

Wowprime Co., Ltd. and Subsidiaries

**Consolidated Financial Statements for the
Years Ended December 31, 2025 and 2024 and
Independent Auditors' Report**

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The companies required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the year ended December 31, 2025 are all the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as provided in International Financial Reporting Standard 10 “Consolidated Financial Statements”. Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Hence, we do not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours,

WOWPRIME CO., LTD.

By

CHEN CHENG-HUI
Chairman

March 5, 2026

INDEPENDENT AUDITORS' REPORT

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

Opinion

We have audited the accompanying consolidated financial statements of Wowprime Co., Ltd. and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance 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 and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter of the Group's consolidated financial statements for the year ended December 31, 2025 is stated as follows:

Accuracy of Catering Revenue Recognition for Specific Brands

The Group is engaged in the food retail industry and generates revenue from direct sales to individual customers at various business locations. Such revenue is mainly generated through direct sales to customers at its stores. While the dollar amount of each transaction is relatively small, the high volume of daily transactions results in a significant reliance on point-of-sale (POS) systems. Accordingly, the accuracy of transaction processing and revenue recognition through the POS systems is significant to the consolidated financial statements. In addition, catering revenue for certain brands increased significantly during 2025 compared with prior years; therefore, we identified the accuracy of catering revenue recognition for those brands as a key audit matter.

For material accounting policy information, refer to Note 4(n).

Our principal audit procedures performed for the aforementioned key audit matter included the following:

1. We obtained an understanding of, and tested the effectiveness of, general IT controls over the POS systems.
2. We obtained an understanding of, and tested, the design and implementation of internal controls over the catering revenue recognition process.
3. We evaluated the data transfer mechanisms between the POS systems and the accounting system, and tested whether transaction data were transferred completely and accurately.
4. We reconciled sales data and daily sales reports generated by the POS systems to the amounts recorded in the revenue journal, and tested the completeness and accuracy of revenue recognized for food and beverage sales.

Other Matter

We have also audited the parent company only financial statements of Wowprime Co., Ltd. as of and for the years ended December 31, 2025 and 2024 on which we have issued an unmodified opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Tsai Tsung-Yuan and Yu Cheng-Chuan.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 9, 2026

Notice to Readers

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, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

ASSETS	2025		2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Note 6)	\$ 3,225,808	19	\$ 2,890,663	18
Financial assets at fair value through profit or loss (Notes 7 and 35)	-	-	181,807	1
Financial assets at amortized cost - current (Notes 8, 9 and 37)	2,369,139	14	2,953,742	18
Notes receivable (Notes 10 and 27)	6,325	-	4,096	-
Trade receivables (Notes 10 and 27)	520,107	3	480,548	3
Inventories (Notes 5 and 11)	1,809,756	10	1,568,605	10
Prepayments (Note 18)	269,295	1	223,755	1
Other financial assets - current (Notes 19 and 37)	104,518	1	114,866	1
Other current assets (Notes 20, 29 and 36)	<u>65,041</u>	-	<u>23,824</u>	-
Total current assets	<u>8,369,989</u>	<u>48</u>	<u>8,441,906</u>	<u>52</u>
NON-CURRENT ASSETS				
Financial assets at amortized cost - non-current (Notes 8 and 9)	269,760	2	-	-
Investments accounted for using the equity method (Note 13)	49,994	-	45,996	-
Property, plant and equipment (Notes 5, 14 and 36)	2,625,511	15	2,395,723	15
Right-of-use assets (Note 15)	4,506,457	26	3,985,042	24
Investment properties (Notes 16 and 37)	510,789	3	517,714	3
Other intangible assets (Notes 17 and 36)	38,651	-	40,655	-
Deferred tax assets (Notes 4 and 29)	558,340	3	434,895	3
Prepaid equipment	51,681	-	25,049	-
Other non-current assets (Note 20)	<u>408,455</u>	<u>3</u>	<u>401,627</u>	<u>3</u>
Total non-current assets	<u>9,019,638</u>	<u>52</u>	<u>7,846,701</u>	<u>48</u>
TOTAL	<u>\$ 17,389,627</u>	<u>100</u>	<u>\$ 16,288,607</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Financial liabilities at fair value through profit or loss - current (Notes 7 and 35)	\$ 350	-	\$ 4,129	-
Contract liabilities - current (Note 27)	3,078,498	18	3,101,514	19
Notes payable (Note 22)	84,009	-	83,101	-
Trade payables (Note 22)	818,039	5	783,702	5
Other payables (Notes 23 and 36)	1,920,046	11	1,723,062	11
Current tax liabilities (Notes 4 and 29)	295,526	2	135,779	1
Provisions - current (Note 24)	443	-	401	-
Lease liabilities - current (Notes 15 and 33)	1,215,850	7	1,159,652	7
Bonds payable - current (Note 21)	669,079	4	-	-
Other current liabilities (Note 23)	<u>18,931</u>	-	<u>20,516</u>	-
Total current liabilities	<u>8,100,771</u>	<u>47</u>	<u>7,011,856</u>	<u>43</u>
NON-CURRENT LIABILITIES				
Bonds payable (Note 21)	-	-	655,820	4
Provisions - non-current (Note 24)	170,518	1	157,694	1
Deferred tax liabilities (Notes 4 and 29)	425,757	3	325,899	2
Lease liabilities - non-current (Notes 15 and 33)	3,366,932	19	2,880,729	18
Net defined benefit liabilities - non-current (Note 25)	36,093	-	40,029	-
Guarantee deposits received	<u>245,424</u>	<u>1</u>	<u>233,152</u>	<u>1</u>
Total non-current liabilities	<u>4,244,724</u>	<u>24</u>	<u>4,293,323</u>	<u>26</u>
Total liabilities	<u>12,345,495</u>	<u>71</u>	<u>11,305,179</u>	<u>69</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 26)				
Ordinary shares	<u>844,511</u>	<u>5</u>	<u>844,511</u>	<u>5</u>
Capital surplus	<u>1,910,299</u>	<u>11</u>	<u>1,910,299</u>	<u>12</u>
Retained earnings				
Legal reserve	876,710	5	747,027	4
Special reserve	86,044	-	128,024	1
Unappropriated earnings	<u>1,329,037</u>	<u>8</u>	<u>1,296,832</u>	<u>8</u>
Total retained earnings	<u>2,291,791</u>	<u>13</u>	<u>2,171,883</u>	<u>13</u>
Other equity	<u>(79,628)</u>	-	<u>(86,044)</u>	-
Treasury shares	<u>(259,879)</u>	<u>(2)</u>	<u>(259,879)</u>	<u>(2)</u>
Total equity attributable to owners of the Company	4,707,094	27	4,580,770	28
NON-CONTROLLING INTERESTS (Note 26)	<u>337,038</u>	<u>2</u>	<u>402,658</u>	<u>3</u>
Total equity	<u>5,044,132</u>	<u>29</u>	<u>4,983,428</u>	<u>31</u>
TOTAL	<u>\$ 17,389,627</u>	<u>100</u>	<u>\$ 16,288,607</u>	<u>100</u>

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

WOWPRIME CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings (Loss) Per Share)

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Note 27)	\$ 23,452,508	100	\$ 22,290,529	100
OPERATING COSTS (Notes 11 and 28)	<u>(12,322,138)</u>	<u>(52)</u>	<u>(11,760,189)</u>	<u>(53)</u>
GROSS PROFIT	<u>11,130,370</u>	<u>48</u>	<u>10,530,340</u>	<u>47</u>
OPERATING EXPENSES (Notes 28 and 36)				
Selling and marketing expenses	(7,992,873)	(34)	(7,518,399)	(34)
General and administrative expenses	(1,283,269)	(6)	(1,251,771)	(5)
Research and development expenses	<u>(24,963)</u>	<u>-</u>	<u>(26,860)</u>	<u>-</u>
Total operating expenses	<u>(9,301,105)</u>	<u>(40)</u>	<u>(8,797,030)</u>	<u>(39)</u>
PROFIT FROM OPERATIONS	<u>1,829,265</u>	<u>8</u>	<u>1,733,310</u>	<u>8</u>
NON-OPERATING INCOME AND EXPENSES (Notes 28 and 36)				
Interest income	90,391	-	89,804	-
Other income	76,498	-	106,075	-
Other gains and losses	(126,986)	-	(184,210)	(1)
Finance costs	(121,219)	-	(107,217)	-
Share of profit or loss of associates and joint ventures	<u>4,303</u>	<u>-</u>	<u>(211)</u>	<u>-</u>
Total non-operating income and expenses	<u>(77,013)</u>	<u>-</u>	<u>(95,759)</u>	<u>(1)</u>
PROFIT BEFORE INCOME TAX	1,752,252	8	1,637,551	7
INCOME TAX EXPENSE (Note 29)	<u>(394,505)</u>	<u>(2)</u>	<u>(333,895)</u>	<u>(1)</u>
NET PROFIT FOR THE YEAR	<u>1,357,747</u>	<u>6</u>	<u>1,303,656</u>	<u>6</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 25)	2,350	-	6,242	-
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 29)	<u>(471)</u>	<u>-</u>	<u>(1,248)</u>	<u>-</u>

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WOWPRIME CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings (Loss) Per Share)

	2025		2024	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	\$ 10,019	-	\$ 68,231	-
Share of other comprehensive income or loss of associates and joint ventures recognized by the equity method	(305)	-	216	-
Income tax relating to items that may be reclassified subsequently to profit or loss (Note 29)	(1,943)	-	(13,690)	-
Other comprehensive (loss) income for the year, net of income tax	9,650	-	59,751	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 1,367,397</u>	<u>6</u>	<u>\$ 1,363,407</u>	<u>6</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 1,327,158	6	\$ 1,291,838	6
Non-controlling interests	<u>30,589</u>	<u>-</u>	<u>11,818</u>	<u>-</u>
	<u>\$ 1,357,747</u>	<u>6</u>	<u>\$ 1,303,656</u>	<u>6</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 1,335,453	6	\$ 1,338,812	6
Non-controlling interests	<u>31,944</u>	<u>-</u>	<u>24,595</u>	<u>-</u>
	<u>\$ 1,367,397</u>	<u>6</u>	<u>\$ 1,363,407</u>	<u>6</u>
EARNINGS PER SHARE (Note 30)				
Basic	<u>\$ 16.02</u>		<u>\$ 15.66</u>	
Diluted	<u>\$ 15.55</u>		<u>\$ 15.28</u>	

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

(Concluded)

WOWPRIME CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	Equity Attributable Owners of the Company										
							Other Equity			Non-controlling Interests (Note 26)	Total Equity
	Share Capital		Capital Surplus	Retained Earnings			Exchange Differences on Translating the Financial Statements of Foreign Operations	Treasury Shares (Note 26)	Total		
	Shares (In Thousands)	Amount			Legal Reserve	Special Reserve	Unappropriated Earnings				
BALANCE AT JANUARY 1, 2024	84,451	\$ 844,511	\$ 1,888,008	\$ 607,588	\$ 105,230	\$ 1,394,388	\$ (128,024)	\$ (309,066)	\$ 4,402,635	\$ 378,063	\$ 4,780,698
Appropriation of 2023 earnings											
Legal reserve	-	-	-	139,439	-	(139,439)	-	-	-	-	-
Special reserve	-	-	-	-	22,794	(22,794)	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(1,232,155)	-	-	(1,232,155)	-	(1,232,155)
Net profit for the year ended December 31, 2024	-	-	-	-	-	1,291,838	-	-	1,291,838	11,818	1,303,656
Other comprehensive income for the year ended December 31, 2024, net of income tax	-	-	-	-	-	4,994	41,980	-	46,974	12,777	59,751
Total comprehensive income for the year ended December 31, 2024	-	-	-	-	-	1,296,832	41,980	-	1,338,812	24,595	1,363,407
Treasury share transactions	-	-	-	-	-	-	-	49,187	49,187	-	49,187
Share-based payment (Note 31)	-	-	22,291	-	-	-	-	-	22,291	-	22,291
BALANCE AT DECEMBER 31, 2024	84,451	844,511	1,910,299	747,027	128,024	1,296,832	(86,044)	(259,879)	4,580,770	402,658	4,983,428
Appropriation of 2024 earnings											
Legal reserve	-	-	-	129,683	-	(129,683)	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(1,209,129)	-	-	(1,209,129)	-	(1,209,129)
Reversal of special reserve	-	-	-	-	(41,980)	41,980	-	-	-	-	-
Net profit for the year ended December 31, 2025	-	-	-	-	-	1,327,158	-	-	1,327,158	30,589	1,357,747
Other comprehensive income for the year ended December 31, 2025, net of income tax	-	-	-	-	-	1,879	6,416	-	8,295	1,355	9,650
Total comprehensive income for the year ended December 31, 2025	-	-	-	-	-	1,329,037	6,416	-	1,335,453	31,944	1,367,397
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	(97,564)	(97,564)
BALANCE AT DECEMBER 31, 2025	84,451	\$ 844,511	\$ 1,910,299	\$ 876,710	\$ 86,044	\$ 1,329,037	\$ (79,628)	\$ (259,879)	\$ 4,707,094	\$ 337,038	\$ 5,044,132

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

WOWPRIME CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 1,752,252	\$ 1,637,551
Adjustments for:		
Depreciation expenses	2,291,090	2,203,761
Amortization expenses	21,322	18,859
Net gain on financial assets and liabilities at fair value through profit or loss	(4,986)	(777)
Finance costs	121,219	107,217
Interest income	(90,391)	(89,804)
Share-based payment awards	-	22,291
Share of (profit) loss of associates and joint ventures	(4,303)	211
Loss on disposal of property, plant and equipment	84,962	95,275
Loss on disposal of intangible assets	-	31
Impairment (reversal of impairment loss) loss on non-financial assets	(5,556)	103,682
Write-down of inventories	1,600	-
Reversal of inventory write-down	-	(13,362)
Loss (gain) on lease modification	2,258	(18,657)
Changes in operating assets and liabilities		
Notes receivable	(2,229)	(1,775)
Trade receivables	(39,559)	97,687
Inventories	(242,751)	62,399
Prepayments	(45,540)	26,005
Other current assets	2,905	17,830
Contract liabilities	(23,016)	4,553
Notes payable	908	5,907
Trade payables	34,337	20,645
Other payables	78,181	29,761
Other payables to related parties	(2,830)	3,314
Provisions	42	401
Other current liabilities	(1,585)	317
Net defined benefit liabilities	(1,586)	(5,770)
Cash generated from operations	3,926,744	4,327,552
Interest paid	(107,960)	(94,221)
Income tax paid	(303,274)	(459,866)
Net cash generated from operating activities	<u>3,515,510</u>	<u>3,773,465</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of financial assets at amortized cost	314,843	178,727
Purchase of financial assets at fair value through profit or loss	-	(181,030)
Proceeds from sale of financial assets at fair value through profit or loss		
loss	167,206	-
Payments for property, plant and equipment	(1,182,907)	(1,073,387)
Increase in refundable deposits	(6,828)	(4,142)

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WOWPRIME CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
Payments for intangible assets	\$ (19,488)	\$ (18,588)
Payments for right-of-use assets	(40,838)	(21,696)
Decrease (increase) in other financial assets	10,348	(77,254)
Increase in prepayments for equipment	(46,047)	(20,335)
Interest received	<u>91,689</u>	<u>89,525</u>
Net cash used in investing activities	<u>(712,022)</u>	<u>(1,128,180)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from guarantee deposits received	12,272	27,859
Repayment of the principal portion of lease liabilities	(1,291,507)	(1,288,639)
Dividends paid to owners of the Company	(1,209,129)	(1,232,155)
Treasury shares transferred to employees (Note 26)	<u>-</u>	<u>49,187</u>
Net cash used in financing activities	<u>(2,488,364)</u>	<u>(2,443,748)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>20,021</u>	<u>39,452</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	335,145	240,989
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>2,890,663</u>	<u>2,649,674</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 3,225,808</u>	<u>\$ 2,890,663</u>

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

(Concluded)

WOWPRIME CO., LTD. AND SUBSIDIARIES

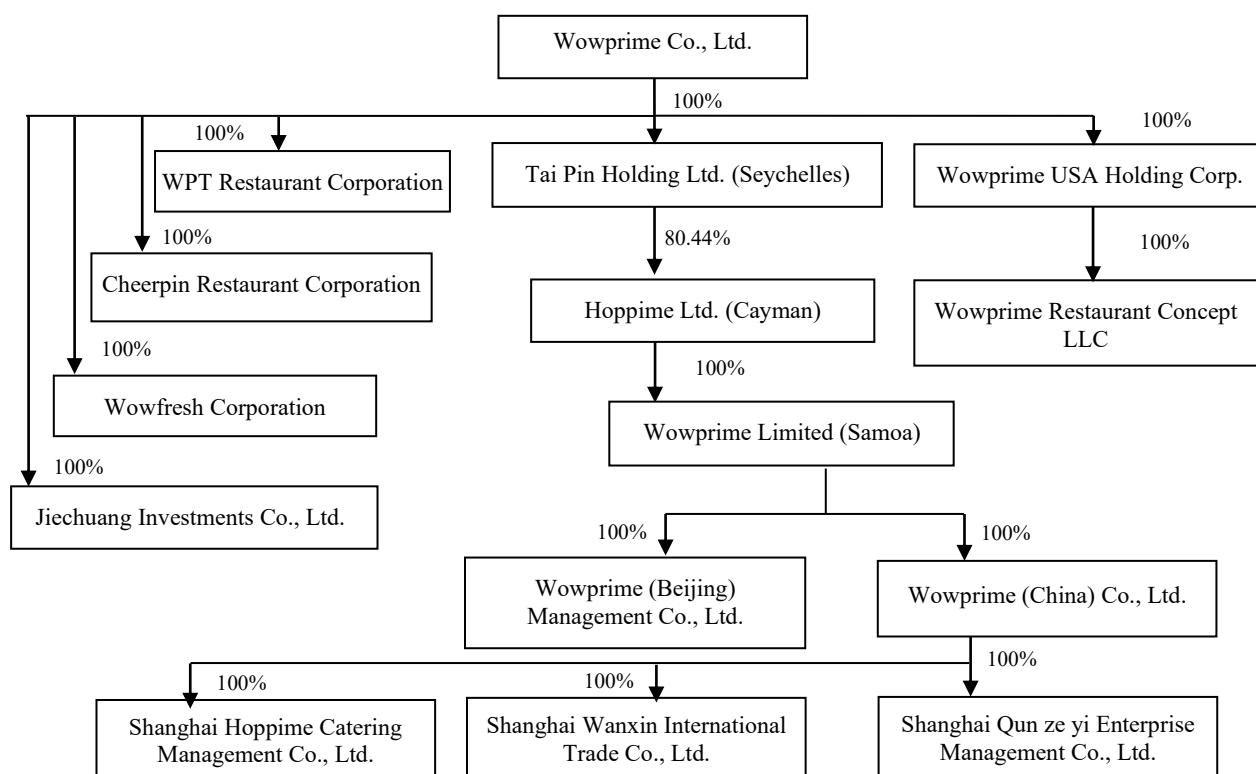
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Wowprime Co., Ltd. (the “Company”) was incorporated in the Republic of China (ROC) 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 were listed and have been trading on the Taiwan Stock Exchange (TWSE) since March 2012.

Investment structure



The consolidated financial statements of the Company and its subsidiaries (collectively the “Group”) are presented in the Company’s functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s board of directors on March 5, 2026.

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

- a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have material impact on the Group’s accounting policies.

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2026

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
IFRS 17 “Insurance Contracts” (including the 2020 and 2021 amendments to IFRS 17)	January 1, 2023
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	

- 1) The amendments to the application guidance of classification of financial assets

The amendments mainly amend the requirements for the classification of financial assets, including:

- a) If a financial asset contains a contingent feature that could change the timing or amount of contractual cash flows and the contingent event itself does not relate directly to changes in basic lending risks and costs (e.g., whether the debtor achieves a contractually specified reduction in carbon emissions), the financial asset has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding if, and only if,
- In all possible scenarios (before and after the occurrence of a contingent event), the contractual cash flows are solely payments of principal and interest on the principal amount outstanding; and
 - In all possible scenarios, the contractual cash flows would not be significantly different from the contractual cash flows on a financial instrument with identical contractual terms, but without such a contingent feature.
- b) To clarify that a financial asset has non-recourse features if an entity’s ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.
- c) To clarify that the characteristics of contractually linked instruments include a prioritization of payments to the holders of financial assets using multiple contractually linked instruments (tranches) established through a waterfall payment structure, resulting in concentrations of credit risk and a disproportionate allocation of cash shortfalls from the underlying pool between the tranches.

2) The amendments to the application guidance of derecognition of financial liabilities

The amendments mainly stipulate that a financial liability is derecognized on the settlement date. However, when settling a financial liability in cash using an electronic payment system, the Group can choose to derecognize the financial liability before the settlement date if, and only if, the Group has initiated a payment instruction that resulted in:

- The Group having no practical ability to withdraw, stop or cancel the payment instruction;
- The Group having no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
- The settlement risk associated with the electronic payment system being insignificant.

An entity shall apply the amendments retrospectively but is not required to restate prior periods. The effect of initially applying the amendments shall be recognized as an adjustment to the opening balance at the date of initial application. An entity may restate prior periods if, and only if, it is possible to do so without the use of hindsight.

As of the date of approval for issuance of the consolidated financial statements, the entity has assessed the amendments of the standards will not have a material impact on its financial position or financial performance.

c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note 1)</u>
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
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027 (Note 2)
IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (including the 2025 amendments to IFRS 19)	January 1, 2027
Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”	January 1, 2027

Note 1: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: On September 25, 2025, the FSC announced that IFRS 18 will take effect starting from January 1, 2028. Domestic entities could elect to apply IFRS 18 for an earlier period after the endorsement of IFRS 18 by the FSC.

IFRS 18 “Presentation and Disclosure in Financial Statements” and consequential amendments

IFRS 18 will supersede IAS 1 “Presentation of Financial Statements”. The main changes comprise:

- To classify items of income and expenses presented in the statement of profit or loss into the operating, investing, financing, income taxes and discontinued operations categories, the Group shall assess whether it has specified main business activities of investing in particular types of assets and providing financing to customers.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.

- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as “other” only if it cannot find a more informative label.
- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

In addition, the following consequential amendments have been made to IAS 7 “Statement of Cash Flows”:

- The Group shall use operating profit or loss as the starting point when presenting cash flows from operating activities under the indirect method.
- Interest and dividends received by the Group shall be classified as investing activities, while interest and dividends paid shall be classified as financing activities. However, if, after assessment, the Group has a specific main operating activity, it shall determine how to classify dividends received, interest received and interest paid in the statement of cash flows by referring to how it classifies dividend income, interest income and interest expense in the statement of profit or loss. The total of each of these cash flows shall be classified in a single category in the statement of cash flows.

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

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 IFRS Accounting Standards as endorsed and issued into effect 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, and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
 - 3) Level 3 inputs are unobservable inputs for an asset or liability.
- 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 the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instruments do not affect its classification as current or non-current if the entity classifies the option as an equity instrument.

d. Basis of consolidation

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 comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate.

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

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.

See Note 12, Tables 5 and 6 for detailed information on subsidiaries (including percentages of ownership and main businesses).

e. Foreign currencies

In preparing the financial statements of each individual entity, transactions in currencies other than the entity's functional currency (i.e., 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 denominated in foreign currencies that are measured at fair value are retranslated at the rates prevailing at the date when the fair value is determined. Exchange differences arising from 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 cases, the exchange differences are also recognized directly in other comprehensive income.

A non-monetary item denominated in a foreign currency and measured at historical cost is stated at the reporting currency as originally translated from the foreign currency.

For the purpose of presenting consolidated financial statements, the financial statements of the Company and its foreign operations (including subsidiaries, associates, in other countries or those that use currencies which are different from the currency of the Company) are translated into the presentation currency, the New Taiwan dollar, as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and 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 and finished goods 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. The 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 the weighted-average cost on the balance sheet date.

g. Investments in associates

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

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

Under the equity method, investment in an associate is 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. The Group also recognizes the changes in the Group's share of the equity of associates.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets and liabilities of an associate at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

When the Group subscribes for additional new shares of an associate 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. The Group records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus - changes in capital surplus from investments in associates and joint ventures accounted for using the equity method. If the Group's ownership interest is reduced due to its additional subscription of the new shares of the associate, the proportionate amount of the gains or losses previously recognized in other

comprehensive income in relation to that associate is reclassified to profit or loss on the same basis as would be required had the investee 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 using the equity method is insufficient, the shortage is debited to retained earnings.

When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognizing its share of further loss, if any. Additional losses and liabilities are recognized only to the extent that the Group has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate.

The entire carrying amount of an investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized is not allocated to any asset, including goodwill, that 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.

The Group discontinues the use of the equity method from the date on which its investment ceases to be an associate. Any retained investment is measured at fair value at that date, and the fair value is regarded as the investment's fair value on initial recognition as a financial asset. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. The Group accounts for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required had that associate directly disposed of the related assets or liabilities. If an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate, the Group continues to apply the equity method and does not remeasure the retained interest.

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

h. Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment loss.

Except for freehold land which is not depreciated, the depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates 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 is recognized in profit or loss.

i. Investment properties

Investment properties are properties held to earn rental and/or for capital appreciation. Investment properties include right-of-use assets and properties under construction that meet the definition of investment properties. Investment properties also include land held for a currently undetermined future use.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss. Depreciation is recognized using the straight-line method.

On derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss.

j. 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 lives, residual values, and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in the 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 is recognized in profit or loss.

k. Impairment of property, plant and equipment, right-of-use asset, investment properties, intangible assets and assets related to contract costs

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use asset, investment properties and intangible assets 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.

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 assets may be impaired.

The 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.

Before the Group recognizes an impairment loss from assets related to contract costs, any impairment loss on inventories, property, plant and equipment and intangible assets related to the contract applicable under IFRS 15 shall be recognized in accordance with applicable standards. Then, impairment loss from the assets related to the contract costs is recognized to the extent that the carrying amount of the assets exceeds the remaining amount of consideration that the Group expects to receive in exchange for related goods or services less the costs which relate directly to providing those goods or services and which have not been recognized as expenses. The assets related to the contract costs are then included in the carrying amount of the cash-generating unit to which they belong for the purpose of evaluating impairment of that cash-generating unit.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset, cash-generating unit or assets related to contract costs 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 on the asset, cash-generating unit or assets related to contract costs in prior years. A reversal of an impairment loss is recognized in profit or loss.

1. Financial instruments

Financial assets and financial liabilities are recognized when the Group 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 issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) 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 FVTPL 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 categories

Financial assets are classified into the following categories Financial assets at FVTPL and financial assets at amortized cost.

Financial assets at FVTPL

Financial assets are classified as at FVTPL when such financial assets are mandatorily classified. Financial assets mandatorily classified as at FVTPL include investments in equity instruments which are not designated as at FVTOCI and debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria.

Financial assets at FVTPL are subsequently measured at fair value, and any interest earned on such financial assets is recognized in other gains or losses. Fair value is determined in the manner described in Note 35: Financial Instruments.

Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

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

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, notes receivable, trade receivables and other receivables at amortized cost, other financial assets and refundable deposits, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for:

- i. Purchased or originated credit impaired financial assets, for which interest income is calculated by applying the credit adjusted effective interest rate to the amortized cost of such financial assets; and

- ii. Financial assets that are not credit impaired on purchase or origination but have subsequently become credit impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

A financial asset is credit impaired when one or more of the following events have occurred:

- i. Significant financial difficulty of the issuer or the borrower;
- ii. Breach of contract, such as a default;
- iii. It is becoming probable that the borrower will enter bankruptcy or undergo a financial reorganization; or
- iv. The disappearance of an active market for that financial asset because of financial difficulties.

Cash equivalents include time deposits with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are 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 and contract assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables).

The Group always recognizes lifetime expected credit losses (ECLs) for trade receivables, lease receivables and contract assets. For all other financial instruments, the Group recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

For internal credit risk management purposes, the Group determines that the following situations indicate that a financial asset is in default (without taking into account any collateral held by the Group):

- i. Internal or external information shows that the debtor is unlikely to pay its creditors.
- ii. Financial asset is more than 90 days past due unless the Group has reasonable and corroborative information to support a more lagged default criterion.

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss 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 at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss.

2) Financial liabilities

a) Subsequent measurement

Except for the following situations, all financial liabilities are measured at amortized cost using the effective interest method:

Financial liabilities measured at FVTPL

Financial liabilities measured at FVTPL include those held for trading and those designated as measured at fair value through profit or loss.

Financial liabilities measured at fair value through profit and loss are financial liabilities held for trading. Related profits or losses are recognized in other profits and losses.

b) Derecognition of financial liabilities

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

3) Convertible bonds

The component parts of compound instruments (i.e., convertible bonds) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

On initial recognition, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument and is measured at amortized cost using the effective interest method until the date of conversion or maturity. Liability components that are embedded in non-equity derivatives are measured at fair value.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised; in which case, the balance recognized in equity will be transferred to capital surplus - share premiums. When the conversion option remains unexercised at maturity, the balance recognized in equity will be transferred to capital surplus - share premiums.

Transaction costs that relate to the issuance of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component.

m. Provisions

Provisions, including those arising from the contractual obligations specified in lease arrangements 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.

Decommissioning and restoration obligation

Pursuant to the lease agreement, the Group has an obligation, at the end of the respective lease terms, to restore the leased plant assets to their original condition at the time of the lease. Provisions are recognized based on the present value of the best estimate of future outflows of economic benefits that will be required for fulfillment of the restoration obligation stated on the lease contract.

n. Revenue recognition

The Group identifies contracts with customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

Revenue from the sale of goods

Revenue from the sale of goods comes from sales of food, beverage, and other goods. Sales of food and other goods are recognized as revenue when individual customers purchase the goods at various business locations. Deferred revenue is recognized as a contract liability before the customer uses gift vouchers to exchange for food and other goods.

Under the customer loyalty program, the Group offers vouchers which can be used for future purchases. The voucher provides a material right to the customer. The transaction price allocated to the voucher is recognized as a contract liability when collected and will be recognized as revenue when the voucher is redeemed or has expired.

o. Leasing

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease.

1) The Group as lessor

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

Lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases.

2) The Group as lessee

The Group recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the lessee's incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective change in the assessment of an option to purchase an underlying asset, or a change in future lease payments resulting from a change in an index or a rate used to determine those payments, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheets.

Variable lease payments that do not depend on an index or a rate are recognized as expenses in the periods in which they are incurred.

p. Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants related to income are recognized as a reduction in other income on a systematic basis over the periods in which the Group recognizes as expenses the related costs that the grants intend to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they are received.

q. 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 services.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as expenses when employees have rendered services 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 liabilities (assets)) 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 it occurs. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liabilities (assets) represent 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.

r. Share-based payment arrangements

Employee share options granted to employees

The fair value of the employee share options on the grant date is expensed on a straight-line basis over the vesting period, based on the Group's best estimates of the number of shares or options that are expected to ultimately vest, with a corresponding increase in capital surplus - employee share options. It is recognized as an expense in full at the grant date if vested immediately. The grant date of treasury shares transferred to employees is the date on which the board of directors approves the transaction.

At the end of each reporting period, the Group revises its estimate of the number of employee share options that are expected to vest. The impact of the revision of the original estimates is recognized in profit or loss such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to capital surplus - employee share options.

s. Taxation

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

1) Current tax

Income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

According to the Income Law Act in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain 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 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 liabilities are settled or the assets are 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.

5. MATERIAL 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 on 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 Group takes into account the impacts of inflation and possible market interest rate fluctuations on the relevant material accounting estimates of cash flows, growth rates, discount rates, and profitability. The management will continue to review the estimates and the basic assumptions.

Key Sources of Estimation Uncertainty

Write-down of inventories

The net realizable value of inventories 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 is based on current market conditions and historical experience in the sale of product of a similar nature. Changes in market conditions may have a material impact on the estimation of the net realizable value.

Impairment of property, plant and equipment

Impairment of equipment related to operations is evaluated based on the recoverable amount of the assets, which is the higher of its fair value less costs of disposal and its value in use. Any changes in the market prices, future cash flows or discount rates will affect the recoverable amount of the assets and may lead to the recognition of additional impairment losses or the reversal of impairment losses.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2025	2024
Cash on hand	\$ 54,714	\$ 119,936
Checking accounts and demand deposits	2,411,222	2,505,181
Cash equivalents		
Time deposits	<u>759,872</u>	<u>265,546</u>
	<u>\$ 3,225,808</u>	<u>\$ 2,890,663</u>

The market rate intervals of bank savings at the end of the reporting period were as follows:

	December 31	
	2025	2024
Demand deposits	0.005%-2.6%	0.001%-3.5%
Time deposits	0.65%-3.45%	0.9%-1.95%

7. FINANCIAL INSTRUMENTS AT FVTPL

	December 31	
	2025	2024
<u>Financial assets at FVTPL - current</u>		
Financial assets mandatorily classified as at FVTPL		
Hybrid financial assets		
Structured deposits	<u>\$ -</u>	<u>\$ 181,807</u>
<u>Financial liabilities at FVTPL - current</u>		
Financial liabilities mandatorily classified as at FVTPL		
Non-derivative instruments		
Convertible options	<u>\$ 350</u>	<u>\$ 4,129</u>

The Group entered into structured time deposit contracts with financial institutions. The structured time deposit includes an embedded derivative that is not closely related to the host contract. As the host contract included in the hybrid contract is an IFRS 9 asset, it is assessed as a mandatory classification at fair value through profit or loss for the entire hybrid contract.

8. FINANCIAL ASSETS AT AMORTIZED COST

	December 31	
	2025	2024
<u>Current</u>		
Time deposits with original maturities of more than 3 months	<u>\$ 2,369,139</u>	<u>\$ 2,953,742</u>
<u>Non-current</u>		
Time deposits with original maturities of more than 3 months	<u>\$ 269,760</u>	<u>\$ -</u>

- a. The ranges of interest rates for time deposits with original maturities of more than 3 months were approximately 0.66% to 4.035% and 0.66% to 5.05% per annum as of December 31, 2025 and 2024, respectively.
- b. Refer to Note 9 for information relating to the credit risk management and impairment of investments in financial assets at amortized cost.
- c. Refer to Note 37 for information relating to investments in financial assets at amortized cost pledged as security.

9. CREDIT RISK MANAGEMENT FOR INVESTMENTS IN DEBT INSTRUMENTS

Investments in debt instruments classified as at amortized cost were as follows:

	At Amortized Cost	
	December 31	
	2025	2024
Gross carrying amount	\$ 2,638,899	\$ 2,953,742
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>
Amortized cost	<u>\$ 2,638,899</u>	<u>\$ 2,953,742</u>

The credit risk of the Group's bank deposits and other financial instruments is measured and monitored by the Group's finance department. Since the Group's trade counterpart and performing party are banks, financial institutions with investment grade or higher, and corporate organizations with good credit ratings, there is no significant doubt about the performance of the contracts and therefore no significant credit risk. The Group's current credit risk rating mechanism and the total carrying amounts of investments in debt instruments of each credit rating are as follows:

Category	Description	Basis for Recognizing Expected Credit Losses (ECLs)	Expected Loss Rate	Total Carrying Amount as of December 31	
				2025	2024
Performing	The counterparty has a low risk of default and a strong capacity to meet contractual cash flows	12m ECLs	0%	<u>\$ 2,638,899</u>	<u>\$ 2,953,742</u>

10. NOTES RECEIVABLE AND TRADE RECEIVABLES

	December 31	
	2025	2024
<u>Notes receivable</u>		
At amortized cost		
Gross carrying amount	\$ 6,325	\$ 4,096
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>
	<u>\$ 6,325</u>	<u>\$ 4,096</u>
<u>Trade receivables</u>		
At amortized cost		
Gross carrying amount	\$ 520,440	\$ 480,881
Less: Allowance for impairment loss	<u>(333)</u>	<u>(333)</u>
	<u>\$ 520,107</u>	<u>\$ 480,548</u>

Aside from branches operating in retail stores, the average credit period of receivables from shopping malls and collaboration with other businesses was 30-90 days, the Group earns its revenue on a cash basis or via credit card sales to individual customers. In determining the collectability of trade receivables, the Group assesses any changes in credit quality from the start of the credit period to the balance sheet date.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix prepared by reference to the past default experience of the customer, the customer's current financial position, economic condition of the industry in which the customer operates, as well as the GDP forecasts and industry outlook. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

The following table details the loss allowance of notes receivable and trade receivables based on the Group's provision matrix.

December 31, 2025

	Not Past Due	1 to 30 Days	31 to 60 Days	61 to 90 Days	Over 90 Days	Total
Expected credit loss rate	-	-	-	-	-	-
Gross carrying amount	\$ 525,089	\$ 659	\$ 486	\$ 86	\$ 445	\$ 526,765
Loss allowance (Lifetime ECLs)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(333)</u>	<u>(333)</u>
Amortized cost	<u>\$ 525,089</u>	<u>\$ 659</u>	<u>\$ 486</u>	<u>\$ 86</u>	<u>\$ 112</u>	<u>\$ 526,432</u>

December 31, 2024

	Not Past Due	1 to 30 Days	31 to 60 Days	61 to 90 Days	Over 90 Days	Total
Expected credit loss rate	-	-	-	-	-	-
Gross carrying amount	\$ 482,827	\$ 471	\$ 1,242	\$ 99	\$ 338	\$ 484,977
Loss allowance (Lifetime ECLs)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(333)</u>	<u>(333)</u>
Amortized cost	<u>\$ 482,827</u>	<u>\$ 471</u>	<u>\$ 1,242</u>	<u>\$ 99</u>	<u>\$ 5</u>	<u>\$ 484,644</u>

The movements of the loss allowance of trade receivable were as follows:

	For the Year Ended December 31, 2025		
	Collectively	Individually	Total
Balance at January 1	\$ -	\$ 333	\$ 333
Add: Net remeasurement of loss allowance	<u>-</u>	<u>-</u>	<u>-</u>
Balance at December 31	<u>\$ -</u>	<u>\$ 333</u>	<u>\$ 333</u>

	For the Year Ended December 31, 2024		
	Collectively	Individually	Total
Balance at January 1	\$ -	\$ 333	\$ 333
Add: Net remeasurement of loss allowance	<u>-</u>	<u>-</u>	<u>-</u>
Balance at December 31	<u>\$ -</u>	<u>\$ 333</u>	<u>\$ 333</u>

11. INVENTORIES

	December 31	
	2025	2024
Raw materials	\$ 1,711,420	\$ 1,420,843
Finished goods	2,289	2,396
Inventory in transit	<u>96,047</u>	<u>145,366</u>
	<u>\$ 1,809,756</u>	<u>\$ 1,568,605</u>

The nature of the cost of goods sold is as follows:

	For the Year Ended December 31	
	2025	2024
Cost of inventories sold	\$ 12,320,538	\$ 11,773,551
Inventory write-downs (reversed)*	<u>1,600</u>	<u>(13,362)</u>
	<u>\$ 12,322,138</u>	<u>\$ 11,760,189</u>

* Inventory write-downs were reversal as a result of the increase in selling prices of the inventory in specific markets.

12. SUBSIDIARIES

a. Subsidiaries included in the consolidated financial statements

Investor	Investee	Nature of Activities	Percentage of Ownership (%)		Remark
			December 31		
			2025	2024	
Wowprime Co., Ltd.	Tai Pin Holding Ltd.	Investment	100.00	100.00	-
Wowprime Co., Ltd.	WPT Restaurant Corporation	Catering and catering management	100.00	100.00	-
Wowprime Co., Ltd.	Wowprime USA Holding Corp.	Investment	100.00	100.00	2)
Wowprime USA Holding Corp.	Wowprime Restaurant Concept LLC	Catering and catering management	100.00	100.00	3)
Wowprime Co., Ltd.	Cheerpin Restaurant Corporation	Catering and catering management	100.00	100.00	-
Wowprime Co., Ltd.	Jiechuang Investment Co., Ltd.	Fresh food trading	100.00	100.00	-
Wowprime Co., Ltd.	Wowfresh Corporation	Fresh food trading	100.00	100.00	-
Tai Pin Holding Ltd.	Hoppime Ltd.	Investment	80.44	80.44	1)
Hoppime Ltd.	Wowprime Limited (Samoa)	Investment	100.00	100.00	-
Wowprime Limited (Samoa)	Wowprime (China) Co., Ltd.	Catering and catering management	100.00	100.00	-
Wowprime Limited (Samoa)	Wowprime (Beijing) Management Co., Ltd.	Catering and catering management	100.00	100.00	-
Wowprime (China) Co., Ltd.	Shanghai Qun ze yi Enterprise Management Co., Ltd.	Management consulting	100.00	100.00	-
Wowprime (China) Co., Ltd.	Shanghai Wanxin International Trade Co., Ltd.	Fresh food trading	100.00	100.00	-
Wowprime (China) Co., Ltd.	Shanghai Hoppime Catering Management Co., Ltd.	Catering and catering management	100.00	100.00	-
Shanghai Qun ze yi Enterprise Management Co., Ltd.	Shanghai Xizhu Catering Management Co., Ltd.	Catering and catering management	-	95.00	4)

1) Subsidiaries with significant non-controlling interests.

2) The Group established Wowprime USA Holding Corp. in April 2024, and injected capital of US\$3,500 thousand on August 6, 2024.

3) The Group established Wowprime Restaurant Concept LLC in July 2024, and injected capital of US\$3,400 thousand on September 16, 2024.

4) Shanghai Xizhu Catering Management Co., Ltd. completed its dissolution and liquidation during the third quarter of 2025.

b. Subsidiaries excluded from the consolidated financial statements: None.

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

Name of Subsidiary	Proportion of Ownership and Voting Rights Held by Non-controlling Interests	
	December 31	
	2025	2024
Hoppime Ltd.	19.56%	19.56%

See Tables 5 and 6 for information on the place of incorporation and principal place of business.

Name of Subsidiary	Profit Allocated to Non-controlling Interests For the Year Ended December 31		Accumulated Non-controlling Interests December 31	
	2025	2024	2025	2024
Hoppime Ltd. (excluding non-controlling interests of subsidiaries)	\$ 30,416	\$ 12,155	\$ 337,038	\$ 402,836

The summarized financial information below represents amounts before intragroup eliminations.

Hoppime Ltd. and Hoppime Ltd.'s subsidiaries:

	December 31	
	2025	2024
Current assets	\$ 1,509,816	\$ 1,628,700
Non-current assets	3,360,564	2,665,865
Current liabilities	(1,686,691)	(1,052,151)
Non-current liabilities	<u>(1,460,589)</u>	<u>(1,183,105)</u>
Equity	\$ <u>1,723,100</u>	\$ <u>2,059,309</u>
Equity attributable to:		
Owners of Hoppime Ltd.	\$ 1,386,062	\$ 1,656,651
Non-controlling interests of Hoppime Ltd.	337,038	402,836
Non-controlling interest of Hoppime Ltd.'s subsidiaries	<u>-</u>	<u>(178)</u>
	\$ <u>1,723,100</u>	\$ <u>2,059,309</u>
	For the Year Ended December 31	
	2025	2024
Revenue	\$ <u>4,219,334</u>	\$ <u>4,291,480</u>
Profit (loss) for the year	\$ 155,672	\$ 61,803
Other comprehensive income (loss) for the year	<u>6,912</u>	<u>65,293</u>
Total comprehensive income (loss) for the year	\$ <u>162,584</u>	\$ <u>127,096</u>
Profit (loss) attributable to:		
Owners of Hoppime Ltd.	\$ 125,083	\$ 49,985
Non-controlling interests of Hoppime Ltd.	30,416	12,155
Non-controlling interest of Hoppime Ltd.'s subsidiaries	<u>173</u>	<u>(337)</u>
	\$ <u>155,672</u>	\$ <u>61,803</u>

(Continued)

	For the Year Ended December 31	
	2025	2024
Total comprehensive income (loss) attributable to:		
Owners of Hoppime Ltd.	\$ 130,640	\$ 102,501
Non-controlling interests of Hoppime Ltd.	31,766	24,925
Non-controlling interest of Hoppime Ltd.'s subsidiaries	<u>178</u>	<u>(330)</u>
	<u>\$ 162,584</u>	<u>\$ 127,096</u>
Net cash inflow (outflow) from:		
Operating activities	\$ 941,389	\$ 1,092,681
Investing activities	10,935	(583,713)
Financing activities	<u>(594,378)</u>	<u>(600,379)</u>
Net cash inflow (outflow)	<u>\$ 357,946</u>	<u>\$ (91,411)</u>
Dividends paid to non-controlling interests:		
Hoppime Ltd.	<u>\$ 97,564</u>	<u>\$ -</u>
		(Concluded)

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Investments in associates

	December 31	
	2025	2024
Aggregate information of associates that are not individually material is as follows		
WEI DAO LTD.	\$ -	\$ -
DUDOO LTD. (Cayman)	<u>49,994</u>	<u>45,996</u>
	<u>\$ 49,994</u>	<u>\$ 45,996</u>

The percentage of ownership interest and voting rights of the consolidated Company in associates on the balance sheet date are as follows:

	December 31	
	2025	2024
WEI DAO LTD.	-	-
DUDOO LTD. (Cayman)	14.98%	14.98%

DUDOO LTD. (Cayman)

	For the Year Ended December 31	
	2025	2024
The Group's share of:		
Net (loss) profit for the year	<u>\$ 4,303</u>	<u>\$ (211)</u>
Total comprehensive income for the year	<u>\$ 3,998</u>	<u>\$ 5</u>

For information on associates' main business, operating location and registered country, refer to Table 5.

Investments in WEI DAO LTD. and DUDOO LTD. (Cayman) were calculated based on their financial statements, not audited by CPAs. Management believes there is no material impact on the equity method of accounting or the calculation of the share of profit or loss and other comprehensive income from the financial statements of WEI DAO LTD. and DUDOO LTD. (Cayman), which have not been audited.

The fair value of the investment was accounted for using the equity method. DUDOO LTD. (Cayman)'s fair value of the equity appraisal report issued by an expert is lower than its relative carrying amount. The fair value is based on the income approach as the valuation method. The discount rate used is 13.1465%. After evaluation, the carrying amount of the Group's investment in DUDOO LTD. (Cayman) was higher than the fair value by \$34,112 thousand. The loss on impairment of investment accounted for using the equity method was \$34,112 thousand in 2024.

The equity-method investment in WEI DAO LTD. was disposed of/sold to a peer company in October 2024.

14. PROPERTY, PLANT AND EQUIPMENT

	December 31							
	2025				2024			
Assets used by the Group	\$ 2,625,511				\$ 2,395,723			
<u>Assets used by the Group</u>								
	Freehold Land	Buildings	Utilities and Fire-fighting Equipment	Office Equipment	Dining Equipment	Leasehold Improvements	Other Equipment	Total
<u>Cost</u>								
Balance at January 1, 2025	\$ 122,505	\$ 132,408	\$ 1,263,131	\$ 200,350	\$ 1,417,742	\$ 2,375,296	\$ 345,577	\$ 5,857,009
Additions	-	-	274,614	34,028	321,738	519,874	67,824	1,218,078
Reclassifications	-	-	1,826	-	1,693	12,654	3,242	19,415
Disposals	-	-	(147,762)	(22,101)	(138,346)	(308,802)	(19,308)	(636,319)
Effects of foreign currency exchange differences	-	-	564	64	1,254	4,952	934	7,768
Balance at December 31, 2025	\$ 122,505	\$ 132,408	\$ 1,392,373	\$ 212,341	\$ 1,604,081	\$ 2,603,974	\$ 398,269	\$ 6,465,951
<u>Accumulated depreciation and impairment</u>								
Balance at January 1, 2025	\$ -	\$ 62,806	\$ 759,695	\$ 132,847	\$ 942,851	\$ 1,344,427	\$ 218,660	\$ 3,461,286
Depreciation expenses	-	4,109	195,552	28,149	243,284	399,390	55,911	926,395
Disposals	-	-	(131,045)	(19,485)	(115,176)	(269,960)	(15,691)	(551,357)
Effects of foreign currency exchange differences	-	-	257	4	773	2,561	521	4,116
Balance at December 31, 2025	\$ -	\$ 66,915	\$ 824,459	\$ 141,515	\$ 1,071,732	\$ 1,476,418	\$ 259,401	\$ 3,840,440
Carrying amounts at December 31, 2025	\$ 122,505	\$ 65,493	\$ 567,914	\$ 70,826	\$ 532,349	\$ 1,127,556	\$ 138,868	\$ 2,625,511
<u>Cost</u>								
Balance at January 1, 2024	\$ 122,505	\$ 132,408	\$ 1,152,992	\$ 193,539	\$ 1,309,438	\$ 2,309,326	\$ 295,554	\$ 5,515,762
Additions	-	-	228,871	34,855	259,377	441,798	71,173	1,036,074
Reclassifications	-	-	2,753	-	4,272	48,307	3,563	58,895
Disposals	-	-	(122,837)	(29,542)	(162,087)	(439,217)	(27,886)	(781,569)
Effects of foreign currency exchange differences	-	-	1,352	1,498	6,742	15,082	3,173	27,847
Balance at December 31, 2024	\$ 122,505	\$ 132,408	\$ 1,263,131	\$ 200,350	\$ 1,417,742	\$ 2,375,296	\$ 345,577	\$ 5,857,009
<u>Accumulated depreciation and impairment</u>								
Balance at January 1, 2024	\$ -	\$ 58,697	\$ 669,255	\$ 132,535	\$ 863,030	\$ 1,311,177	\$ 183,298	\$ 3,217,992
Depreciation expenses	-	4,109	181,426	26,824	213,462	386,738	55,938	868,497
Disposals	-	-	(105,069)	(27,821)	(138,514)	(392,085)	(22,805)	(686,294)
Impairment losses recognized	-	-	13,575	-	-	30,943	-	44,518
Effects of foreign currency exchange differences	-	-	508	1,309	4,873	7,654	2,229	16,573
Balance at December 31, 2024	\$ -	\$ 62,806	\$ 759,695	\$ 132,847	\$ 942,851	\$ 1,344,427	\$ 218,660	\$ 3,461,286
Carrying amounts at December 31, 2024	\$ 122,505	\$ 69,602	\$ 503,436	\$ 67,503	\$ 474,891	\$ 1,030,869	\$ 126,917	\$ 2,395,723

Management assessed the future profitability of certain business locations and expected that certain utilities, fire-fighting equipment, and leasehold improvements would no longer have recoverable value in 2024. Accordingly, the Group recognized an impairment loss of NT\$44,518 thousand, which was presented under "Other gains and losses" in the consolidated statement of comprehensive income.

The Group adopted value-in-use as the recoverable amount of these utilities and fire-fighting equipment and leasehold improvement. The discount rate was 2.538%-3.6%, for the years ended December 31, 2024.

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Main buildings	20-33 years
Renovation	2-6 years
Utilities and fire-fighting equipment	1-10 years
Office equipment	1-6 years
Dining equipment	1-10 years
Leasehold improvement	1-10 years
Other equipment	1-6 years

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2025	2024
<u>Carrying amounts</u>		
Buildings	<u>\$ 4,506,457</u>	<u>\$ 3,985,042</u>
	For the Year Ended December 31	
	2025	2024
Additions to right-of-use assets	<u>\$ 2,036,463</u>	<u>\$ 1,291,408</u>
Disposals of right-of-use assets	<u>\$ (201,791)</u>	<u>\$ (220,739)</u>
Depreciation charge for right-of-use assets		
Buildings	<u>\$ 1,350,515</u>	<u>\$ 1,320,066</u>

Except for the above additions and recognized depreciation, the Group did not have significant subleases of right-of-use assets during the years ended December 31, 2025 and 2024.

b. Lease liabilities

	December 31	
	2025	2024
<u>Carrying amounts</u>		
Current	<u>\$ 1,215,850</u>	<u>\$ 1,159,652</u>
Non-current	<u>\$ 3,366,932</u>	<u>\$ 2,880,729</u>

The range of discount rates for lease liabilities was as follows:

	December 31	
	2025	2024
Buildings	0.765%-4.75%	0.765%-4.75%

c. Material lease-in activities and terms

The Group leases buildings for the use of plants, offices and retail stores with lease terms of 2 to 20 years. The Group does not have bargain purchase options to acquire the buildings at the end of the lease terms.

In order to cope with retail demand, the Group entered into a large number of lease arrangements for the purposes of renting commercial space for the establishment of retail stores. Lease terms are negotiated by the management of each business segment and include a wide range of payment terms. In order to minimize the fixed cost base for newly established stores or for reasons of margin control and operational flexibility, the Group included the variable payment in the lease terms. Variable lease payment terms vary widely across the Group:

- The majority of variable payment terms are calculated based on the specified percentage of each store's total sales.
- Some variable lease payment terms include minimum or cap clauses.

Variable payment terms lead to the incurrence of higher rental costs for stores with higher sales. However, the use of variable payment terms helps to facilitate margin management across the Group.

Variable rental expenses are expected to continue to represent a similar proportion of store sales in future years.

d. Other lease information

	For the Year Ended December 31	
	2025	2024
Expenses relating to variable lease payments and short-term leases not included in the measurement of lease liabilities	<u>\$ 472,688</u>	<u>\$ 462,776</u>
Total cash outflow for leases	<u>\$ (1,912,989)</u>	<u>\$ (1,867,317)</u>

The Group's leases of certain retail stores, offices, and office equipment qualify as short-term leases and certain computer equipment qualify as low-value asset leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

All lease commitments (the Group as a lessee) with lease terms commencing after the balance sheet dates are as follows:

	December 31	
	2025	2024
Lease commitments	<u>\$ 269,573</u>	<u>\$ 264,274</u>

16. INVESTMENT PROPERTIES

Buildings

Cost

Balance at January 1, 2025	\$ 783,956
Effects of foreign currency exchange differences	<u>3,151</u>
Balance at December 31, 2025	<u>\$ 787,107</u>

Accumulated depreciation and impairment

Balance at January 1, 2025	\$ 266,242
Depreciation expenses	14,180
Impairment loss reversed	(5,556)
Effects of foreign currency exchange differences	<u>1,452</u>
Balance at December 31, 2025	<u>\$ 276,318</u>

Carrying amounts at December 31, 2025	<u>\$ 510,789</u>
---------------------------------------	-------------------

Cost

Balance at January 1, 2024	\$ 757,520
Effects of foreign currency exchange differences	<u>26,436</u>
Balance at December 31, 2024	<u>\$ 783,956</u>

Accumulated depreciation and impairment

Balance at January 1, 2024	\$ 221,098
Depreciation expenses	15,198
Impairment losses recognized	22,203
Effects of foreign currency exchange differences	<u>7,743</u>

Balance at December 31, 2024	<u>\$ 266,242</u>
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Carrying amounts at December 31, 2024	<u>\$ 517,714</u>
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Lease commitments (the Group as a lessor) with lease terms commencing after the balance sheet dates are as follows:

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Year 1	\$ 10,527	\$ 12,386
Year 2	9,959	6,474
Year 3	2,479	6,101
More than 3 years	<u>-</u>	<u>1,924</u>
	<u>\$ 22,965</u>	<u>\$ 26,885</u>

Investment properties are depreciated using the straight-line method over their estimated useful lives as follows:

Buildings 42 years

The determination of fair value was performed by Prudential Cross-strait real estate appraisers Firm. as of December 31, 2025 and 2024. The valuation was based on the cash flow approach. The significant unobservable inputs used include discount rates and rental growth rate. The fair value as appraised was as follows:

	December 31	
	2025	2024
Fair value	<u>\$ 510,789</u>	<u>\$ 517,714</u>

The Group expects an improvement in future cash inflows from investment properties held for lease in Mainland China, resulting in a recoverable amount exceeding the carrying amount. Following an assessment and appraisal by experts regarding the value and usage of the investment properties, a reversal of impairment loss of \$5,556 thousand was recognized in 2025.

Conversely, due to an expected decrease in future cash inflows, the recoverable amount fell below the carrying amount, leading to an impairment loss of \$22,203 thousand recognized in 2024.

The Group determined the recoverable amount of these investment properties based on their value in use, applying discount rates of 2.45% and 2.60%, respectively. The associated impairment losses and reversals thereof have been recognized within “Other gains and losses” in the consolidated statement of comprehensive income.

The investment properties pledged as collateral for bank borrowings are set out in Note 37.

17. OTHER INTANGIBLE ASSETS

	Software	Trademarks	Total
<u>Cost</u>			
Balance at January 1, 2025	\$ 148,429	\$ 7,012	\$ 155,441
Additions	19,488	-	19,488
Effect of foreign currency exchange differences	<u>292</u>	<u>-</u>	<u>292</u>
Balance at December 31, 2025	<u>\$ 168,209</u>	<u>\$ 7,012</u>	<u>\$ 175,221</u>
<u>Accumulated amortization</u>			
Balance at January 1, 2025	\$ 110,542	\$ 4,244	\$ 114,786
Amortization expenses	20,855	467	21,322
Effect of foreign currency exchange differences	<u>462</u>	<u>-</u>	<u>462</u>
Balance at December 31, 2025	<u>\$ 131,859</u>	<u>\$ 4,711</u>	<u>\$ 136,570</u>
Carrying amount at December 31, 2025	<u>\$ 36,350</u>	<u>\$ 2,301</u>	<u>\$ 38,651</u>

(Continued)

	Software	Trademarks	Total
<u>Cost</u>			
Balance at January 1, 2024	\$ 127,950	\$ 7,012	\$ 134,962
Additions	18,588	-	18,588
Disposals	(465)	-	(465)
Effect of foreign currency exchange differences	<u>2,356</u>	<u>-</u>	<u>2,356</u>
Balance at December 31, 2024	<u>\$ 148,429</u>	<u>\$ 7,012</u>	<u>\$ 155,441</u>
<u>Accumulated amortization</u>			
Balance at January 1, 2024	\$ 90,747	\$ 3,777	\$ 94,524
Amortization expenses	18,392	467	18,859
Disposals	(434)	-	(434)
Effect of foreign currency exchange differences	<u>1,837</u>	<u>-</u>	<u>1,837</u>
Balance at December 31, 2024	<u>\$ 110,542</u>	<u>\$ 4,244</u>	<u>\$ 114,786</u>
Carrying amount at December 31, 2024	<u>\$ 37,887</u>	<u>\$ 2,768</u>	<u>\$ 40,655</u> (Concluded)

Other intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Software	1-6 years
Trademarks	15 years

For the Year Ended December 31	
2025	2024

An analysis of amortization by function

Operating expenses	<u>\$ 21,322</u>	<u>\$ 18,859</u>
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18. PREPAYMENTS

	December 31	
	2025	2024
<u>Current</u>		
Prepaid rent	\$ 23,481	\$ 21,618
Supplies	20,817	19,608
Prepayment for purchases	62,934	35,194
Input tax/offset against business tax payable	110,097	99,352
Others	<u>51,966</u>	<u>47,983</u>
	<u>\$ 269,295</u>	<u>\$ 223,755</u>

19. OTHER FINANCIAL ASSETS - CURRENT

	December 31	
	2025	2024
<u>Current</u>		
Time deposits	\$ 62,860	\$ 65,570
Trust account	8,083	13,862
Reserve account	<u>33,575</u>	<u>35,434</u>
	<u>\$ 104,518</u>	<u>\$ 114,866</u>

The market rate intervals of other financial assets at the end of the reporting period were as follows:

	December 31	
	2025	2024
<u>Current</u>		
Time deposits	3.65%	4.25%
Trust account	0.610%-0.635%	0.610%-0.635%
Reserve account	0.30%	0.30%

Refer to Note 37 for information on other financial assets pledged as collateral or for security.

20. OTHER ASSETS

	December 31	
	2025	2024
<u>Current</u>		
Other receivables	\$ 4,773	\$ 10,844
Other receivables to related parties	29	-
Tax refund receivable	45,526	106
Others	<u>14,713</u>	<u>12,874</u>
	<u>\$ 65,041</u>	<u>\$ 23,824</u>
<u>Non-current</u>		
Refundable deposits	<u>\$ 408,445</u>	<u>\$ 401,627</u>

The Group recognized an impairment loss of \$2,849 thousand for the year ended December 31, 2024, which was presented under 'Other gains and losses' in the consolidated statement of comprehensive income. This loss was recognized as the Group expects to terminate certain lease contracts prematurely due to store closures, rendering the related rental deposits non-refundable.

21. BONDS PAYABLE

	December 31, 2025	December 31, 2025
Unsecured domestic bonds	\$ 669,079	\$ 655,820
Less: Current portion	<u>669,079</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ 655,820</u>

Holder of each unit of corporate bond is entitled to convert into the ordinary shares of the merged company at NT\$233.4 per share. The conversion period lasts from June 30, 2023 to March 29, 2028.

Between June 30, 2023 and March 29, 2028, if the closing price for the ordinary shares of the Company exceeds 30% of the conversion price of the convertible corporate bond at the time for 30 business days in a row, the Company may redeem the bonds in the following 30 business days. Alternatively, if the remaining amount of outstanding convertible corporate bonds is less than 10% of the total carrying amount at the time of initial issuance, the Company may redeem the bonds in 30 business day thereafter.

In the event that the bondholders sell the convertible bonds before the sell-back date March 29, 2026, the bondholders may require the merged company to redeem the convertible bond held at par value in cash.

Such convertible corporate bonds include liability and equity component, where equity component is recognized in capital surplus - stock option under equity. The effective interest rate for the initial recognition of the liabilities component is 2%.

	Amount
Liability component at January 1, 2024	\$ 642,824
Interest changed at an effective interest rate	<u>12,996</u>
Liability component at December 31, 2024	<u>\$ 655,820</u>
Liability component at January 1, 2025	\$ 655,820
Interest changed at an effective interest rate	<u>13,259</u>
Liability component at December 31, 2025	<u>\$ 669,079</u>

22. NOTES PAYABLE AND TRADE PAYABLES

	December 31	
	2025	2024
<u>Notes payable</u>		
Operating	<u>\$ 84,009</u>	<u>\$ 83,101</u>
<u>Trade payables</u>		
Operating	<u>\$ 818,039</u>	<u>\$ 783,702</u>

The Group purchases inventory on 30- to 60-day credit terms.

23. OTHER LIABILITIES

	December 31	
	2025	2024
<u>Current</u>		
Other payables		
Payables for purchase of equipment	\$ 260,083	\$ 237,736
Payables for salaries and bonus	847,090	798,797
Payables for rent	63,684	60,601
Payables for retirement benefit	49,152	33,478
Payables for insurance	116,286	89,720
Payables for annual leave	66,401	58,306
Payables for Dividends	97,564	-
Payables for tax expense	64,415	62,660
Others	<u>354,887</u>	<u>378,450</u>
	1,919,562	1,719,748
Other payables to related parties	<u>484</u>	<u>3,314</u>
	<u>\$ 1,920,046</u>	<u>\$ 1,723,062</u>
Other liabilities		
Temporary receipts/receipts under custody	<u>\$ 18,931</u>	<u>\$ 20,516</u>

24. PROVISIONS

	December 31	
	2025	2024
<u>Current</u>		
Provision for sales returns	<u>\$ 443</u>	<u>\$ 401</u>
<u>Non-current</u>		
Decommissioning liabilities	<u>\$ 170,518</u>	<u>\$ 157,694</u>
	Provision for Sales Returns	Decommissioning Liabilities
Balance at January 1, 2025	\$ 401	\$ 157,694
Additional provisions recognized	42	23,154
Disposals	-	(10,560)
Effect of foreign currency exchange differences	<u>-</u>	<u>230</u>
Balance at December 31, 2025	<u>\$ 443</u>	<u>\$ 170,518</u>
Balance at January 1, 2024	\$ -	\$ 154,974
Additional provisions recognized	401	18,313
Disposals	-	(17,631)
Effect of foreign currency exchange differences	<u>-</u>	<u>2,038</u>
Balance at December 31, 2024	<u>\$ 401</u>	<u>\$ 157,694</u>

Pursuant to the lease agreement, the Group shall, at the end of the respective lease terms, restore the leased plant assets to their original condition at the time of the lease. Provisions are recognized based on the present value of the best estimate of future outflow of economic benefits that will be required by the fulfillment of the restoration obligation stated on the lease contract. The estimate will be reviewed regularly to adjust.

25. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

The Company, WPT Restaurant Corporation, Cheerpin Restaurant Corporation, and Wowfresh Corporation adopted a pension plan under the Labor Pension Act (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	
	2025	2024
Operating costs	\$ 71,656	\$ 69,232
Selling and marketing expenses	144,031	138,389
General and administrative expenses	<u>21,994</u>	<u>19,375</u>
	<u>\$ 237,681</u>	<u>\$ 226,996</u>

b. Defined benefit plans

The defined benefit plan adopted by the Company in accordance with the Labor Standards Law is operated by the government of the ROC. 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	
	2025	2024
Present value of defined benefit obligation	\$ 92,183	\$ 93,340
Fair value of plan assets	<u>(56,090)</u>	<u>(53,311)</u>
Net defined benefit liabilities	<u>\$ 36,093</u>	<u>\$ 40,029</u>

Movements in net defined benefit liabilities were as follows:

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liabilities
Balance at January 1, 2025	\$ 93,340	\$ (53,311)	\$ 40,029
Net interest expense (income)	1,400	(807)	593
Recognized in profit or loss	1,400	(807)	593
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(3,914)	(3,914)
Actuarial loss (gain)			
Changes in financial assumptions	2,547	-	2,547
Experience adjustments	(983)	-	(983)
Recognized in other comprehensive income	1,564	(3,914)	(2,350)
Contributions from the employer	-	(2,179)	(2,179)
Benefits paid	(4,121)	4,121	-
Balance at December 31, 2025	\$ 92,183	\$ (56,090)	\$ 36,093
Balance at January 1, 2024	\$ 99,890	\$ (47,849)	\$ 52,041
Service cost			
Current service cost	48	-	48
Net interest expense (income)	1,370	(661)	709
Recognized in profit or loss	1,418	(661)	757
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(4,469)	(4,469)
Actuarial loss (gain)			
Changes in financial assumptions	(1,387)	-	(1,387)
Experience adjustments	(386)	-	(386)
Recognized in other comprehensive income	(1,773)	(4,469)	(6,242)
Contributions from the employer	-	(6,527)	(6,527)
Benefits paid	(6,195)	6,195	-
Balance at December 31, 2024	\$ 93,340	\$ (53,311)	\$ 40,029

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

	For the Year Ended December 31	
	2025	2024
General and administrative expenses	\$ 593	\$ 757

Through the defined benefit plans under the Labor Standards Act, 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 plans' 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	
	2025	2024
Discount rates	1.25%	1.50%
Expected rates of salary increase	2.00%	2.00%

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

	December 31	
	2025	2024
Discount rates		
0.25% increase	\$ (2,547)	\$ (2,686)
0.25% decrease	\$ 2,654	\$ 2,802
Expected rates of salary increase		
0.25% increase	\$ 2,587	\$ 2,737
0.25% decrease	\$ (2,496)	\$ (2,637)

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

	December 31	
	2025	2024
Expected contributions to the plan for the next year	\$ 1,028	\$ 1,028
Average duration of the defined benefit obligation	11.2 years	11.7 years

c. Others

Tai Pin Holding Ltd. (Seychelles), Hoppime Ltd. (Cayman), Wowprime Limited (Samoa), Shanghai Qun ze yi Enterprise Management Co., Ltd., Wowprime USA Holding Corp. and Wowprime Restaurant Concept LLC are not subject to the requirements of International Accounting Standard (IAS) 19 "Employee Benefits," as the local jurisdictions in which these entities operate do not mandate relevant labor regulations, and the entities have not established any employee retirement benefit plans.

Wowprime (China) Co., Ltd., Wowprime (Beijing) Management Co., Ltd., Shanghai Wanxin International Trade Co., Ltd. and Shanghai Hoppime Catering Management 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	
	2025	2024
Operating costs	\$ 29,648	\$ 31,815
Selling and marketing expenses	12,706	13,635
General and administrative expenses	<u>18,904</u>	<u>20,938</u>
	<u>\$ 61,258</u>	<u>\$ 66,388</u>

26. EQUITY

a. Share capital

Ordinary shares

	December 31	
	2025	2024
Number of shares authorized (in thousands)	<u>100,000</u>	<u>100,000</u>
Shares authorized	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>84,451</u>	<u>84,451</u>
Shares issued	<u>\$ 844,511</u>	<u>\$ 844,511</u>

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	
	2025	2024
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital*		
Issuance of ordinary shares premium	\$ 1,786,169	\$ 1,786,169
Treasury share transactions	53,280	53,280
Differences between the equity purchase price and the carrying amount arising from the actual acquisition or disposal of subsidiaries	5,469	5,469
<u>May only be used to offset a deficit</u>		
Changes in percentage of ownership interests in subsidiaries	<u>65,381</u>	<u>65,381</u>
	<u>\$ 1,910,299</u>	<u>\$ 1,910,299</u>

* 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 to once a year).

c. Retained earnings and dividends policy

Under the dividend policy as set forth in the amended Company's Articles of Incorporation (the "Articles"), where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations. Remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved at the shareholders' meeting for distribution of dividends and bonuses to shareholders when issued new shares. The Company setting aside a reserve bonuses or the legal reserve and the whole or part of capital surplus, In the case of cash disbursement, the board of directors is authorized to report to the shareholders' meeting with the presence of at least two-thirds of the directors and the approval of a majority of the directors present. For the policies on the distribution of compensation of employees and remuneration to directors and supervisors before and after the amendment, refer to employee benefits expense in Note 28-h.

The Company provides a special reserve for the net amount of the deduction of other equity accumulated in the previous period. If the undistributed earnings of the previous period are insufficient for appropriation, items other than the net profit of the period plus net profit after tax shall be included in the undistributed earnings of the period.

The Company operates in the F&B service industry and is currently in the mature and growth stage of its business life cycle. It has stable profitability and a sound financial structure. Accordingly, in addition to complying with the requirements of the Company Act and the Company's Articles of Incorporation, the Company shall determine the method of dividend distribution each year based on its capital planning and operating performance. The Company adopts, in principle, a stable and balanced dividend policy. The Board of Directors shall, prior to each annual shareholders' meeting, formulate the earnings distribution proposal (in the form of cash dividends or stock dividends) and the amount thereof, taking into account business performance, financial condition, and capital planning. The distribution ratio of dividends and bonuses to shareholders shall, in principle, range from 50% to 100% of the total distributable earnings, with the remainder retained as unappropriated earnings; the ratio of cash dividends shall not be lower than 20% of the total dividends.

The legal reserve shall be appropriated until the balance reaches the paid-in capital stock of the Company. The legal reserve may be used to offset losses. If the legal reserve exceeds 25% of the paid-in capital, when the Company has no losses, the portion can be capitalized or distributed in cash.

The appropriations of earnings for 2024 were as follows:

	For the Year Ended December 31, 2024
Legal reserve	\$ <u>129,683</u>
Special reserve	\$ <u>(41,980)</u>
Cash dividends	\$ <u>1,209,129</u>
Cash dividends per share (NT\$)	\$ 14.59

The above cash dividends have been resolved by the board of directors on March 3, 2025, the rest is subject to the resolution in the shareholders' meeting on June 5, 2025.

The appropriations of earnings for 2023 were as follows:

	For the Year Ended December 31, 2023
Legal reserve	\$ <u>139,439</u>
Special reserve	\$ <u>22,794</u>
Cash dividends	\$ <u>1,232,155</u>
Cash dividends per share (NT\$)	\$ 14.94

The above cash dividends have been resolved by the board of directors on March 7, 2024, the rest is subject to the resolution in the shareholders' meeting on June 6, 2024.

The appropriations of earnings for 2025 that had been proposed in the board of directors' meeting on March 5, 2026, were as follows:

	For the Year Ended December 31, 2025
Legal reserve	\$ <u>-</u>
Special reserve	\$ <u>(6,416)</u>
Cash dividends	\$ <u>1,335,453</u>
Cash dividends per share (NT\$)	\$ 16.12

The above cash dividends have been resolved by the board of directors, the rest is subject to the resolution in the shareholders' meeting on June 17, 2026.

d. Special reserve

	For the Year Ended December 31	
	2025	2024
Balance at January 1	\$ 128,024	\$ 105,230
Appropriations in respect of reversals		
Debits to other equity items	-	22,794
Reversals:		
Reversal of the debits to other items	<u>(41,980)</u>	<u>-</u>
Balance at December 31	<u>\$ 86,044</u>	<u>\$ 128,024</u>

e. Other equity items

Exchange differences on translating the financial statements of foreign operations

	For the Year Ended December 31	
	2025	2024
Balance at January 1	\$ (86,044)	\$ (128,024)
Recognized for the year		
Exchange differences on translating the financial statements of foreign operations	8,325	52,260
Related income tax	(1,665)	(10,453)
Share of associated by using the equity method	(305)	216
Related income tax	<u>61</u>	<u>(43)</u>
Balance at December 31	<u>\$ (79,628)</u>	<u>\$ (86,044)</u>

f. Non-controlling interests

	For the Year Ended December 31	
	2025	2024
Balance at January 1	\$ 402,658	\$ 378,063
Share in profit (loss) for the year	30,589	11,818
Exchange differences on translating the financial statements of foreign operations	1,694	15,971
Related income tax	(339)	(3,194)
Cash Dividends	<u>(97,564)</u>	<u>-</u>
Balance at December 31	<u>\$ 337,038</u>	<u>\$ 402,658</u>

g. Treasury shares

Purpose of Buy-back	Shares Transferred to Employees (In Thousands of Shares)
Number of shares at January 1, 2025	<u>1,592</u>
Number of shares at December 31, 2025	<u>1,592</u>
Number of shares at January 1, 2024	1,998
Exercise of employee share options	<u>(406)</u>
Number of shares at December 31, 2024	<u>1,592</u>

Under the Securities and Exchange Act, the number of shares bought back shall not exceed 10% of the total number of issued shares. The total purchase amount shall not exceed the sum of retained earnings, additional paid-in capital-premiums and realized capital surplus. The shares purchased for the purpose of transferring to employees shall be transferred within five years from the date of share repurchase. Those not transferred within the said limit shall be deemed as not issued by the Company and amendment registration shall be processed.

The Group's board of directors decided to transfer 425 thousand treasury shares to its employees at the transfer price of \$121.15 per treasury share on August 9, 2024. The Company had recognized compensation costs of \$22,291 thousand on the grant date in 2024.

The Group transferred 406 thousand to employees for proceeds of \$49,187 thousand on November 20, 2024.

Under the Securities and Exchange Act, the Group shall neither pledge treasury shares nor exercise shareholders' rights on these shares, such as the rights to dividends and to vote. The subsidiaries holding treasury shares, however, retain shareholders' rights, except the rights to participate in any share issuance for cash and to vote.

27. REVENUE

	For the Year Ended December 31	
	2025	2024
Revenue from contracts with customers		
Revenue from the sale of food and beverages	\$ 22,205,072	\$ 21,051,323
Revenue from the sale of goods	<u>1,247,436</u>	<u>1,239,206</u>
	<u>\$ 23,452,508</u>	<u>\$ 22,290,529</u>

a. Contract information

Revenue from the sale of food and beverages

Sales of food and beverages are recognized when individual customers purchase the goods at various business locations.

Revenue from the sale of goods

Revenue from the Group's sale of agricultural products is recognized when the customer has full discretion over the manner of distribution and the sales price of the goods, has primary responsibility for selling the goods to end customers, and bears the risks of obsolescence.

b. Contract balances

	December 31, 2025	December 31, 2024	January 1, 2024
Notes receivable and trade receivables (Note 10)	<u>\$ 526,432</u>	<u>\$ 484,644</u>	<u>\$ 580,556</u>
Contract liabilities			
Deferred revenue from gift vouchers	\$ 2,914,283	\$ 2,934,681	\$ 2,943,030
Customer loyalty programs	142,859	136,383	131,133
Sale of goods	<u>21,356</u>	<u>30,450</u>	<u>22,798</u>
	<u>\$ 3,078,498</u>	<u>\$ 3,101,514</u>	<u>\$ 3,096,961</u>

Revenue recognized in the current year that was included in the opening contract liability balance (i.e., related to performance obligations satisfied in prior periods) was as follows:

	For the Year Ended December 31	
	2025	2024
From contract liabilities at the beginning of the year		
Deferred revenue from gift vouchers	<u>\$ 935,683</u>	<u>\$ 920,760</u>

c. Disaggregation of revenue

	For the Year Ended December 31	
	2025	2024
<u>Type of goods or services</u>		
Fine dining business	\$ 9,424,118	\$ 9,408,490
Chinese food business	1,335,777	1,346,147
Fast casual business	3,927,173	3,586,608
Hot pot dining business	3,957,905	3,597,205
Casual dining business	1,900,357	1,715,875
Roast business	1,787,172	1,556,050
Retail trade business	<u>1,120,006</u>	<u>1,080,154</u>
	<u>\$ 23,452,508</u>	<u>\$ 22,290,529</u>

d. Partially completed contracts

	December 31	
	2025	2024
Catering sales services		
- completed in 2025	\$ -	\$ 1,653,406
- completed in 2026	1,645,821	670,014
- completed in 2027	643,219	463,100
- completed in 2028	431,124	148,161
- completed in or after 2029	<u>194,119</u>	<u>-</u>
	<u>\$ 2,914,283</u>	<u>\$ 2,934,681</u>

The above information does not include contracts with expected durations which are equal to or less than one year.

28. NET PROFIT FROM CONTINUING OPERATIONS

a. Interest income

	For the Year Ended December 31	
	2025	2024
Bank deposits	\$ 89,187	\$ 88,801
Imputed interest on deposits	<u>1,204</u>	<u>1,003</u>
	<u>\$ 90,391</u>	<u>\$ 89,804</u>

b. Other income

	For the Year Ended December 31	
	2025	2024
Rental income	\$ 14,981	\$ 19,966
Government grants (Note 32)	8,719	7,969
Others	<u>52,798</u>	<u>78,140</u>
	<u>\$ 76,498</u>	<u>\$ 106,075</u>

c. Other gains and losses

	For the Year Ended December 31	
	2025	2024
Loss on disposal of property, plant and equipment	\$ (84,962)	\$ (95,275)
Loss on disposal of intangible assets	-	(31)
Impairment (reversal of impairment loss) loss on non-financial assets	5,556	(103,682)
Gain (losses) on Lease Modification	(2,258)	18,657
Net foreign exchange (losses) gains	(31,861)	33,399
Demolition recovery	(7,870)	(6,840)
Fair value changes of financial assets and financial liabilities		
Financial assets at fair value through profit or loss	1,207	777
Financial liabilities at fair value through profit or loss	3,779	-
Others	<u>(10,577)</u>	<u>(31,215)</u>
	<u>\$ (126,986)</u>	<u>\$ (184,210)</u>

The loss on disposal of property, plant and equipment recognized in 2025 and 2024 above was mainly due to the retirement of leasehold improvements and equipment that had not reached the end of their useful lives as a result of the relocation or closure of some of the stores.

d. Finance costs

	For the Year Ended December 31	
	2025	2024
Interest on lease liabilities	\$ 107,956	\$ 94,206
Interest on bank loans	-	8
Interest on convertible bonds	13,259	12,996
Others	<u>4</u>	<u>7</u>
	<u>\$ 121,219</u>	<u>\$ 107,217</u>

e. Impairment losses of non-financial assets

	For the Year Ended December 31	
	2025	2024
Property, plant and equipment (included in other gains and losses)	\$ -	\$ (44,518)
Investment properties (included in other gains and losses)	5,556	(22,203)
Investment using the equity method (included in other gains and losses)	-	(34,112)
Refundable deposits (included in other gains and losses)	<u>-</u>	<u>(2,849)</u>
	<u>\$ 5,556</u>	<u>\$ (103,682)</u>

f. Depreciation and amortization

	For the Year Ended December 31	
	2025	2024
An analysis of depreciation by function		
Operating costs	\$ 808,934	\$ 734,221
Operating expenses	<u>1,482,156</u>	<u>1,469,540</u>
	<u>\$ 2,291,090</u>	<u>\$ 2,203,761</u>
An analysis of amortization by function		
Operating expenses	<u>\$ 21,322</u>	<u>\$ 18,859</u>

g. Employee benefits expense

	For the Year Ended December 31	
	2025	2024
Short-term benefits	\$ 6,560,360	\$ 6,278,148
Post-employment benefits (Note 25)		
Defined contribution plans	298,939	293,384
Defined benefit plans	<u>593</u>	<u>757</u>
	299,532	294,141
Other employee benefits	<u>1,135,203</u>	<u>1,045,754</u>
Total employee benefits expense	<u>\$ 7,995,095</u>	<u>\$ 7,618,043</u>
An analysis of employee benefits expense by function		
Operating costs	\$ 3,337,243	\$ 3,184,909
Operating expenses	<u>4,657,852</u>	<u>4,433,134</u>
	<u>\$ 7,995,095</u>	<u>\$ 7,618,043</u>

h. Compensation of employees and remuneration of directors and supervisors

According to the Articles of Incorporation of the Company, the Company accrues compensation of employees at rates of 0.1% to 10% and remuneration of directors and supervisors at rates no higher than 1%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors and supervisors.

In accordance with the amendments to the Securities and Exchange Act in August 2024, the Company's shareholders' meeting on June 5, 2025, resolved to amend the Articles of Incorporation to stipulate that 100% of the employee compensation appropriated for the current year shall be allocated as compensation for junior employees. However, if the Company still has accumulated losses, an amount shall be reserved in advance to offset the losses.

The distribution of employee and directors' remuneration shall be resolved by the Board of Directors to be paid in the form of shares or cash. Such distribution targets may include employees of controlled companies who meet certain criteria and shall be reported to the shareholders' meeting.

The compensation of employees and remuneration to directors and supervisors for the years ended December 31, 2025 and 2024 which have been approved by the Company's board of directors on March 5, 2026 and March 3, 2025, respectively, were as follows:

Accrual rate

	For the Year Ended December 31	
	2025	2024
Compensation of employees	0.1%	0.1%
Remuneration of directors and supervisors	0.1%	0.1%

Amount

	For the Year Ended December 31	
	2025	2024
Compensation of employees	\$ 1,709	\$ 1,560
Remuneration of directors and supervisors	1,709	1,560

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

There is no difference between the actual amounts of compensation of employees and remuneration of directors and supervisors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2024 and 2023.

Information on the compensation of employees and remuneration of directors and supervisors resolved by the Company's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

29. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax expense were as follows:

	For the Year Ended December 31	
	2025	2024
Current tax		
In respect of the current year	\$ 417,494	\$ 318,641
Adjustments for prior years	<u>107</u>	<u>1,937</u>
	<u>417,601</u>	<u>320,578</u>
Deferred tax		
In respect of the current year	<u>(23,096)</u>	<u>13,317</u>
Income tax expense recognized in profit or loss	<u>\$ 394,505</u>	<u>\$ 333,895</u>

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

	For the Year Ended December 31	
	2025	2024
Profit (loss) before income tax from continuing operations	<u>\$ 1,752,252</u>	<u>\$ 1,637,551</u>
Income tax expense calculated at the statutory rate	\$ 447,074	\$ 387,955
Tax-exempt income	(53,310)	(48,400)
Nondeductible expenses in determining taxable income	1,536	1,008
Unused benefit of tax loss	(41,438)	(905)
Unrecognized deductible temporary differences	(61,013)	(7,700)
Withholding Tax on Repatriated Earnings	11,030	-
Income Tax on Controlled Foreign Corporations	90,519	-
Adjustments for prior years' tax	<u>107</u>	<u>1,937</u>
Income tax expense recognized in profit or loss	<u>\$ 394,505</u>	<u>\$ 333,895</u>

b. Income tax recognized in other comprehensive income

	For the Year Ended December 31	
	2025	2024
<u>Deferred tax</u>		
In respect of the current year		
Translation of foreign operations	\$ (1,943)	\$ (13,690)
Remeasurement of defined benefit plan	<u>(471)</u>	<u>(1,248)</u>
Total income tax recognized in other comprehensive income	<u>\$ (2,414)</u>	<u>\$ (14,938)</u>

c. Current tax assets and liabilities

	December 31	
	2025	2024
Current tax assets		
Tax refund receivable	\$ 45,526	\$ 106
Current tax liabilities		
Income tax payable	\$ 295,526	\$ 135,779

d. Deferred tax assets and liabilities

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

For the year ended December 31, 2025

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Exchange Differences	Closing Balance
<u>Deferred tax assets</u>					
Temporary differences					
Rental expense on a straight line basis	\$ 37,998	\$ 1,290	\$ -	\$ 210	\$ 39,498
Write-down of inventories	1,255	447	-	22	1,724
Impairment loss on margin deposits	710	(301)	-	(11)	398
Impairment loss on property, plant and equipment	6,398	29,872	-	1,608	37,878
Impairment of investment accounted for using the equity method	6,823	-	-	-	6,823
Exchange differences on translating the financial statements of foreign operations	21,510	339	(1,943)	-	19,906
Exchange differences	-	14	-	-	14
Lease liabilities	306,954	61,706	-	3,975	372,635
Provisions	33,725	2,775	-	131	36,631
Defined benefit obligation	-	21,524	-	956	22,480
Expected credit losses	8,006	(317)	(471)	-	7,218
Payables for annual leave	11,516	1,619	-	-	13,135
	<u>\$ 434,895</u>	<u>\$ 118,968</u>	<u>\$ (2,414)</u>	<u>\$ 6,891</u>	<u>\$ 558,340</u>
<u>Deferred tax liabilities</u>					
Temporary differences					
Right-of-use assets	\$ 306,888	\$ 61,689	\$ -	\$ 3,974	\$ 372,551
Decommissioning cost	10,476	(318)	-	12	10,170
Exchange differences	8,332	(4,071)	-	-	4,261
Others	203	38,572	-	-	38,775
	<u>\$ 325,899</u>	<u>\$ 95,872</u>	<u>\$ -</u>	<u>\$ 3,986</u>	<u>\$ 425,757</u>

For the year ended December 31, 2024

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Exchange Differences	Closing Balance
<u>Deferred tax assets</u>					
Temporary differences					
Rental expense on a straight line basis	\$ 47,753	\$ (11,175)	\$ -	\$ 1,420	\$ 37,998
Write-down of inventories	4,045	(2,807)	-	17	1,255
Impairment loss on margin deposits	896	(212)	-	26	710
Impairment loss on property, plant and equipment	81	6,317	-	-	6,398
Impairment of investment accounted for using the equity method	-	6,823	-	-	6,823
Exchange differences on translating the financial statements of foreign operations	32,006	3,194	(13,690)	-	21,510
Exchange differences	193	(193)	-	-	-
Lease liabilities	285,915	10,822	-	10,217	306,954
Provisions	32,679	571	-	475	33,725
Defined benefit obligation	10,408	(1,154)	(1,248)	-	8,006
Expected credit losses	67	(67)	-	-	-
Payables for annual leave	11,974	(458)	-	-	11,516
Others	9,632	(9,632)	-	-	-
	<u>\$ 435,649</u>	<u>\$ 2,029</u>	<u>\$ (14,938)</u>	<u>\$ 12,155</u>	<u>\$ 434,895</u>
<u>Deferred tax liabilities</u>					
Temporary differences					
Right-of-use assets	\$ 285,915	\$ 10,758	\$ -	\$ 10,215	\$ 306,888
Decommissioning cost	12,068	(1,764)	-	172	10,476
Exchange differences	2,183	6,149	-	-	8,332
Others	-	203	-	-	203
	<u>\$ 300,166</u>	<u>\$ 15,346</u>	<u>\$ -</u>	<u>\$ 10,387</u>	<u>\$ 325,899</u>

e. Income tax assessments

The income tax returns of the Company, WPT Restaurant Corporation, Cheepin Restaurant Corporation, Wowfresh Corporation and Jiechuang Investments Co., Ltd in Taiwan through 2023 have been assessed by the tax authorities. The income tax returns of Wowfresh Corporation in Taiwan through 2022 have been assessed by the tax authorities. Tai Pin Holding Ltd., Hoppime Ltd. and Wowprime Limited are registered in Seychelles, Cayman Islands and Samoa, respectively, and they are not required to pay tax on their income. Subsidiaries in China calculate income tax expense according to local regulations for the year ended December 31, 2025.

30. EARNINGS PER SHARE

Unit: NT\$ Per Share

	For the Year Ended December 31	
	2025	2024
Basic earnings per share	<u>\$ 16.02</u>	<u>\$ 15.66</u>
Diluted earnings per share	<u>\$ 15.55</u>	<u>\$ 15.28</u>

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

Net Profit for the Year

	For the Year Ended December 31	
	2025	2024
Earnings used in the computation of basic earnings per share	\$ 1,327,158	\$ 1,291,838
Effect of potentially dilutive ordinary shares:		
Interest on convertible bonds	10,607	10,397
Net loss on valuation of financial liabilities at fair value through profit or loss	<u>(3,779)</u>	<u>-</u>
Earnings used in the computation of diluted earnings per share	<u>\$ 1,333,986</u>	<u>\$ 1,302,235</u>

Weighted average number of ordinary shares outstanding (in thousands of shares) were as follows:

	For the Year Ended December 31	
	2025	2024
Weighted average number of ordinary shares used in the computation of basic earnings per share	82,859	82,499
Effect of potentially dilutive ordinary shares:		
Convertible bonds	2,906	2,729
Compensation of employees or bonuses issued to employees	<u>9</u>	<u>8</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>85,774</u>	<u>85,236</u>

If the Group offered to settle the compensation or bonuses paid to employees in cash or shares, the Group assumed that the entire amount of the compensation or bonuses will be settled in shares, and the resulting potential shares were 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.

31. SHARE-BASED PAYMENT ARRANGEMENTS

Transfer of Treasury Stock to Employees

The Company granted 425 thousand units of treasury shares options to employees, each unit entitling them to subscribe for one share of ordinary shares on August 9, 2024. The grant was made to the Consolidated Company's employees who met certain conditions, and the vesting conditions were immediate. The grant was fully executed in November 2024.

	From January 1 to December 31, 2024	
	Number of Options (In Thousands)	Weighted- average Exercise Price (NT\$)
Balance at January 1	-	-
Options granted	425	121.15
Options exercised	(406)	121.15
Options waiver	<u>(19)</u>	
Balance at December 31	<u>-</u>	
Options exercisable, end of period	<u>-</u>	
Weighted average fair value of options given during the year (NT\$)	<u>\$ 52.45</u>	

The employee stock options granted by the Group in August 2024 are priced using the Black - Scholes model, and the inputs to the model are as follows:

	August 2024
Grant-date share price	\$ 197
Exercise price	121.15
Expected volatility	27.74
Expected life (in years)	0.244
Risk-free interest rate	1.2671

In 2024, the Company's share option compensation costs for the transfer of treasury shares to employees amounted to \$22,291 thousand.

For information on treasury shares, refer to Note 26 (g).

32. GOVERNMENT GRANTS

The Group applied for wage subsidies provided by local governments. NT\$8,719 thousand and NT\$7,969 thousand were recognized as other income in 2025 and 2024, respectively.

33. CASH FLOW INFORMATION

a. Non-cash transactions

- 1) In addition to those disclosed in other notes, the Group entered into the following non-cash investing activities which were not reflected in the consolidated statements of cash flows for the years ended December 31, 2025 and 2024:

	For the Year Ended December 31	
	2025	2024
Acquisition of property, plant and equipment		
Increase in property, plant and equipment	\$ 1,218,078	\$ 1,036,074
Add: Payable for purchase of equipment, balance at January 1	237,736	277,769
Decommissioning liability, balance at January 1	157,694	154,974
Less: Payable for purchase of equipment, balance at December 31	(260,083)	(237,736)
Decommissioning liability, balance at December 31	<u>(170,518)</u>	<u>(157,694)</u>
Cash payment	<u>\$ 1,182,907</u>	<u>\$ 1,073,387</u>

- 2) The Group reclassified the amounts of \$19,415 thousand and \$58,895 thousand from prepayments for equipment to property, plant and equipment for the years ended December 31, 2025 and 2024, respectively (see Note 14).

b. Changes in liabilities arising from financing activities

For the year ended December 31, 2025

	Opening Balance	Cash Flows	New Leases	Non-cash Changes		Exchange Differences	Closing Balance
				Remeasurement of Lease Contract	Remeasurement of Branch Closure		
Lease liabilities	<u>\$ 4,040,381</u>	<u>\$ (1,291,507)</u>	<u>\$ 1,995,625</u>	<u>\$ 54,134</u>	<u>\$ (199,533)</u>	<u>\$ (16,318)</u>	<u>\$ 4,582,782</u>

For the year ended December 31, 2024

	Opening Balance	Cash Flows	New Leases	Non-cash Changes		Exchange Differences	Closing Balance
				Remeasurement of Lease Contract	Remeasurement of Branch Closure		
Lease liabilities	<u>\$ 3,819,335</u>	<u>\$ (1,288,639)</u>	<u>\$ 1,269,712</u>	<u>\$ 440,659</u>	<u>\$ (239,396)</u>	<u>\$ 38,710</u>	<u>\$ 4,040,381</u>

34. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Group's overall strategy remains unchanged from previous years.

The capital structure of the Group consists of net debt (borrowings offset by cash and cash equivalents) and equity attributable to owners of the Company (comprising issued capital, reserves, retained earnings and other equity).

The Group is not subject to any externally imposed capital requirements.

35. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments measured at fair value

1) Fair value hierarchy

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial liabilities at FVTPL				
Convertible bonds options	\$ -	\$ 350	\$ -	\$ 350

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Structured deposits	\$ -	\$ 181,807	\$ -	\$ 181,807
Financial liabilities at FVTPL				
Convertible bonds options	\$ -	\$ 4,129	\$ -	\$ 4,129

There were no transfers between Levels 1 and 2 in the current and prior years.

2) Valuation techniques and inputs used for Level 2 fair value measurement

Financial Instruments	Valuation Techniques and Inputs
Structured deposits measured at fair value through profit or loss	Discounted cash flow method: Future cash flows are estimated based on the contractually agreed interest rates at the end of the period and discounted using a discount rate that reflects the counterparty's credit risk.
Convertible bonds options	Binomial tree convertible bond valuation model: Based on the observable inputs at the end of the period such as the closing price of the stock, volatility, risk-free interest rate, risk discount rate, and liquidity risk at the balance sheet date.

b. Categories of financial instruments

	<u>December 31</u>	
	2025	2024
<u>Financial assets</u>		
Financial assets mandatorily classified as at fair value through profit or loss	\$ -	\$ 181,807
Financial assets at amortized cost (1)	6,908,914	6,856,386
<u>Financial liabilities</u>		
Convertible options	350	4,129
Financial liabilities at amortized cost (2)	3,736,597	3,478,837

- 1) The balances include financial assets at amortized cost, which comprise cash and cash equivalents, financial assets at amortized cost, notes receivable, trade receivables, other receivables, other financial assets, and refundable deposits.
- 2) The balances include financial liabilities at amortized cost, which comprise notes payable, trade payables, other payables, bonds payables and guarantee deposits.

c. Financial risk management objectives and policies

The Group's major financial instruments include cash and cash equivalents, trade receivables, trade payables, bonds payables and lease liabilities. The Group's finance department provides services to the business, coordinates access to domestic and international financial markets, and 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 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 consolidated companies engage in foreign currency denominated purchase transactions, which result in monetary assets (bank deposits) in non-functional currencies, thereby exposing the consolidated companies to foreign exchange rate fluctuation 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 40.

Sensitivity analysis

The Group was mainly exposed to the USD.

The following table details the Group's sensitivity to a 1% increase and decrease in the New Taiwan dollar (the functional currency) against the relevant foreign currency. The sensitivity rate used when reporting foreign currency risk internally to key management personnel and representing management's assessment of the reasonably possible change in foreign exchange rates is 1%. A positive number below indicates an increase in pre-tax profit associated with the New Taiwan dollar weakening 1% against the relevant currency. For a 1% strengthening of the New Taiwan dollar against the relevant currency, there would be an equal and opposite impact on pre-tax profit, and the balances below would be negative.

	USD Impact	
	For the Year Ended December 31	
	2025	2024
Profit or loss	\$ 6,747	\$ 6,253

The Group's sensitivity to foreign currency increased during the current year mainly due to the increase in USD denominated bank deposits.

b) Interest rate risk

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings and using interest rate swap contracts and forward interest rate contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetites ensuring the most cost-effective hedging strategies are applied.

The carrying amounts of the Group's financial assets exposed to interest rate risk on the balance sheet date were as follows:

	December 31	
	2025	2024
Fair value interest rate risk		
Financial assets	\$ 3,461,631	\$ 3,284,858
Financial liabilities	5,251,861	4,696,201
Cash flow interest rate risk		
Financial assets	2,452,880	2,554,477

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for non-derivative instruments at the end of the reporting period.

If interest rates had been 0.1% higher or lower and all other variables were held constant, the Group's pre-tax profit for the years ended December 31, 2025 and 2024 would have increased by \$2,453 thousand and \$2,554 thousand, respectively.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As of the end of the reporting period, the Group's maximum exposure to credit risk, which would 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 consolidated balance sheets.

The Group transacts with a large number of unrelated customers and, thus, no concentration of credit risk was observed.

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.

The Group relies on bank borrowings as a significant source of liquidity. The Group had available unutilized short-term bank loan facilities as set out in below.

Financing facilities

	December 31	
	2025	2024
Unsecured bank overdraft facilities, reviewed annually and payable on demand:		
Amount used	\$ 12,012	\$ -
Amount unused	<u>2,225,188</u>	<u>2,267,170</u>
	<u>\$ 2,237,200</u>	<u>\$ 2,267,170</u>
Secured bank overdraft facilities:		
Amount used	\$ -	\$ -
Amount unused	<u>-</u>	<u>223,900</u>
	<u>\$ -</u>	<u>\$ 223,900</u>

36. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions 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 information disclosed elsewhere in the other notes, details of transactions between the Group and other related parties are disclosed below:

a. Related party name and category

<u>Related Party Name</u>	<u>Related Party Category</u>
uniEat Co., Ltd.	Subsidiaries of associate

b. Receivables from related parties

Line Item	Related Party Category/Name	December 31	
		2025	2024
Other receivables	uniEat Co., Ltd.	<u>\$ 29</u>	<u>\$ -</u>

c. Payables to related parties (without loan by related parties)

Line Item	Related Party Category/Name	December 31	
		2025	2024
Other payables	uniEat Co., Ltd.	<u>\$ 484</u>	<u>\$ 3,314</u>

d. Acquisition of property, plant and equipment

Related Party Category/Name	Purchase Price	
	For the Year Ended December 31	
	2025	2024
uniEat Co., Ltd.	\$ <u>99</u>	\$ <u>-</u>

e. Acquisitions of intangible assets

Related Party Category/Name	Purchase Price	
	For the Year Ended December 31	
	2025	2024
uniEat Co., Ltd.	\$ <u>2,869</u>	\$ <u>171</u>

f. Other income

Line Item	Related Party Name	For the Year Ended December 31	
		2025	2024
Selling and marketing expenses	uniEat Co., Ltd.	\$ <u>1,100</u>	\$ <u>1,182</u>
- miscellaneous purchases			
Selling and marketing expenses	uniEat Co., Ltd.	\$ <u>585</u>	\$ <u>-</u>
- commission			
Selling and marketing expenses	uniEat Co., Ltd.	\$ <u>187</u>	\$ <u>-</u>
- professional fees			
General and administrative	uniEat Co., Ltd.	\$ <u>-</u>	\$ <u>3</u>
expenses - miscellaneous			
expenses			
General and administrative	uniEat Co., Ltd.	\$ <u>4,710</u>	\$ <u>4,237</u>
expenses - professional fees			
Other income	uniEat Co., Ltd.	\$ <u>-</u>	\$ <u>9,020</u>

g. Compensation of key management personnel

	For the Year Ended December 31	
	2025	2024
Short-term employee benefits	\$ 150,671	\$ 143,445
Post-employment benefits	1,071	973
Share-based payments	<u>-</u>	<u>2,461</u>
	\$ <u>151,742</u>	\$ <u>146,879</u>

The remuneration of directors and key executives was determined by the remuneration committee based on individual performance and market trends.

37. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for letters of credit application and security deposits for issuing gift vouchers:

	December 31	
	2025	2024
Pledged deposits	\$ 280,572	\$ 284,694
Restricted deposit balance	512,255	948,525
Reserve account	33,575	35,434
Investment properties	<u>-</u>	<u>517,714</u>
	<u>\$ 826,402</u>	<u>\$ 1,786,367</u>

38. 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, 2025 and 2024 were as follows:

Significant Commitments

- a. As of December 31, 2025, unused letters of credit for purchases of raw materials amounted to approximately US\$156 thousand and EUR193.
- b. Unrecognized commitments were as follows:

	December 31	
	2025	2024
Acquisition of property, plant and equipment	<u>\$ 47,268</u>	<u>\$ 22,721</u>

- c. As of December 31, 2025 and 2024, the Group had a line of credit to sell gift vouchers, of which \$2,095,939 thousand and \$1,745,448 thousand had been drawn, respectively.

39. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

On March 5, 2026, as approved by the Board of Directors, the Company resolved to waive its subscription rights to participate in the cash capital increase of its subsidiary, Hopin Co., Ltd., and to have such shares subscribed by one or more specific investors to be identified.

40. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies of the entities in the Group and the related exchange rates between the foreign currencies and the respective functional currencies were as follows:

December 31, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 19,464,736	31.43 (USD:NTD)	\$ 611,777
JPY	20,989,874	0.2008 (JPY:NTD)	4,215
AUD	388,677	21.01 (AUD:NTD)	8,166
RMB	17,068	4.496 (RMB:NTD)	77
USD	2,002,426	7.0288 (USD:RMB)	62,936
NTD	1,603,918	0.222 (NTD:RMB)	<u>1,604</u>
			<u>\$ 688,775</u>

December 31, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 18,272,725	32.785 (USD:NTD)	\$ 599,072
JPY	30,185,656	0.2099 (JPY:NTD)	6,336
AUD	664,758	20.39 (AUD:NTD)	13,555
RMB	10,580	4.478 (RMB:NTD)	47
USD	801,397	7.1884 (USD:RMB)	26,274
NTD	1,549,301	0.223 (NTD:RMB)	<u>1,549</u>
			<u>\$ 646,833</u>

The Group is mainly exposed to the USD. The following information was aggregated by the functional currencies of the entities in the Group, and the exchange rates between the 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				
Functional Currency	2025		2024	
	Exchange Rate	Net Foreign Exchange (Loss) Gain	Exchange Rate	Net Foreign Exchange Gain (Loss)
NTD	1 (NTD:NTD)	\$ (31,641)	1 (NTD:NTD)	\$ 33,367
RMB	4.496 (RMB:NTD)	<u>(220)</u>	4.478 (RMB:NTD)	<u>32</u>
		<u>\$ (31,861)</u>		<u>\$ 33,399</u>

41. SEPARATELY DISCLOSED ITEMS

- a. Information on significant investees:
 - 1) Financing provided to others. (Table 1)
 - 2) Endorsements/guarantees provided. (Table 2)
 - 3) Marketable securities held (excluding investment in subsidiaries, associates and joint ventures).
None
 - 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 3)
 - 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital. None
 - 6) Intercompany relationships and significant intercompany transactions. (Table 4)
- b. Information on transactions investees: (Table 5)
- c. 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 6)
 - 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 receipt of services.

42. SEGMENT INFORMATION

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

Taiwan	- Wang Steak
	- Chamonix
	- Ikki
	- Yakiyan
	- Tasty
	- Tokiya
	- Putien
	- Giguo
	- Pintian
	- 12 Hot Pot
	- Others
Mainland China	- Wang Steak
	- Tasty
	- Others

a. Segment revenue and results

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

	For the Year Ended December 31			
	2025		2024	
	Segment Revenue	Segment Profit	Segment Revenue	Segment Profit
Taiwan	\$ 19,233,174	\$ 1,664,157	\$ 17,999,049	\$ 1,593,298
Mainland China	4,219,334	165,629	4,291,480	141,502
United States	-	(521)	-	(1,490)
Total for continuing operations	<u>\$ 23,452,508</u>	1,829,265	<u>\$ 22,290,529</u>	1,733,310
Share of profit of associates accounted for using the equity method		4,303		(211)
Interest income		90,391		89,804
Rental income		14,981		19,966
Loss on disposal of property, plant and equipment		(84,962)		(95,275)
Exchange (loss) gain		(31,861)		33,399
Impairment (reversal of impairment loss) loss on non-financial assets		5,556		(103,682)
Loss on disposal of intangible assets		-		(31)
Finance costs		(121,219)		(107,217)
Losses on financial assets and liabilities at fair value through profit or loss		4,986		777
General revenue		61,517		86,109
General expense		<u>(20,705)</u>		<u>(19,398)</u>
Profit before tax		<u>\$ 1,752,252</u>		<u>\$ 1,637,551</u>

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales during the years ended December 31, 2025 and 2024.

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, rental income, interest income, gain or loss on disposal of property, gain or loss on disposal of intangible assets, exchange gain or loss, impairment loss, finance costs, loss on financial assets and liabilities at fair value through profit or loss 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	
	2025	2024
Taiwan	\$ 12,282,371	\$ 11,752,850
Mainland China	4,386,235	3,939,813
United States	112,687	115,053
Unallocated assets	<u>608,334</u>	<u>480,891</u>
Total from continuing operations	<u>\$ 17,389,627</u>	<u>\$ 16,288,607</u>

All assets except those associates accounted for using the equity method and deferred tax assets are allocated to the reportable department.

c. Revenue from major products and services

The Group's revenue from continuing operations from its major products and services was divided into segments. Refer to the disclosure regarding segment revenue for more details.

d. Geographical information

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

	Revenue from External Customers	
	For the Year Ended December 31	
	2025	2024
Taiwan	\$ 19,233,174	\$ 17,999,049
Mainland China	<u>4,219,334</u>	<u>4,291,480</u>
	<u>\$ 23,452,508</u>	<u>\$ 22,290,529</u>

e. Information about major customers

No revenue from any individual customer exceeded 10% of the Group's revenue for the years ended December 31, 2025 and 2024.

WOWPRIME CO., LTD. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No. (Note 1)	Lender	Borrower	Financial Statement Account (Note 2)	Related Party	Highest Balance for the Period (Note 3)	Ending Balance	Actual Amount Borrowed	Interest Rate	Nature of Financing (Note 4)	Business Transaction Amount (Note 5)	Reasons for Short-term Financing (Note 6)	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limit	Note
													Item	Value			
0	Wowprime Co., Ltd.	Wowfresh Corporation	Other receivables	Yes	\$ 100,000	\$ 100,000	\$ -	-	Business transaction purposes	\$ 642,423	Business transaction purposes	\$ -	-	\$ -	\$ 1,882,837	\$ 1,882,837	7
		WPT Restaurant Corporation	Other receivables	Yes	25,000	25,000	-	-	Short-term financing	-	Supporting the subsidiary's short-term operating requirements	-	-	-	1,882,837	1,882,837	7
		Wowprime Restaurant Concept LLC	Other receivables	Yes	98,965	-	-	-	Short-term financing	-	Supporting the subsidiary's short-term operating requirements	-	-	-	1,882,837	1,882,837	7
		Jiechuang Investment Co., Ltd.	Other receivables	Yes	100,000	100,000	-	-	Short-term financing	-	Supporting the subsidiary's short-term operating requirements	-	-	-	1,882,837	1,882,837	7
2	Wowprime (China) Co., Ltd.	Shanghai Wanxin International Trade Co., Ltd.	Other receivables	Yes	227,300	222,865	-	-	Short-term financing	-	Supporting short-term operating requirements	-	-	-	621,198	621,198	8
		Shanghai Hoppime Catering Management Co., Ltd.	Other receivables	Yes	131,380	133,719	22,287	-	Short-term financing	-	Supporting short-term operating requirements	-	-	-	621,198	621,198	8
		Shanghai Xizhu Catering Management Co., Ltd.	Other receivables	Yes	45,460	-	-	-	Short-term financing	-	Supporting short-term operating requirements	-	-	-	621,198	621,198	8

Note 1: Numbering sequence is as follows:

 a. The issuer is numbered 0.

 b. Investees are numbered sequentially starting from the number 1.

Note 2: The financial statement account must be disclosed if the related party transactions (i.e. receivables, payables, shareholder’s accounts, prepayments, temporary payments, etc.) are of financing nature.

Note 3: The highest amount of financing provided to others throughout the fiscal year.

Note 4: The nature of financing - i.e. short-term financing or for business transaction purposes.

Note 5: If the nature of financing is for business transaction purposes, the aggregate amount transacted throughout the fiscal year should be disclosed.

Note 6: If the nature of financing is for short-term operations, the purpose should be disclosed i.e. repaying a loan, financing an asset purchase or working capital, etc.

Note 7: The total amount for lending to a company shall not exceed forty percent (40%) of the net worth of Wowprime Co., Ltd. (\$4,707,094 thousand × 40% = \$1,882,837 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. (\$4,707,094 thousand × 40% = \$1,882,837 thousand).

Note 8: The total amount for lending to a company shall not exceed forty percent (40%) of the net worth of Wowprime (China) Co., Ltd. (\$1,552,997 thousand × 40% = \$621,198 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. (\$1,552,997 thousand × 40% = \$621,198 thousand).

WOWPRIME CO., LTD. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No. (Note 1)	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 3)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Amount Borrowed	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 3)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China	Note
		Name	Relationship (Note 2)											
0	Wowprime Co., Ltd.	Jiechuang Investment Co., Ltd.	b	\$ 1,882,837	\$ 100,000	\$ 100,000	\$ 12,012	\$ -	2.12	\$ 1,882,837	Y	N	N	

Note 1: Numbering sequence is as follows:

The issuer is numbered 0.

Note 2:: Relationships between the endorsement/guarantee provider and the guaranteed party:

- a. A company with which it does business.
- b. A company in which the Company directly and indirectly holds more than 50 percent of the voting shares.
- c. A company that directly and indirectly holds more than 50 percent of the voting shares in the Company.
- d. Companies in which the Company holds, directly or indirectly, 90% or more of the voting shares.
- e. The Company fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project.
- f. All capital contributing shareholders make endorsements/guarantees for their jointly invested company in proportion to their shareholding percentages.
- g. Companies in the same industry provide among themselves jointly and severally guarantee for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

Note 3: Aggregate endorsement/guarantee limit: Shall not exceed forty percent (40%) of net worth of Wowprime Co., Ltd. (\$4,707,094 thousand × 40% = \$1,882,837 thousand). In addition, the total lending amount loanable to any one borrower shall be no more than forty percent (40%) of the net worth of Wowprime Co., Ltd. (\$4,707,094 thousand × 40% = \$1,882,837 thousand).

TABLE 3

WOWPRIME CO., LTD. AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction (Note 1)		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Wowprime Co., Ltd.	Wowfresh Corporation	Subsidiary	Purchase	\$ 642,423	11.34	According to the Company's credit period to related parties	According to Company's policy	-	Trade payables \$ (228)	0.03	According to the Company's credit period to related parties
	Jiechuang Investment Co., Ltd.	Subsidiary	Purchase	966,462	17.06	According to the Company's credit period to related parties	According to Company's policy	-	Trade payables -	-	According to the Company's credit period to related parties
Cheerpin Restaurant Corporation	Wowfresh Corporation	Brother	Purchase	226,841	18.17	According to the Company's credit period to related parties	According to Company's policy	-	Trade payables -	-	According to the Company's credit period to related parties
	Wowprime Co., Ltd.	Subsidiary	Purchase	916,472	73.41	According to the Company's credit period to related parties	According to Company's policy	-	Trade payables (83,877)	62.29	According to the Company's credit period to related parties
Wowfresh Corporation	Wowprime Co., Ltd.	Subsidiary	Purchase	151,890	10.32	According to the Company's credit period to related parties	According to Company's policy	-	Trade payables (678)	0.58	According to the Company's credit period to related parties
Wowprime (China) Co., Ltd.	Shanghai Wanxin International Trade Co., Ltd.	Subsidiary	Purchase	182,865	14.87	According to the Company's credit period to related parties	According to Company's policy	-	Trade payables (9,514)	5.96	According to the Company's credit period to related parties

Note 1: If the related party transaction conditions are different from the general transaction conditions, the circumstances and reasons for the difference shall be stated in the column of unit price and credit period.

Note 2: Shares issued and fully paid refers to the shares issued and fully paid of the parent company. If the issuer's shares have no denomination or the denomination per share is not NT\$10, the transaction amount of 20% of the shares issued and fully paid is calculated based on the 10% equity attributable to the owner of the parent company on the balance sheet.

Note 3: The above transactions with related parties have been eliminated in the consolidated financial statements.

TABLE 4

WOWPRIME CO., LTD. AND SUBSIDIARIES

**INTERCOMPANY RELATIONSHIPS AND INTERCOMPANY TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)**

No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% to Total Sales or Assets (Note 3)
0	Wowprime Co., Ltd.	Wowfresh Corporation	a	Purchases	\$ 642,423	-	2.74
		Jiechuang Investment Co., Ltd.	a	Purchases	966,462	-	4.12
1	Cheerpin Restaurant Corporation	Wowprime Co., Ltd.	b	Purchases	916,472	-	3.91

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.
- d. From a sub-subsidiary to subsidiary.

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

TABLE 5

WOWPRIME CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTEEES
FOR THE YEAR ENDED DECEMBER 31, 2025
(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, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2025	December 31, 2024	Number of Shares	%	Carrying Amount			
Wowprime Co., Ltd.	Tai Pin Holding Ltd. (Seychelles)	Seychelles	Investment	\$ 1,679,751	\$ 1,679,751	21,117,134	100.00	\$ 1,844,865	\$ 185,522	\$ 185,522	Note 1
	WPT Restaurant Corporation	Taiwan	Catering and catering management	100,000	100,000	10,000,000	100.00	87,730	4,184	4,184	Note 1
	Cheerpin Restaurant Corporation	Taiwan	Catering and catering management	300,000	300,000	30,000,000	100.00	581,551	208,080	208,080	Note 1
	Wowfresh Corporation	Taiwan	Fresh food trading	500,000	500,000	50,000,000	100.00	559,207	41,819	41,819	Note 1
	Jiechuang Investment Co., Ltd.	Taiwan	Fresh food trading	311,000	161,000	31,100,000	100.00	309,445	8,690	8,690	Note 1
	DuDoo Ltd. (Cayman)	Cayman	Investment	74,828	74,828	209,497	14.98	49,994	27,109	4,303	Note 2
				(US\$ 2,422,872)	(US\$ 2,422,872)			(US\$ 1,571,890)	(US\$ 874,105)	(US\$ 138,431)	
	Wowprime USA Holding Corp.	USA	Investment	114,650	114,650	700	100.00	112,512	3,035	3,035	Note 1
				(US\$ 3,500,000)	(US\$ 3,500,000)			(US\$ 3,579,759)	(US\$ 97,780)	(US\$ 97,780)	
Wowprime USA Holding Corp.	Wowprime Restaurant Concept LLC	USA	Catering and catering management	108,494	108,494	-	100.00	109,605	3,347	3,347	Note 1
				(US\$ 3,400,000)	(US\$ 3,400,000)			(US\$ 3,487,278)	(US\$ 107,781)	(US\$ 107,781)	
Tai Pin Holding Ltd. (Seychelles)	Hoppime Ltd. (Cayman)	Cayman	Investment	1,596,125	1,596,125	21,854,913	80.44	1,386,062	155,499	125,083	Note 1
				(RMB 353,142,895)	(RMB 353,142,895)			(RMB 308,287,819)	(RMB 36,239,677)	(RMB 29,151,196)	
Hoppime Ltd. (Cayman)	Wowprime Limited (Samoa)	Samoa	Investment	1,290,412	1,290,412	32,435,486	100.00	1,686,181	164,167	164,167	Note 1
				(RMB 282,707,111)	(RMB 282,707,111)			(RMB 375,040,344)	(RMB 38,243,069)	(RMB 38,243,069)	

Note 1: The investment gain (loss) of investee company for the year 2025 was recognized based on the financial statement audited by the same auditors for the same period.

Note 2: The investment gain (loss) of investee company for the year 2025 was recognized based on the financial statement provided by the Company that have not been audited.

WOWPRIME CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. Investee companies, main businesses, paid-in capital, method of investment, accumulated outward remittance for investment, percentage of ownership of investment, net income (loss) of investee, investment gain (loss), and the carrying amount:

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2025	Net Income (Loss) of Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2 b (2).)	Carrying Amount as of December 31, 2025	Accumulated Repatriation of Investment Income as of December 31, 2025
					Outflow	Inflow						
Wowprime (China) Co., Ltd.	Catering and catering management	\$ 894,893 (RMB 195,090,404)	Note 1 (b)	\$ 511,228 (US\$ 17,252,235)	\$ -	\$ -	\$ 511,228 (US\$ 17,252,235)	\$ 218,338 (RMB 50,595,536)	80.44	\$ 175,631 (RMB 40,699,049)	\$ 1,249,231 (RMB 277,853,812)	\$ 207,023 (US\$ 6,813,742)
Wowprime (Beijing) Management Co., Ltd.	Catering and catering management	118,608 (RMB 24,673,989)	Note 1 (b)	92,639 (US\$ 3,057,046)	-	-	92,639 (US\$ 3,057,046)	3,081 (RMB 724,900)	80.44	2,478 (RMB 583,110)	107,050 (RMB 23,810,029)	15,439 (US\$ 512,838)
Shanghai Qun ze yi Enterprise Management Co., Ltd.	Catering management	20,990 (RMB 4,800,000)	Note 1 (b)	- (US\$ -)	-	-	- (US\$ -)	3,298 (RMB 782,672)	80.44	2,653 (RMB 629,581)	265 (RMB 58,894)	-
Shanghai WanXin International Trade Co., Ltd.	Fresh food trade	89,338 (RMB 20,000,000)	Note 1 (b)	- (US\$ -)	-	-	- (US\$ -)	12,290 (RMB 2,897,479)	80.44	9,886 (RMB 2,330,732)	17,339 (RMB 3,856,628)	-
Shanghai Hoppime Catering Management Co., Ltd.	Catering and catering management	199,088 (RMB 45,000,000)	Note 1 (b)	- (US\$ -)	-	-	- (US\$ -)	3,721 (RMB 858,044)	80.44	2,994 (RMB 690,211)	16,888 (RMB 3,756,224)	-
Shanghai Xizhu Catering Management Co., Ltd.	Catering and catering management	- (RMB -)	Note 1 (b)	- (US\$ -)	-	-	- (US\$ -)	3,466 (RMB 822,421)	-	2,648 (RMB 628,477)	- (RMB -)	-

Note 1: The 3 methods of investment are as follows:

- a. Wowprime Co., Ltd. invested directly in China.
- b. Wowprime Co., Ltd. indirectly invested in China through company in the third region.
- c. Other.

Note 2: The amount recognized in investment income in the current year:

- a. Should be noted if currently under arrangement and not generating investment income.
- b. The basis of investment is classified as follows:
 - 1) Amount was recognized based on the financial statements audited by international audit firms with affiliations in the ROC.
 - 2) Amount was recognized based on the parent company’s audited financial statements.
 - 3) Other.

Note 3: Shanghai Xizhu Catering Management Co., Ltd. completed its dissolution and liquidation during the third quarter of 2025.

2. Investment limit on investments in China

Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2025	Investment Amounts Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by the Investment Commission, MOEA
\$ 603,867 (US\$ 20,309,281)	\$ 1,028,522 (US\$ 34,407,913)	\$ 3,026,479

Note 4: According to Regulations Governing the Approval of Investment or Technical Cooperation in Mainland China administered by the Foreign Investment Commission, the amount is limited to the higher of the net worth of the investment company or 60% of the consolidated net worth.

- 3. Significant events arising from direct or indirect transactions with investee companies in China through a third party: None.
- 4. Situations where the Company directly or indirectly provides endorsement, guarantee, or collateral to investee companies in China through a third party: None.
- 5. Situations where the Company directly or indirectly provides financing of capital to investee companies in China through a third party: None.
- 6. Transactions with material effects on the net income (loss) of the Company: None.