Wowprime Co., Ltd. and Subsidiaries

Consolidated Financial Statements for the Years Ended December 31, 2015 and 2014 and Independent Auditors' Report

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The entities that are required to be included in the combined financial statements of Wowprime Co., Ltd. as of and for the year ended December 31, 2015, under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standards No. 10, "Consolidated Financial Statements." In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, Wowprime Co., Ltd. and subsidiaries do not prepare a separate set of combined financial statements.

Very truly yours,

WOWPRIME CO., LTD.

By

CHEN CHENG HUI

CHEN CHENG-HUI
Chairman

March 28, 2016

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
Wowprime Co., Ltd.

We have audited the accompanying consolidated balance sheets of Wowprime Co., Ltd. (the "Company") and its subsidiaries (collectively referred to as the "Group") as of December 31, 2015 and 2014, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We did not audit the 2015 and 2014 financial statements of some consolidated subsidiaries, which reflected total assets of $3,515,913 thousand and $3,086,291 thousand that constituted 38.06% and 32.16% of consolidated total assets as of December 31, 2015 and 2014; and reflected total sales of $6,527,483 thousand and $5,304,651 thousand that constituted 38.77% and 31.36% of consolidated total sales for the years then ended. In addition, we also did not audit the financial statements of the investee companies accounted for under the equity method, which were the bases of the long-term equity investments that amounted to $159,290 thousand and $122,964 thousand or 1.72% and 1.28% of consolidated total assets as of December 31, 2015 and 2014, and of the related net investment loss that amounted to $61,274 thousand and $43,679 thousand or 33.94% and 4.59% of consolidated comprehensive income before tax. The consolidated financial statements of these investee companies were audited by other auditors whose reports thereon have been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included in the consolidated financial statements and the information disclosed in Note 32 relative to these subsidiaries and long-term investments, is based solely on the reports of other auditors.

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Those rules and standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits and the reports of other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audits and the reports of other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2015 and 2014, and their consolidated financial performance and their consolidated cash flows for the years then ended, in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed by the Financial Supervisory Commission of the Republic of China.

We have also audited the parent company only financial statements of Wowprime Co., Ltd. as of and for the years ended December 31, 2015 and 2014 on which we have issued an unqualified modified report.

Deloitte & Touche

March 28, 2016

<u>*Notice to Readers*</u>

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

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

WOWPRIME CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2015 AND 2014
(In Thousands of New Taiwan Dollars)

	2015		2014	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 2,771,600	30	$ 2,558,186	27
Notes receivable from unrelated parties (Notes 4 and 7)	-	-	30	-
Trade receivables from unrelated parties (Notes 4, 5 and 7)	150,338	2	147,254	2
Inventories (Notes 4, 5 and 8)	1,984,655	21	2,428,853	25
Prepayments (Note 13)	386,431	4	366,569	4
Other current assets (Notes 4, 14, 23 and 28)	385,822	4	407,613	4
Total current assets	5,678,846	61	5,908,505	62
NON-CURRENT ASSETS				
Investments accounted for using equity method (Notes 4 and 10)	159,290	2	122,964	1
Property, plant and equipment (Notes 4, 5, 11 and 29)	2,824,384	31	3,048,473	32
Other intangible assets (Notes 4 and 12)	60,553	1	11,585	-
Deferred tax assets (Notes 4 and 23)	102,870	1	78,789	1
Prepaid equipment	38,533	-	78,443	1
Other non-current assets (Notes 13 and 14)	374,402	4	347,285	3
Total non-current assets	3,560,032	39	3,687,539	38
TOTAL	$ 9,238,878	100	$ 9,596,044	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Notes payable to unrelated parties (Notes 4 and 15)	$ 25,028	-	$ 33,637	-
Trade payables to unrelated parties (Notes 4 and 15)	390,205	4	348,511	4
Other payables (Notes 16 and 28)	1,569,992	17	1,571,552	16
Current tax liabilities (Notes 4 and 23)	64,879	1	78,874	1
Deferred revenue - current (Note 18)	2,473,654	27	2,385,021	25
Other current liabilities (Note 17)	14,861	-	17,530	-
Total current liabilities	4,538,619	49	4,435,125	46
NON-CURRENT LIABILITIES				
Provisions - non-current (Notes 4 and 19)	24,050	-	26,000	-
Net defined benefit liabilities (Notes 4 and 20)	126,957	1	126,313	1
Other non-current liabilities (Notes 4, 17 and 23)	50,328	1	52,714	1
Total non-current liabilities	201,335	2	205,027	2
Total liabilities	4,739,954	51	4,640,152	48
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 21)				
Share capital				
Ordinary shares	769,879	8	769,879	8
Capital surplus	2,038,109	22	2,038,109	21
Retained earnings				
Legal reserve	488,457	6	419,226	5
Unappropriated earnings	18,325	-	692,306	7
Total retained earnings	506,782	6	1,111,532	12
Other equity	33,363	-	53,073	1
Total equity attributable to owners of the Company	3,348,133	36	3,972,593	42
NON-CONTROLLING INTERESTS	1,150,791	13	983,299	10
Total equity	4,498,924	49	4,955,892	52
TOTAL	$ 9,238,878	100	$ 9,596,044	100

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

(With Deloitte & Touche auditors' report dated March 28, 2016)

WOWPRIME CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2015		2014	
	Amount	**%**	**Amount**	**%**
OPERATING REVENUE (Note 4)				
Sales	$ 16,834,970	100	$ 16,916,541	100
OPERATING COSTS (Note 22)				
Cost of goods sold	(8,576,498)	(51)	(8,274,734)	(49)
GROSS PROFIT	8,258,472	49	8,641,807	51
OPERATING EXPENSES (Note 22)				
Selling and marketing expenses	(6,567,417)	(39)	(6,418,589)	(38)
General and administrative expenses	(962,227)	(6)	(1,001,405)	(6)
Research and development expenses	(12,864)	-	(12,277)	-
Total operating expenses	(7,542,508)	(45)	(7,432,271)	(44)
PROFIT FROM OPERATIONS	715,964	4	1,209,536	7
NON-OPERATING INCOME AND EXPENSES (Note 22)				
Other income (Note 28)	116,554	1	139,006	1
Other gains and losses (Note 28)	(409,315)	(3)	(107,863)	(1)
Finance costs	(4,316)	-	-	-
Investment loss recognized under equity method	(56,615)	-	(47,653)	-
Total non-operating income and expenses	(353,692)	(2)	(16,510)	-
PROFIT BEFORE INCOME TAX	362,272	2	1,193,026	7
INCOME TAX EXPENSE (Notes 4 and 23)	(135,308)	(1)	(304,173)	(2)
NET PROFIT FOR THE YEAR	226,964	1	888,853	5
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Notes 4 and 20)	(7,646)	-	(3,589)	-
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 23)	1,300	-	610	-

(Continued)

WOWPRIME CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2015		2014	
	Amount	**%**	**Amount**	**%**
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	$ (39,452)	-	$ 67,379	1
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	(4,659)	-	3,974	-
Income tax (expense) benefit relating to items that may be reclassified subsequently to profit or loss (Note 23)	4,037	-	(6,225)	-
Other comprehensive income for the year, net of income tax	(46,420)	-	62,149	1
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 180,544	1	$ 951,002	6
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	$ 34,782	-	$ 703,316	4
Non-controlling interests	192,182	1	185,537	1
	$ 226,964	1	$ 888,853	5
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	$ 8,726	-	$ 730,730	5
Non-controlling interests	171,818	1	220,272	1
	$ 180,544	1	$ 951,002	6
EARNINGS PER SHARE (Note 24)				
Basic	$ 0.45		$ 9.14	
Diluted	$ 0.45		$ 9.14	

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

(With Deloitte & Touche auditors' report dated March 28, 2016) (Concluded)

WOWPRIME CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company								
			Retained Earnings			Other Equity			
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Total	Non-controlling Interests (Note 21)	Total Equity
BALANCE AT JANUARY 1, 2014	$ 747,455	$ 2,155,765	$ 329,650	$ 15,709	$ 895,764	$ 22,680	$ 4,167,023	$ 778,796	$ 4,945,819
Appropriation of 2013 earnings									
Legal reserve	-	-	89,576	-	(89,576)	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(821,897)	-	(821,897)	-	(821,897)
Cash dividends distributed by the subsidiaries	-	-	-	-	-	-	-	(23,800)	(23,800)
Special reserve reversed under Rule No. 1010012865 issued by the FSC	-	-	-	(15,709)	15,709	-	-	-	-
Change from investments in associates and joint ventures accounted for by using equity method	-	-	-	-	(8,031)	-	(8,031)	8,031	-
Capital increase out of capital surplus	22,424	(22,424)	-	-	-	-	-	-	-
Cash dividends out of capital surplus	-	(95,232)	-	-	-	-	(95,232)	-	(95,232)
Net profit for the year ended December 31, 2014	-	-	-	-	703,316	-	703,316	185,537	888,853
Other comprehensive income (loss) for the year ended December 31, 2014, net of income tax	-	-	-	-	(2,979)	30,393	27,414	34,735	62,149
BALANCE AT DECEMBER 31, 2014	769,879	2,038,109	419,226	-	692,306	53,073	3,972,593	983,299	4,955,892
Appropriation of 2014 earnings									
Legal reserve	-	-	69,231	-	(69,231)	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(623,075)	-	(623,075)	-	(623,075)
Cash dividends distributed by the subsidiaries	-	-	-	-	-	-	-	(29,437)	(29,437)
Change from investments in associates and joint ventures accounted for by using equity method	-	-	-	-	(10,111)	-	(10,111)	10,111	-
Net profit for the year ended December 31, 2015	-	-	-	-	34,782	-	34,782	192,182	226,964
Other comprehensive loss for the year ended December 31, 2015, net of income tax	-	-	-	-	(6,346)	(19,710)	(26,056)	(20,364)	(46,420)
Increase in non-controlling interests	-	-	-	-	-	-	-	15,000	15,000
BALANCE AT DECEMBER 31, 2015	$ 769,879	$ 2,038,109	$ 488,457	$ -	$ 18,325	$ 33,363	$ 3,348,133	$ 1,150,791	$ 4,498,924

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

(With Deloitte & Touche auditors' report dated March 28, 2016)

WOWPRIME CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014
(In Thousands of New Taiwan Dollars)

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 362,272	$ 1,193,026
Adjustments for:		
Depreciation expenses	881,101	760,417
Amortization expenses	5,171	3,769
Finance costs	4,316	-
Interest income	(43,180)	(33,864)
Share of loss of associates and joint ventures	56,615	47,653
Loss on disposal of property, plant and equipment	253,029	106,952
Impairment loss on non-financial assets	99,854	-
Reversal of impairment loss on non-financial assets	-	(4,030)
(Realized) unrealized gain on the transactions with associates and joint ventures	(152)	2,155
Changes in operating assets and liabilities		
Decrease in notes receivable	30	22,026
(Increase) decrease in trade receivables	(3,084)	18,502
Decrease (increase) in inventories	442,373	(873,422)
(Increase) decrease in prepayments	(18,685)	16,719
Decrease (increase) in other current assets	1,336	(19,593)
Decrease in notes payable	(8,609)	(24,865)
Increase (decrease) increase in trade payables	41,694	(42,654)
(Decrease) increase in other payables	(20,862)	142,262
Increase in deferred revenue	88,633	424,802
Decrease in other current liabilities	(2,669)	(3,078)
(Decrease) increase in net defined benefit liabilities	(7,002)	1,401
Cash generated from operations	2,132,181	1,738,178
Interest paid	(4,316)	-
Income tax paid	(238,399)	(353,391)
Net cash generated from operating activities	1,889,466	1,384,787
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of associates and joint ventures	(97,448)	(60,906)
Payments for property, plant and equipment	(1,012,628)	(1,136,841)
Proceeds from disposal of property, plant and equipment	3,665	159
Increase in refundable deposits	(28,294)	(61,013)
Payments for intangible assets	(54,785)	(1,115)
Increase in restricted assets	-	(133,384)
Decrease in restricted assets	82,903	-
Increase in prepayments for equipment	-	(44,279)
Decrease in prepayments for equipment	38,726	-
Interest received	47,822	34,647
Net cash used in investing activities	(1,020,039)	(1,402,732)

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WOWPRIME CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014
(In Thousands of New Taiwan Dollars)

	2015	2014
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from guarantee deposits received	$ 200	$ -
Refund of guarantee deposits received	-	(100)
Dividends paid to owners of the Company	(623,075)	(917,129)
Dividends paid to non-controlling interests	(29,437)	(23,800)
Increase in non-controlling interests	15,000	-
Net cash used in financing activities	(637,312)	(941,029)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	(18,701)	32,389
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	213,414	(926,585)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	2,558,186	3,484,771
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 2,771,600	$ 2,558,186

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

(With Deloitte & Touche auditors' report dated March 28, 2016) (Concluded)

WOWPRIME CO., LTD. AND SUBSIDIARIES

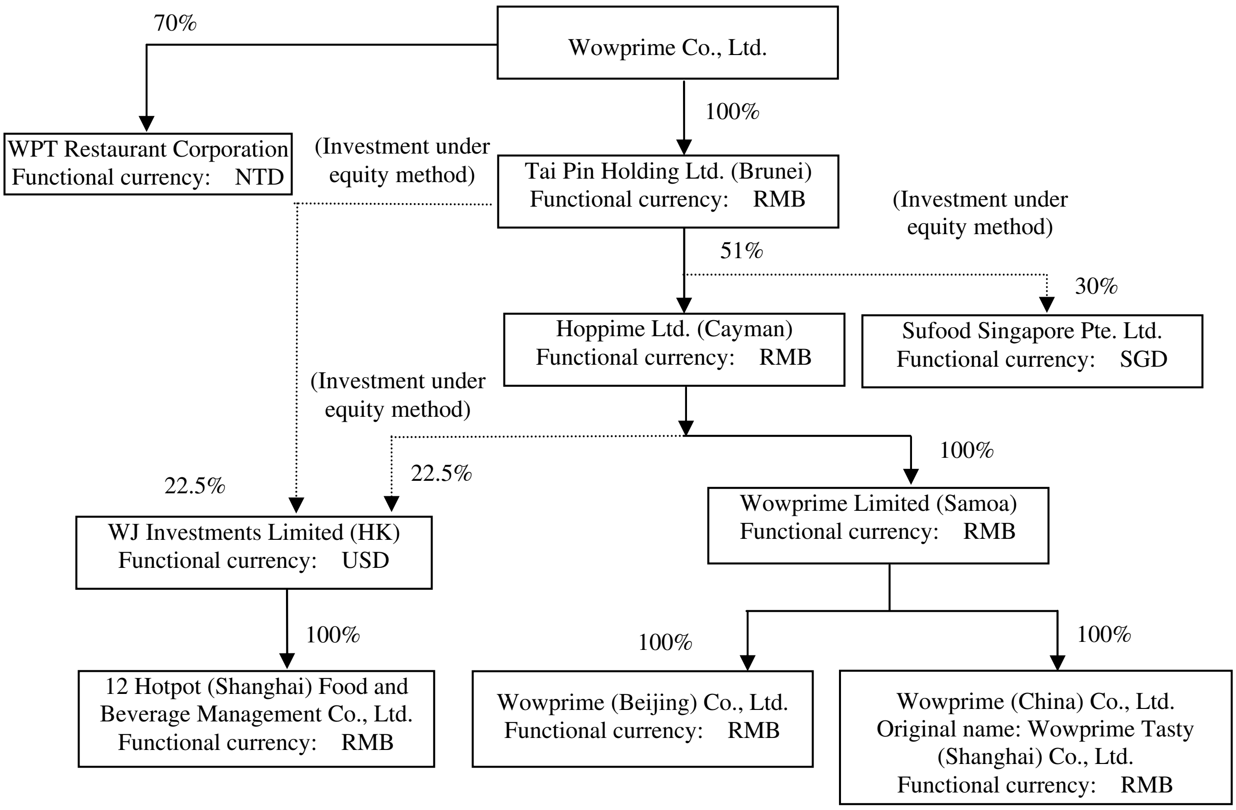
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Wowprime Co., Ltd. (the "Company") was incorporated in December 1993. The Company primarily engages in operating restaurants, retail sale of agricultural and husbandry products, food products and groceries. The Company also engages in running coffee/tea shops and bakery product manufacturing.

The Company's shares have been traded on the Emerging Stock Market of the Taiwan GreTai Securities Market since April 2011 and have been listed on the Taiwan Stock Exchange in March 2012.

Investment structure



The consolidated financial statements are presented in the Company's functional currency, New Taiwan dollars.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company's board of directors on March 28, 2016.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

a. Initial application of the amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the 2013 version of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations of IFRS (IFRIC), and Interpretations of IAS (SIC) endorsed by the FSC

   Rule No. 1030029342 and Rule No. 1030010325 issued by the FSC on April 3, 2014, stipulated that the Group should apply the 2013 version of IFRS, IAS, IFRIC and SIC (collectively, the "IFRSs") endorsed by the FSC and the related amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers starting January 1, 2015.

   Except for the following, the initial application of the amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the 2013 IFRSs version did not have any material impact on the Group's accounting policies:

   1) IFRS 10 "Consolidated Financial Statements"

      IFRS 10 replaces IAS 27 "Consolidated and Separate Financial Statements" and SIC 12 "Consolidation - Special Purpose Entities". The Group considers whether it has control over other entities for consolidation. The Group has control over an investee if and only if it has i) power over the investee; ii) exposure, or rights, to variable returns from its involvement with the investee and iii) the ability to use its power over the investee to affect the amount of its returns. Additional guidance has been included in IFRS 10 to explain when an investor has control over an investee.

   2) IFRS 12 "Disclosure of Interests in Other Entities"

      IFRS 12 is a new disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in IFRS 12 are more extensive than in past standards; please refer to Notes 9 and 10 for related disclosures.

   3) Revision to IAS 28 "Investments in Associates and Joint Ventures"

      Revised IAS 28 requires that when a portion of an investment in an associate meets the criteria to be classified as held for sale, that portion is classified as held for sale. Any retained portion that has not been classified as held for sale is accounted for using the equity method. Under previous IAS 28, when a portion of an investment in associate meets the criteria to be classified as held for sale, the entire investment is classified as held for sale and ceases to apply the equity method.

   4) IFRS 13 "Fair Value Measurement"

      IFRS 13 establishes a single source of guidance for fair value measurements. It defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The disclosure requirements in IFRS 13 are more extensive than in past standards; for example, quantitative and qualitative disclosures based on the three-level fair value hierarchy previously required for financial instruments only are extended by IFRS 13 to cover all assets and liabilities within its scope.

      The fair value measurements under IFRS 13 are applied prospectively from January 1, 2015. Refer to Note 27 for related disclosures.

5) Amendments to IAS 1 "Presentation of Items of Other Comprehensive Income"

The amendments to IAS 1 require items of other comprehensive income to be grouped into those items that (1) will not be reclassified subsequently to profit or loss; and (2) may be reclassified subsequently to profit or loss. Income taxes on related items of other comprehensive income are grouped on the same basis. Under current IAS 1, there were no such requirements.

The Group retrospectively applied the above amendments starting in 2015. Items not expected to be reclassified to profit or loss are remeasurements of the defined benefit plans. Items expected to be reclassified to profit or loss are the exchange differences on translating foreign operations and share of the other comprehensive income (except the share of the remeasurements of the defined benefit plans) of associates and joint ventures accounted for using the equity method. The application of the above amendments did not have any impact on the net profit for the year, other comprehensive income for the year (net of income tax), and total comprehensive income for the year.

6) Revision to IAS 19 "Employee Benefits"

Revised IAS 19 requires the recognition of changes in defined benefit obligations and in the fair value of plan assets when they occur, and hence eliminates the "corridor approach" permitted under previous IAS 19 and accelerates the recognition of past service costs. The revision requires all remeasurements of the defined benefit plans to be recognized immediately through other comprehensive income in order for the net pension asset or liability to reflect the full value of the plan deficit or surplus.

Furthermore, the interest cost and expected return on plan assets used in previous IAS 19 are replaced with a "net interest" amount, which is calculated by applying the discount rate to the net defined benefit liability or asset. In addition, the revised IAS 19 introduces certain changes in the presentation of the defined benefit cost, and also includes more extensive disclosures.

7) Annual Improvements to IFRSs: 2009-2011 Cycle

Several standards including IFRS 1 "First-time Adoption of International Financial Reporting Standards", IAS 1 "Presentation of Financial Statements", IAS 16 "Property, Plant and Equipment", IAS 32 "Financial Instruments: Presentation" and IAS 34 "Interim Financial Reporting" were amended in this annual improvement.

The amendments to IAS 1 clarify that an entity is required to present a balance sheet as at the beginning of the preceding period when a) it applies an accounting policy retrospectively, or makes a retrospective restatement or reclassifies items in its financial statements, and b) the retrospective application, restatement or reclassification has a material effect on the information in the balance sheet at the beginning of the preceding period. The amendments also clarify that related notes are not required to accompany the balance sheet at the beginning of the preceding period.

The amendments to IAS 16 clarify that spare parts, stand-by equipment and servicing equipment should be recognized in accordance with IAS 16 when they meet the definition of property, plant and equipment and otherwise as inventory.

The amendments to IAS 32 clarify that income tax relating to distributions to holders of an equity instrument and to transaction costs of an equity transaction should be accounted for in accordance with IAS 12 "Income Taxes".

The amendments to IAS 34 clarify that a measure of total liabilities for a reportable segment would be disclosed in interim financial reporting when such amounts are regularly provided to the chief operating decision maker of the Group and there has been a material change from the amounts disclosed in the last annual financial statements for that reportable segment.

b. New IFRSs in issue but not yet endorsed by the FSC

On March 10, 2016, the FSC announced the scope of IFRSs to be endorsed and will take effect from January 1, 2017. The scope includes all IFRSs that were issued by the IASB before January 1, 2016 and have effective dates on or before January 1, 2017, which means the scope excludes those that are not yet effective as of January 1, 2017 such as IFRS 9 "Financial Instruments" and IFRS 15 "Revenue from Contracts with Customers" and those with undetermined effective date. In addition, the FSC announced that the Group should apply IFRS 15 starting January 1, 2018. As of the date the consolidated financial statements were authorized for issue, the FSC has not announced the effective dates of other new, amended and revised standards and interpretations.

The Group has not applied the following New IFRSs issued by the IASB but not yet endorsed by the FSC.

New IFRSs	Effective Date Announced by IASB (Note 1)
Annual Improvements to IFRSs 2010-2012 Cycle	July 1, 2014 (Note 2)
Annual Improvements to IFRSs 2011-2013 Cycle	July 1, 2014
Annual Improvements to IFRSs 2012-2014 Cycle	January 1, 2016 (Note 3)
IFRS 9 "Financial Instruments"	January 1, 2018
Amendments to IFRS 9 and IFRS 7 "Mandatory Effective Date of IFRS 9 and Transition Disclosures"	January 1, 2018
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
Amendments to IFRS 10, IFRS 12 and IAS 28 "Investment Entities: Applying the Consolidation Exception"	January 1, 2016
Amendment to IFRS 11 "Accounting for Acquisitions of Interests in Joint Operations"	January 1, 2016
IFRS 14 "Regulatory Deferral Accounts"	January 1, 2016
IFRS 15 "Revenue from Contracts with Customers"	January 1, 2018
IFRS 16 "Leases"	January 1, 2019
Amendment to IAS 1 "Disclosure Initiative"	January 1, 2016
Amendment to IAS 7 "Disclosure Initiative"	January 1, 2017
Amendments to IAS 12 "Recognition of Deferred Tax Assets for Unrealized Losses"	January 1, 2017
Amendments to IAS 16 and IAS 38 "Clarification of Acceptable Methods of Depreciation and Amortization"	January 1, 2016
Amendments to IAS 16 and IAS 41 "Agriculture: Bearer Plants"	January 1, 2016
Amendment to IAS 19 "Defined Benefit Plans: Employee Contributions"	July 1, 2014
Amendment to IAS 27 "Equity Method in Separate Financial Statements"	January 1, 2016
Amendment to IAS 36 "Impairment of Assets: Recoverable Amount Disclosures for Non-financial Assets"	January 1, 2014
Amendment to IAS 39 "Novation of Derivatives and Continuation of Hedge Accounting"	January 1, 2014
IFRIC 21 "Levies"	January 1, 2014

Note 1: Unless stated otherwise, the above New IFRSs are effective for annual periods beginning on or after their respective effective dates.

Note 2: The amendment to IFRS 2 applies to share-based payment transactions with grant date on or after July 1, 2014; the amendment to IFRS 3 applies to business combinations with acquisition date on or after July 1, 2014; the amendment to IFRS 13 is effective immediately; the remaining amendments are effective for annual periods beginning on or after July 1, 2014.

Note 3: The amendment to IFRS 5 is applied prospectively to changes in a method of disposal that occur in annual periods beginning on or after January 1, 2016; the remaining amendments are effective for annual periods beginning on or after January 1, 2016.

The initial application of the above New IFRSs, whenever applied, would not have any material impact on the Group's accounting policies, except for the following:

1) IFRS 9 "Financial Instruments"

<u>Recognition and measurement of financial assets</u>

With regards to financial assets, all recognized financial assets that are within the scope of IAS 39 "Financial Instruments: Recognition and Measurement" are subsequently measured at amortized cost or fair value. Under IFRS 9, the requirement for the classification of financial assets is stated below.

For the Group's debt instruments that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, their classification and measurement are as follows:

a) For debt instruments, if they are held within a business model whose objective is to collect the contractual cash flows, the financial assets are measured at amortized cost and are assessed for impairment continuously with impairment loss recognized in profit or loss, if any. Interest revenue is recognized in profit or loss by using the effective interest method;

b) For debt instruments, if they are held within a business model whose objective is achieved by both the collecting of contractual cash flows and the selling of financial assets, the financial assets are measured at fair value through other comprehensive income (FVTOCI) and are assessed for impairment. Interest revenue is recognized in profit or loss by using the effective interest method, and other gain or loss shall be recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses. When the debt instruments are derecognized or reclassified, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss.

Except for above, all other financial assets are measured at fair value through profit or loss. However, the Group may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognized in profit or loss. No subsequent impairment assessment is required, and the cumulative gain or loss previously recognized in other comprehensive income cannot be reclassified from equity to profit or loss.

<u>The impairment of financial assets</u>

IFRS 9 requires that impairment loss on financial assets is recognized by using the "Expected Credit Losses Model". The credit loss allowance is required for financial assets measured at amortized cost, financial assets mandatorily measured at FVTOCI, lease receivables, contract assets arising from IFRS 15 "Revenue from Contracts with Customers", certain written loan commitments and financial guarantee contracts. A loss allowance for the 12-month expected credit losses is required for a financial asset if its credit risk has not increased significantly since initial recognition. A loss allowance for full lifetime expected credit losses is required for a financial asset if its credit risk has increased significantly since initial recognition and is not low. However, a loss allowance for full lifetime expected credit losses is required for trade receivables that do not constitute a financing transaction.

For purchased or originated credit-impaired financial assets, the Group takes into account the expected credit losses on initial recognition in calculating the credit-adjusted effective interest rate. Subsequently, any changes in expected losses are recognized as a loss allowance with a corresponding gain or loss recognized in profit or loss.

2) Amendment to IAS 36 “Recoverable Amount Disclosures for Non-financial Assets”

   In issuing IFRS 13 “Fair Value Measurement”, the IASB made consequential amendment to the disclosure requirements in IAS 36 “Impairment of Assets”, introducing a requirement to disclose in every reporting period the recoverable amount of an asset or each cash-generating unit. The amendment clarifies that such disclosure of recoverable amounts is required only when an impairment loss has been recognized or reversed during the period. Furthermore, the Group is required to disclose the discount rate used in measurements of the recoverable amount based on fair value less costs of disposal measured using a present value technique.

3) Annual Improvements to IFRSs: 2010-2012 Cycle

   Several standards including IFRS 2 “Share-based Payment”, IFRS 3 “Business Combinations” and IFRS 8 “Operating Segments” were amended in this annual improvement.

   The amended IFRS 2 changes the definitions of “vesting condition” and “market condition” and adds definitions for “performance condition” and “service condition”. The amendment clarifies that a performance target can be based on the operations (i.e. a non-market condition) of the Group or another entity in the same group or the market price of the equity instruments of the Group or another entity in the same group (i.e. a market condition); that a performance target can relate either to the performance of the Group as a whole or to some part of it (e.g. a division); and that the period for achieving a performance condition must not extend beyond the end of the related service period. In addition, a share market index target is not a performance condition because it not only reflects the performance of the Group, but also of other entities outside the Group.

   IFRS 3 was amended to clarify that contingent consideration should be measured at fair value, irrespective of whether the contingent consideration is a financial instrument within the scope of IFRS 9 or IAS 39. Changes in fair value should be recognized in profit or loss.

   The amended IFRS 8 requires an entity to disclose the judgments made by management in applying the aggregation criteria to operating segments, including a description of the operating segments aggregated and the economic indicators assessed in determining whether the operating segments have “similar economic characteristics”. The amendment also clarifies that a reconciliation of the total of the reportable segments’ assets to the entity’s assets should only be provided if the segments’ assets are regularly provided to the chief operating decision-maker.

   IFRS 13 was amended to clarify that the issuance of IFRS 13 did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amounts without discounting, if the effect of not discounting is immaterial.

   IAS 24 was amended to clarify that a management entity providing key management personnel services to the Group is a related party of the Group. Consequently, the Group is required to disclose as related party transactions the amounts incurred for the service paid or payable to the management entity for the provision of key management personnel services. However, disclosure of the components of such compensation is not required.

4) Annual Improvements to IFRSs: 2011-2013 Cycle

   Several standards, including IFRS 3, IFRS 13 and IAS 40 “Investment Property”, were amended in this annual improvement.

IFRS 3 was amended to clarify that IFRS 3 does not apply to the accounting for the formation of all types of joint arrangements in the financial statements of the joint arrangement itself.

The scope in IFRS 13 of the portfolio exception for measuring the fair value of a group of financial assets and financial liabilities on a net basis was amended to clarify that it includes all contracts that are within the scope of, and accounted for in accordance with, IAS 39 or IFRS 9, even if those contracts do not meet the definitions of financial assets or financial liabilities within IAS 32.

IAS 40 was amended to clarify that IAS 40 and IFRS 3 are not mutually exclusive and application of both standards may be required to determine whether the investment property acquired is acquisition of an asset or a business combination.

5) Amendments to IAS 16 and IAS 38 "Clarification of Acceptable Methods of Depreciation and Amortization"

The entity should use appropriate depreciation and amortization method to reflect the pattern in which the future economic benefits of the property, plant and equipment and intangible asset are expected to be consumed by the entity.

The amended IAS 16 "Property, Plant and Equipment" requires that a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate. The amended standard does not provide any exception from this requirement.

The amended IAS 38 "Intangible Assets" requires that there is a rebuttable presumption that an amortization method that is based on revenue that is generated by an activity that includes the use of an intangible asset is not appropriate. This presumption can be overcome only in the following limited circumstances:

a) In which the intangible asset is expressed as a measure of revenue (for example, the contract that specifies the entity's use of the intangible asset will expire upon achievement of a revenue threshold); or

b) When it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated.

An entity should apply the aforementioned amendments prospectively for annual periods beginning on or after the effective date.

6) IFRS 15 "Revenue from Contracts with Customers"

IFRS 15 establishes principles for recognizing revenue that apply to all contracts with customers, and will supersede IAS 18 "Revenue", IAS 11 "Construction Contracts" and a number of revenue-related interpretations from January 1, 2017.

When applying IFRS 15, an entity shall recognize revenue by applying the following steps:

- Identify the contract with the customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognize revenue when the entity satisfies a performance obligation.

When IFRS 15 is effective, an entity may elect to apply this Standard either retrospectively to each prior reporting period presented or retrospectively with the cumulative effect of initially applying this Standard recognized at the date of initial application.

7) Annual Improvements to IFRSs: 2012-2014 Cycle

Several standards including IFRS 5 "Non-current assets held for sale and discontinued operations", IFRS 7, IAS 19 and IAS 34 were amended in this annual improvement.

IAS 19 was amended to clarify that the depth of the market for high quality corporate bonds used to estimate discount rate for post-employment benefits should be assessed by the market of the corporate bonds denominated in the same currency as the benefits to be paid, i.e. assessed at currency level (instead of country or regional level).

8) IFRS 16 "Leases"

IFRS 16 sets out the accounting standards for leases that will supersede IAS 17 and a number of related interpretations.

Under IFRS 16, if the Group is a lessee, it shall recognize right-of-use assets and lease liabilities for all leases on the consolidated balance sheets except for low-value and short-term leases. The Group may elect to apply the accounting method similar to the accounting for operating lease under IAS 17 to the low-value and short-term leases. On the consolidated statements of comprehensive income, the Group should present the depreciation expense charged on the right-of-use asset separately from interest expense accrued on the lease liability; interest is computed by using effective interest method. On the consolidated statements of cash flows, cash payments for the principal portion of the lease liability are classified within financing activities; cash payments for interest portion are classified within operating activities.

The application of IFRS 16 is not expected to have a material impact on the accounting of the Group as lessor.

When IFRS 16 becomes effective, the Group may elect to apply this Standard either retrospectively to each prior reporting period presented or retrospectively with the cumulative effect of the initial application of this Standard recognized at the date of initial application.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of other standards and interpretations will have on the Group's financial position and financial performance, and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs as endorsed by the FSC.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value.

c. Classification of current and non-current assets and liabilities

Current assets include:

1) Assets held primarily for the purpose of trading;

2) Assets expected to be realized within 12 months after the reporting period; and

3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

1) Liabilities held primarily for the purpose of trading;

2) Liabilities due to be settled within 12 months after the reporting period, even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the consolidated financial statements are authorized for issue; and

3) Liabilities for which the Group does not have an unconditional right to defer settlement for at least 12 months after the reporting period. Terms of a liability than could at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Assets and liabilities that are not classified as current are classified as non-current.

d. Basis of consolidation

Principles for preparing consolidated financial statements

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e. its subsidiaries).

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisition up to the effective date of disposal, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

e. Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences arising on the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which case, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary items that are measured at historical cost in a foreign currency are not retranslated.

For the purpose of presenting consolidated financial statements, the functional currencies of the Company and the Group entities (including subsidiaries and associates in other countries that use currency different from the currency of the Company) are translated into the presentation currency - New Taiwan dollars as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income (attributed to the owners of the Company and non-controlling interests as appropriate).

f. Inventories

Inventories consist of raw materials, supplies, finished goods and work-in-process and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. Net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at weighted-average cost on the balance sheet date.

g. Investment in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture.

The Group uses the equity method to account for its investments in associates and joint ventures.

Under the equity method, investments in an associate and a joint venture are initially recognized at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate and joint venture. The Group also recognizes the changes in the Group's share of equity of associates and joint venture attributable to the Group.

When the Group subscribes for additional new shares of the associate and joint venture at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Group's proportionate interest in the associate and joint venture. The Group records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus - changes in the Group's share of equity of associates and joint ventures. If the Group's ownership interest is reduced due to the additional subscription of the new shares of associate and joint venture, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate and joint venture is reclassified to profit or loss on the same basis as would be required if the investee had directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for by the equity method is insufficient, the shortage is debited to retained earnings.

The entire carrying amount of the investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

When a group entity transacts with its associate and joint venture, profits and losses resulting from the transactions with the associate and joint venture are recognized in the Group' consolidated financial statements only to the extent of interests in the associate and the joint venture that are not related to the Group.

h. Property, plant, and equipment

Property, plant and equipment are stated at cost, less subsequent accumulated depreciation and subsequent accumulated impairment loss.

Properties, plant, and equipment in the course of construction are carried at cost, less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Such properties are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Freehold land is not depreciated.

Depreciation on property, plant, and equipment is recognized using the straight-line method. Each significant part is depreciated separately. If the lease term is shorter than the useful lives, assets are depreciated over the lease term. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

i. Intangible assets

1) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful life, residual value, and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are measured at cost less accumulated impairment loss.

2) Derecognition of intangible assets

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset are recognized in profit or loss.

j. Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets, excluding goodwill, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the individual cash-generating units on a reasonable and consistent basis of allocation.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized in profit or loss.

k. Financial instruments

Financial assets and financial liabilities are recognized when a group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

a) Measurement category

Financial assets are classified into loans and receivables.

Loans and receivables

Loans and receivables (including trade receivables and cash and cash equivalent) are measured at amortized cost using the effective interest method, less any impairment, except for short-term receivables when the effect of discounting is immaterial.

Cash equivalent includes time deposits with original maturities within 3 months from the date of acquisition, highly liquid, readily convertible to a known amount of cash and be subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

b) Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For financial assets carried at amortized cost, such as trade receivables, assets are assessed for impairment on a collective basis even if they were assessed not to be impaired individually. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortized cost, the amount of the impairment loss recognized is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets measured at amortized cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

For all other financial assets, objective evidence of impairment could include significant financial difficulty of the issuer or counterparty, breach of contract, such as a default or delinquency in interest or principal payments, it becoming probable that the borrower will enter bankruptcy or financial re-organization, or the disappearance of an active market for that financial asset because of financial difficulties.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When trade receivables are considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss except for uncollectible trade receivables that are written off against the allowance account.

c) Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

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

2) Equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments issued by a group entity are recognized at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognized in and deducted directly from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

3) Financial liabilities

a) Subsequent measurement

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

b) Derecognition of financial liabilities

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

l. Provisions

Provisions, including those arising from the contractual obligation specified in the service concession arrangement to maintain or restore infrastructure before it is handed over to the grantor, are measured at the best estimate of the discounted cash flows of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

m. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

1) Sale of goods

Revenue from the sale of goods is recognized when all the following conditions are satisfied:

a) The Group has transferred to the buyer the significant risks and rewards of ownership of the goods;

b) The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

c) The amount of revenue can be measured reliably;

d) It is probable that the economic benefits associated with the transaction will flow to the Group; and

e) The costs incurred or to be incurred in respect of the transaction can be measured reliably.

The Group does not recognize sales revenue on materials delivered to subcontractors because this delivery does not involve a transfer of risks and rewards of materials ownership.

Sales of goods that result in award credits for customers, under the Group's award scheme, are accounted for as multiple element revenue transactions and the fair value of the consideration received or receivable is allocated between the goods supplied and the award credits granted. The consideration allocated to the award credits is measured by reference to their fair value, the amount for which the award credits could be sold separately. Such consideration is not recognized as revenue at the time of the initial sale transaction but is deferred and recognized as revenue when the award credits are redeemed and the Group's obligations have been fulfilled.

2) Royalties

Royalty revenue is recognized on an accrual basis in accordance with the substance of the relevant agreement provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Royalties determined on a time basis are recognized on a straight-line basis over the period of the agreement. Royalty arrangements that are based on production, sales and other measures are recognized by reference to the underlying arrangement.

3) Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

n. Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

1) The Group as lessee

Operating lease payments are recognized as an expense on a straight-line basis over the lease term. Contingent rents are recognized as an expense in the period in which they are incurred.

2) Leasehold land for own use

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group. The minimum lease payments are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

If the allocation of the lease payments can be made reliably, each element is accounted for separately in accordance with their classification of lease. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease unless it is clear that both elements are operating leases, in which case the entire lease is classified as an operating lease.

o. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under the defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost, and net interest on the net defined benefit liability (asset) are recognized as employee benefits expense in the period they occur. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liability (asset) represents the actual deficit (surplus) in the Group's defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

p. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

According to the Income Tax Law, an additional tax at 10% of unappropriated earnings is provided for as income tax in the year the shareholders approve to retain the earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3) Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Tai Pin Holding Ltd. (Brunei), Hoppime Ltd. (Cayman), and Wowprime Limited (Samoa) are registered in foreign countries with preferential duty rates; hence, no income tax was estimated.

The Law of the People's Republic of China on Enterprise Income Tax applies to Wowprime (China) Co., Ltd. and Wowprime (Beijing) Co., Ltd., which states a 25% tax rate.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

a. Estimated impairment of trade receivables

When there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. Where the actual future cash flows are less than expected, a material impairment loss may arise.

As of December 31, 2015 and 2014, the carrying amount of trade receivables was $150,338 thousand and $147,254 thousand, respectively (allowance for bad debt was zero).

b. Useful lives of property, plant and equipment

As described in Note 4(h), the Group reviews the estimated useful lives of property, plant and equipment at each balance sheet date.

c. Impairment of property, plant and equipment

The impairment of property, plant and equipment was based on the recoverable amount of those assets, which is the higher of fair value less costs to sell or value-in-use of those assets. Any changes in the market price or future cash flows will affect the recoverable amount of those assets and may lead to recognition of additional or reversal of impairment losses.

The impairment loss recognized and reversed for the years ended December 31, 2015 and 2014 was $98,029 thousand and $1,260 thousand, respectively.

d. Write-down of inventories

Net realizable value of inventory is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The estimation of net realizable value was based on current market conditions and the historical experience of selling products of a similar nature. Changes in market conditions may have a material impact on the estimation of net realizable value.

As of December 31, 2015 and 2014, the carrying amount of inventories was $1,984,655 thousand and $2,428,853 thousand, respectively (less write-down of inventories of $28,814 thousand and $26,989 thousand).

e. Recognition and measurement of defined benefit plans

Net defined benefit liabilities (assets) and the resulting defined benefit costs under defined benefit pension plans are calculated using the projected unit credit method. Actuarial assumptions comprise the discount rate, rate of employee turnover, and future salary increase, etc. Changes in economic circumstances and market conditions will affect these assumptions and may have a material impact on the amount of the expense and the liability.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2015	**2014**
Cash on hand	$ 67,291	$ 74,693
Checking accounts and demand deposits	1,639,614	862,995
Time deposits	1,064,695	1,620,498
	$ 2,771,600	$ 2,558,186

Time deposits are highly liquid, readily convertible to a known amount of cash and be subject to an insignificant risk of changes in value.

The market rate intervals of time deposits at the end of the reporting period were as follows:

	December 31	
	2015	**2014**
Time deposits	0.90%-3.60%	1.00%-3.09%

7. NOTES RECEIVABLE AND TRADE RECEIVABLES

	December 31	
	2015	**2014**
Notes receivable		
Notes receivable - operating	$ -	$ 30
Less: Allowance for impairment loss	-	-
	$ -	$ 30
Trade receivables		
Trade receivables	$ 150,338	$ 147,254
Less: Allowance for impairment loss	-	-
	$ 150,338	$ 147,254

Aside from branches opened in retail stores, shopping malls and cooperation with other businesses that has a negotiated 30-90 day credit period, the Group adopts cash basis or credit card sales to customers. In determining the collectibility of trade receivables, the Group assesses any changes in the credit quality from the start of the credit period to the balance sheet date. According to the Group’s past experience, no delayed payments occurred; hence, no amount was credited to the allowance account.

The Group has a wide client base with no relation to each other; hence, there is a limited exposure to credit risk.

The aging of receivables was as follows:

	December 31	
	2015	2014
Less than 30 days	$ 143,282	$ 124,752
31-60 days	6,290	12,530
61-90 days	344	3,478
More than 91 days	422	6,494
	$ 150,338	$ 147,254

The above aging schedule was based on the invoice date.

8. INVENTORIES

	December 31	
	2015	2014
Finished goods	$ -	$ 125
Raw materials	1,984,655	2,349,906
Merchandise	-	2,147
Inventory in transit	-	76,675
	$ 1,984,655	$ 2,428,853

The cost of inventories recognized as cost of goods sold for the years ended December 31, 2015 and 2014 was $8,576,498 thousand and $8,274,734 thousand, respectively.

The cost of inventories recognized as cost of goods sold for the years ended December 31, 2015 and 2014 included inventory write-downs $1,825 thousand and reversal of inventory write-downs $2,770 thousand, respectively. The circumstances that caused the net realizable value to be lower than the cost no longer exist.

9. SUBSIDIARIES

a. Subsidiaries included in the consolidated financial statements

			Proportion of Ownership December 31		
Investor	Investee	Nature of Activities	2015	2014	Remark
Wowprime Co., Ltd.	Tai Pin Holding Ltd.	Investment	100%	100%	
Wowprime Co., Ltd.	WPT Restaurant Corporation	Catering and catering management	70%	-	4)
Tai Pin Holding Ltd.	Hoppime Ltd.	Investment	51%	51%	1), 3)
Hoppime Ltd.	Wowprime Limited	Investment	100%	100%	1)
Wowprime Limited	Wowprime (China) Co., Ltd.	Catering and catering management	100%	100%	1), 2)
Wowprime Limited	Wowprime (Beijing) Co., Ltd.	Catering and catering management	100%	100%	1)

1) The financial statements were audited by other auditors.

2) Wowprime Tasty (Shanghai) Co., Ltd. was renamed "Wowprime (China) Co., Ltd." on October 20, 2015.

3) Hoppime Ltd. is a subsidiary that has material non-controlling interests.

4) The financial statements have not been audited. The management believes that an audit of the financial statements of WPT Restaurant Corporation would not result in significant impact on the Group's consolidated financial statements.

b. Subsidiaries excluded from the consolidated financial statements: None

c. Details of subsidiaries that have material non-controlling interests

	Proportion of Ownership and Voting Rights Held by Non-controlling Interests	
	December 31	
Name of Subsidiary	**2015**	**2014**
Hoppime Ltd.	49%	49%

See Table 3 and Table 4 for the information on place of incorporation and principal place of business.

	Profit Allocated to Non-controlling Interests For the Year Ended December 31		Accumulated Non-controlling Interests December 31	
Name of Subsidiary	**2015**	**2014**	**2015**	**2014**
Hoppime Ltd.	$ 195,541	$ 185,537	$ 1,139,150	$ 983,299

Summarized financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarized financial information below represents amounts before intragroup eliminations.

Hoppime Ltd. and Hoppime Ltd.'s subsidiaries:

	December 31	
	2015	**2014**
Current assets	$ 1,877,800	$ 1,712,128
Non-current assets	1,563,305	1,354,236
Current liabilities	(1,116,310)	(1,042,639)
Non-current liabilities	-	(16,992)
Equity	$ 2,324,795	$ 2,006,733
Equity attributable to:		
Owners of Hoppime Ltd.	$ 1,185,645	$ 1,023,434
Non-controlling interests of Hoppime Ltd.	1,139,150	983,299
	$ 2,324,795	$ 2,006,733

	For the Year Ended December 31	
	2015	2014
Revenue	$ 6,527,483	$ 5,304,651
Profit for the year	$ 399,063	$ 378,647
Other comprehensive income for the year	(41,559)	70,888
Total comprehensive income for the year	$ 357,504	$ 449,535
Profit attributable to:		
Owners of Hoppime Ltd.	$ 203,522	$ 193,110
Non-controlling interests of Hoppime Ltd.	195,541	185,537
	$ 399,063	$ 378,647
Total comprehensive income attributable to:		
Owners of Hoppime Ltd.	$ 182,327	$ 229,263
Non-controlling interests of Hoppime Ltd.	175,177	220,272
	$ 357,504	$ 449,535
Net cash inflow (outflow) from:		
Operating activities	$ 904,613	$ 432,045
Investing activities	(552,529)	(540,814)
Financing activities	(54,918)	(49,471)
Net cash inflow (outflow)	$ 297,166	$ (158,240)
Dividends paid to non-controlling interest Hoppime Ltd.	$ 29,437	$ 23,800

10. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

	December 31	
	2015	2014
Investments in associates		
Material associates		
WJ Investments Limited	$ 151,104	$ 116,799
Sufood Singapore Pte. Ltd.	8,186	6,165
	$ 159,290	$ 122,964

	Proportion of Ownership and Voting Rights	
	December 31	
	2015	2014
WJ Investments Limited	45%	45%
Sufood Singapore Pte. Ltd.	30%	30%

Refer to Table 3 “Information on Investees” and Table 4 “Information on Investments in Mainland China” for the nature of activities, principal place of business and country of incorporation of the associates.

The investments accounted for by the equity method and the share of profit or loss and other comprehensive income of those investments were calculated based on the financial statements audited by other auditors for the same years.

All the associates are accounted for using the equity method.

Summarized financial information in respect of each of the Group’s material associates is set out below. The summarized financial information below represents amounts shown in the associates’ financial statements prepared in accordance with IFRSs adjusted by the Group for equity accounting purposes.

WJ Investments Limited

	December 31	
	2015	**2014**
Current assets	$ 260,138	$ 164,813
Non-current assets	111,798	129,955
Current liabilities	(36,149)	(35,215)
Non-current liabilities	-	-
Equity	$ 335,787	$ 259,553
Proportion of the Group’s ownership	45%	45%
Carrying amount	$ 151,104	$ 116,799

	For the Year Ended December 31	
	2015	**2014**
Operating revenue	$ 312,541	$ 174,047
Net profit for the year	$ (119,677)	$ (95,642)
Other comprehensive income	169	(22)
Total comprehensive income for the year	$ (119,508)	$ (95,664)

Sufood Singapore Pte. Ltd.

	December 31	
	2015	**2014**
Current assets	$ 21,687	$ 13,446
Non-current assets	31,424	22,732
Current liabilities	(18,216)	(7,965)
Non-current liabilities	(930)	(479)
Equity	$ 33,965	$ 27,734

(Continued)

	December 31	
	2015	2014
Proportion of the Group's ownership	30%	30%
Equity attributable to the Group	$ 10,189	$ 8,320
Unrealized gain or loss with associates	(2,003)	(2,155)
Carrying amount	$ 8,186	$ 6,165

(Concluded)

	For the Year Ended December 31	
	2015	2014
Operating revenue	$ 53,405	$ 33,100
Net profit for the year	$ (9,201)	$ (15,383)

11. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Utilities and Fire-fighting Equipment	Office Equipment	Dining Equipment	Leasehold Improvements	Other Equipment	Total
Cost								
Balance at January 1, 2014	$ 95,925	$ 88,188	$ 939,047	$ 146,774	$ 1,057,325	$ 2,249,450	$ 169,163	$ 4,745,872
Additions	-	-	78,763	24,505	160,592	95,068	15,403	374,331
Reclassified	-	-	161,518	4,268	174,153	467,925	27,014	834,878
Disposals	-	-	(73,999)	(11,969)	(85,318)	(184,610)	(18,048)	(373,944)
Effect of foreign currency exchange differences	-	-	7,098	1,537	10,420	39,991	2,478	61,524
Balance at December 31, 2014	$ 95,925	$ 88,188	$ 1,112,427	$ 165,115	$ 1,317,172	$ 2,667,824	$ 196,010	$ 5,642,661
Accumulated depreciation and impairment								
Balance at January 1, 2014	$ -	$ 32,799	$ 381,602	$ 91,257	$ 465,704	$ 1,025,052	$ 74,852	$ 2,071,266
Depreciation expenses	-	2,151	155,771	21,293	214,283	338,144	28,775	760,417
Impairment losses reversed	-	-	(651)	-	-	(609)	-	(1,260)
Disposals	-	-	(46,444)	(9,983)	(64,683)	(129,340)	(16,383)	(266,833)
Effect of foreign currency exchange differences	-	-	3,592	865	4,443	20,913	785	30,598
Balance at December 31, 2014	$ -	$ 34,950	$ 493,870	$ 103,432	$ 619,747	$ 1,254,160	$ 88,029	$ 2,594,188
Carrying amounts at December 31, 2014	$ 95,925	$ 53,238	$ 618,557	$ 61,683	$ 697,425	$ 1,413,664	$ 107,981	$ 3,048,473
Cost								
Balance at January 1, 2015	$ 95,925	$ 88,188	$ 1,112,427	$ 165,115	$ 1,317,172	$ 2,667,824	$ 196,010	$ 5,642,661
Additions	-	-	59,064	38,990	190,986	77,966	27,180	394,186
Reclassified	-	-	103,368	-	70,877	456,210	5,339	635,794
Disposals	-	-	(161,935)	(22,054)	(190,814)	(313,312)	(16,201)	(704,316)
Effect of foreign currency exchange differences	-	-	(4,031)	(1,158)	(6,512)	(23,767)	(1,466)	(36,934)
Balance at December 31, 2015	$ 95,925	$ 88,188	$ 1,108,893	$ 180,893	$ 1,381,709	$ 2,864,921	$ 210,862	$ 5,931,391
Accumulated depreciation and impairment								
Balance at January 1, 2015	$ -	$ 34,950	$ 493,870	$ 103,432	$ 619,747	$ 1,254,160	$ 88,029	$ 2,594,188
Depreciation expenses	-	1,922	169,908	24,849	246,301	409,729	28,392	881,101
Impairment losses recognized	-	-	10,838	910	8,694	76,547	1,040	98,029
Disposals	-	-	(90,379)	(16,207)	(137,896)	(193,087)	(10,053)	(447,622)
Effect of foreign currency exchange differences	-	-	(2,114)	(573)	(2,678)	(12,750)	(574)	(18,689)
Balance at December 31, 2015	$ -	$ 36,872	$ 582,123	$ 112,411	$ 734,168	$ 1,534,599	$ 106,834	$ 3,107,007
Carrying amounts at December 31, 2015	$ 95,925	$ 51,316	$ 526,770	$ 68,482	$ 647,541	$ 1,330,322	$ 104,028	$ 2,824,384

The management assessed future profitability of every operating segment on December 31, 2015 and has decided that some branches will be closed before June 30, 2016. Property, plant and equipment of these branches have suffered an impairment loss. After reviewing the carrying amount and the recoverable amount of these branches, some branches have recoverable amount lower than the carrying amount; therefore the Group recognized an impairment loss of $98,029 thousand for the year ended December 31, 2015.

Refer to Note 22(b) "Other gains and losses" for the impairment loss recognized and reversed for the years ended December 31, 2015 and 2014.

During the year ended December 31, 2014, the Group acquired license and hence reversed the impairment loss that occurred in 2011.

The above items of property, plant and equipment are depreciated on a straight-line basis over the estimated useful life of the asset:

Building	
Main buildings	29-51 years
Renovation	6-16 years
Utilities and fire-fighting equipment	5-6 years
Office equipment	5-6 years
Dining equipment	3-6 years
Leasehold improvement	2-6 years
Other equipment	5-6 years

Refer to Note 29 for the carrying amount of property, plant and equipment pledged by the Group to secure general banking facilities granted to the Group.

12. INTANGIBLE ASSETS

	Software	Trademark	Total
Cost			
Balance at January 1, 2014	$ 18,805	$ -	$ 18,805
Additions	1,115	-	1,115
Disposals	(78)	-	(78)
Effect of foreign currency exchange differences	399	-	399
Balance at December 31, 2014	$ 20,241	$ -	$ 20,241
Accumulated amortization			
Balance at January 1, 2014	$ 4,848	$ -	$ 4,848
Amortization expenses	3,769	-	3,769
Disposals	(78)	-	(78)
Effect of foreign currency exchange differences	117	-	117
Balance at December 31, 2014	$ 8,656	$ -	$ 8,656
Carrying amounts at December 31, 2014	$ 11,585	$ -	$ 11,585

(Continued)

	Software	Trademark	Total
Cost			
Balance at January 1, 2015	$ 20,241	$ -	$ 20,241
Additions	47,773	7,012	54,785
Disposals	(73)	-	(73)
Effect of foreign currency exchange differences	(741)	-	(741)
Balance at December 31, 2015	$ 67,200	$ 7,012	$ 74,212
Accumulated amortization			
Balance at January 1, 2015	$ 8,656	$ -	$ 8,656
Amortization expenses	5,131	40	5,171
Disposals	(73)	-	(73)
Effect of foreign currency exchange differences	(95)	-	(95)
Balance at December 31, 2015	$ 13,619	$ 40	$ 13,659
Carrying amounts at December 31, 2015	$ 53,581	$ 6,972	$ 60,553

(Concluded)

Intangible assets are depreciated on a straight-line basis over the estimated useful lives as follows:

Software	2-7 years
Trademark right	15 years

13. PREPAYMENTS

	December 31	
	2015	2014
Current		
Prepaid rent	$ 166,829	$ 151,749
Supplies	63,292	68,100
Prepayment for purchases	50,294	37,804
Others	106,016	108,916
	$ 386,431	$ 366,569
Non-current (other non-current assets)		
Prepaid rent	$ 19,227	$ 20,404

14. OTHER ASSETS

	December 31	
	2015	2014
Current		
Other financial assets	$ 272,323	$ 355,226
Tax refund receivable	67,099	-
Others	46,400	52,387
	$ 385,822	$ 407,613
Non-current		
Refundable deposit (Note 26)	$ 355,175	$ 326,881
Prepaid rent (Note 13)	19,227	20,404
	$ 374,402	$ 347,285

Refer to Note 29 for information on other financial assets pledged as collateral or for security.

15. NOTES PAYABLE AND TRADE PAYABLES

	December 31	
	2015	2014
Notes payable		
Operating	$ 25,028	$ 33,637
Trade payables		
Operating	$ 390,205	$ 348,511

The Group purchases inventory within a 30-60 day credit.

16. OTHER PAYABLES

	December 31	
	2015	2014
Payable for purchase of equipment	$ 248,970	$ 229,668
Payable for salaries and bonus	601,767	623,805
Payable for rent	227,040	194,756
Payable for retirement benefit	42,358	47,729
Payable for insurance	107,750	101,300
Payable for annual leave	37,730	30,539
Payable for tax expense	54,343	36,487
Others	250,034	307,268
	$ 1,569,992	$ 1,571,552

17. OTHER LIABILITIES

	December 31	
	2015	2014
Current		
Temporary receipts	$ 14,861	$ 17,530
Non-current		
Deposits received	$ 221	$ 21
Deferred tax liabilities (Note 23)	50,107	52,693
	$ 50,328	$ 52,714

18. RECEIPTS IN ADVANCE

	December 31	
	2015	2014
Proceeds from sold gift coupons	$ 2,469,144	$ 2,383,858
Deferred revenue	1,260	660
Others	3,250	503
	$ 2,473,654	$ 2,385,021

The deferred revenue arose in respect of the Group's customer loyalty program recognized in accordance with IFRIC 13 "Customer Loyalty Programs".

19. PROVISION

	December 31	
	2015	2014
Non-current		
Decommissioning liability	$ 24,050	$ 26,000

	Total
Balance at January 1, 2014	$ 23,850
Additional provision recognized	2,600
Disposals	(450)
Balance at December 31, 2014	$ 26,000
Balance at January 1, 2015	$ 26,000
Additional provision recognized	700
Disposals	(2,650)
Balance at December 31, 2015	$ 24,050

Decommissioning liability is the cost to restore the asset to its original condition upon returning as stated in the operating lease agreement.

20. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

The Company and WPT Restaurant Corporation of the Group adopted a pension plan under the Labor Pension Act (the "LPA"), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

Pension costs under defined contribution plans were as follows:

	For the Year Ended December 31	
	2015	2014
Operating costs	$ 62,654	$ 64,483
Selling and marketing expenses	$ 93,006	$ 94,979
General and administrative expenses	$ 18,724	$ 11,179

b. Defined benefit plans

The defined benefit plan adopted by the Company in accordance with the Labor Standards Law is operated by the government. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. The Company contributes amounts equal to 2% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Group assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Group is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor ("the Bureau"); the Group has no right to influence the investment policy and strategy.

The amounts included in the consolidated balance sheets in respect of the Group's defined benefit plans were as follows:

	December 31	
	2015	2014
Present value of defined benefit obligation	$ 136,884	$ 128,141
Fair value of plan assets	(9,927)	(1,828)
Net defined benefit liability	$ 126,957	$ 126,313

Movements in net defined benefit liability were as follows:

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liability
Balance at January 1, 2014	$ 123,882	$ (2,559)	$ 121,323
Service cost			
Current service cost	147	-	147
Interest expense (income)	2,323	(62)	2,261
Recognized in profit or loss	2,470	(62)	2,408
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	2	2
Actuarial loss - changes in demographic assumptions	(996)	-	(996)
Actuarial loss - changes in financial assumptions	4,583	-	4,583
Recognized in other comprehensive income	3,587	2	3,589
Contributions from the employer	-	(1,007)	(1,007)
Benefits paid	(1,798)	1,798	-
Balance at December 31, 2014	$ 128,141	$ (1,828)	$ 126,313
Balance at January 1, 2015	$ 128,141	$ (1,828)	$ 126,313
Service cost			
Current service cost	108	-	108
Interest expense (income)	2,386	(27)	2,359
Recognized in profit or loss	2,494	(27)	2,467
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(88)	(88)
Actuarial loss - changes in demographic assumptions	4,599	-	4,599
Actuarial loss - changes in financial assumptions	2,389	-	2,389
Actuarial loss - experience adjustments	746	-	746
Recognized in other comprehensive income	7,734	(88)	7,646
Contributions from the employer	-	(9,469)	(9,469)
Benefits paid	(1,485)	1,485	-
Balance at December 31, 2015	$ 136,884	$ (9,927)	$ 126,957

An analysis by function of the amounts recognized in profit or loss in respect of the defined benefit plans is as follows:

	For the Year Ended December 31	
	2015	2014
General and administrative expenses	$ 2,467	$ 2,408

Through the defined benefit plans under the Labor Standards Law, the Group is exposed to the following risks:

1) Investment risk: The plan assets are invested in domestic/and foreign/equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.

2) Interest risk: A decrease in the corporate bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.

3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations were as follows:

	December 31	
	2015	**2014**
Discount rates	1.750%	1.875%
Expected rates of salary increase	2.000%	2.000%

If possible reasonable change in each of the significant actuarial assumptions will occur and all other assumptions will remain constant, the present value of the defined benefit obligation would decrease/increase as follows:

	December 31, 2015
Discount rates	
0.25% increase	$ (4,875)
0.25% decrease	$ 5,118
Expected rates of salary increase	
0.25% increase	$ 5,017
0.25% decrease	$ (4,804)

The sensitivity analysis presented above may not be representative of the actual change in the present value of the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	December 31	
	2015	**2014**
The expected contributions to the plan for the next year	$ 1,028	$ 1,007
The average duration of the defined benefit obligation	14.6 years	14.3 years

c. Others

Tai Pin Holding Ltd., Hoppime Ltd., Wowprime Limited, Wowprime (China) Co., Ltd. and Wowprime (Beijing) Co., Ltd. are not required by local regulations to make monthly contributions to a defined benefit pension plan; hence, no pension costs were recognized under the actuarial method.

Wowprime (China) Co., Ltd. and Wowprime (Beijing) Co., Ltd. are required by local regulations to make pension contributions, to a defined contribution plan at amounts equal to a fixed proportion of the employees' monthly salaries.

Pension contributions classified by function were as follows:

	For the Year Ended December 31	
	2015	2014
Operating costs	$ 72,694	$ 48,700
Selling and marketing expenses	$ 73,103	$ 52,869
General and administrative expenses	$ 16,756	$ 11,464

21. EQUITY

a. Share capital

Ordinary shares

	December 31	
	2015	2014
Numbers of shares authorized (in thousands)	100,000	100,000
Shares authorized	$ 1,000,000	$ 1,000,000
Number of shares issued and fully paid (in thousands)	76,988	76,988
Shares issued	$ 769,879	$ 769,879

Fully paid ordinary shares, which have a par value of $10, carry one vote per share and carry a right to dividends.

b. Capital surplus

	December 31	
	2015	2014
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital		
Arising from issuance of common shares	$ 2,038,109	$ 2,038,109

Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and once a year).

c. Retained earnings and dividend policy

Under the Company's Articles of Incorporation, annual earnings, after paying tax and offsetting deficit, if any, shall first be appropriated as follows:

1) Legal capital reserve at 10% of the remaining profit;

2) Special capital reserve in accordance with relevant laws or regulations;

3) Any remaining amount shall be allocated according to the resolution in the shareholders' meeting. Bonus to directors and supervisors are 1% maximum, bonus to employees are 10% maximum but not equal to zero and bonus to shareholders and retained earnings.

The Company considers its financial performance and capital budget in determining the stock or cash dividends to be paid. The Company's dividend policy stipulates that at least 20% of total dividends may be distributed as cash dividends.

In accordance with the amendments to the Company Act in May 2015, the recipients of dividends and bonuses are limited to shareholders and do not include employees. The consequential amendments to the Company's Articles of Incorporation had been proposed by the Company's board of directors on November 6, 2015 and are subject to the resolution of the shareholders in their meeting to be held on June 6, 2016. For information about the accrual basis of the employees' compensation and remuneration to directors and supervisors and the actual appropriations, please refer to Note 22(e) "Employee benefits expense".

Appropriation of earnings to legal reserve shall be made until the legal reserve equals the Company's paid-in capital. Legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

Under Rule No. 1010012865 and Rule No. 1010047490 issued by the FSC and the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs", the Company should appropriate or reverse to a special reserve.

Except for non-ROC resident shareholders, all shareholders receiving the dividends are allowed a tax credit equal to their proportionate share of the income tax paid by the Company.

The appropriations of earnings for 2014 and 2013 had been approved in the shareholders' meetings on April 16, 2015 and April 8, 2014, respectively, were as follows:

	Appropriation of Earnings		**Dividends Per Share (NT$)**	
	For the Year Ended December 31		**For the Year Ended December 31**	
	2014	**2013**	**2014**	**2013**
Legal reserve	$ 69,231	$ 89,576	$ -	$ -
Special reserve	-	(15,709)	-	-
Cash dividends	623,075	821,897	8.09	11.00

The Company's shareholders also resolved to increase capital by $22,424 thousand from capital surplus and cash dividends by $95,232 thousand from capital surplus in the shareholder's meeting on April 8, 2014.

The appropriations of earnings for 2015 had been proposed by the Company's board of directors on March 28, 2016. The appropriations and dividends per share were as follows:

	Appropriation of Earnings	Dividends Per Share (NT$)
Legal reserve	$ 1,832	$ -
Cash dividends	16,493	0.21

The Company's board of directors proposed to issue cash dividends from capital surplus of $60,496 thousand.

The appropriations of earnings for 2015 are subject to the resolution of the shareholders' meeting to be held on June 6, 2016.

d. Others equity items

Exchange differences on translating the financial statements of foreign operations

	For the Year Ended December 31	
	2015	2014
Balance at January 1	$ 53,073	$ 22,680
Exchange differences arising on translating the financial statements of foreign operations	(23,747)	36,618
Related income tax	4,037	(6,225)
Balance at December 31	$ 33,363	$ 53,073

Exchange differences arising from translating the foreign operation's functional currency to the Group's functional currency was recognized under other comprehensive income.

e. Non-controlling interests

	For the Year Ended December 31	
	2015	2014
Balance at January 1	$ 983,299	$ 778,796
Acquisition of non-controlling interests in subsidiaries	15,000	-
Cash dividends from subsidiaries	(29,437)	(23,800)
Change from investments in associates and joint ventures accounted for by using equity method	10,111	8,031
Attributable to non-controlling interests:		
Share of profit for the year	192,182	185,537
Exchange differences arising on translation of foreign operations	(20,364)	34,735
Balance at December 31	$ 1,150,791	$ 983,299

22. NET PROFIT FROM CONTINUING OPERATIONS

a. Other income

	For the Year Ended December 31	
	2015	2014
Rental income		
Operating lease rental income	$ -	$ 371
Interest income		
Bank deposits	43,180	33,864
Royalties (Note 28)	3,049	7,361
Others	70,325	97,410
	$ 116,554	$ 139,006

b. Other gains and (losses)

	For the Year Ended December 31	
	2015	2014
Loss on disposal of property, plant and equipment	$ (253,029)	$ (106,952)
(Impairment losses) reversal of impairment losses on property, plant and equipment	(98,029)	1,260
Net foreign exchange gains	8,212	14,531
Others	(66,469)	(16,702)
	$ (409,315)	$ (107,863)

Loss on disposal of property, plant and equipment was due to branch relocation or branch closure for the year ended December 31, 2015.

c. Finance costs

	For the Year Ended December 31	
	2015	2014
Interest on loans from bank	$ 4,316	$ -

d. Depreciation and amortization

	For the Year Ended December 31	
	2015	2014
Property, plant and equipment	$ 881,101	$ 760,417
Intangible assets	5,171	3,769
	$ 886,272	$ 764,186
An analysis of depreciation by function		
Operating costs	$ 339,786	$ 312,768
Operating expenses	541,315	447,649
	$ 881,101	$ 760,417

(Continued)

	For the Year Ended December 31	
	2015	2014
An analysis of amortization by function		
Operating costs	$ 16	$ -
Operating expenses	5,155	3,769
	$ 5,171	$ 3,769

(Concluded)

e. Employee benefits expense

	For the Year Ended December 31	
	2015	2014
Short-term benefits	$ 5,347,099	$ 5,556,739
Post-employment benefits (Note 20)		
Defined contribution plans	336,937	283,674
Defined benefit plans	2,467	2,408
	339,404	286,082
Other employee benefits	825,035	758,296
Total employee benefits expense	$ 6,511,538	$ 6,601,117
An analysis of employee benefits expense by function		
Operating costs	$ 2,510,351	$ 2,430,542
Operating expenses	4,001,187	4,170,575
	$ 6,511,538	$ 6,601,117

The existing (2014) Articles of Incorporation of the Company stipulate to distribute bonus to employees at the rate no less than 10% and remuneration to directors and supervisors at the rate no higher than 1%, respectively, of net income. For the year ended December 31, 2014, the estimated amount of distribution follows the Articles of Incorporation of the Company.

In compliance with the Company Act as amended in May 2015, the Company proposed amendments to its Articles of Incorporation to distribute employees' compensation at the rate between 0.1% to 10% and remuneration to directors and supervisors at the rate no higher than 1% of net profit before income tax, employees' compensation, and remuneration to directors and supervisors. For the year ended December 31, 2015, the estimated employees' compensation and the remuneration to directors and supervisors were $25 thousand and $0, respectively, of the base net profit. The employees' compensation and remuneration to directors and supervisors in cash for the year ended December 31, 2015 have been approved by the Company's board of directors on March 28, 2016 and are subject to the resolution and adoption of the amendments to the Company's Articles of Incorporation by the shareholders in their meeting to be held on June 6, 2016, and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

Material differences between such estimated amounts and the amounts proposed by the board of directors on or before the date the annual consolidated financial statements are authorized for issue are adjusted in the year the bonus and remuneration were recognized. If there is a change in the proposed amounts after the annual consolidated financial statements were authorized for issue, the differences are recorded as a change in accounting estimate.

If the shareholders pass a resolution to distribute stock as employees' compensation, the number of shares is determined by dividing the amount of the compensation by the closing price of the stock (after considering the impact of the ex-dividend right) at the day before shareholders' meeting.

There was no difference between the amounts of bonuses to employees and the remuneration to directors and supervisors approved in the shareholders' meetings on April 16, 2015 and April 8, 2014, and the amounts recognized in the consolidated financial statements for the years ended December 31, 2014 and 2013 respectively.

Please go to the website of Taiwan Stock Exchange - M.O.P.S. for further information about the employees' compensation and the remuneration to directors and supervisors resolved by the Company's board of directors in 2016, and bonuses to employees, directors and supervisors resolved by the shareholders' meeting in 2015 and 2014 are available on the Market Observation Post System website of the Taiwan Stock Exchange.

e. Impairment losses on non-financial assets

	For the Year Ended December 31	
	2015	2014
Property, plant and equipment (included in other gains and losses)	$ 98,029	$ (1,260)
Inventories (included in operating costs)	1,825	(2,770)
	$ 99,854	$ (4,030)

23. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Major components of tax expense recognized in profit or loss:

	For the Year Ended December 31	
	2015	2014
Current tax		
In respect of the current year	$ 160,183	$ 287,011
Adjustments for prior years	(1,883)	4,152
	158,300	291,163
Deferred tax		
In respect of the current year	(22,992)	13,010
Income tax expense recognized in profit or loss	$ 135,308	$ 304,173

A reconciliation of accounting profit and income tax expense was as follows:

	For the Year Ended December 31	
	2015	2014
Profit before income tax from continuing operations	$ 362,272	$ 1,193,026
Income tax expense calculated at the statutory rate	$ 122,558	$ 263,010
Nondeductible expenses in determining taxable income	1,659	920
Deferred tax effect of earnings of subsidiaries	29,820	32,452
Unrecognized deductible temporary differences	(16,846)	3,639
Adjustments for prior years' tax	(1,883)	4,152
Income tax expense recognized in profit or loss	$ 135,308	$ 304,173

The applicable tax rate used above is the corporate tax rate of 17% payable by the Group in the ROC, while the applicable tax rate used by subsidiaries Wowprime (China) Co., Ltd. and Wowprime (Beijing) Co., Ltd. in China is 25%. Tai Pin Holding Ltd. (Brunei), Hoppime Ltd. (Cayman), and Wowprime Limited (Samoa) are registered in foreign countries with preferential duty rates; hence, no income tax was estimated.

b. Income tax recognized in other comprehensive income

	For the Year Ended December 31	
	2015	2014
Deferred tax		
In respect of the current year		
Translation of foreign operations	$ 4,037	$ (6,225)
Remeasurement on defined benefit plan	1,300	610
Total income tax recognized in other comprehensive income	$ 5,337	$ (5,615)

c. Current tax assets and liabilities

	December 31	
	2015	2014
Current tax assets		
Tax refund receivable	$ 67,099	$ -
Current tax liabilities		
Income tax payable	$ 64,879	$ 78,874

d. Deferred tax assets and liabilities

The Group offset certain deferred tax assets and deferred tax liabilities which met the offset criteria.

The movements of deferred tax assets and deferred tax liabilities were as follows:

For the year ended December 31, 2015

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Exchange Differences	Closing Balance
Deferred tax assets					
Temporary differences					
Impairment loss of property, plant and equipment	$ -	$ 20,737	$ -	$ (330)	$ 20,407
Payable for salaries and bonus	45,180	(4,307)	-	(742)	40,131
Rent expense on a straight line basis	33,609	9,458	-	(735)	42,332
	$ 78,789	$ 25,888	$ -	$ (1,807)	$ 102,870
Deferred tax liabilities					
Temporary differences					
Write-down on inventories	$ (4,588)	$ (310)	$ -	$ -	$ (4,898)
Impairment loss of property, plant and equipment	(177)	(6,891)	-	-	(7,068)
Deferred revenue	(112)	(102)	-	-	(214)
Exchange difference on foreign operations	10,870	-	(4,037)	-	6,833

(Continued)

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Exchange Differences	Closing Balance
Exchange difference	$ 1,836	$ 1,424	$ -	$ -	$ 3,260
Defined benefit obligation	(21,472)	1,189	(1,300)	-	(21,583)
Payable for annual leave	(5,192)	(1,155)	-	-	(6,347)
Associates	54,536	25,588	-	-	80,124
Cash dividend	16,992	(16,847)	-	(145)	-
	$ 52,693	$ 2,896	$ (5,337)	$ (145)	$ 50,107

(Concluded)

For the year ended December 31, 2014

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Exchange Differences	Closing Balance
Deferred tax assets					
Temporary differences					
Payable for salaries and bonus	$ 31,026	$ 12,471	$ -	$ 1,683	$ 45,180
Rent expense on a straight line basis	24,396	7,959	-	1,254	33,609
	$ 55,422	$ 20,430	$ -	$ 2,937	$ 78,789
Deferred tax liabilities					
Temporary differences					
Write-down on inventories	$ (5,060)	$ 472	$ -	$ -	$ (4,588)
Impairment loss of property, plant and equipment	(585)	408	-	-	(177)
Deferred revenue	(107)	(5)	-	-	(112)
Exchange difference on foreign operations	4,645	-	6,225	-	10,870
Exchange difference	(710)	2,546	-	-	1,836
Defined benefit obligation	(20,623)	(239)	(610)	-	(21,472)
Payable for annual leave	(3,416)	(1,776)	-	-	(5,192)
Associates	26,296	28,240	-	-	54,536
Cash dividend	12,664	3,794	-	534	16,992
	$ 13,104	$ 33,440	$ 5,615	$ 534	$ 52,693

e. Integrated income tax

	December 31 2015	December 31 2014
Unappropriated earnings		
Generated before January 1, 1998	$ -	$ -
Generated on and after January 1, 1998	18,325	692,306
	$ 18,325	$ 692,306
Imputation credits accounts	$ 139,598	$ 215,255

	For the Year Ended December 31 2015 (Expect)	For the Year Ended December 31 2014
Creditable ratio for distribution of earning	20.48%	20.48%

Under the Income Tax Law, for distribution of earnings generated after January 1, 1998, the imputation credits allocated to ROC resident shareholders of the Company was calculated based on the creditable ratio as of the date of dividend distribution. The actual imputation credits allocated to shareholders of the Group was based on the balance of the Imputation Credit Accounts (ICA) as of the date of dividend distribution. Therefore, the expected creditable ratio for the 2015 earnings may differ from the actual creditable ratio to be used in allocating imputation credits to the shareholders.

f. Income tax assessments

Income tax returns through 2012 have been assessed by the tax authorities.

24. EARNINGS PER SHARE

Unit: NT$ Per Share

	For the Year Ended December 31	
	2015	**2014**
Basic earnings per share	$ 0.45	$ 9.14
Diluted earnings per share	$ 0.45	$ 9.14

The earnings and weighted average number of ordinary shares outstanding in the computation of earnings per share were as follows:

Net Profit for the Year (Attributable to Owners of the Company)

	For the Year Ended December 31	
	2015	**2014**
Earnings used in the computation of basic earnings per share	$ 34,782	$ 703,316
Effect of potentially dilutive ordinary shares:		
Bonus to employees	-	-
Earnings used in the computation of diluted earnings per share	$ 34,782	$ 703,316

Weighted average number of ordinary shares outstanding (in thousand shares):

	For the Year Ended December 31	
	2015	**2014**
Weighted average number of ordinary shares in computation of basic earnings per share	76,988	76,988
Effect of potentially dilutive ordinary shares:		
Bonus to employees	-	-
Weighted average number of ordinary shares used in the computation of diluted earnings per share	76,988	76,988

If the Group offered to settle compensation or bonuses paid to employees in cash or shares, the Group assumed the entire amount of the bonus will be settled in shares and the resulting potential shares are included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

25. NON-CASH TRANSACTIONS

For the years ended December 31, 2015 and 2014, the Group entered into the following non-cash investing and financing activities which were not reflected in the consolidated statement of cash flows:

	For the Year Ended December 31	
	2015	2014
Acquisition of property, plant and equipment		
Increase in property, plant and equipment (include in reclassified)	$ 1,029,980	$ 1,209,209
Add: Payable for purchase of equipment, balance at January 1	229,668	159,450
Decommissioning liability, balance at January 1	26,000	23,850
Less: Payable for purchase of equipment, balance at December 31	(248,970)	(229,668)
Decommissioning liability, balance at December 31	(24,050)	(26,000)
Cash payment	$ 1,012,628	$ 1,136,841

26. OPERATING LEASE ARRANGEMENTS

The Group as Lessee

Operating leases relate to leases of land with lease terms between 5 and 10 years. All operating lease contracts over 5 years contain clauses for 5-yearly market rental reviews. The Group does not have a bargain purchase option to acquire the leased land at the expiration of the lease periods.

The total of deposits paid under non-cancellable subleases as of December 31, 2015 and 2014, were $344,274 thousand and $313,477 thousand, respectively.

The future minimum lease payments of non-cancellable operating lease commitments were as follows:

	December 31	
	2015	2014
Not later than 1 year	$ 1,106,967	$ 1,178,886
Later than 1 year and not later than 5 years	2,820,168	3,394,557
Later than 5 years	331,196	393,910
	$ 4,258,331	$ 4,967,353

27. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments

Management believes the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements approximate their fair values.

b. Categories of financial instruments

	December 31	
	2015	**2014**
<u>Financial assets</u>		
Loans and receivables (1)	$ 2,921,938	$ 2,705,470
Other current assets (2)	382,592	393,859
<u>Financial liabilities</u>		
Amortized cost (3)	2,050,104	2,032,574

1) The balances included loans and receivables measured at amortized cost, which comprise cash and cash equivalents, notes and trade receivables.

2) The balances included restricted assets, tax refund receivable and other receivables.

3) The balances included financial liabilities measured at amortized cost, which comprise notes payable, trade payables, income tax payable and other payables.

c. Financial risk management objectives and policies

The Group's major financial instruments include cash and cash equivalents, trade receivables and trade payables. The Group's Financial Department provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

1) Market risk

The Group's operating activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below):

a) Foreign currency risk

The Group had foreign currency sales and purchases, which exposed the Group to foreign currency risk.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) are set out in Note 31.

<u>Sensitivity analysis</u>

The Group was mainly exposed to the currency USD and currency RMB.

The following table details the Group's sensitivity to a 1% increase and decrease in New Taiwan dollars (the functional currency) against the relevant foreign currencies. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. A positive number below indicates an increase in pre-tax profit associated with New Taiwan dollars strengthen 1% against the relevant currency.

	Currency B Impact	
	For the Year Ended December 31	
	2015	**2014**
Profit or loss	$ 4,673	$ 2,784

b) Interest rate risk

The Group has bank deposits but interest rates have minor fluctuations hence the changes in market rates have a limited effect on the Group's revenue and operating cash.

If interest rates had been 0.5 basis points higher/lower and all other variables were held constant, the Group's pre-tax profit for the years ended December 31, 2015 and 2014 would increase by $13,522 thousand and $12,417 thousand, respectively.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As of the end of the reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure of counterparties to discharge an obligation and financial guarantees provided by the Group could arise from the carrying amount of the respective recognized financial assets as stated in the balance sheets.

The Group adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowances are made for irrecoverable amounts. In this regard, management believes the Group's credit risk was significantly reduced.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

Ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity risk management framework for the Group's short, medium and long-term funding and liquidity management requirements.

28. TRANSACTIONS WITH RELATED PARTIES

Balances, transactions and revenue and expenses between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Besides as disclosed elsewhere in the other notes, details of transactions between the Group and other related parties are disclosed below.

a. Other receivables from related parties (excluding loans to related parties)

Related Parties Types	December 31 2015	December 31 2014
Associates	$ 693	$ 789

b. Other payables to related parties (excluding loans from related parties)

Related Parties Types	December 31 2015	December 31 2014
Associates	$ 3	$ -

c. Other income (royalties) from related parties

Related Parties Types	December 31 2015	December 31 2014
Associates	$ 2,817	$ 7,052

The royalties were disposable payment and monthly payment, respectively. Disposable payment was the amount recognized as income after agreement with related parties. Monthly payment refers to catering department's percentage of the monthly net sales recognized as royalty income on a monthly basis and the payments are received on a quarterly basis.

d. Other expense (royalties) from related parties

Related Parties Types	December 31 2015	December 31 2014
Associates	$ 3	$ -

Royalty expense is based on the catering departments' percentage of the monthly net sales and paid on a quarterly basis.

e. Compensation of key management personnel

	For the Year Ended December 31 2015	For the Year Ended December 31 2014
Short-term employee benefits	$ 209,030	$ 260,175
Post-employment benefits	3,842	3,837
	$ 212,872	$ 264,012

29. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for letter of credit application and security deposit for issuing gift certificates:

	December 31	
	2015	2014
Pledge deposits (classified as other current assets)	$ 224,975	$ 235,000
Demand deposits (classified as other current assets)	47,348	120,226
Land	-	83,032
Building	-	15,961
	$ 272,323	$ 454,219

30. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group as of December 31, 2015 and 2014 were as follows:

Significant Commitments

a. As of December 31, 2015 and 2014, unused letters of credit for purchases of raw materials amounted to approximately US$358 thousand and US$3,549 thousand, respectively.

b. Unrecognized commitments were as follows:

	December 31	
	2015	2014
Acquisition of property, plant and equipment	$ 38,533	$ 65,469

c. As of December 31, 2015 and 2014, the Group had a credit line to sell gift certificates, of which $1,947,566 thousand and $2,390,690 thousand had been drawn, respectively.

31. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than functional currencies of the group entities and the exchange rates between foreign currencies and respective functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

December 31, 2015

	Foreign Currencies	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 9,375,888	32.825 (USD:NTD)	$ 307,764
USD	134	6.572 (USD:RMB)	4
RMB	31,939,936	4.995 (RMB:NTD)	159,540
NTD	5,410,449	0.200 (NTD:RMB)	5,410
SGD	30,843	23.250 (SGD:RMB)	717
			$ 473,435
Non-monetary items			
Investments accounted for using equity method			
RMB	30,251,050	4.995 (RMB:NTD)	$ 151,104
SGD	352,081	23.250 (SGD:NTD)	8,186
			$ 159,290

December 31, 2014

	Foreign Currencies	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 8,086,060	31.650 (USD:NTD)	$ 255,924
USD	37,307	6.119 (USD:RMB)	1,181
RMB	4,190,621	5.092 (RMB:NTD)	21,339
NTD	8,204,095	0.196 (NTD:RMB)	8,204
			$ 286,648
Non-monetary items			
Investments accounted for using equity method			
RMB	22,937,684	5.092 (RMB:NTD)	$ 116,799
SGD	257,530	23.940 (SGD:NTD)	6,165
			$ 122,964

The Group is mainly exposed to USD. The following information was aggregated by the functional currencies of the group entities, and the exchange rates between respective functional currencies and the presentation currency were disclosed. The significant realized and unrealized foreign exchange gains (losses) were as follows:

	For the Year Ended December 31			
	2015		2014	
Foreign Currencies	Exchange Rate	Net Foreign Exchange Gain (Loss)	Exchange Rate	Net Foreign Exchange Gain (Loss)
NTD	1 (NTD:NTD)	$ 9,364	1 (NTD:NTD)	$ 15,185
RMB	5.033 (RMB:NTD)	(1,152)	4.920 (RMB:NTD)	(654)
		$ 8,212		$ 14,531

32. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and investees:

1) Financing provided to others. (Table 1)

2) Endorsements/guarantees provided. None

3) Marketable securities held. (excluding investment in subsidiaries, associates and joint ventures) None

4) Marketable securities acquired and disposed at costs or prices at least NT$300 million or 20% of the paid-in capital. None

5) Acquisition of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital. None

6) Disposal of individual real estate at prices of at least NT$300 million or 20% of the paid-in capital. None

7) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital. None

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital. None

9) Trading in derivative instruments. None

10) Intercompany relationships and significant intercompany transactions. (Table 2)

11) Information on investees. (Table 3)

b. Information on investments in mainland China

1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area. (Table 4)

2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: None

   a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.

   b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.

   c) The amount of property transactions and the amount of the resultant gains or losses.

   d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.

   e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.

   f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services.

33. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. The Group's reportable segments were as follows:

High level cuisine	- Wang Steak - Chamonix
Mid-high level cuisine	- Ikki - Yuanshao - Tasty - Tokiya - WPT
Middle-fair level cuisine	- Giguo - Pintian - Sufood - Others
Foreign operating segment	- Wang Steak - Tasty - Others

a. Segment revenues and results

The following was an analysis of the Group's revenue and results from continuing operations by reportable segment :

	Segment Revenue		Segment Profit	
	Year Ended December 31		Year Ended December 31	
	2015	2014	2015	2014
High level cuisine	$ 1,808,594	$ 2,188,413	$ 156,533	$ 240,038
Mid-high level cuisine	5,284,887	5,994,085	325,188	628,935
Middle-fair level cuisine	3,214,006	3,429,392	(79,809)	87,455
Foreign operating segment Mainland China	6,527,483	5,304,651	625,356	547,486
Total for continuing operations	$ 16,834,970	$ 16,916,541	$ 1,027,268	$ 1,503,914
Interest income			$ 43,180	$ 33,864
Investment loss accounted for under the equity method			(56,615)	(47,653)
Loss on disposal of property, plant and equipment			(253,029)	(106,952)
Exchange gain			8,212	14,531
Interest expense			(4,316)	-
(Impairment losses) reversal of impairment losses on property, plant and equipment			(98,029)	1,260
General revenue			73,374	105,142
General expense			(377,773)	(311,080)
Profit before tax (continuing operations)			$ 362,272	$ 1,193,026

Segment revenues reported above represents revenue generated from external customers. There were no inter-segment sales during the years ended December 31, 2015 and 2014.

Segment profit represented the profit before tax earned by each segment without allocation of central administration costs and directors' salaries, investment income or loss recognized under the equity method, gain or loss on disposal of investments accounted for by the equity method, rental revenue, interest income, gain or loss on disposal of property, plant and equipment, gain or loss on sale of investments, exchange gain or loss, interest expense and income tax expense. This was the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

b. Segment total assets

	December 31	
	2015	2014
Headquarters	$ 3,842,939	$ 4,168,951
High level cuisine	240,499	282,496
Mid-high level cuisine	950,215	1,158,056
Middle-fair level cuisine	689,312	900,250
Foreign operating segment		
Mainland China	3,515,913	3,086,291
Total segment assets	$ 9,238,878	$ 9,596,044

For the purposes of monitoring segment performance and allocating resources between segments, all assets were allocated to reportable segments other than investments accounted for by the equity method, other financial assets, and current and deferred tax assets. Assets used jointly by reportable segments were allocated on the basis of the revenues earned by individual reportable segments.

c. Revenue from major products and services

The Group's revenues from continuing operations from its major products and services were divided into segments.

d. Geographical information

The Group operates in two principal geographical areas - Taiwan and China. The Group's revenue from continuing operations from external customers by location of operations was detailed below:

	Revenues from External Customers	
	For the Year Ended December 31	
	2015	2014
Taiwan	$ 10,307,487	$ 11,611,890
China	6,527,483	5,304,651
	$ 16,834,970	$ 16,916,541

e. Information about major customers

No revenue from any individual customer exceeded 10% of the Group's revenue for the years ended December 31, 2015 and 2014.

TABLE 1

WOWPRIME CO., LTD. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2015
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits	Note
													Item	Value			
0	Wowprime Co., Ltd.	Hoppime Ltd.	-	Yes	$ 50,000	$ 50,000	$ -	-	Short-term financing	$ -	Support the subsidiary's short-term operation requirement	$ -	-	$ -	$ 1,339,253	$ 1,339,253	
		12 Hotpot (Shanghai) Food and Beverage Management Co., Ltd.	-	Yes	10,000	10,000	-	-	Short-term financing	-	Support the subsidiary's short-term operation requirement	-	-	-	1,339,253	1,339,253	

Note: The total amount for lending to a company shall not exceed forty percent (40%) of the net worth of Wowprime Co., Ltd. ($3,348,133 thousand x 40% = $1,339,253 thousand). In addition, the total amount loanable to any one borrower shall be no more than forty percent (40%) of the net worth of Wowprime Co., Ltd. ($3,348,133 thousand × 40% = $1,339,253 thousand).

WOWPRIME CO., LTD. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2015
(In Thousands of New Taiwan Dollars)

For the year ended December 31, 2015

No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	Percentage to Consolidated Total Gross Sales or Total Assets (Note 3)
0	Wowprime Co., Ltd.	Hoppime Ltd.	1	Deferred credits	$ 6,350	According to appraisal report	0.07
		Hoppime Ltd.	1	Other income	2,988	-	0.02
1	Hoppime Ltd.	Wowprime Co., Ltd.	2	Trademark	6,350	According to appraisal report	0.07
		Wowprime Co., Ltd.	2	Selling and marketing expense	2,988	-	0.02
0	Wowprime Co., Ltd.	WPT Restaurant Corporation	1	Other accounts receivable	6,520	-	0.07
		WPT Restaurant Corporation	1	Other income	3	-	-
2	WPT Restaurant Corporation	Wowprime Co., Ltd.	2	Other accounts payable	6,520	-	0.07
		Wowprime Co., Ltd.	2	Management expense	3	-	-

Note 1: Parties to the intercompany transactions are identified and numbered as follows:

a. "0" for parent company.
b. Subsidiaries are numbered from "1".

Note 2: The flow of related-party transactions is as follows:

a. From the parent company to its subsidiary.
b. From a subsidiary to its parent company.
c. Between subsidiaries.

Note 3: For assets and liabilities, percentage is based on the consolidated total assets as of the end of the period; for revenues, costs and expenses, percentage is based on the consolidated total operating revenues as of the end of the period.

WOWPRIME CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTEES
FOR THE YEAR ENDED DECEMBER 31, 2015
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of December 31, 2015			Net Income (Loss) of the Investee	Share of Profits (Loss)	Note
				December 31, 2015	December 31, 2014	Shares	Percentage	Carrying Amount			
Wowprime Co., Ltd.	Tai Pin Holding Ltd. (Brunei)	Brunei	Investment	$ 773,432	$ 675,984	12,807,649	100.00	$ 1,258,450	$ 181,152	$ 181,152	Note 1
	WPT Restaurant Corporation	Taiwan	Catering and catering management	35,000	-	3,500,000	70.00	27,163	(11,196)	(7,837)	Note 2
Tai Pin Holding Ltd. (Brunei)	Hoppime Ltd. (Cayman)	Cayman	Investment	615,078	615,078	12,027,102	51.00	1,181,062	399,063	208,140	Notes 3 and 4
				(RMB 129,589,545)	(RMB 129,589,545)			(RMB 236,448,797)	(RMB 79,427,261)	(RMB 41,425,612)	
	Sufood Singapore Pte. Ltd.	Singapore	Catering and catering management	17,897	12,946	-	30.00	8,186	(9,201)	(2,760)	Notes 3 and 5
				(SGD 750,000)	(SGD 540,000)			(SGD 352,081)	(SGD -397,603)	(SGD -119,281)	
	WJ Investments Limited (HK)	Hong Kong	Investment	140,457	47,960	-	22.50	75,552	(119,677)	(24,228)	Note 3
				(RMB 27,683,844)	(RMB 9,678,714)			(RMB 15,125,525)	(RMB -23,792,755)	(RMB -4,818,678)	
Hoppime Ltd. (Cayman)	Wowprime Limited (Samoa)	Samoa	Investment	991,732	991,732	-	100.00	2,202,250	452,263	452,263	〃
				(RMB 213,980,111)	(RMB 213,980,111)			(RMB 440,890,909)	(RMB 90,048,093)	(RMB 90,048,093)	
	WJ Investments Limited (HK)	Hong Kong	Investment	131,681	131,681	-	22.50	75,552	(119,677)	(29,627)	〃
				(RMB 27,959,625)	(RMB 27,959,625)			(RMB 15,125,525)	(RMB -23,792,755)	(RMB -5,888,063)	
Wowprime Limited (Samoa)	Wowprime (China) Co., Ltd.	China	Catering and catering management	596,480	596,480	-	100.00	2,037,620	430,899	430,899	Notes 3 and 6
				(RMB 125,996,904)	(RMB 125,996,904)			(RMB 407,932,020)	(RMB 85,776,050)	(RMB 85,776,050)	
	Wowprime (Beijing) Co., Ltd.	China	Catering and catering management	118,608	118,608	-	100.00	164,628	4,785	4,785	Note 3
				(RMB 24,673,989)	(RMB 24,673,989)			(RMB 32,958,654)	(RMB 935,015)	(RMB 935,015)	
WJ Investments Limited (HK)	12 Hotpot (Shanghai) Food and Beverage Management Co., Ltd.	China	Catering and catering management	603,225	397,675	-	100.00	332,984	(119,498)	(119,498)	〃
				(RMB 123,022,850)	(RMB 83,011,450)			(RMB 66,663,377)	(RMB -23,757,595)	(RMB -23,757,595)	

Note 1: The investment gain (loss) was recognized according to the financial reports audited by the same auditors for the same period.

Note 2: The investment gain (loss) was recognized according to the financial reports provided by the Company that have not been audited.

Note 3: The investment gain (loss) was recognized according to the financial reports audited by other auditors for the same period.

Note 4: The difference between net income of investee companies and investment gain was due to amortization of premium/discount on investments amounting to $4,618 thousand (RMB917,709).

Note 5: The carrying amount of the investee company as of December 31, 2015 include deferred credits gains on inter-affiliate accounts of $2,003 thousand (SGD86,167).

Note 6: Wowprime Tasty (Shanghai) Co., Ltd. was renamed “Wowprime (China) Co., Ltd.” on October 20, 2015.

WOWPRIME CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2015
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2015	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2015	Net Income of Investment Company	Percentage of Ownership of Direct or Indirect Investment (Note 3)	Investment Gain (Loss) (Note 2)	Carrying Amount as of December 31, 2015	Accumulated Repatriation of Investment Income as of December 31, 2015
					Outward	Inward						
Wowprime (China) Co., Ltd. (Note 4)	Catering and catering management	$ 596,480 (RMB 125,996,904)	Note 1	$ 313,854 (US$ 10,496,626)	$ -	$ 26,329 (US$ 836,372)	$ 287,525 (US$ 9,660,254)	$ 430,899 (RMB 85,776,050)	51.00	$ 219,759 (RMB 43,745,786)	$ 1,039,186 (RMB 208,045,330)	$ 133,637 (US$ 4,425,723)
Wowprime (Beijing) Co., Ltd.	〃	118,608 (RMB 24,673,989)	Note 1	94,468 (US$ 3,115,144)	-	1,829 (US$ 58,098)	92,639 (US$ 3,057,046)	4,785 (RMB 935,015)	51.00	2,440 (RMB 476,858)	83,961 (RMB 16,808,914)	15,439 (US$ 512,838)
12 Hotpot (Shanghai) Food and Beverage Management Co., Ltd.	〃	603,225 (RMB 123,022,850)	Note 1	114,500 (US$ 3,847,050)	92,497 (US$ 2,925,000)	-	206,997 (US$ 6,772,050)	(119,498) (RMB -23,757,593)	33.98	(39,277) (RMB -7,809,645)	113,131 (RMB 22,648,883)	-

Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2015	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
$ 587,161 (US$ 19,489,350)	$ 913,767 (US$ 30,557,530)	$ 2,699,354 (Note 5)

Note 1: Wowprime Co., Ltd. indirectly invested in China through third region companies.

Note 2: Amount was recognized based on the audited financial statements.

Note 3: Investment gain (loss) of 12 Hotpot (Shanghai) Food and Beverage Management Co., Ltd. is based on substantial percentage of ownership by Wowprime Co., Ltd.

Note 4: Wowprime Tasty (Shanghai) Co., Ltd. was renamed “Wowprime (China) Co., Ltd.” on October 20, 2015.

Note 5: Approximately 60% of net consolidated capital.