\$ 1,655,182</u>	<u>8,860,251</u>	<u>9,223,460</u>	<u>143,983</u>	<u>12,967</u>	<u>277,809</u>	<u>225,482</u>	<u>22,214</u>	<u>2,793,987</u>	<u>23,215,335</u>
Balance at March 31, 2025	<u>\$ 1,660,887</u>	<u>8,867,511</u>	<u>9,254,909</u>	<u>166,321</u>	<u>13,598</u>	<u>363,847</u>	<u>234,554</u>	<u>20,828</u>	<u>2,875,449</u>	<u>23,457,904</u>

For the time being, a portion of the Company's land assets cannot be held in the name of the Company under the law; therefore, they have been respectively registered in the name of trustees—Chien-Hung Wang, Chairman of the Company, and Chien-Rong Wang, Vice Chairman of the Company, with whom the Company has entered into an agreement prescribing the rights and obligations of both parties. The land has been pledged to the Company. An amount of \$7,121 thousand was recognized as cost of land.

The Group has been constructing a new development center, plant, and expanding production line since the year 2021. As of March 31, 2026, the projects were still ongoing, with the costs recorded as construction in progress and equipment to be inspected. For significant unrecognized contractual commitments related to the acquisition of property, plant, and equipment, please refer to Note (9)(b).

As of March 31, 2026, December 31, 2025 and March 31, 2025 the property, plant and equipment of the Group were not pledged as collateral for its loan.

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(g) Right-of-use assets

The Group leases assets, including office, plants and warehouses. Information about leases for which the Group as a lessee was presented below:

	<u>Land</u>	<u>Buildings</u>	<u>Other equipment</u>	<u>Total</u>
Cost:				
Balance at January 1, 2026	\$ 1,903,302	106,152	2,501	2,011,955
Additions	5,716	-	-	5,716
Effect of changes in foreign exchange rates	19,005	2,733	45	21,783
Balance at March 31, 2026	<u>\$ 1,928,023</u>	<u>108,885</u>	<u>2,546</u>	<u>2,039,454</u>
Balance at January 1, 2025	\$ 1,968,728	99,106	2,609	2,070,443
Effect of changes in foreign exchange rates	25,662	1,504	33	27,199
Balance at March 31, 2025	<u>\$ 1,994,390</u>	<u>100,610</u>	<u>2,642</u>	<u>2,097,642</u>
Accumulated depreciation and impairment losses:				
Balance at January 1, 2026	\$ 316,431	53,507	2,110	372,048
Depreciation	12,902	8,096	98	21,096
Effect of changes in foreign exchange rates	5,371	1,408	39	6,818
Balance at March 31, 2026	<u>\$ 334,704</u>	<u>63,011</u>	<u>2,247</u>	<u>399,962</u>
Balance at January 1, 2025	\$ 278,564	21,625	1,793	301,982
Depreciation	12,771	8,306	102	21,179
Effect of changes in foreign exchange rates	3,786	461	24	4,271
Balance at March 31, 2025	<u>\$ 295,121</u>	<u>30,392</u>	<u>1,919</u>	<u>327,432</u>
Carrying amount:				
Balance at January 1, 2026	<u>\$ 1,586,871</u>	<u>52,645</u>	<u>391</u>	<u>1,639,907</u>
Balance at March 31, 2026	<u>\$ 1,593,319</u>	<u>45,874</u>	<u>299</u>	<u>1,639,492</u>
Balance at January 1, 2025	<u>\$ 1,690,164</u>	<u>77,481</u>	<u>816</u>	<u>1,768,461</u>
Balance at March 31, 2025	<u>\$ 1,699,269</u>	<u>70,218</u>	<u>723</u>	<u>1,770,210</u>

(h) Investment property

The cost, depreciation, and impairment of the Investment property of the Group for the three months ended March 31, 2026 and 2025 were as follows:

	<u>Owned property</u>		
	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
Cost:			
Balance at January 1, 2026	\$ 6,858	-	6,858
Balance at March 31, 2026	<u>\$ 6,858</u>	<u>-</u>	<u>6,858</u>
Balance at January 1, 2025	\$ 6,858	404,980	411,838
Effect of changes in foreign exchange rates	-	5,779	5,779
Balance at March 31, 2025	<u>\$ 6,858</u>	<u>410,759</u>	<u>417,617</u>

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FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

	Owned property		Total
	Land	Buildings	
Accumulated depreciation and impairment losses:			
Balance at January 1, 2026	\$ -	-	-
Balance at March 31, 2026	<u>\$ -</u>	<u>-</u>	<u>-</u>
Balance at January 1, 2025	\$ -	355,110	355,110
Effect of changes in foreign exchange rates	-	5,067	5,067
Balance at March 31, 2025	<u>\$ -</u>	<u>360,177</u>	<u>360,177</u>
Carrying amount:			
Balance at January 1, 2026	<u>\$ 6,858</u>	<u>-</u>	<u>6,858</u>
Balance at March 31, 2026	<u>\$ 6,858</u>	<u>-</u>	<u>6,858</u>
Balance at January 1, 2025	<u>\$ 6,858</u>	<u>49,870</u>	<u>56,728</u>
Balance at March 31, 2025	<u>\$ 6,858</u>	<u>50,582</u>	<u>57,440</u>

In April and September 2025, the Group signed agreements to sell Yuanhong City's real estate.

As of March 31, 2026, December 31, 2025 and March 31, 2025, the Investment property of the Group was not pledged as collateral for its loans.

(i) Intangible assets

The cost, amortization and impairment of the intangible assets of the Group for the three months ended March 31, 2026 and 2025 were as follows:

	Goodwill	Computer software	Total
Costs			
Balance at January 1, 2026	\$ 433,845	473,096	906,941
Additions	-	9,788	9,788
Disposal / Obsolescence	-	(6,804)	(6,804)
Effect of changes in foreign exchange rates	2,193	6,537	8,730
Balance at March 31, 2026	<u>\$ 436,038</u>	<u>482,617</u>	<u>918,655</u>
Balance at January 1, 2025	\$ 439,101	449,680	888,781
Additions	-	25,686	25,686
Disposal / Obsolescence	-	(15,621)	(15,621)
Effect of changes in foreign exchange rates	1,630	4,788	6,418
Balance at March 31, 2025	<u>\$ 440,731</u>	<u>464,533</u>	<u>905,264</u>

(Continued)

FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

	<u>Goodwill</u>	<u>Computer software</u>	<u>Total</u>
Accumulated amortization and impairment losses			
Balance at January 1, 2026	\$ 117,975	331,477	449,452
Amortization	-	20,012	20,012
Disposal / Obsolescence	-	(6,804)	(6,804)
Effect of changes in foreign exchange rates	2,081	5,368	7,449
Balance at March 31, 2026	<u>\$ 120,056</u>	<u>350,053</u>	<u>470,109</u>
Balance at January 1, 2025	\$ 122,967	306,362	429,329
Amortization	-	20,654	20,654
Disposal / Obsolescence	-	(15,621)	(15,621)
Effect of changes in foreign exchange rates	1,547	3,556	5,103
Balance at March 31, 2025	<u>\$ 124,514</u>	<u>314,951</u>	<u>439,465</u>
Carrying amounts:			
Balance at January 1, 2026	<u>\$ 315,870</u>	<u>141,619</u>	<u>457,489</u>
Balance at March 31, 2026	<u>\$ 315,982</u>	<u>132,564</u>	<u>448,546</u>
Balance at January 1, 2025	<u>\$ 316,134</u>	<u>143,318</u>	<u>459,452</u>
Balance at March 31, 2025	<u>\$ 316,217</u>	<u>149,582</u>	<u>465,799</u>

The Group determined whether an impairment loss of goodwill shall be recognized based on historical experience and actual operating results. As of March 31, 2026, December 31, 2025 and March 31, 2025, no impairment loss was recognized.

(j) Short-term borrowings

The short-term borrowings were summarized as follows:

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Unsecured bank loans	<u>\$ 4,354,111</u>	<u>2,697,941</u>	<u>4,369,975</u>
Range of interest rates	<u>1.688%~4.73%</u>	<u>1.70%~4.60%</u>	<u>1.70%~6.30%</u>

(Continued)

FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

(k) Long-term borrowings

The details were as follows:

	Currency	March 31, 2026	December 31, 2025	March 31, 2025
Unsecured bank loans	TWD	\$ -	1,500,000	-
Unsecured bank loans	USD	1,333,384	1,567,431	1,746,274
Other long-term borrowings	INR	-	68,001	69,517
		1,333,384	3,135,432	1,815,791
Less: current portion		-	(68,001)	(69,517)
Total		<u>\$ 1,333,384</u>	<u>3,067,431</u>	<u>1,746,274</u>
Range of interest rates		<u>4.47%~4.67%</u>	<u>0.10%~4.75%</u>	<u>0.10%~5.32%</u>
Period		<u>2027</u>	<u>2026~2027</u>	<u>2026</u>

(l) Lease liabilities

The Group lease liabilities were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Current	<u>\$ 37,679</u>	<u>38,559</u>	<u>37,932</u>
Non-current	<u>\$ 534,326</u>	<u>554,172</u>	<u>548,704</u>

For the maturities analysis, please refer to Note (6)(t).

The amounts recognized in profit or loss were as follows:

	For the three months ended March 31	
	2026	2025
Interest on lease liabilities	<u>\$ 13,810</u>	<u>14,681</u>

The amounts recognized in the statement of cash flows by the Group were as follows:

	For the three months ended March 31	
	2026	2025
Total cash outflow for leases	<u>\$ 51,000</u>	<u>51,151</u>

(i) Real estate leases

The Group leases land and buildings for its office, factory and warehouse. The leases of office space typically run for a period of 1 to 99 years. Some leases include an option to renew the lease term for the same duration at the end of the original contractual period.

(Continued)

FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Other leases

The Group leased photocopiers with lease terms of eight years.

(m) Employee benefits

(i) Defined benefit plans

Management believes that there was no material volatility of the market, no material reimbursement and settlement or other material one-time events since prior fiscal year. As a result, the pension cost in the accompanying interim consolidated financial statements was measured and disclosed according to the actuarial report as of December 31, 2025 and 2024.

The expenses recognized in profit or loss for the Group amounted to \$93,259 thousand and \$165,113 thousand for the three months ended March 31, 2026 and 2025, respectively.

(ii) Defined contribution plans

The pension costs incurred from the contributions to the pension plans amounted to \$237,497 thousand and \$265,255 thousand for the three months ended March 31, 2026 and 2025, respectively.

(n) Income taxes

The details of the Group's income tax expense were as follows:

	For the three months ended March 31	
	2026	2025
Current tax expense		
Current period	431,928	762,317
Adjustment for prior periods	4,639	(16,079)
	<u>436,567</u>	<u>746,238</u>
Deferred tax expense		
Origination and reversal of temporary differences	(146,731)	(288,858)
Income tax expense	<u>289,836</u>	<u>457,380</u>

The amount of income tax expense recognized in other comprehensive loss for the three months ended March 31, 2026 and 2025 were as follows:

	For the three months ended March 31	
	2026	2025
Items that may be reclassified subsequently to profit or loss:		
Share of other comprehensive loss of associates and joint ventures accounted for using equity method, components of other comprehensive income	<u>(2,007)</u>	<u>(1,396)</u>

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FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

(i) Income Tax approval

The Company's tax returns for the years up to 2023 have been assessed by the R.O.C. tax authorities.

For the years from 2011 to 2021, some of the Group's subsidiaries were involved in disputes with tax authorities over tax returns, and the amended amounts of additional tax were approved for each of the approved years. Each subsidiary has filed an administrative relief application, which has been under review by the authorities concerned.

(ii) Global Minimum Tax (GMT)

The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

The Group is subject to the global minimum top-up tax under the Pillar Two tax legislation (the "Pillar Two legislation"). As of March 31, 2026, the legislative status in the Group's major operating jurisdictions is as follows: the Income Inclusion Rule (IIR) and the Domestic Minimum Top-up Tax have been effective and implemented in Vietnam, where the subsidiaries operate, from January 1, 2024, as well as Indonesia, Singapore, and Hong Kong where the subsidiaries operate from January 1, 2025. In addition, the Undertaxed Profits Rule (UTPR) has been effective and implemented in Indonesia since January 1, 2026. Based on the Group's assessment for the first quarter of 2026, except for Taiwan and the British Virgin Islands, all operating jurisdictions of the Group meet at least one of the Transitional Safe Harbour Tests under the Global Anti-Base Erosion (GloBE) rules (including the De Minimis Test, the Simplified Effective Tax Rate Test, or the Routine Profits Test). Accordingly, no GloBE top-up tax calculation is required. With respect to Taiwan and the British Virgin Islands, the adjusted estimated GloBE effective tax rate in Taiwan exceeded 15%, while the subsidiary in the British Virgin Islands incurred a GloBE loss.

Based on the above assessment, as of March 31, 2026, the Pillar Two legislation has no material impact on the Group's current income tax. The Group will continue to monitor legislative developments in jurisdictions where the legislation has not yet been enacted and will dynamically assess the potential future impact on the Group's financial position and tax costs.

(iii) Profit-seeking enterprise income tax returns

The Group's income tax returns must be filed individually by each entity instead of on a consolidated basis; consequently, the Group's income taxes were calculated using the local tax rate applicable to each entity.

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FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

(o) Capital and other equity

As of March 31, 2026, December 31, 2025 and March 31, 2025, the Company's total rated share capital amount to \$12,000,000 thousand, with a par value of \$10, and the number of shares all was 1,200,000 thousand ordinary shares. The aforementioned aggregate amount of rated equity is all ordinary shares. The issued shares are 987,483 thousand ordinary shares, all the consideration for issued shares has been received.

(i) Capital surplus

The details of capital surplus were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Treasury share transactions	\$ 4,143	4,143	4,143
Gain on disposal of assets	32,980	32,980	32,980
Capital surplus-premium from merger	2,160	2,160	2,160
Donation from shareholders	6,458	6,458	5,768
Issued shares of subsidiaries not recognized in proportion to shareholding	1,246	1,246	3,851
Difference between consideration and carrying amount of subsidiaries acquired or disposed	183	183	183
	\$ 47,170	47,170	49,085

According to the R.O.C. Company Act, capital surplus can only be used to offset a deficit, and only the realized capital surplus can be used to increase the common stock or be distributed as cash dividends. The aforementioned realized capital surplus includes capital surplus resulting from premium on issuance of capital stock and earnings from donated assets received. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, capital increases by transferring capital surplus in excess of par value should not exceed 10% of the total common stock outstanding.

(ii) Retained earnings

The Company's Articles of Incorporation stipulate that 10% of annual net earnings, after deducting accumulated deficit, shall be set aside as a legal reserve and a special reserve shall be appropriated or reserved pursuant to laws or regulations. A portion or all of the remainder, together with the unappropriated retained earnings for the prior year, may be further distributed as dividends.

Since the Company is experiencing stable growth, in response to its long term financial planning, as well as its objective to achieve stable development and sustainable operation, it is necessary for the Board of Directors to propose a dividend distribution plan based on budget and capital demand of the following year, and have it resolved at the shareholders' meeting. Dividend distribution shall account for no less than 50% of distributable earnings, and stock dividends shall not exceed 80% of the distribution.

(Continued)

FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

1) Legal reserve

When a company incurs no loss, it may, pursuant to a resolution by a shareholders' meeting, distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of capital may be distributed.

2) Special reserve

In accordance with the FSC, a portion of current period earnings and undistributed prior period earnings shall be reclassified as special earnings reserve during earnings distribution. The amount to be reclassified should equal the current-period total net reduction of other shareholders' equity. Similarly, a portion of undistributed prior-period earnings shall be reclassified as special earnings reserve (and does not qualify for earnings distribution) to account for cumulative changes to other shareholders' equity pertaining to prior periods. However, if the Company has set aside a special earnings reserve pursuant to the provisions of the preceding paragraph, it shall make a supplement to the difference between the stated reduction amount and the net of other equity. Amounts of subsequent reversals pertaining to the net reduction of other shareholders' equity shall qualify for additional distributions.

3) Earnings distribution

On March 10, 2026 the Company's Board of Directors proposed to appropriate the 2025 earnings; while on May 28, 2025, the shareholders resolved to distribute the 2024 earnings, as follows:

	2025		2024	
	Amount (dollar)	Total	Amount (dollar)	Total
Dividends distributed to ordinary shareholders				
Cash	\$ 4.10	<u><u>4,048,680</u></u>	5.10	<u><u>5,030,162</u></u>

(iii) Other equity interest after tax

	Exchange differences on translation of foreign financial statement
Balance at January 1, 2026	\$ (894,893)
Exchange differences on translation of foreign financial statement	<u>279,447</u>
Balance at March 31, 2026	<u><u>\$ (615,446)</u></u>

(Continued)

FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

	Exchange differences on translation of foreign financial statement
Balance at January 1, 2025	\$ 360,006
Exchange differences on translation of foreign financial statement	<u>330,344</u>
Balance at March 31, 2025	<u><u>\$ 690,350</u></u>

(iv) Non-controlling interests (NCIs)

	For the three months ended March 31	
	<u>2026</u>	<u>2025</u>
Balance at January 1	\$ 2,020,581	1,988,831
Shares attributed to non-controlling interests		
Net profit	(5,367)	47,523
Foreign currency translation differences for foreign operations	31,337	25,681
Changes in ownership interests in subsidiaries	-	-
Earnings distribution to non-controlling interests	<u>(221,357)</u>	<u>(263,145)</u>
Balance at March 31	<u><u>\$ 1,825,194</u></u>	<u><u>1,798,890</u></u>

(p) Earnings per share

For the three months ended March 31, 2026 and 2025, the Company's basic earnings per share were calculated as follows:

	For the three months ended March 31	
	<u>2026</u>	<u>2025</u>
Basic earnings per share		
Net profit attributable to ordinary shareholders of the Company	<u><u>\$ 673,975</u></u>	<u><u>1,148,764</u></u>
Weighted average number of ordinary shares	<u>987,483</u>	<u>987,483</u>
Basic earnings per share (dollars)	<u><u>\$ 0.68</u></u>	<u><u>1.16</u></u>

The Company did not intend to calculate diluted earnings per share on the assumption that, the compensation to employees and directors for the year ended December 31, 2026, was distributed in cash using the same method for the preceding three years.

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FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

(q) Revenue from contracts with customer

(i) Disaggregation of revenue

For the three months ended March 31, 2026			
	Segments of footwear manufacturing and sales	Other Segments	Total
Primary geographical markets			
Singapore	\$ 13,348,508	404,659	13,753,167
America	1,627,735	292,160	1,919,895
Switzerland	1,215,915	18,221	1,234,136
Mainland China	974,695	6,504	981,199
Mexico	538,657	8,419	547,076
Other countries	<u>518,502</u>	<u>280,924</u>	<u>799,426</u>
	<u>\$ 18,224,012</u>	<u>1,010,887</u>	<u>19,234,899</u>
Major products/services lines			
Manufacturing and sale of footwear	\$ 18,224,012	-	18,224,012
Others	<u>-</u>	<u>1,010,887</u>	<u>1,010,887</u>
	<u>\$ 18,224,012</u>	<u>1,010,887</u>	<u>19,234,899</u>
For the three months ended March 31, 2025			
	Segments of footwear manufacturing and sales	Other Segments	Total
Primary geographical markets			
Singapore	\$ 15,375,723	432,895	15,808,618
America	1,642,606	352,889	1,995,495
Switzerland	1,147,176	6,084	1,153,260
Mainland China	467,454	970	468,424
Mexico	511,051	8,028	519,079
Other countries	<u>485,690</u>	<u>292,257</u>	<u>777,947</u>
	<u>\$ 19,629,700</u>	<u>1,093,123</u>	<u>20,722,823</u>
Major products/services lines			
Manufacturing and sale of footwear	\$ 19,629,700	-	19,629,700
Others	<u>-</u>	<u>1,093,123</u>	<u>1,093,123</u>
	<u>\$ 19,629,700</u>	<u>1,093,123</u>	<u>20,722,823</u>

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FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Contract balances

	March 31, 2026	December 31, 2025	March 31, 2025
Accounts receivable	\$ 8,991,953	8,468,314	9,157,072
Less: allowance for credit loss	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 8,991,953</u>	<u>8,468,314</u>	<u>9,157,072</u>
Contract liabilities	<u>\$ 983</u>	<u>1,098</u>	<u>1,099</u>

Please refer to Note (6)(b) for the disclosure of accounts receivable and impairment.

(r) Compensation to employees and directors

On May 28, 2025, the Company's shareholders resolved to amend the Articles of Incorporation. Under the revised Articles, if the Company reports profit for the year, the profit should first be used to offset against any accumulated deficit. Thereafter, a minimum of 2.0% of the remainder shall be allocated as employee compensation (of which no less than 30% shall be allocated to those based-level employees), and a maximum of 1.8% as director compensation.

Prior to the amendment, the Articles stipulated that if there is profit for the year, then, the profit should first be used to offset against any accumulated deficit. Thereafter, a minimum of 2.0% shall be allocated as employee compensation and a maximum of 1.8% as director compensation.

The Company estimated its employee compensation at respectively \$24,643 thousand and \$66,836 thousand for the three months ended March 31, 2026 and 2025, and estimated its director compensation at \$14,742 thousand and \$26,424 thousand for the three months ended March 31, 2026 and 2025, respectively. The estimated amounts, recognized as operating costs or expenses, were based on net profit before tax of for the respective periods, multiplied by the percentage of compensation to employees and directors, as specified in the Articles of Incorporation. If the actual amounts differ from the estimated amounts, the differences shall be accounted for as changes in accounting estimates and recognized as profit or loss in the next year.

For the years ended December 31, 2025 and 2024, the remunerations to employees amounted to \$416,326 thousand and \$180,000 thousand; and directors amounted to \$88,400 thousand and \$105,300 thousand, respectively. The information is available on the Market Observation Post System website. There was no difference between the amounts approved by Board of Directors.

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FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
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(s) Non-operating income and expenses

(i) Interest income

The details of the Group's interest income for the three months ended March 31, 2026 and 2025 were as follows:

	For the three months ended March 31	
	2026	2025
Interest income from bank deposits	\$ 17,063	11,212

(ii) Other income

The details of the Group's other income for the three months ended March 31, 2026 and 2025 were as follows:

	For the three months ended March 31	
	2026	2025
Rent income	\$ 632	6,230
Government subsidy	14,275	15,130
Other income	94,127	90,575
	\$ 109,034	111,935

(iii) Other gains and losses

The details of the Group's other gains and losses for the three months ended March 31, 2026 and 2025 were as follows:

	For the three months ended March 31	
	2026	2025
Foreign exchange gains	\$ 145,820	213,636
Others	(3,811)	(163)
	\$ 142,009	213,473

(iv) Financial costs

The details of the Group's financial costs for the three months ended March 31, 2026 and 2025 were as follows:

	For the three months ended March 31	
	2026	2025
Interest expense	\$ 56,386	63,183

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FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

(t) Financial instruments

(i) Credit risks

1) Credit risk exposure

The carrying amounts of financial assets represented the maximum credit risk exposure of the Group.

2) The concentration of credit risk

On March 31, 2026, December 31, 2025 and March 31, 2025, 63%, 66% and 68% of the Group's total receivables were concentrated within a single overseas customer.

(ii) Liquidity risk

The following are the contractual maturities of financial liabilities of the Group, including estimated interest payments and excluding the impact of netting arrangements:

	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>Less than 6 months</u>	<u>6 to 12 months</u>	<u>1 to 2 years</u>	<u>2 to 5 years</u>	<u>More than 5 years</u>
March 31, 2026							
Non-derivative financial liabilities							
Notes and accounts payable	\$ 4,259,896	4,259,896	4,258,893	1,003	-	-	-
Other payables	3,613,034	3,613,034	3,241,825	371,209	-	-	-
Unsecured bank loans	5,687,495	5,797,050	4,177,183	264,631	1,355,236	-	-
Lease liabilities	572,005	1,410,206	31,270	60,889	74,311	183,515	1,060,221
	<u>\$ 14,132,430</u>	<u>15,080,186</u>	<u>11,709,171</u>	<u>697,732</u>	<u>1,429,547</u>	<u>183,515</u>	<u>1,060,221</u>
December 31, 2025							
Non-derivative financial liabilities							
Notes and accounts payable	\$ 3,998,596	3,998,596	3,997,216	1,380	-	-	-
Other payables	4,827,917	4,827,917	4,566,666	261,251	-	-	-
Unsecured bank loans	5,765,372	5,936,499	2,742,722	68,910	3,124,867	-	-
Other long-term borrowings	68,001	68,001	68,001	-	-	-	-
Lease liabilities	592,731	1,422,278	58,381	33,577	77,202	179,039	1,074,079
	<u>\$ 15,252,617</u>	<u>16,253,291</u>	<u>11,432,986</u>	<u>365,118</u>	<u>3,202,069</u>	<u>179,039</u>	<u>1,074,079</u>
March 31, 2025							
Non-derivative financial liabilities							
Notes and accounts payable	\$ 4,204,080	4,204,080	4,203,075	1,005	-	-	-
Other payables	4,216,306	4,216,306	3,560,402	655,904	-	-	-
Unsecured bank loans	6,116,249	6,274,548	3,981,945	511,849	1,780,754	-	-
Other long-term borrowings	69,517	69,587	35	35	69,517	-	-
Lease liabilities	586,636	1,454,562	30,248	61,512	86,709	184,315	1,091,778
	<u>\$ 15,192,788</u>	<u>16,219,083</u>	<u>11,775,705</u>	<u>1,230,305</u>	<u>1,936,980</u>	<u>184,315</u>	<u>1,091,778</u>

The Group does not expect the cash flows included in the maturity analysis to occur significantly earlier or at significantly different amounts.

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FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
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(iii) Currency risks

1) Exposure to currency risks

March 31, 2026					
	Foreign currency (In thousands)		Exchange rate	TWD	
Financial assets					
Monetary items					
USD	\$	269,112	USD : TWD	31.945	8,596,791
		17,401	USD : CNY	6.9194	555,884
		800	USD : INR	94.8350	25,571
VND		814,798,367	VND : USD	0.00004	977,758
INR		1,370,627	INR : USD	0.0105	461,627
IDR		10,471,456	IDR : USD	0.0001	19,896
Non-monetary items					
USD		45,245	USD : TWD	31.945	1,445,351
Financial liabilities					
Monetary items					
USD		37,181	USD : TWD	31.945	1,187,757
		8,108	USD : CNY	6.9194	259,011
		167	USD : VND	26,247	5,335
VND		1,518,128,897	VND : USD	0.00004	1,821,755
INR		2,973,479	INR : USD	0.0105	1,001,468
IDR		989,719,054	IDR : USD	0.0001	1,880,466
December 31, 2025					
	Foreign currency (In thousands)		Exchange rate	TWD	
Financial assets					
Monetary items					
USD	\$	269,769	USD : TWD	31.380	8,465,347
		19,136	USD : CNY	7.0288	600,481
		1,027	USD : VND	89.8300	32,218
VND		776,060,430	VND : USD	0.00004	931,273
INR		2,743,066	INR : USD	0.0111	958,153
IDR		21,416,772	IDR : USD	0.0001	40,692
Non-monetary items					
USD		46,048	USD : TWD	31.380	1,444,980

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FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

December 31, 2025				
	Foreign currency (In thousands)		Exchange rate	TWD
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD	41,298	USD : TWD	31.380	1,295,924
	8,227	USD : CNY	7.0288	258,160
	151	USD : VND	26,227	4,752
VND	1,881,484,612	VND : USD	0.00004	2,257,782
INR	2,791,851	INR : USD	0.0111	975,193
IDR	1,111,067,063	IDR : USD	0.0001	2,111,027
March 31, 2025				
	Foreign currency (In thousands)		Exchange rate	TWD
<u>Financial assets</u>				
<u>Monetary items</u>				
USD	\$ 271,439	USD : TWD	33.155	8,999,551
	24,451	USD : CNY	7.1782	810,681
	38	USD : VND	25,560	1,276
VND	693,689,578	VND : USD	0.00004	901,796
INR	1,921,929	INR : USD	0.0117	745,516
IDR	148,675,144	IDR : USD	0.0001	297,350
<u>Non-monetary items</u>				
USD	39,928	USD : TWD	33.155	1,323,826
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD	30,945	USD : TWD	33.155	1,025,976
	7,027	USD : CNY	7.1782	232,980
	116	USD : VND	25,560	3,851
VND	1,613,948,440	VND : USD	0.00004	2,098,133
INR	2,903,414	INR : USD	0.0117	1,126,234
IDR	1,010,034,337	IDR : USD	0.0001	2,020,069

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FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
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2) Sensitivity analysis

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts receivable, other receivables, loans and borrowings, accounts payable and other payables that are denominated in foreign currency. An appreciation or depreciation of 5% of the TWD against the USD, VND, INR and IDR for the three months ended March 31, 2026 and 2025, would have increased the net profit before tax by \$224,087 thousand and \$262,446 thousand, respectively. Performed based on the same basis, the analysis of both periods assumed that all other variables remained constant.

3) Foreign exchange gain and loss on monetary items

Since the Group has many kinds of functional currency, the information on foreign exchange gain on monetary items is disclosed by total amount. For the three months ended March 31, 2026 and 2025, foreign exchange gain (including realized and unrealized portions) amounted to \$145,820 thousand and \$213,636 thousand, respectively.

(iv) Interest rate analysis

Please refer to the notes on liquidity risk management and interest rate exposure of the Group's financial assets and liabilities.

The following sensitivity analysis is based on the risk exposure to interest rate on the derivative and non-derivative financial instruments on the reporting date. For variable rate instruments, the sensitivity analysis assumes the variable rate liabilities are outstanding for the whole year at the reporting date. The change in interest rate reported to the Group's key management was based on 50 basis points, which is consistent with the assessment made by the key management in respect of the possible change in interest rate.

If the interest rate increases or decreases by 50 basis points, with all other variable factors remaining constant, the Group's net profit before tax would have decreased or increased by \$4,458 thousand and \$5,878 thousand for the three months ended March 31, 2026 and 2025, respectively. This was mainly due to the Group's deposits and borrowings at variable rates.

(v) Fair value information

1) Financial instruments not measured at fair value

The Group considered that the carrying amounts of financial assets and financial liabilities measured at amortized cost approximate their fair values.

2) Financial instruments measured at fair value

The fair value of financial assets at fair value through profit or loss is measured on a recurring basis. The table below analyzes financial instruments that are measured at fair value subsequent to initial recognition, grouped into Levels 1 to 3 based on the degree to which the fair value is observable. The different levels have been defined as follows:

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FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
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- a) Level 1: quoted prices (unadjusted) in active markets for identified assets or liabilities.
- b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- c) Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

(vi) Valuation techniques for financial instruments measured at fair value

If the fair value of the unlisted stocks held the Group is mainly estimated using the discounted cash flow model method, with reference to the Group's future growth rate, net worth, and operation.

(u) Financial risk management

(i) Overview

The Group had exposures to the following risks from its financial instruments:

- 1) credit risk
- 2) liquidity risk
- 3) market risk

The following likewise discusses the Group's objectives, policies and processes for measuring and managing the above mentioned risk. For more disclosures about the quantitative effects of these risk exposures, please refer to the respective notes in the accompanying financial statement.

(ii) Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The internal auditors perform regular reviews by taking risk management control procedures and report to the Board of Directors.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

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FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iii) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in debt securities.

1) Trade and other receivables

Exposure to credit risk of the Group is mainly affected by the condition of each customer. However, the management also considers the demographics of the Group's customer base, including the default risk of the industry and the country in which customers operate, as these factors may have an influence on credit risk.

Management has established a credit policy, under which when available, and, in some cases, each new customer is analyzed individually for credit rating before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings bank references. Purchase limits are established for each customer, and these limits are reviewed periodically. Customers that fail to meet the Group's benchmark credit rating may transact with the Group only on a prepayment basis.

In monitoring the credit risk of the customers, the Group groups them according to the credit characteristics of the customers; for example, by whether they are primary or secondary customers, region, industry, age and maturity date of receivables, and previously existing financial difficulties. The Group's accounts receivable were mainly due from Group's customers. Customers rated as high risk are classified as restricted customers and monitored, and those customers may transact with the Group only on a prepayment basis in the future.

The Group has established an allowance account for bad debts that represents its estimate of incurred losses in respect of trade receivables, other receivables, and investments. This allowance mainly comprises a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. This allowance for the loss component is determined based on historical payment statistics of similar financial assets.

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FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

2) Investment

The credit risk exposure for the bank deposits and other financial instruments are measured and monitored by the Group's finance department. The Group only deals with banks, other external parties, corporate organizations, government agencies and financial institutions with good credit rating. The Group does not expect any counterparty above fails to meet its obligations hence there is no significant credit risk arising from these counterparties.

3) Guarantees

As of March 31, 2026, December 31, 2025 and March 31, 2025, there was no guarantee outstanding.

(iv) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group monitors the level of expected cash outflows on trade and other payables. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the total amount of unused credit facilities as of March 31, 2026, December 31, 2025 and March 31, 2025, amounted to \$13,953,765 thousand, \$13,672,971 thousand and \$14,085,456 thousand, respectively.

(v) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

1) Currency risk

The Group is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the respective functional currencies of the Group's entities, primarily the New Taiwan Dollars (TWD), US Dollars (USD) and China Yuan (CNY). The currencies used in these transactions are denominated in TWD, USD, VND, INR, IDR and CNY.

The interest is denominated in the currency used in the borrowings. Borrowings were generally denominated in currencies that match with the cash flows generated by the underlying operations of the Group, primarily TWD, USD, VND, INR and CNY. This provided an economic hedge without derivatives being entered into, and therefore, hedge accounting was not applied in these circumstances.

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FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

In respect of other monetary assets and liabilities denominated in foreign currencies, the Group ensures that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short term imbalances.

2) Interest rate risk

The Group's risk exposure on to changes in interest rates is mainly attributable to short-term and long-term loans at floating rates. Any change in interest rates will cause the effective interest rates of short-term and long-term loans to change and thus cause the future cash flows to fluctuate over time.

(v) Capital management

The Group meets its objectives for managing capital to safeguard the capacity to continue to operate, to continue to provide a return to shareholders and other related parties, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the dividend payment to the shareholders, reduce the capital for redistribution to shareholders, issue new shares or sell assets to settle any liabilities.

The Group's debt-to-equity ratios on the reporting dates were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Total liabilities	\$ 23,618,799	24,865,916	24,343,854
Less: cash and cash equivalents	(4,598,062)	(5,282,741)	(3,806,754)
Net debt	19,020,737	19,583,175	20,537,100
Total equity	28,583,109	27,825,074	30,118,049
Total capital	<u>\$ 47,603,846</u>	<u>47,408,249</u>	<u>50,655,149</u>
Debt-to-equity ratio on period end	<u>39.96 %</u>	<u>41.31 %</u>	<u>40.54 %</u>

(w) Investing and financing activities not affecting current cash flow

The Group's investing and financing activities which did not affect the current cash flow for the three months ended March 31, 2026 and 2025.

Reconciliation of liabilities arising from financing activities was as follows:

	January 1, 2026	Cash flows	Non-cash changes	March 31, 2026
			Foreign exchange movement	Others
Long-term borrowings	\$ 3,135,432	(1,826,997)	24,949	-
Short-term borrowings	2,697,941	1,632,993	23,177	-
Lease liabilities	592,731	(37,190)	10,748	5,716
Total liabilities from financing activities	<u>\$ 6,426,104</u>	<u>(231,194)</u>	<u>58,874</u>	<u>5,716</u>
			<u>6,259,500</u>	

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FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
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	January 1, 2025	Cash flows	Non-cash changes		March 31, 2025
			Foreign exchange movement	Others	
Long-term borrowings	\$ 3,397,663	(1,607,102)	25,230	-	1,815,791
Short-term borrowings	2,983,008	1,371,576	15,391	-	4,369,975
Lease liabilities	616,871	(36,470)	6,235	-	586,636
Total liabilities from financing activities	<u>\$ 6,997,542</u>	<u>(271,996)</u>	<u>46,856</u>	<u>-</u>	<u>6,772,402</u>

(7) Related-party transactions:

(a) Name of related parties and relationship

The followings are entities that had transactions with related party during the periods covered in the consolidated financial statements.

Name of related party	Relationship with the Group
Shoe Majesty Co., Ltd.	A joint venture under the Group's joint arrangement
Vietnam Shoe Majesty Co., Ltd.	"
Hong Kong Shoe Majesty Trading Company Limited	"
PT Shoe Majesty Indonesia	"

(b) Significant transactions with related parties

(i) Other revenue

	For the three months ended March 31	
	2026	2025
The Group is a joint venture under the joint agreement	<u>\$ 3,163</u>	<u>2,640</u>

(ii) Receivables due from Related Parties

The receivables due from related parties of the Group were as follows:

Account item	Category of related party	March 31, 2026	December 31, 2025	March 31, 2025
Other receivables	The Group is a joint venture under the joint agreement	<u>\$ 995</u>	<u>778</u>	<u>863</u>

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FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
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(c) Key management personnel transactions

Key management personnel compensation comprised:

	For the three months ended March 31	
	2026	2025
Short-term employee benefits	\$ 58,425	73,260
Post-employment benefits	1,397	1,483
	<u>\$ 59,822</u>	<u>74,743</u>

(8) Pledged assets:

The book values of pledged assets were as follows:

Pledged assets	Object	March 31, 2026	December 31, 2025	March 31, 2025
Other current financial assets	Customs deposit and lease deposit	\$ 6,080	8,591	970
Other non-current financial assets	Customs deposit and lease deposit	93,543	94,327	104,581
		<u>\$ 99,623</u>	<u>102,918</u>	<u>105,551</u>

(9) Commitments and contingencies:

- (a) As of March 31, 2026, December 31, 2025 and March 31, 2025, the Group has issued promissory notes for short-term and long-term borrowings of \$9,375,050 thousand, \$9,324,200 thousand and \$9,983,950 thousand, respectively.
- (b) As of March 31, 2026, December 31, 2025 and March 31, 2025, the Group had payables in respect of important construction contracts, amounting to \$843,468 thousand, \$978,206 thousand and \$1,385,671 thousand, respectively.

(10) Losses Due to Major Disasters: None

(11) Subsequent Events: None

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FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
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(12) Others:

- (a) A summary of current-period employee benefits, depreciation, and amortization, by function, is as follows:

By item	By function	For the three months ended March 31, 2026			For the three months ended March 31, 2025		
		Cost of Sale	Operating Expense	Total	Cost of Sale	Operating Expense	Total
Employee benefits							
Salary		\$ 4,832,925	1,452,062	6,284,987	4,687,299	1,630,039	6,317,338
Labor and health insurance		531,882	152,971	684,853	557,208	160,156	717,364
Pension		254,072	76,684	330,756	337,985	92,383	430,368
Other employee benefits		334,951	104,706	439,657	554,414	162,986	717,400
Depreciation		515,610	238,065	753,675	541,277	241,796	783,073
Amortization		4,107	15,905	20,012	2,593	18,061	20,654

- (b) Seasonality of operation

The Group's operations are not affected by seasonal or cyclical factors.

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FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

(13) Other disclosures

(a) Information on significant transactions

The followings is the information on significant transactions required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” for the Group for the three months ended March 31, 2026:

- i. Loans to other parties: None
- ii. Guarantees and endorsements for other parties: None
- iii. Significant securities held as of March 31, 2026 (excluding investment in subsidiaries, associates and joint ventures): None
- iv. Related-party transactions for purchases and sales with amounts exceeding the lower of \$100 million or 20% of the capital stock:

(In Thousands of New Taiwan Dollar)

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/ Accounts receivable (payable)		Note
			Purchase/ Sale	Amount	Percentage of total purchases/ sales	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/ accounts receivable (payable)	
Feng Tay Enterprises Co., Ltd.	PT Feng Tay Indonesia Enterprises	Parent and subsidiary	Sale	273,015	1%	90 days	Selling price of goods was determined through negotiations and there were no other transactions with non-related parties to compare with.	-	220,972	2%	-
"	"	"	Purchase	1,470,598	7%	20 days	"	-	(745,122)	(10%)	-
"	India Tindivanam Footwear Private Limited	"	Purchase	244,729	1%	10 days	"	-	(33,225)	-	-
"	Lotus Footwear Enterprises Private Limited (India Branch)	"	Sale	525,764	2%	90 days	"	-	665,323	6%	-
"	"	"	Purchase	1,246,361	6%	30 days	"	-	(416,031)	(6%)	-
"	East Wind Footwear Company Limited (India Branch)	"	Sale	260,372	1%	60/90 days	"	-	400,604	3%	-
"	"	"	Purchase	715,510	3%	30 days	"	-	(275,614)	(4%)	-
"	Fairway Enterprises Company Limited (India Branch)	"	Sale	459,543	2%	30 days	"	-	262,098	2%	-
"	"	"	Purchase	1,150,409	6%	30 days	"	-	(400,766)	(5%)	-
"	Fujian Lifeng Footwear Industrial Development Company Limited	"	Purchase	423,359	2%	15 days	"	-	(84,329)	(1%)	-
"	Fujian San Feng Footwear Company Limited	"	Sale	100,107	-	90 days	"	-	115,240	1%	-
"	Fujian Xiefeng Footwear Company Limited	"	Sale	171,634	1%	15 days	"	-	37,543	-	-
"	"	"	Purchase	850,560	4%	15 days	"	-	(124,736)	(2%)	-
"	Fujian Great Hope Footwear Company Limited	"	Purchase	198,494	1%	60 days	"	-	(159,510)	(2%)	-
"	Dona Pacific (Vietnam) Co., Ltd.	"	Sale	348,043	2%	30 days	"	-	133,296	1%	-
"	"	"	Purchase	1,465,485	7%	15 days	"	-	(388,254)	(5%)	-
"	Vietnam Dona Orient Co., Ltd.	"	Sale	587,049	3%	30 days	"	-	279,091	2%	-
"	"	"	Purchase	1,425,829	7%	30 days	"	-	(518,140)	(7%)	-

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Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/ Accounts receivable (payable)		Note
			Purchase/ Sale	Amount	Percentage of total purchases/ sales	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/ accounts receivable (payable)	
Feng Tay Enterprises Co., Ltd.	Dona Victor Footwear Co., Ltd.	Parent and subsidiary	Sale	258,303	1%	30 days	Selling price of goods was determined through negotiations and there were no other transactions with non-related parties to compare with.	-	108,919	1%	-
"	"	"	Purchase	1,688,539	8%	30 days	"	-	(575,062)	(8%)	-
"	Vietnam Dona Standard Footwear Co., Ltd.	"	Sale	964,719	4%	15 days	"	-	183,626	2%	-
"	"	"	Purchase	3,740,471	18%	30 days	"	-	(1,369,934)	(18%)	-
"	Vung Tau Orient Co., Ltd.	"	Sale	311,036	1%	120 days	"	-	438,572	4%	-
"	"	"	Purchase	875,225	4%	20 days	"	-	(211,290)	(3%)	-
"	Vietnam Nam Ha Footwear Company Limited	"	Sale	173,370	1%	90 days	"	-	236,153	2%	-
"	"	"	Purchase	653,117	3%	10 days	"	-	(138,444)	(2%)	-
PT Feng Tay Indonesia Enterprises	Feng Tay Enterprises Co., Ltd.	Subsidiary and parent	Sale	1,470,598	100%	20 days	"	-	745,122	100%	-
"	"	"	Purchase	273,015	34%	90 days	"	-	(220,972)	(51%)	-
Fujian Lifeng Footwear Industrial Development Company Limited	Feng Tay Enterprises Co., Ltd.	Subsidiary and parent	Sale	423,359	68%	15 days	"	-	84,329	58%	-
Fujian Xiefeng Footwear Company Limited	Feng Tay Enterprises Co., Ltd.	Subsidiary and parent	Sale	850,560	73%	15 days	"	-	124,736	47%	-
"	"	"	Purchase	171,634	23%	15 days	"	-	(37,543)	(24%)	-
Fujian San Feng Footwear Company Limited	Feng Tay Enterprises Co., Ltd.	Subsidiary and parent	Purchase	100,107	38%	90 days	"	-	(115,240)	(56%)	-
Fujian Great Hope Footwear Company Limited	Feng Tay Enterprises Co., Ltd.	Subsidiary and parent	Sale	198,494	93%	60 days	"	-	159,510	91%	-
Dona Victor Footwear Co., Ltd.	Feng Tay Enterprises Co., Ltd.	Subsidiary and parent	Sale	1,688,539	100%	30 days	"	-	575,062	100%	-
"	"	"	Purchase	258,303	69%	30 days	"	-	(108,919)	(27%)	-
Dona Pacific (Vietnam) Co., Ltd.	Feng Tay Enterprises Co., Ltd.	Subsidiary and parent	Sale	1,465,485	94%	15 days	"	-	388,254	92%	-
"	"	"	Purchase	348,043	66%	30 days	"	-	(133,296)	(29%)	-
Vietnam Dona Orient Co., Ltd.	Feng Tay Enterprises Co., Ltd.	Subsidiary and parent	Sale	1,425,829	71%	30 days	"	-	518,140	66%	-
"	"	"	Purchase	587,049	58%	30 days	"	-	(279,091)	(52%)	-
Vung Tau Orient Co., Ltd.	Feng Tay Enterprises Co., Ltd.	Subsidiary and parent	Sale	875,225	100%	20 days	"	-	211,290	100%	-
"	"	"	Purchase	311,036	85%	120 days	"	-	(438,572)	(79%)	-
Vietnam Dona Standard Footwear Co., Ltd.	Feng Tay Enterprises Co., Ltd.	Subsidiary and parent	Sale	3,740,471	96%	30 days	"	-	1,369,934	95%	-
"	"	"	Purchase	964,719	86%	15 days	"	-	(183,626)	(23%)	-
Vietnam Nam Ha Footwear Company Limited	Feng Tay Enterprises Co., Ltd.	Subsidiary and parent	Sale	653,117	100%	10 days	"	-	138,444	100%	-
"	"	"	Purchase	173,370	85%	90 days	"	-	(236,153)	(68%)	-

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Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/ Accounts receivable (payable)		Note
			Purchase/ Sale	Amount	Percentage of total purchases/ sales	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/ accounts receivable (payable)	
India Tindivanam Footwear Private Limited	Feng Tay Enterprises Co., Ltd.	Subsidiary and parent	Sale	244,729	100%	10 days	Selling price of goods was determined through negotiations and there were no other transactions with non-related parties to compare with.	-	33,225	98%	-
East Wind Footwear Company Limited (India Branch)	Feng Tay Enterprises Co., Ltd.	Subsidiary and parent	Sale	715,510	94%	30 days	"	-	275,614	93%	-
"	"	"	Purchase	260,372	92%	60/90 days	"	-	(400,604)	(92%)	-
Lotus Footwear Enterprises Private Limited (India Branch)	Feng Tay Enterprises Co., Ltd.	Subsidiary and parent	Sale	1,246,361	94%	30 days	"	-	416,031	95%	-
"	"	"	Purchase	525,764	97%	90 days	"	-	(665,323)	(91%)	-
Fairway Enterprises Company Limited (India Branch)	Feng Tay Enterprises Co., Ltd.	Subsidiary and parent	Sale	1,150,409	98%	30 days	"	-	400,766	99%	-
"	"	"	Purchase	459,543	99%	30 days	"	-	(262,098)	(90%)	-

Note: The inter-company transactions were eliminated in the consolidated financial statements.

- v. Receivables from related parties with amounts exceeding the lower of \$100 million or 20% of capital stock:

(In Thousands of New Taiwan Dollar)

Name of company	Related party	Nature of relationship	Ending balance (Note 1)	Turnover	Overdue		Amounts received in subsequent period	Allowance for credit loss
					Amount	Action taken		
Feng Tay Enterprises Co., Ltd.	PT Feng Tay Indonesia Enterprises	Parent and subsidiary	220,972	4.23	-	-	-	-
"	India Tindivanam Footwear Private Limited	"	674,240	0.25	615,747	-	-	-
"	Lotus Footwear Enterprises Private Limited (India Branch)	"	665,323	3.23	-	-	46,212	-
"	East Wind Footwear Company Limited (India Branch)	"	400,604	2.59	123,852	-	32,084	-
"	Fairway Enterprises Company Limited (India Branch)	"	262,098	6.89	-	-	38,642	-
"	"	"	43,627	Note 2	-	-	-	-
"	Fujian San Feng Footwear Company Limited	"	115,240	5.85	-	-	35,723	-
"	Dona Pacific (Vietnam) Co., Ltd.	"	133,296	13.91	-	-	48,601	-
"	Vietnam Dona Orient Co., Ltd.	"	279,091	11.53	-	-	143,284	-
"	Dona Victor Footwear Co., Ltd.	"	108,919	11.55	-	-	58,066	-
"	Vietnam Dona Standard Footwear Co., Ltd.	"	183,626	29.96	-	-	74,692	-

FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to the Consolidated Financial Statements

Name of company	Related party	Nature of relationship	Ending balance (Note 1)	Turnover	Overdue		Amounts received in subsequent period	Allowance for credit loss
					Amount	Action taken		
Feng Tay Enterprises Co., Ltd.	Vung Tau Orient Co., Ltd.	Parent and subsidiary	438,572	2.77	-	-	57,021	-
"	Vietnam Nam Ha Footwear Company Limited	"	236,153	3.13	51,667	-	12,452	-
PT Feng Tay Indonesia Enterprises	Feng Tay Enterprises Co., Ltd.	Subsidiary and parent	745,122	8.99	-	-	472,977	-
Fujian Xiefeng Footwear Company Limited	Feng Tay Enterprises Co., Ltd.	Subsidiary and parent	124,736	19.68	-	-	124,736	-
Fujian Great Hope Footwear Company Limited	Feng Tay Enterprises Co., Ltd.	Subsidiary and parent	159,510	5.54	-	-	69,492	-
Dona Victor Footwear Co., Ltd.	Feng Tay Enterprises Co., Ltd.	Subsidiary and parent	575,062	11.21	-	-	338,863	-
Dona Pacific (Vietnam) Co., Ltd.	Feng Tay Enterprises Co., Ltd.	Subsidiary and parent	388,254	17.40	-	-	388,254	-
Vietnam Dona Orient Co., Ltd.	Feng Tay Enterprises Co., Ltd.	Subsidiary and parent	518,140	9.93	-	-	257,118	-
Vung Tau Orient Co., Ltd.	Feng Tay Enterprises Co., Ltd.	Subsidiary and parent	211,290	20.77	-	-	211,290	-
Vietnam Dona Standard Footwear Co., Ltd.	Feng Tay Enterprises Co., Ltd.	Subsidiary and parent	1,369,934	12.12	-	-	987,238	-
Vietnam Nam Ha Footwear Company Limited	Feng Tay Enterprises Co., Ltd.	Subsidiary and parent	138,444	28.09	-	-	131,817	-
East Wind Footwear Company Limited (India Branch)	Feng Tay Enterprises Co., Ltd.	Subsidiary and parent	275,614	8.60	-	-	158,363	-
Lotus Footwear Enterprises Private Limited (India Branch)	Feng Tay Enterprises Co., Ltd.	Subsidiary and parent	416,031	11.23	-	-	241,053	-
Fairway Enterprises Company Limited (India Branch)	Feng Tay Enterprises Co., Ltd.	Subsidiary and parent	400,766	12.50	-	-	279,014	-

Note 1: The inter-company transactions were eliminated in the consolidated financial statements.

Note 2: As the amount primarily relates to other receivables, it is not applicable for the calculation of turnover days.

vi. Business relationships and significant intercompany transactions:

(In Thousands of New Taiwan Dollar)

No. (Note1)	Name of company	Name of counter-party	Nature of relationship (Note 2)	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
0	Feng Tay Enterprises Co., Ltd.	PT Feng Tay Indonesia Enterprises	1	Sales revenue	273,015	Note 3	1.4194%
"	"	"	"	Cost of sales	1,470,598	Note 3	7.6455%
"	"	"	"	Accounts receivable due from related parties	220,972	90 days	0.4233%
"	"	"	"	Accounts payable to related parties	745,122	20 days	1.4274%
"	"	India Tindivanam Footwear Private Limited	"	Cost of sales	244,729	Note 3	1.2723%
"	"	"	"	Accounts payable to related parties	33,225	10 days	0.0636%

FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

No. (Note1)	Name of company	Name of counter-party	Nature of relationship (Note 2)	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
0	Feng Tay Enterprises Co., Ltd.	Lotus Footwear Enterprises Private Limited (India Branch)	1	Sales revenue	525,764	Note 3	2.7334%
"	"	"	"	Cost of sales	1,246,361	Note 3	6.4797%
"	"	"	"	Accounts receivable due from related parties	665,323	90 days	1.2745%
"	"	"	"	Accounts payable to related parties	416,031	30 days	0.7970%
"	"	East Wind Footwear Company Limited (India Branch)	"	Sales revenue	260,372	Note 3	1.3536%
"	"	"	"	Cost of sales	715,510	Note 3	3.7199%
"	"	"	"	Accounts receivable due from related parties	400,604	60/90 days	0.7674%
"	"	"	"	Accounts payable to related parties	275,614	30 days	0.5280%
"	"	Fairway Enterprises Company Limited (India Branch)	"	Sales revenue	459,543	Note 3	2.3891%
"	"	"	"	Cost of sales	1,150,409	Note 3	5.9808%
"	"	"	"	Accounts receivable due from related parties	262,098	30 days	0.5021%
"	"	"	"	Accounts payable to related parties	400,766	30 days	0.7677%
"	"	Fujian Lifeng Footwear Industrial Development Company Limited	"	Cost of sales	423,359	Note 3	2.2010%
"	"	"	"	Accounts payable to related parties	84,329	15 days	0.1615%
"	"	Fujian San Feng Footwear Company Limited	"	Sales revenue	100,107	Note 3	0.5204%
"	"	"	"	Accounts receivable due from related parties	115,240	90 days	0.2208%
"	"	Fujian Xiefeng Footwear Company Limited	"	Sales revenue	171,634	Note 3	0.8923%
"	"	"	"	Cost of sales	850,560	Note 3	4.4220%
"	"	"	"	Accounts receivable due from related parties	37,543	15 days	0.0719%
"	"	"	"	Accounts payable to related parties	124,736	15 days	0.2389%
"	"	Fujian Great Hope Footwear Company Limited	"	Cost of sales	198,494	Note 3	1.0319%
"	"	"	"	Accounts payable to related parties	159,510	60 days	0.3056%
"	"	Dona Pacific (Vietnam) Co., Ltd.	"	Sales revenue	348,043	Note 3	1.8094%
"	"	"	"	Cost of sales	1,465,485	Note 3	7.6189%
"	"	"	"	Accounts receivable due from related parties	133,296	30 days	0.2553%
"	"	"	"	Accounts payable to related parties	388,254	15 days	0.7438%
"	"	Vietnam Dona Orient Co., Ltd.	"	Sales revenue	587,049	Note 3	3.0520%
"	"	"	"	Cost of sales	1,425,829	Note 3	7.4127%
"	"	"	"	Accounts receivable due from related parties	279,091	30 days	0.5346%

FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

No. (Note1)	Name of company	Name of counter-party	Nature of relationship (Note 2)	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
0	Feng Tay Enterprises Co., Ltd.	Vietnam Dona Orient Co., Ltd.	1	Accounts payable to related parties	518,140	30 days	0.9926%
"	"	Dona Victor Footwear Co., Ltd.	"	Sales revenue	258,303	Note 3	1.3429%
"	"	"	"	Cost of sales	1,688,539	Note 3	8.7785%
"	"	"	"	Accounts receivable due from related parties	108,919	30 days	0.2086%
"	"	"	"	Accounts payable to related parties	575,062	30 days	1.1016%
"	"	Vietnam Dona Standard Footwear Co., Ltd.	"	Sales revenue	964,719	Note 3	5.0155%
"	"	"	"	Cost of sales	3,740,471	Note 3	19.4463%
"	"	"	"	Accounts receivable due from related parties	183,626	15 days	0.3518%
"	"	"	"	Accounts payable to related parties	1,369,934	30 days	2.6243%
"	"	Vung Tau Orient Co., Ltd.	"	Sales revenue	311,036	Note 3	1.6170%
"	"	"	"	Cost of sales	875,225	Note 3	4.5502%
"	"	"	"	Accounts receivable due from related parties	438,572	120 days	0.8401%
"	"	"	"	Accounts payable to related parties	211,290	20 days	0.4048%
"	"	Vietnam Nam Ha Footwear Company Limited	"	Sales revenue	173,370	Note 3	0.9013%
"	"	"	"	Cost of sales	653,117	Note 3	3.3955%
"	"	"	"	Accounts receivable due from related parties	236,153	90 days	0.4524%
"	"	"	"	Accounts payable to related parties	138,444	10 days	0.2652%

Note 1: The numbers filled in as follows:

1. 0 represents the parent company.
2. Subsidiaries are sorted in a numerical order starting from 1.

Note 2: Transactions labeled as follows:

1. represents transactions between the parent company and its subsidiaries.
2. represents transactions between the subsidiaries and the parent company.
3. represents transactions between subsidiaries.

Note 3: Selling price of goods is determined through negotiations and there are no other transactions with non-related parties to compare with.

Note 4: Revenue is calculated based on a certain ratio determined by the contract, and there are no other transactions with non-related party to compare with.

FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

(b) Information on investment

The following is the information on investment for the three months ended March 31, 2026
(excluding information on investment in Mainland China):

(In Thousands of New Taiwan Dollar)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of March 31, 2026			Net income (losses) of investee	Share of profits/losses of investee	Note (Note 6)
				March 31, 2026	December 31, 2025	Shares	Percentage of ownership	Carrying value			
Feng Tay Enterprises Co., Ltd.	PT Feng Tay Indonesia Enterprises	Indonesia	Manufacturing of athletic shoes, casual shoes, semi-finished footwear and footwear accessories	1,324,722	1,324,722	53,999	99.99%	1,130,592	71,116	71,115	Subsidiary (Note 5)
"	PT Rich Valley Indonesia	"	Manufacturing of athletic shoes, casual shoes, semi-finished footwear and footwear accessories	1,063,389	1,063,389	519,990	99.99%	1,144,447	(1,221)	(1,221)	"
"	Growth-Link Overseas Company Limited	Bermuda	Investment holding	5,521,531	5,521,531	6,000,000	100.00%	15,666,675	(6,976)	(6,976)	"
"	VX Holdings Limited	British Virgin Islands	Investment holding	446,117	446,117	38,280	47.26%	683,777	7,676	3,628	"
"	Shoe Majesty Co., Ltd.	"	Investment holding	203,466	203,466	6,120	20.40%	589,071	(46,116)	(9,408)	Investee under the equity method
"	Dona Orient Holdings Limited	"	Investment holding	1,529,928	1,529,928	44,753	40.97%	3,914,707	(14,845)	(6,082)	Subsidiary (Note 5)
"	Great Eastern Industrises Limited	Hong Kong	International trade services	30,358	30,358	1,000	100.00%	34,090	935	935	"
"	Great South Private Limited	Singapore	Investment holding	37,946	37,946	1,700	100.00%	22,534	323	323	"
"	India Tindivandam Footwear Private Limited	India	Manufacturing of athletic shoes, semi-finished footwear and footwear accessories	2,064,338	2,064,338	548,804,047	96.49%	1,079,884	(119,135)	(114,948)	Subsidiary (Note 3&5)
Growth-Link Overseas Company Limited	VX Mold Company Limited	British Virgin Islands	Investment holding	15,998	15,998	372,000	93.00%	256,346	45,737	42,536	Subsidiary (Note 5)
"	VX Holdings Limited	"	Investment holding	303,726	303,726	36,342	44.87%	663,897	7,676	3,444	Investee under the equity method (Note 5)
"	Dona Pacific Holdings Limited	"	Investment holding	398,488	398,488	23,000	92.00%	1,432,880	991	912	Subsidiary (Note 5)
"	Shoe Majesty Co., Ltd.	"	Investment holding	257,007	257,007	8,580	28.60%	856,280	(46,116)	(13,189)	Investee under the equity method
"	Dona Orient Holdings Limited	"	Investment holding	2,103,502	2,103,502	64,483	59.03%	5,908,381	(14,845)	(8,763)	Subsidiary (Note 5)
"	Lotus Footwear Enterprises Private Limited	Singapore	Investment holding business, and manufacturing and selling of finished shoes	2,173,538	2,173,538	34,020	88.00%	4,050,375	16,096	14,165	"

FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of March 31, 2026			Net income (losses) of investee	Share of profits/losses of investee	Note (Note 6)
				March 31, 2026	December 31, 2025	Shares	Percentage of ownership	Carrying value			
Growth-Link Overseas Company Limited	PT Rich Valley Indonesia	Indonesia	Manufacturing of athletic shoes, casual shoes, semi-finished footwear and footwear accessories	23	23	10	0.01%	22	(1,221)	-	Investee under the equity method (Note 5)
"	PT Feng Tay Indonesia Enterprises	"	Manufacturing of athletic shoes, casual shoes, semi-finished footwear and footwear accessories	22	22	1	0.01%	21	71,116	1	"
"	Cheyyar SEZ Developers Private Limited	India	Development in India's Industrial Park	-	-	1	0.01%	-	(20,203)	-	"
VX Holdings Limited	Dona Victor Footwear Co., Ltd.	Vietnam	Manufacturing of athletic shoes, semi-finished footwear, and footwear accessories	1,053,681	1,053,681	Note 4	100.00%	1,478,655	8,014	8,014	Subsidiary (Note 5)
Dona Orient Limited	Vietnam Dona Orient Co., Ltd.	Vietnam	Manufacturing of athletic shoes, semi-finished footwear, and footwear accessories	1,405,580	1,405,580	Note 4	100.00%	2,521,767	84,531	84,531	Subsidiary (Note 5)
"	Vietnam Dona Standard Footwear Co., Ltd.	"	Manufacturing of athletic shoes, semi-finished footwear, and footwear accessories	2,418,237	2,418,237	"	100.00%	4,944,446	(128,659)	(128,659)	"
"	Vung Tau Orient Co., Ltd.	"	Producing golf balls, soccer balls, and backpack, bags	1,157,151	1,157,151	"	100.00%	1,147,292	1,163	1,163	"
"	Vietnam Nam Ha Footwear Company Limited	"	Manufacturing of athletic shoes, semi-finished footwear, and footwear accessories	1,980,590	1,980,590	Note 4	100.00%	1,393,807	28,343	28,343	"
VX Mold Company Limited	Dona Victor Molds Mfg. Co., Ltd.	Vietnam	Manufacturing and repair of molds, cutting dies, and processing of metal parts	99,030	99,030	Note 4	100.00%	273,898	45,991	45,991	Subsidiary (Note 5)
Dona Pacific Holdings Limited	Dona Pacific (Vietnam) Co., Ltd.	Vietnam	Manufacturing of athletic shoes, semi-finished footwear, and footwear accessories	638,900	638,900	Note 4	100.00%	1,554,113	1,257	1,257	Subsidiary (Note 5)
Lotus Footwear Enterprises Private Limited	Cheyyar SEZ Developers Private Limited	India	Development in India's Industrial Park	3,830,000	3,830,000	117,999,999	99.99%	2,678,839	(20,203)	(20,203)	Subsidiary (Note 5)
"	East Wind Footwear Company Limited	British Virgin Islands	Investment holding and production of athletic shoes	501,392	501,392	9,751	100.00%	826,389	(16,635)	(16,635)	"
"	Fairway Enterprises Company Limited	"	Investment holding and production of athletic shoes	1,365,634	1,384,004	29,501	100.00%	1,408,055	41,846	41,846	"

Note 1: Includes overseas undertakings invested by the Company and re-investment of the overseas undertakings.

Note 2: Carrying value refers to ending balance of investment recognized using the equity method, including investment gains or losses, and cumulative translation adjustments.

Note 3: The investees of Feng Tay Enterprises Co., Ltd. are presented based on the financial statements as of March 31, 2026, reviewed by certified public accountants, except that some of the investees were presented based on the unreviewed financial statements as of March 31, 2026.

Note 4: Unissued shares of the Vietnamese entities.

Note 5: Included in the consolidated financial statements.

Note 6: Represents the relationship between the investor and the investee.

Note 7: The difference between the investee company's profit or loss for the current period and the investment income recognized by the investing company for the current period is mainly due to the realization of sales gross profit.

FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements

(c) Information on investment in mainland China

- i. The names of investees in Mainland China, the main businesses and products, and other information

(In Thousands of New Taiwan Dollar)

Name of investee	Main businesses and products	Total amount of capital surplus (Note 7)	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2026 (Note 7)	Investment flows		Accumulated outflow of investment from Taiwan as of March 31, 2026 (Note 7)	Net income (losses) of the investee (Note 8)	Percentage of ownership	Highest percentage of ownership during the year	Investment income (losses) (Note 3 and 8)	Book value (Note 7)	Accumulated remittance of earnings in current period (Note 8)
					Outflow	Inflow							
Fujian Wu Feng Department Store Co., Ltd.	Wholesale and retail of general merchandise, and related services.	143,753	Note 1	175,045	-	-	175,045	263	50.00%	50.00%	132	107,858	106,545
Fujian Putian Xie Feng Mold Company Limited	Manufacturing and repair of molds, cutting dies, shoe lasts, injections, and processing of metal parts.	95,835	"	153,440	-	-	153,440	1,443	50.34%	50.34%	726	120,126	1,434,460
Fujian Xiefeng Footwear Company Limited	Producing athletic shoes, semi-finished footwear, and footwear accessories.	479,175	"	181,199	-	-	181,199	5,940	77.50%	77.50%	4,603	731,155	1,179,329
Fujian San Feng Footwear Company Limited	Producing athletic shoes, semi-finished footwear, and footwear accessories.	479,175	"	289,925	-	-	289,925	(17,267)	68.00%	68.00%	(11,742)	409,429	1,131,636
Fujian Da Feng Holdings Company Limited	Investment holding.	862,515	"	894,822	-	-	894,822	(13,483)	70.00%	70.00%	(9,438)	1,776,566	7,123,643
Fujian Great Hope Footwear Company Limited	Production of athletic shoes, casual shoes, semi-finished footwear, footwear accessories, protective gear, and other supporting products.	253,963	"	427,568	-	-	427,568	3,825	84.73%	84.73%	3,241	395,875	805,378
Fujian Lifeng Footwear Industrial Development Company Limited	Producing athletic shoes, semi-finished footwear, and footwear accessories.	479,175	Note 2	-	-	-	-	(31,576)	70.00%	70.00%	(22,103)	497,230	-
Suzhou Yufeng Plastics Technology Co., Ltd.	Manufacturing and processing of plastic products.	81,867	"	-	-	-	-	10,929	66.07%	66.07%	7,220	159,346	-

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ii. Upper limit on investment in Mainland China

Accumulated Investment in Mainland China as of March 31, 2026 (Note 4 and 7)	Investment Amounts Authorized by Investment Commission, MOEA (Note 5 and 7)	Upper Limit on Investment (Note 6)
2,121,999	2,892,701	17,149,865

Note 1: Indirect investment in the Company located in Mainland China through an existing company registered in the third region.

Note 2: Investment in companies in Mainland China through the existing companies registered in Mainland China.

Note 3: Recognized profit and loss from investment for the current period:

(1) The financial statements were reviewed by the parent company's certified public accountants.

(2) Based on unreviewed financial statements for the three months ended March 31, 2026.

Note 4: The cumulative investment amount has been deducted by capital increase from retained earnings of USD 3,939,943, capital repatriation of USD 20,185,981, but not yet deducted the cumulative amount of profit repatriation from Mainland China authorized by the Investment Commission of USD 373,860,894.

Note 5: The authorized investment amount is the original investment amounts authorized by investment Commission.

Note 6: The higher of the 60 % of net or combined net value, as calculated based on the upper limit stipulated in "Regulations Governing the Examination of Investment or Technical Cooperation in Mainland China" amended by the Investment Commission on August 29, 2008.

Note 7: Calculated based on the closing exchange rate of 31.945 on March 31, 2026.

Note 8: Calculated based on the average closing exchange rate of 31.5117 between January and the end of March 2026.

iii Significant transactions:

The significant inter-company transactions with the subsidiary in Mainland China, which were eliminated in the preparation of consolidated financial statements, are disclosed in "Information on significant transactions".

(14) Segment information

(a) General Information

The Group has reportable department, footwear manufacturing and sales department, which mainly engaged in the production and sales of various sports shoes. Other departments are mainly engaged in the manufacturing of sports balls and bags.

The Group's operating segment information and reconciliation are as follows:

	Department of manufacturing and selling shoes	Other Departments	Reconciliation and elimination	Total
For the three months ended March 31, 2026				
Revenue				
Revenue from external customers \$	18,224,012	1,010,887	-	19,234,899
Intersegment revenues	20,503,736	1,245,071	(21,748,807)	-
Total revenue	\$ 38,727,748	2,255,958	(21,748,807)	19,234,899
Reportable segment profit or loss	\$ 926,526	35,393	(3,475)	958,444

FENG TAY ENTERPRISES COMPANY LIMITED AND ITS SUBSIDIARIES
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	Department of manufacturing and selling shoes	Other Departments	Reconciliation and elimination	Total
For the three months ended March 31, 2025				
Revenue				
Revenue from external customers \$	19,629,700	1,093,123	-	20,722,823
Intersegment revenues	23,623,384	1,190,510	(24,813,894)	-
Total revenue	\$ 43,253,084	2,283,633	(24,813,894)	20,722,823
Reportable segment profit or loss	\$ 1,665,809	13,518	(25,660)	1,653,667