OWNDAYS TAIWAN LTD
FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR’S REPORT
MARCH 31, 2026 AND 2025

OWNDAYS TAIWAN LTD

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Shareholders of Owndays Taiwan Ltd.

Opinion

We have audited the accompanying financial statements of Owndays Taiwan Ltd. (the "Company"), which comprise the balance sheets as of March 31, 2026 and 2025, and the statements of comprehensive income, changes in equity and cash flows for the years ended March 31, 2026 and 2025, and the notes to the financial statements, including a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2026 and 2025, and its financial performance and its cash flows for the years ended March 31, 2026 and 2025, in accordance with the requirements related to the preparation of financial statements within Business Entity Accounting Act and the Regulation on Business Entity Accounting Handling and International Financial Reporting Standards ("IFRS"), International Accounting Standards ("IAS"), Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by Financial Supervisory Commission of the Republic of China (together, the "IFRSs").

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Financial Statement Auditing and Attestation of Financial statements by Certified Public Accountants, and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the requirements related to the preparation of financial statements within Business Entity Accounting Act and the Regulation on Business Entity Accounting Handling and IFRSs and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee or supervisors, are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Liu, Jung Chin

Ernst & Young, Taiwan
June 18, 2026

OWNDAYS TAIWAN LTD.

BALANCE SHEETS

AS OF MARCH 31, 2026 AND 2025

(Expressed in New Taiwan Dollars)

		March 31, 2026		March 31, 2025	
ASSETS	Notes	Amount	%	Amount	%
CURRENT ASSETS					
Cash and cash equivalents	6(1)	$178,608,878	18	$101,051,724	12
Accounts receivable	6(2) & 6(10)	153,357,930	15	117,679,744	12
Other receivables		5,892,035	-	5,892,035	1
Inventories	6(3)	138,823,603	14	164,449,905	17
Prepayments and other current assets		28,047,634	3	33,090,928	3
TOTAL CURRENT ASSETS		504,730,080	50	422,164,336	45
NON-CURRENT ASSETS					
Intangible assets		82,500	-	112,500	-
Property, plant and equipment	6(4)	115,562,257	12	136,278,691	14
Right-of-use assets	6(5)	353,582,833	35	367,999,456	38
Deferred income tax assets	6(9)	8,402,416	1	7,799,431	1
Refundable deposits paid		17,808,357	2	18,730,519	2
Other non-current assets		2,810,698	-	4,096,535	-
TOTAL NON-CURRENT ASSETS		498,249,061	50	535,017,132	55
TOTAL ASSETS		$1,002,979,141	100	$957,181,468	100

		March 31, 2026		March 31, 2025	
LIABILITIES AND EQUITY	Notes	Amount	%	Amount	%
CURRENT LIABILITIES					
Contract liabilities, current	6(10)	$28,313,020	3	$34,287,833	4
Notes and accounts payable		58,459,135	6	24,177,971	3
Accounts payable - related parties	7	69,205,489	7	56,651,223	6
Other payables		62,336,588	6	66,881,159	7
Other payables - related parties	7	9,886,449	1	366,965	-
Current tax liabilities	6(9)	1,844,488	-	-	-
Other current liabilities		4,564,314	-	2,319,299	-
Warranty liabilities	6(6)	7,866,578	1	10,467,096	1
Decommissioning liability provisions, current	6(6)	12,825,816	1	12,166,615	1
Lease liabilities, current	6(5)	114,437,635	12	137,899,427	14
TOTAL CURRENT LIABILITIES		369,739,512	37	345,217,588	36
NON-CURRENT LIABILITIES					
Decommissioning liability provisions, non-current	6(6)	8,467,291	1	9,658,199	1
Refundable deposits received		191,776	-	177,962	-
Lease liabilities, non-current	6(5)	248,523,798	25	241,613,650	25
TOTAL NON-CURRENT LIABILITIES		257,182,865	26	251,449,811	26
TOTAL LIABILITIES		626,922,377	63	596,667,399	62
EQUITY	6(7)				
Share capital		5,000,000	-	5,000,000	1
Retained earnings					
Legal reserve		35,551,409	4	34,002,295	4
Unappropriated earnings		335,505,355	33	321,511,774	33
TOTAL EQUITY		376,056,764	37	360,514,069	38
TOTAL LIABILITIES AND EQUITY		$1,002,979,141	100	$957,181,468	100

The accompanying notes are an integral part of the financial statements.

OWNDAYS TAIWAN LTD.

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED MARCH 31, 2026 AND 2025

(Expressed in New Taiwan Dollars)

		2026		2025	
Items	Notes	Amount	%	Amount	%
Operating revenues	6(10)	$1,461,157,505	100	$1,308,513,903	100
Operating costs	6(3) & 7	(419,435,041)	(29)	(371,046,846)	(28)
Gross profit		1,041,722,464	71	937,467,057	72
Operating expenses	6(8) & 7	(1,012,409,790)	(69)	(892,266,291)	(68)
Operating income		29,312,674	2	45,200,766	4
Non-operating income and expenses					
Interest income		2,060,236	-	2,135,764	-
Other income		184,671	-	1,884,945	-
Other gains and losses		(185,518)	-	(9,240,049)	(1)
Net foreign exchange gains (losses)		2,564,097	-	(6,068,768)	-
Interest expenses	6(5), 6(6) & 6(8)	(10,486,014)	(1)	(10,077,852)	(1)
Loss on disposal of property, plant and equipment		(3,661,562)	-	(608,255)	-
Net non-operating income and expenses		(9,524,090)	-	(21,974,215)	-
Income before tax		19,788,584	2	23,226,551	4
Income tax expense	6 (9)	(4,245,889)	-	(7,735,412)	(1)
Net income		15,542,695	2	15,491,139	3
Total comprehensive income		$15,542,695	2	$15,491,139	3

The accompanying notes are an integral part of the financial statements.

OWNDAYS TAIWAN LTD.

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED MARCH 31, 2026 AND 2025

(Expressed in New Taiwan Dollars)

	Equity attributable to owners of the parent			
		Retained Earnings		
Items	Share Capital	Legal reserve	Unappropriated earnings	Total Equity
Balance as of April 1, 2024	$5,000,000	$22,840,152	$317,182,778	345,022,930
Appropriation of 2024 earnings				
Legal reserve	-	11,162,143	(11,162,143)	-
Net income for the year ended March 31, 2025	-	-	15,491,139	15,491,139
Balance as of March 31, 2025	5,000,000	34,002,295	321,511,774	360,514,069
Appropriation of 2025 earnings				
Legal reserve	-	1,549,114	(1,549,114)	-
Net income for the year ended March 31, 2026	-	-	15,542,695	15,542,695
Balance as of March 31, 2026	$5,000,000	$35,551,409	$335,505,355	$376,056,764

The accompanying notes are an integral part of the financial statements.

OWNDAYS TAIWAN LTD.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31, 2026 AND 2025
(Expressed in New Taiwan Dollars)

Items	2026 Amount	2025 Amount
Cash flows from operating activities:		
Net income before income tax	$19,788,584	$23,226,551
Adjustments:		
Depreciation expense - Property, plant and equipment	56,165,008	51,326,039
Depreciation expense - Right-of-use assets	171,749,130	163,569,093
Amortization	30,000	133,334
Interest income	(2,060,236)	(2,135,764)
Interest expenses	10,486,014	10,077,852
Loss on disposal of property, plant and equipment	3,661,562	608,255
Modification loss on leases	-	7,634,976
Changes in operating assets and liabilities:		
Trade receivables	(35,678,186)	23,343,356
Other receivables	-	(649,066)
Inventories	25,626,302	(44,646,519)
Prepayments expenses and other current assets	5,072,065	(30,841,709)
Other non-current assets	(8,505)	(4,096,535)
Contract liabilities	(5,974,813)	8,011,716
Trade payables	34,281,164	7,903,206
Trade payables - related parties	12,554,266	6,401,744
Other payables	(4,544,571)	30,578,775
Other payables - related parties	9,519,484	366,965
Warranty liability provision	(2,600,518)	(2,863,243)
Other current liabilities	2,245,015	2,231,804
Cash generated from operations	300,311,765	250,180,830
Income tax paid	(3,004,386)	(39,038,815)
Income tax refunds	-	272,318
Net cash provided by operating activities	297,307,379	211,414,333
Cash flows from investing activities:		
Acquisition of property, plant and equipment	(39,110,136)	(77,716,612)
Decrease in refundable deposits paid	922,162	2,584,931
Interest received	2,060,236	2,135,764
Net cash used in investing activities	(36,127,738)	(72,995,917)
Cash flows from financing activities:		
Increase in refundable deposits received	13,814	177,962
Cash payment for the principal and interests of the lease liabilities	(183,636,301)	(164,479,564)
Net cash used in financing activities	(183,622,487)	(164,301,602)
Increase (decrease) in cash and cash equivalents	77,557,154	(25,883,186)
Cash and cash equivalents at the beginning of the year	101,051,724	126,934,910
Cash and cash equivalents at the end of the year	$178,608,878	$101,051,724

The accompanying notes are an integral part of the financial statements.

OWNDAYS TAIWAN LTD.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2026 and 2025
(Expressed in New Taiwan Dollars, unless stated otherwise)

1. History and organization

Owndays Taiwan Ltd.(the "Company") was incorporated on June 19, 2014, with approval from the Ministry of Economic Affairs. Its registered address is 14F, No. 39, Section 1, Zhonghua Road, Zhongzheng District, Taipei City. The Company primarily engages in the wholesale and retail of eyewear products.

The Company's parent company is Owndays Singapore Pte. Ltd., which holds 100% ownership of the Company. The Company's ultimate parent company is Lenskart Solutions Private Limited.

2. Date and procedures of authorization of financial statements for issue

The financial statements of the Company were authorized by the Company's Board of Directors on June 18, 2026.

3. Newly issued or revised standards and interpretations

(1) Changes in accounting policies resulting from applying for the first-time certain standards and amendments.

The Company applied for the first time International Financial Reporting Standards, International Accounting Standards, and Interpretations issued, revised or amended which are recognized by Financial Supervisory Commission ("FSC") and become effective for annual periods beginning on or after January 1, 2025. The adoption of these new standards and amendments had no material impact on the Company.

(2) Standards or interpretations issued, revised or amended, by International Accounting Standards Board ("IASB") which are endorsed by FSC, and not yet adopted by the Company as at the end of the reporting period are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
a	IFRS 17 "Insurance Contracts"	1 January 2023
b	Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	1 January 2026
c	Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026
d	Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	1 January 2026

(Expressed in New Taiwan Dollars, unless stated otherwise)

The abovementioned standards and interpretations were issued by IASB and endorsed by FSC so that they are applicable for annual periods beginning on or after January 1, 2026, and have no material impact on the Company.

(3) Standards or interpretations issued, revised or amended, by IASB which are not endorsed by FSC, but not yet adopted by the Company as at the end of the reporting period are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
a	IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined by IASB
b	IFRS 18 "Presentation and Disclosure in Financial Statements"	1 January 2027 (Note)
c	Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)	1 January 2027
d	Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21 and IAS 29)	1 January 2027

Note: On 25 September 2025, the FSC announced in a press release that Taiwan will adopt IFRS 18 in 2028.

The abovementioned standards and interpretations issued by IASB have not yet been recognized by FSC at the date of issuance of the Company's financial statements, the local effective dates are to be determined by FSC. The abovementioned standards and interpretations have no material impact on the Company. However, IFRS 18 *Presentation and Disclosure in Financial Statements* replaces IAS 1 *Presentation of Financial Statements* resulting in changes to the presentation of the Company's financial statements. The main changes are as below:

IFRS 18 replaces IAS 1 *Presentation of Financial Statements*. The main changes are as below:

(1) Improved comparability in the statement of profit or loss (income statement)

IFRS 18 requires entities to classify all income and expenses within their statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. The first three categories are new, to improve the structure of the income statement, and requires all entities to provide new defined subtotals, including operating profit or loss. The improved structure and new subtotals will give investors a consistent starting point for analysing entities' performance and make it easier to compare entities.

(2) Enhanced transparency of management-defined performance measures

IFRS 18 requires entities to disclose explanations of those entity-specific measures that are related to the income statement, referred to as management-defined performance measures.

(3) Useful grouping of information in the financial statements

IFRS 18 sets out enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes. The changes are expected to provide more detailed and useful information. IFRS 18 also requires entities to provide more transparency about operating expenses, helping investors to find and understand the information they need.

4. Summary of material accounting policies

(1) Statement of compliance

The financial statements of the Company have been prepared in accordance with the requirements related to the preparation of financial statements within Business Entity Accounting Act and the Regulation on Business Entity Accounting Handling and International Financial Reporting Standards (“IFRS”), International Accounting Standards (“IAS”), Interpretations developed by IASB or the former Standing Interpretations Committee as endorsed and became effective by FSC (together, the “IFRSs”).

(2) Basis of preparation

The financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value.

(3) Foreign currency transactions

The Company’s financial statements are presented in New Taiwan Dollars (“NT$”), which is also functional currency.

Transactions in foreign currencies are initially recorded by the Company’s functional currency rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency closing rate of exchange ruling at the reporting date. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

All exchange differences arising on the settlement of monetary items or on translating monetary items are taken to profit or loss in the period in which they arise except for the following:

A. Exchange differences arising from foreign currency borrowings for an acquisition of a qualifying asset to the extent that they are regarded as an adjustment to interest costs are included in the borrowing costs that are eligible for capitalization.
B. Foreign currency items within the scope of IFRS 9 *Financial Instruments* are accounted for based on the accounting policy for financial instruments.
C. Exchange differences arising on a monetary item that forms part of a reporting entity's net investment in a foreign operation is recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal of the net investment.

When a gain or loss on a non-monetary item is recognized in other comprehensive income, any exchange component of that gain or loss is recognized in other comprehensive income. When a gain or loss on a non-monetary item is recognized in profit or loss, any exchange component of that gain or loss is recognized in profit or loss.

(4) Current and non-current distinction

An asset is classified as current when:

A. The Company expects to realize the asset, or intends to sell or consume it, in its normal operating cycle.
B. The Company holds the asset primarily for the purpose of trading.
C. The Company expects to realize the asset within twelve months after the reporting period.
D. The asset is cash or cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

A. The Company expects to settle the liability in its normal operating cycle.
B. The Company holds the liability primarily for the purpose of trading.
C. The liability is due to be settled within twelve months after the reporting period.
D. The Company does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

(5) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid time deposits or investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(6) Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities within the scope of IFRS 9 *Financial Instruments* are recognized initially at fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets or financial liabilities.

A. Financial instruments: Recognition and Measurement

The Company accounts for regular way purchase or sales of financial assets on the trade date.

The Company classified financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of:

(a) the Company's business model for managing the financial assets and
(b) the contractual cash flow characteristics of the financial asset.

Financial assets measured at amortized cost

A financial asset is measured at amortized cost if both of the following conditions are met and presented as notes receivable, trade receivables, financial assets measured at amortized cost and other receivables etc., on balance sheet as at the reporting date:

(a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Such financial assets are subsequently measured at amortized cost (the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount and adjusted for any loss allowance) and is not part of a hedging relationship. A gain or loss is recognized in profit or loss when the financial asset is derecognized, through the amortization process or in order to recognize the impairment gains or losses.

Interest revenue is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:

(a) purchased or originated credit-impaired financial assets. For those financial assets, the Company applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition.
(b) financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the Company applies the effective interest rate to the amortized cost of the financial asset in subsequent reporting periods.

B. Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on debt instrument investments measured at fair value through other comprehensive income and financial asset measured at amortized cost. The loss allowance on debt instrument investments measured at fair value through other comprehensive income is recognized in other comprehensive income and not reduce the carrying amount in the balance sheet.

The Company measures expected credit losses of a financial instrument in a way that reflects:

(a) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
(b) the time value of money; and
(c) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The loss allowance is measured as follows:

(a) At an amount equal to 12-month expected credit losses: the credit risk on a financial asset has not increased significantly since initial recognition or the financial asset is determined to have low credit risk at the reporting date. In addition, the Company measures the loss allowance at an amount equal to lifetime expected credit losses in the previous reporting period, but determines at the current reporting date that the credit risk on a financial asset has increased significantly since initial recognition is no longer met.
(b) At an amount equal to the lifetime expected credit losses: the credit risk on a financial asset has increased significantly since initial recognition or financial asset that is purchased or originated credit-impaired financial asset.
(c) For trade receivables or contract assets arising from transactions within the scope of IFRS 15, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.
(d) For lease receivables arising from transactions within the scope of IFRS 16, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

At each reporting date, the Company needs to assess whether the credit risk on a financial asset has increased significantly since initial recognition by comparing the risk of a default occurring at the reporting date and the risk of default occurring at initial recognition. Please refer to Note 11 for further details on credit risk.

C. Derecognition of financial assets

A financial asset is derecognized when:

(a) The rights to receive cash flows from the asset have expired.
(b) The Company has transferred the asset and substantially all the risks and rewards of the asset have been transferred.
(c) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the consideration received or receivable including any cumulative gain or loss that had been recognized in other comprehensive income, is recognized in profit or loss.

D. Financial liabilities and equity

Classification between liabilities or equity

The Company classifies the instrument issued as a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial liability, and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. The transaction costs of an equity transaction are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

Financial liabilities

Financial liabilities within the scope of IFRS 9 *Financial Instruments* are classified as financial liabilities at fair value through profit or loss or financial liabilities measured at amortized cost upon initial recognition.

Financial liabilities at amortized cost

Financial liabilities measured at amortized cost include interest bearing loans and borrowings that are subsequently measured using the effective interest rate method after initial recognition. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the effective interest rate method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or transaction costs.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged, cancelled, or expires.

(7) Inventories

Inventories are valued at lower of cost and net realizable value item by item.

Costs incurred in bringing each inventory to its present location and condition are accounted for.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(8) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of dismantling and removing the item and restoring the site on which it is located and borrowing costs for construction in progress if the recognition criteria are met. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of property, plant and equipment are required to be replaced in intervals, the Company recognized such parts as individual assets with specific useful lives and depreciation, respectively. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition provisions of IAS 16 *Property, plant and equipment*. When a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated economic lives of the following assets:

Machinery and equipment	3-6 years
Office equipment	1-6 years
Leasehold improvements	2-6 years

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognized in profit or loss.

The assets' residual values, useful lives and methods of depreciation are reviewed at each fiscal year end and adjusted prospectively.

(9) Leases

The Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Company assesses whether, throughout the period of use, has both of the following:

A. the right to obtain substantially all of the economic benefits from use of the identified asset; and
B. the right to direct the use of the identified asset.

For a contract that is, or contains, a lease, the Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract. For a contract that contains a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The relative stand-alone price of lease and non-lease components shall be determined on the basis of the price the lessor, or a similar supplier, would charge the Company for that component, or a similar component, separately. If an observable stand-alone price is not readily available, the Company estimates the stand-alone price, maximising the use of observable information.

Company as a lessee

Except for leases that meet and elect short-term leases or leases of low-value assets, the Company recognizes right-of-use asset and lease liability for all leases which the Company is the lessee of those lease contracts.

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses its incremental borrowing rate. At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

A. fixed payments (including in-substance fixed payments), less any lease incentives receivable;
B. variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
C. amounts expected to be payable by the lessee under residual value guarantees;
D. the exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
E. payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

After the commencement date, the Company measures the lease liability on an amortized cost basis, which increases the carrying amount to reflect interest on the lease liability by using an effective interest method; and reduces the carrying amount to reflect the lease payments made.

At the commencement date, the Company measures the right-of-use asset at cost. The cost of the right-of-use asset comprises:

A. the amount of the initial measurement of the lease liability;
B. any lease payments made at or before the commencement date, less any lease incentives received;
C. any initial direct costs incurred by the lessee; and
D. an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

For subsequent measurement of the right-of-use asset, the Company measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses. That is, the Company measures the right-of-use applying a cost model.

If the lease transfers ownership of the underlying asset to the Company by the end of the lease term or if the cost of the right-of-use asset reflects that the Company will exercise a purchase option, the Company depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the Company depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Company applies IAS 36 “Impairment of Assets” to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Except for those leases that the Company accounted for as short-term leases or leases of low-value assets, the Company presents right-of-use assets and lease liabilities in the balance sheet and separately presents lease-related interest expense and depreciation charge in the statements of comprehensive income.

For short-term leases or leases of low-value assets, the Company elects to recognize the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis.

(10) Impairment of non-financial assets

The Company assesses at the end of each reporting period whether there is any indication that an asset in the scope of IAS 36 *Impairment of Assets* may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset’s recoverable amount. An asset’s recoverable amount is the higher of an asset’s or cash-generating unit’s (“CGU”) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been an increase in the estimated service potential of an asset which in turn increases the recoverable amount. However, the reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

An impairment loss of continuing operations or a reversal of such impairment loss is recognized in profit or loss.

(11) Provision

A provision is recognized when the Company has a present obligation (either legal or constructive) arising from past events, where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the obligation amount. When the Company expects to recover some or all of the provision from third parties, a separate asset is recognized only if such recovery is virtually certain. If the time value of money is material, the provision is measured at its present value using a pre-tax discount rate that appropriately reflects the risks specific to the liability. The increase in the discounted provision due to the passage of time is recognized as borrowing costs.

Provision for Decommissioning, Restoration and Rehabilitation Costs

The provision for decommissioning liabilities related to the dismantling, removal, and site restoration of property, plant, and equipment is measured at the present value of the estimated future cash flows required to settle the obligation, with the corresponding decommissioning costs capitalized as part of the asset's carrying amount. The cash flows are discounted using a current pre-tax rate that reflects the specific risks associated with the decommissioning liability. The unwinding of the discount on the provision is recognized as borrowing costs when incurred. The estimated future decommissioning costs are reviewed and adjusted appropriately at the end of each reporting period. Changes in the estimated future decommissioning costs or discount rates result in corresponding increases or decreases to the carrying amount of the related asset.

Warranty provision

The warranty provision is estimated based on contractual terms of product sales agreements and management's best estimate of future outflows of economic benefits from warranty obligations, primarily derived from historical warranty experience.

(12) Revenue recognition

The Company's revenue arising from contracts with customers are primarily related to sale of goods and rendering of services. The accounting policies are explained as follow:

Sale of goods

The Company sells goods. Sales are recognized when control of the goods is transferred to the customer and the goods are delivered to the customers (i.e. when the customer has the ability to direct the use of, and obtain substantially all of the remaining benefits from the goods). The Company's main products are glasses and related products. The term of sales of products is fixed price and paid immediately when the customers purchase the products. For customized products, the customers are required to pay in advance. As the Company has not delivered to the physical goods to customers yet, the contract liabilities are recognized accordingly. The Company provides a standard warranty on products sold and has recognized warranty liabilities for this obligation. The aforementioned contract liabilities converted into revenue usually does not exceed one year and there is no significant financing component from contracts with customers.

(13) Post-employment benefits

For the defined contribution plan, the Company and its domestic subsidiaries will make a monthly contribution of no less than 6% of the monthly wages of the employees subject to the plan. The Company recognizes expenses for the defined contribution plan in the period in which the contribution becomes due.

(14) Income taxes

Income tax expense (income) is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Current income tax relating to items recognized in other comprehensive income or directly in equity is recognized in other comprehensive income or equity and not in profit or loss.

The income tax for undistributed earnings is recognized as income tax expense in the subsequent year when the distribution proposal is approved by the Shareholders' meeting.

Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

A. Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination; at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and at the time of the transaction, does not give rise to equal taxable and deductible temporary differences.
B. In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

A. Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination ; at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and at the time of the transaction, does not give rise to equal taxable and deductible temporary differences.
B. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

(Expressed in New Taiwan Dollars, unless stated otherwise)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax assets and deferred tax liabilities reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets are reassessed at each reporting date and are recognized accordingly.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

5. Significant accounting judgements, estimates and assumptions

The preparation of the financial statements require management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period.

The management of the Company assessed that there are no significant judgements, estimates and assumptions involved while preparation of the financial statements due to its running business is simple and no significant risk of estimation uncertainty at the reporting date.

6. Contents of significant accounts

(1) Cash and cash equivalents

	March 31, 2026	March 31, 2025
Cash on hand	$959,061	$1,515,950
Cash at banks	177,125,022	99,019,701
Fixed deposits	524,795	516,073
Total	$178,608,878	$101,051,724

Cash equivalents comprise term deposits within 3 months, which are highly liquid and are readily convertible into cash with low risk of changes in value.

(Expressed in New Taiwan Dollars, unless stated otherwise)

(2) Accounts receivable

	March 31, 2026	March 31, 2025
Accounts receivable	$153,357,930	$117,679,744
Less: Allowance for doubtful debts	-	-
Total	$153,357,930	$117,679,744

The Company's credit period of sales was ranged from 30 days to 45 days.

The Company's sales stores are mainly located in department stores or outlets (also referred to "counter sales"). As counterparties of the Company are creditworthy department stores or outlets. Therefore, it is expected that the uncollectable risk is insignificant.

Accounts receivable were not pledged. Information relating to credit risk of accounts receivable is provided in Note 11.

(3) Inventories

	March 31, 2026	March 31, 2025
Merchandise	$138,823,603	$164,449,905

The cost of inventories recognized in operating costs amounts to $419,435,041 and $371,046,846 for the years ended March 31, 2026 and 2025, respectively. The operating costs included inventory write-downs of $5,931,801 and $2,591,177, respectively.

No inventories were pledged.

(4) Property, plant and equipment

	Machinery and equipment	Office equipment	Leasehold improvements	Total
Cost				
April 1, 2024	$173,059,810	$24,597,959	$259,714,825	$457,372,594
Additions	21,421,599	11,905,332	44,389,681	77,716,612
Disposals	(1,895,405)	(349,107)	(31,351,439)	(33,595,951)
Reclassification	-	331,500	(331,500)	-
March 31, 2025	192,586,004	36,485,684	272,421,567	501,493,255
Additions	7,492,482	4,264,875	27,352,779	39,110,136
Disposals	(4,665,941)	(3,769,800)	(34,393,178)	(42,828,919)
March 31, 2026	$195,412,545	$36,980,759	$265,381,168	$497,774,472

(Expressed in New Taiwan Dollars, unless stated otherwise)

Accumulated depreciation				
April 1, 2024	$139,611,121	$16,604,867	$190,660,233	$346,876,221
Depreciation	13,350,843	6,123,950	31,851,246	51,326,039
Disposition	(1,895,405)	(349,107)	(30,743,184)	(32,987,696)
March 31, 2025	151,066,559	22,379,710	191,768,295	365,214,564
Depreciation	14,991,031	7,985,841	33,188,136	56,165,008
Disposition	(4,659,088)	(3,247,767)	(31,260,502)	(39,167,357)
March 31, 2026	$161,398,502	$27,117,784	$193,695,929	$382,212,215
Book value:				
March 31, 2025	$41,519,445	$14,105,974	$80,653,272	$136,278,691
March 31, 2026	$34,014,043	$9,862,975	$71,685,239	$115,562,257

The aforementioned property, plant and equipment were not pledged.

(5) Leases

Company as a lessee

The Company leases office premises and sales stores. The lease terms range from 1 to 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants.

A. The Company’s leases effect on the carrying amount and recognized depreciation are as follows:

Right-of-use assets

	March 31, 2026	March 31, 2025
Buildings (including decommissioning liabilities)	$353,582,833	$367,999,456

Depreciation

	For the Year Ended March 31	
	2026	2025
Buildings (including decommissioning liabilities)	$171,749,130	$163,569,093

For the years ended March 31, 2026 and 2025, the Company’s additions to right-of-use assets amounted to $159,987,044 and $291,750,960, respectively.

(Expressed in New Taiwan Dollars, unless stated otherwise)

B. Lease liabilities

	March 31, 2026	March 31, 2025
Current	$114,437,635	$137,899,427
Non-current	248,523,798	241,613,650
Total	$362,961,433	$379,513,077

Please refer to Note 11(6) liquidity risk management for the maturity analysis of lease liabilities.

C. Lessee's income and expenses related to leasing activities

	For the Year Ended March 31	
	2026	2025
Interest expense on lease liability	$9,597,666	$8,813,595

D. Cash outflows related to leasing activities

	For the Year Ended March 31	
	2026	2025
Total lease-related cash flows	$260,792,212	$212,423,752

E. Other Information Relating to Rental Activities

Lease extension option and lease termination option

When determining the lease term, the Company takes into account all facts and circumstances that create economic incentives to exercise the option to renew the lease. The lease term will be re-estimated when a significant event occurs in assessing the exercise of the option to renew the lease.

(6) Provision

	Warranty liabilities	Decommissioning liabilities
Balance at April 1, 2024	$13,330,339	$15,351,530
Increase	-	6,203,979
Decrease	(2,863,243)	(994,952)
Accretion of interest	-	1,264,257
Balance at March 31, 2025	$10,467,096	$21,824,814

(Expressed in New Taiwan Dollars, unless stated otherwise)

Current	$10,467,096	$12,166,615
Non-current	$-	$9,658,199
Balance at April 1, 2025	$10,467,096	$21,824,814
Increase	-	1,161,961
Decrease	(2,600,518)	(2,582,016)
Accretion of interest	-	888,348
Balance at March 31, 2026	$7,866,578	$21,293,107
Current	$7,866,578	$12,825,816
Non-current	$-	$8,467,291

The warranty liabilities are estimated based on historical conditions for replacements and repairments provided to customers within a certain period. The Company continually reviews the assessment basis and makes appropriate adjustment.

The decommissioning liabilities represent the obligation to restore sales stores and office premises to the original condition. It is also estimated based on historical experience for restoration costs.

(7) Equities

A. Common stock

As of March 31, 2026 and 2025, the Company's issued capital both at $5,000,000, with a par value of $10 per share, consisting of 500,000 shares. Each share carries one voting right and equal rights to dividends.

B. Retained earnings and dividend policies

According to the Company's Articles of Association, should there be any surplus in the annual financial settlement, it shall be allocated in the following sequence: first to pay taxes, then to offset accumulated losses, followed by appropriating 10% as statutory surplus reserve. After distributing dividends, any remaining surplus may be distributed as shareholder bonuses upon resolution by the shareholders' meeting.

Under the Company Act, the statutory surplus reserve shall be allocated until its total amount reaches the company's registered capital. The statutory surplus reserve may be used to offset accumulated losses. When the company has no losses, the portion of the statutory surplus reserve exceeding 25% of the paid-in capital may be either capitalized or distributed in cash.

(Expressed in New Taiwan Dollars, unless stated otherwise)

The Company's regular shareholder's meetings held on April 11, 2025 and July 30, 2024 resolved the appropriation of retained earnings for fiscal years 2025(2024.4.1~2025.3.31) and 2024(2023.4.1~2024.3.31), respectively. The details are presented below:

	Appropriation of retained earnings	
	2025	2024
Legal reserve	$1,549,114	$11,162,143

(8) Income before tax

A. Interest expenses

	For the Year Ended March 31	
	2026	2025
Interest expense on lease liabilities	$9,597,666	$8,813,595
Interest expense on decommissioning obligations	888,348	1,264,257
Total	$10,486,014	$10,077,852

B. Depreciation

	For the Year Ended March 31	
	2026	2025
Property, plant and equipment	$56,165,008	$51,326,039
Right-of-use assets	171,749,130	163,569,093
Total	$227,914,138	$214,895,132

C. The Company's employee benefits, depreciation and amortization expenses for the years ended March 31, 2026 and 2025 are summarized by function as follows:

	2026			2025		
	Operation costs	Operation expenses	Total	Operation costs	Operation expenses	Total
Employee benefit expense						
Wages and salaries	$-	$351,648,339	$351,648,339	$-	$297,557,465	$297,557,465
Labor and health insurance	-	35,641,110	35,641,110	-	34,764,194	34,764,194
Pension	-	17,536,529	17,536,529	-	16,056,098	16,056,098
Other employee benefit expenses	-	20,520,308	20,520,308	-	18,322,610	18,322,610
Depreciation	-	227,914,138	227,914,138	-	214,895,132	214,895,132
Amortization	-	30,000	30,000	-	133,334	133,334

(Expressed in New Taiwan Dollars, unless stated otherwise)

The Company's Articles of Incorporation stipulate that if there is a net profit in the current year, no less than 0.00001% shall be allocated as employees' compensation. However, if the Company has accumulated losses, the profit must offset accumulated losses first.

(9) Income tax

A. Components of income tax:

	For the Year Ended March 31	
	2026	2025
Current tax		
In respect of the current year	$4,739,641	$5,944,733
Adjustment for prior years	-	(538,216)
Additional income tax on unappropriated earnings	109,233	3,537,711
Deferred tax		
Reversal of temporary differences	(602,985)	(1,208,816)
Income tax expense	$4,245,889	$7,735,412

The Company had no income taxes directly recognized in other comprehensive income for the fiscal years of 2026 and 2025.

B. A reconciliation between income tax expense and accounting profit multiplied by the applicable tax rate is as follows:

	For the Year Ended March 31	
	2026	2025
Profit before tax from continuing operations	$19,788,584	$23,226,551
Income tax calculated at the statutory tax rate	$3,957,717	$4,645,310
Non-deductible expenses in determining taxable income	178,939	90,607
Adjustment for prior years	-	(538,216)
Additional income tax on unappropriated earnings	109,233	3,537,711
Total	$4,245,889	$7,735,412

C. Deferred tax assets and liabilities

Deferred tax assets

(Expressed in New Taiwan Dollars, unless stated otherwise)

	Accrued leave compensation	Decommissioning costs	Warranty provision	Other	Total
April 1, 2024	$984,875	$2,417,766	$2,666,068	$565,923	$6,634,632
Credit/(Debit) to profit or loss	65,283	922,324	(572,649)	749,841	1,164,799
March 31, 2025	$1,050,158	$3,340,090	$2,093,419	$1,315,764	$7,799,431
April 1, 2025	$1,050,158	$3,340,090	$2,093,419	$1,315,764	$7,799,431
Credit/(Debit) to profit or loss	250,474	314,676	(520,103)	557,938	602,985
March 31, 2026	$1,300,632	$3,654,766	$1,573,316	$1,873,702	$8,402,416

Deferred tax liabilities

	Unrealized foreign exchange gains
April 1, 2024	$44,017
Credit/(Debit) to profit or loss	(44,017)
March 31, 2025	$-
April 1, 2025	$-
Credit/(Debit) to profit or loss	-
March 31, 2026	$-

D. The assessment of income tax returns:

As of March 31, 2026, the assessment of the income tax returns of the Company up to 2024.

(10) Operating revenue

A. Revenue disaggregation

	For the Year Ended March 31	
	2026	2025
Sales region		
Taiwan	$1,461,157,505	$1,308,513,903

B. Contract balances

	March 31, 2026	March 31, 2025
Accounts receivable	$153,357,930	$117,679,744
Less: Allowance for doubtful debts	-	-
Total	$153,357,930	$117,679,744
Contract liabilities	$28,313,020	$34,287,833

(Expressed in New Taiwan Dollars, unless stated otherwise)

The amounts of contract liabilities opening balances as of April 1, 2025 and 2024 that were recognized as revenue in fiscal year of 2026 and 2025 were $34,287,833 and $26,276,117, respectively.

The movement in contract liabilities primarily arises from the timing difference between the Company transfers goods or services to customers (satisfying performance obligations) and customers make payments.

7. Related party transactions

(1) Names of related parties and their relationships

Name of the related parties	Nature of relationship of the related parties
Owndays Singapore Pte Ltd.	Parent company
Owndays Co. Ltd.	Immediate holding company
Tango IT Solutions India Private Limited	Sister company

(2) Significant transactions with related parties

A. Purchases

	Purchases		Amounts due to related parties	
	For the Year Ended March 31			
	2026	2025	March 31, 2026	March 31, 2025
Parent company	$261,914,000	$292,513,388	$69,205,489	$56,651,223

B. Other transactions

		For the Year Ended March 31	
Items	Categories	2026	2025
Operating expenses-Other expenses	Parent company	$121,761	$1,191,455
	Immediate holding company	1,949,577	1,882,244
Operating expenses-Advertising expenses	Immediate holding company	4,083,934	-
Operating costs-Royalty payments	Immediate holding company	$7,798,781	$7,528,906
	Sister company	1,494,403	-

Items	Categories	March 31, 2026	March 31, 2025
Other payables	Parent company	$736,887	$-
	Immediate holding company	8,760,463	-
	Sister company	389,099	366,965

(Expressed in New Taiwan Dollars, unless stated otherwise)

8. Pledged assets

None.

9. Significant contingencies and unrecognized contractual commitments

None.

10. Significant subsequent events

None.

11. Others

(1) Financial instruments

	March 31, 2026	March 31, 2025
Financial assets at amortized cost		
Cash and cash equivalents	$178,608,878	$101,051,724
Accounts receivable	153,357,930	117,679,744
Other receivables	5,892,035	5,892,035
Refundable deposits paid	17,808,357	18,730,519
Other non-current assets	2,810,698	4,096,535
Total	$358,477,898	$247,450,557

	March 31, 2026	March 31, 2025
Financial liabilities at amortized cost		
Accounts payable	$58,459,135	$24,177,971
Accounts payable - related parties	69,205,489	56,651,223
Other payables	62,336,588	66,881,159
Other payables - related parties	9,886,449	366,965
Lease liabilities	362,961,433	379,513,077
Total	$562,849,094	$527,590,395

(2) Fair value information of financial instruments

The carrying amount of cash and cash equivalents, accounts receivable, other receivables, notes and accounts payable and other payables approximate their fair value due to their short maturities.

Refundable deposits are requirements for operating a business. The Company cannot predict when the aforementioned deposits will be returned or paid to and cannot assess their fair values; therefore, their fair values are determined as their carrying amounts.

(3) Financial risk management objectives and policies

The Company's principal financial risk management objective is to manage the market risk, credit risk and liquidity risk related to its operating activates. The Company identifies measures and manages the aforementioned risks based on the Company's policy and risk appetite.

(4) Market risk

Foreign currency risk

The Company does not have material foreign currency-denominated assets. Its material foreign currency liabilities are denominated in Japanese Yen (JPY). As of March 31, 2026 and 2025, JPY-denominated financial liabilities amounted to JPY$390,604 thousand and JPY$257,702 thousand, respectively.

The Company's foreign exchange rate sensitivity analysis focuses on monetary items denominated in major foreign currencies at the end of the reporting period, evaluating the impact of foreign currency appreciation/depreciation on the Company's profit or loss. The Company's primary foreign exchange risk exposure stems from JPY exchange rate fluctuations. The sensitivity analysis is presented below:

When JPY strengthens/weakens against NTD by 1%, the profit before tax increase/decrease for the years ended March 31, 2026 and 2025 by $783 thousand and $573 thousand, respectively.

Interest Rate Risk

As the Company does not have any floating interest-bearing financial liabilities. As such, the Company does not expect significant interest rate risk.

(5) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company's credit risk is mainly from accounts receivable from operations. As the end of reporting date, the maximum exposure of the Company to credit risk is the carrying amount of financial assets. The Company's outstanding accounts receivable are not pledged or guaranteed. The Company's operation mainly adopted counter sales and collect counterparts are creditworthy department stores or outlets. Therefore, it is expected that the credit risk is insignificant.

(Expressed in New Taiwan Dollars, unless stated otherwise)

(6) Liquidity risk management

The Company manages and maintains sufficient cash and cash equivalents to support its operations and mitigate the impact on cash flow volatility.

The table below summarizes the contractual maturity profile of the Company's financial liabilities, based on the earliest possible repayment dates and presented in undiscounted cash flows. The amounts shown include both principal and contractual interest payments. For floating-rate instruments, the undiscounted interest cash flows are derived using the yield curve at the end of the reporting period.

March 31, 2026

	Less than 1 year	Between 2 and 5 years	Over 5 years	Total
Non-derivative financial liabilities				
Accounts payable	$58,459,135	$-	$-	$58,459,135
Accounts payable-related parties	69,205,489	-	-	69,205,489
Other payables	62,336,588	-	-	62,336,588
Other payables-related parties	9,886,449	-	-	9,886,449
Lease liabilities	121,684,728	230,671,573	30,068,603	382,424,904
Total	$321,572,389	$230,671,573	$30,068,603	$582,312,565

March 31, 2025

	Less than 1 year	Between 2 and 5 years	Over 5 years	Total
Non-derivative financial liabilities				
Accounts payable	$24,177,971	$-	$-	$24,177,971
Accounts payable-related parties	56,651,223	-	-	56,651,223
Other payables	66,881,159	-	-	66,881,159
Other payables-related parties	366,965	-	-	366,965
Lease liabilities	145,426,109	227,084,095	26,500,827	399,011,031
Total	$293,503,427	$227,084,095	$26,500,827	$547,088,349

(7) Capital management

The objective of the Company's capital management is to ensure healthy capital ratios to support its business and maximize the shareholder equity value. The Company manages or adjusts its capital structure by dividend payment, return/increase capital based on economic conditions.