JOURDENESS GROUP LIMITED and Subsidiaries

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

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
JOURDENESS GROUP LIMITED

Opinion

We have audited the accompanying consolidated financial statements of JOURDENESS GROUP LIMITED 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 enforced 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.

The key audit matter identified during our audit of the Group's consolidated financial statements for the year ended December 31, 2025 is stated as follows:

Recognition of Revenue from Beauty and Body Spa Course Services

The management recognized revenue arising from beauty and body spa course services based on independent actuarial reports. The assumptions of actuarial analyses were made according to the Group's historical service experience and expected redemption rates to estimate future outcomes. The percentage of expected redemption rate of deferred courses was calculated as the number of courses actually rendered to customers relative to the number of courses expected to be rendered to customers, excluding the courses that had incurred refund liability during the effective period. These assumptions are subject to management's subjective judgments and estimates which are highly uncertain. Therefore, the recognition of revenue from beauty and body spa course services (the revenue recognized based on the actuarial adjustment) was identified as key audit matter.

The management recognized and adjusted beauty and body spa course services revenue based on the actuarial analyses.

Refer to Notes 4, 5, 19 and 23 to the consolidated financial statements for the accounting policies, material accounting judgments and key sources of estimation uncertainty, and details of the information about the recognition of revenue from beauty and body spa course services.

The key audit matter procedures performed were as follows:

1. We evaluated the professional qualifications, competency and independence of the independent actuaries engaged by the management.

2. We understood and sample-tested the accuracy and completeness of the data used by management in performing actuarial analyses of the expected redemption rate of deferred courses.

3. We compared the methodologies and significant assumptions, including the expected redemption rate and expected aggregate redemption rate of deferred courses, with specific historical data of the Group in order to assess the reasonableness of management's judgments.

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 and the IFRS, IAS, IFRIC, and SIC endorsed and enforced 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 the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with statements that we have complied with relevant ethical requirements regarding independence, and 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 I-Ching Liu and Hsiu-Chun Huang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 30, 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.

JOURDENESS GROUP LIMITED AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	2025		2024	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 529,442	8	$ 654,036	9
Financial assets at amortized cost - current (Notes 4 and 8)	634,330	9	492,580	7
Notes receivable from unrelated parties (Notes 4 and 9)	73	-	436	-
Trade receivables from unrelated parties (Notes 4 and 9)	104,580	2	102,430	1
Trade receivables from related parties (Notes 4, 9 and 30)	68,319	1	71,902	1
Other receivables from related parties (Notes 4 and 30)	1,015	-	1,369	-
Current tax assets (Notes 4 and 25)	9,694	-	12,448	-
Inventories (Notes 4 and 10)	227,807	3	330,415	4
Other current assets	50,605	1	44,774	1
Total current assets	1,625,865	24	1,710,390	23
NON-CURRENT ASSETS				
Financial assets at amortized cost - non-current (Notes 4, 8 and 31)	374,114	6	357,436	5
Property, plant and equipment (Notes 4, 12, 30 and 31)	3,006,081	44	3,178,487	43
Right-of-use assets (Notes 4 and 13)	731,664	11	881,546	12
Investment properties (Notes 4, 14 and 30)	206,751	3	218,407	3
Goodwill (Notes 4, 5 and 15)	418,139	6	449,459	6
Other intangible assets (Notes 4 and 16)	164,549	2	280,271	4
Deferred tax assets (Notes 4 and 25)	142,990	2	163,311	2
Long-term receivables - installment payments (Notes 4 and 9)	37,592	1	56,299	1
Other non-current assets (Notes 4 and 21)	86,071	1	93,369	1
Total non-current assets	5,167,951	76	5,678,585	77
TOTAL	$ 6,793,816	100	$ 7,388,975	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Notes 4, 17, 30 and 31)	$ 400,000	6	$ 445,000	6
Financial liabilities at fair value through profit or loss - current (Notes 4, 7 and 18)	15,593	-	5,968	-
Contract liabilities - current (Notes 4, 5, 19 and 23)	1,676,933	25	1,837,842	25
Notes payable to unrelated parties	-	-	6	-
Trade payables to unrelated parties	26,369	-	20,674	-
Other payables to unrelated parties (Note 20)	236,856	4	257,320	4
Other payables to related parties (Note 30)	6,960	-	7,396	-
Current tax liabilities (Notes 4 and 25)	31,032	1	54,840	1
Lease liabilities - current (Notes 4 and 13)	271,415	4	301,785	4
Current portion of long-term borrowings (Notes 4, 17, 18, 30 and 31)	691,272	10	24,765	-
Other current liabilities (Note 30)	7,556	-	7,205	-
Total current liabilities	3,363,986	50	2,962,801	40
NON-CURRENT LIABILITIES				
Bonds payable (Notes 4 and 18)	-	-	602,966	8
Long-term borrowings (Notes 4, 17, 30 and 31)	939,353	14	1,012,951	14
Deferred tax liabilities (Notes 4 and 25)	313,207	4	373,364	5
Lease liabilities - non-current (Notes 4 and 13)	518,084	8	640,267	9
Guarantee deposits received	23,451	-	26,257	-
Total non-current liabilities	1,794,095	26	2,655,805	36
Total liabilities	5,158,081	76	5,618,606	76
EQUITY (Notes 4, 18, 22 and 27)				
Share capital				
Ordinary shares	616,688	9	619,523	8
Capital surplus	749,191	11	770,094	10
Retained earnings				
Legal reserve	268,837	4	268,837	4
Special reserve	114,897	2	114,897	2
Unappropriated earnings	57,914	1	180,523	2
Total retained earnings	441,648	7	564,257	8
Other equity				
Exchange differences on translating foreign operations	(55,631)	(1)	(64,021)	(1)
Unearned employee benefits	(7,725)	-	(11,048)	-
Total other equity	(63,356)	(1)	(75,069)	(1)
Treasury shares	(108,436)	(2)	(108,436)	(1)
Total equity	1,635,735	24	1,770,369	24
TOTAL	$ 6,793,816	100	$ 7,388,975	100

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

JOURDENESS GROUP LIMITED AND SUBSIDIARIES

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

	2025		2024	
	Amount	**%**	**Amount**	**%**
OPERATING REVENUE (Notes 4, 5, 19, 23 and 30)	$ 2,309,445	100	$ 2,280,569	100
OPERATING COSTS (Notes 4, 10, 24 and 30)	828,042	36	879,000	39
GROSS PROFIT	1,481,403	64	1,401,569	61
OPERATING EXPENSES (Notes 4, 9, 24, 27 and 30)				
Selling and marketing expenses	1,129,021	49	1,267,802	56
General and administrative expenses	373,113	16	359,031	16
Research and development expenses	28,190	1	41,208	2
Expected credit loss recognized on trade receivables	37,197	2	8,852	-
Total operating expenses	1,567,521	68	1,676,893	74
OTHER OPERATING INCOME AND EXPENSES (Notes 4 and 24)	(7,125)	-	(10,827)	-
LOSS FROM OPERATIONS	(93,243)	(4)	(286,151)	(13)
NON-OPERATING INCOME (Notes 4, 24 and 30)				
Interest income	15,330	-	32,183	1
Other income	69,995	3	63,593	3
Other losses	(29,482)	(1)	(8,540)	-
Finance costs	(71,353)	(3)	(76,150)	(3)
Total non-operating income	(15,510)	(1)	11,086	1
LOSS BEFORE INCOME TAX	(108,753)	(5)	(275,065)	(12)
INCOME TAX (BENEFIT) EXPENSE (Notes 4 and 25)	(14,491)	(1)	16,881	1
NET LOSS FOR THE YEAR	(94,262)	(4)	(291,946)	(13)
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 21 and 25)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	1,923	-	13,693	1
Income tax relating to items that will not be reclassified subsequently to profit or loss	(385)	-	(2,739)	-

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JOURDENESS GROUP LIMITED AND SUBSIDIARIES

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

	2025		2024	
	Amount	**%**	**Amount**	**%**
	$ 1,538	-	$ 10,954	1
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	8,390	-	49,769	2
Other comprehensive income (loss) for the year, net of income tax	9,928	-	60,723	3
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	$ (84,334)	(4)	$ (231,223)	(10)
LOSS PER SHARE (NT$; Note 26)				
Basic	$ (1.59)		$ (4.87)	
Diluted	$ (1.59)		$ (4.87)	

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

JOURDENESS GROUP LIMITED AND SUBSIDIARIES

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

	Share Capital (Notes 4, 18, 22 and 27)	Capital Surplus (Notes 4, 18 and 22)	Retained Earnings (Note 22)			Other Equity (Notes 4 and 27)			
	Ordinary Shares		Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unearned Employee Benefits	Treasury Shares	Total Equity
BALANCE AT JANUARY 1, 2024	$ 610,911	$ 692,354	$ 268,837	$ 114,897	$ 522,606	$ (113,790)	$ (17,692)	$ -	$ 2,078,123
Appropriation of 2023 earnings									
Cash dividends distributed by the Company	-	-	-	-	(61,091)	-	-	-	(61,091)
Equity component of convertible bonds issued by the Company	-	47,916	-	-	-	-	-	-	47,916
Net loss for the year ended December 31, 2024	-	-	-	-	(291,946)	-	-	-	(291,946)
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	10,954	49,769	-	-	60,723
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	(280,992)	49,769	-	-	(231,223)
Convertible bond conversion	10,600	44,480	-	-	-	-	-	-	55,080
Issuance of restricted employee shares	-	(16,644)	-	-	-	-	6,644	-	(10,000)
Cancelation of restricted employee shares	(1,988)	1,988	-	-	-	-	-	-	-
Reissuance of treasury shares	-	-	-	-	-	-	-	(108,436)	(108,436)
BALANCE AT DECEMBER 31, 2024	619,523	770,094	268,837	114,897	180,523	(64,021)	(11,048)	(108,436)	1,770,369
Appropriation of 2024 earnings									
Cash dividends distributed by the Company	-	-	-	-	(29,885)	-	-	-	(29,885)
Net loss for the year ended December 31, 2025	-	-	-	-	(94,262)	-	-	-	(94,262)
Other comprehensive income (loss) for the year ended December 31, 2025, net of income tax	-	-	-	-	1,538	8,390	-	-	9,928
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	(92,724)	8,390	-	-	(84,334)
Issuance of restricted employee shares	-	(23,738)	-	-	-	-	3,323	-	(20,415)
Cancelation of restricted employee shares	(2,835)	2,835	-	-	-	-	-	-	-
BALANCE AT DECEMBER 31, 2025	$ 616,688	$ 749,191	$ 268,837	$ 114,897	$ 57,914	$ (55,631)	$ (7,725)	$ (108,436)	$ 1,635,735

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

JOURDENESS GROUP LIMITED 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	$ (108,753)	$ (275,065)
Adjustments for:		
Depreciation expenses	550,771	615,581
Amortization expenses	102,023	118,649
Expected credit loss recognized on trade receivables	37,197	8,852
Net loss on fair value changes of financial assets and liabilities at fair value through profit or loss	9,625	676
Finance costs	71,353	76,150
Interest income	(15,330)	(32,183)
Compensation costs of employee share options	(20,415)	(10,000)
Loss (gain) on disposal of property, plant and equipment	7,539	(421)
Property, plant and equipment transferred to expenses	-	(29)
Disposal of net (gain) loss from directly managed stores	(4,359)	18,065
Loss (gain) on lease modification	3,945	(6,817)
Write-downs (Reversal of write-downs) of inventories	3,808	(651)
Loss on disposal of inventories	12,796	7,284
Changes in operating assets and liabilities		
Notes receivable	363	133
Trade receivables (including long-term receivables)	11,738	(15,911)
Other receivables to related parties	354	2,449
Inventories	86,035	44,190
Other current assets	(5,347)	(3,744)
Notes payable	(6)	(278)
Trade payables	5,695	(17,420)
Other payables	(17,197)	(37,966)
Contract liabilities	(133,207)	37,744
Other current liabilities	351	(1,963)
Net defined benefit assets	(322)	(72)
Cash generated from operations	598,657	527,253
Interest received	14,846	32,922
Interest paid	(56,498)	(65,154)
Income tax paid	(45,658)	(78,513)
Net cash generated from operating activities	511,347	416,508
CASH FLOWS USED IN INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	(619,087)	(890,855)
Proceeds from sale of financial assets at amortized cost	464,733	1,006,604
Payments for property, plant and equipment	(82,130)	(158,292)
Proceeds from disposal of property, plant and equipment	(5,159)	1,434
Increase in refundable deposits	(6,558)	(15,804)
Decrease in refundable deposits	14,675	22,436
Payments for intangible assets	(1,861)	(2,016)
Increase in prepayments for equipment	(540)	-

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JOURDENESS GROUP LIMITED AND SUBSIDIARIES

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

	2025	2024
Net cash used in investing activities	$ (235,927)	$ (36,493)
NET CASH USED IN FINANCING ACTIVITIES		
Repayments of short-term borrowings	(45,000)	(7,474)
Proceeds from issuance of bonds	-	704,901
Repayments of bonds	-	(590,100)
Proceeds from long-term borrowings	-	189,000
Repayments of long-term borrowings	(24,765)	(142,954)
Proceeds from guarantee deposits received	1,454	4,563
Refund of guarantee deposits received	(4,202)	(4,262)
Repayment of the principal portion of lease liabilities	(301,677)	(340,548)
Dividends paid to owners of the Company	(29,885)	(61,091)
Payments for buyback of ordinary shares	-	(108,436)
Net cash used in financing activities	(404,075)	(356,401)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	4,061	16,881
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(124,594)	40,495
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	654,036	613,541
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 529,442	$ 654,036

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

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

JOURDENESS GROUP LIMITED (the "Company") was incorporated in the Cayman Islands in June 2010. The Company and its subsidiaries (collectively referred to as the "Group") are mainly engaged in the beauty and body spa business (except medical cosmetology), manufacturing and sale of cosmetics, consulting services, equipment rental and operating a tourism factory.

The Company's shares have been listed on the Taiwan Stock Exchange since October 21, 2015.

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

2. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company's board of directors on March 12, 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 enforced by the FSC did not have a 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

   As of the date the consolidated financial statements were authorized for issue, the Group had assessed that the application of other standards and interpretations will not have a material impact on the Group's financial position and financial performance.

c. The IFRS Accounting Standard issued but not yet endorsed and issued by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
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 descriptive 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 impacts 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 report has been prepared on the historical cost basis, except for financial instruments measured at fair value and net defined benefit assets which are measured at the present value of the fair value of plan assets less defined benefit obligations.

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 unadjusted quoted prices 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). When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation.

Refer to Note 11, Table 5 and Table 6 for detailed information on subsidiaries (including percentages of ownership and main businesses).

e. Business combinations

Acquisitions of businesses are accounted for using the acquisition method. Acquisition-related costs are generally recognized in profit or loss as they are incurred.

Goodwill is measured as the excess of the sum of the consideration transferred and the fair value of the acquirer's previously held equity interests in the acquiree over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

f. Foreign currencies

In preparing the financial statements of each individual group 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.

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences arising 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.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

For the purpose of presenting consolidated financial statements, the functional currencies of the Company and its foreign operations (including subsidiaries in other countries 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.

g. Inventories

Inventories consist of raw materials, supplies, finished goods and work in progress 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.

h. Property, plant and equipment

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

Property, plant and equipment in the course of construction are measured at cost less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization, before that asset reaches its intended use are measured at the lower of cost or net realizable value, and any proceeds from selling those and the cost of those are recognized in profit or loss. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

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. If a lease term is shorter than the assets' useful lives, such assets are depreciated over the lease term. 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 include right-of-use assets and properties if the definition of investment properties is met. 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.

Investment properties acquired through leases were initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made on or before the commencement date, plus initial direct costs incurred and an estimate of costs needed to restore the underlying assets, less any lease incentives received. These investment properties are subsequently measured at cost less accumulated depreciation and accumulated impairment loss and adjusted for any remeasurement of the lease liabilities.

Except for freehold land, the depreciation of all investment properties are recognized using the straight-line method.

For a transfer of classification from right-of-use assets to investment properties, the deemed cost of an item of property for subsequent accounting is its carrying amount.

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. Goodwill

Goodwill arising from the acquisition of a business is measured at cost as established at the date of acquisition of the business less accumulated impairment loss.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units (referred to as "cash-generating units") that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently when there is an indication that the unit may be impaired, by comparing its carrying amount, including the attributed goodwill, with its recoverable amount. However, if the goodwill allocated to a cash-generating unit was acquired in a business combination during the current annual period, that unit shall be tested for impairment before the end of the current annual period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then pro rata to the other assets of the unit based on the carrying amount of each asset in the unit. Any impairment loss is recognized directly in profit or loss. Any impairment loss recognized for goodwill is not reversed in subsequent periods.

If goodwill has been allocated to a cash-generating unit and the entity disposes of an operation within that unit, the goodwill associated with the operation which is disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal and is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained.

k. 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 estimates accounted for on a prospective basis.

2) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date. Subsequent to initial recognition, they are measured on the same basis as intangible assets that are acquired separately.

3) 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.

l. Impairment of property, plant and equipment, right-of-use asset, investment properties and intangible assets other than goodwill

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

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.

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 for 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.

m. Financial instruments

Financial assets and financial liabilities are recognized when an entity in 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:

<u>Financial assets at amortized cost</u>

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

i) The financial asset is 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 asset 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 at amortized cost, trade receivables and other receivables, are measured at amortized cost, which equals the gross carrying amount determined by 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

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

The Group always recognizes lifetime expected credit losses (ECLs) for notes receivables and trade receivables (including related parties). 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 show that the debtor is unlikely to pay its creditors.

ii. When a financial asset is more than specific days past due unless the Group has reasonable and corroborative information to support a more lagged default criterion.

The Group recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount 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) Equity instruments

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

Equity instruments issued by an entity in the Group are recognized at the proceeds received, net of direct issue costs.

The repurchase of the Company's own equity instruments is recognized in and deducted directly from equity and its carrying amounts are calculated based on weighted average by share types. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Company's own equity instruments.

3) 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 at FVTPL

Financial liabilities are classified as at FVTPL when such financial liabilities are held for trading.

Financial liabilities held for trading are stated at fair value, and any remeasurement gains or losses on such financial liabilities are recognized in other gains or losses. Fair value is determined in the manner described in Note 29.

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.

4) 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 similar non-convertible instruments. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or upon the instrument's maturity date. Any embedded derivative liability is 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.

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.

1) Revenue from the sale of goods

Revenue from the sale of goods comes from sales of beauty cosmetics. The main channels of distribution are franchise, directly managed stores, tourism factory and internet. Sales of beauty cosmetics are recognized as revenue when the goods are delivered to the customer's specific location. Before the goods are delivered to the customer, the transaction price received is recognized as a contract liability. When the goods have been delivered to the customer, the advance receipts are recognized as revenue.

2) Revenue from the rendering of services

The services revenue comes from beauty and body spa course services, and the Group provides beauty and body spa course services and charges for various courses. At the time of sale, the total amount of income from the beauty and body spa courses will be based on the ratio of number of courses in which customers actually attended to the overall number of courses, advanced receipts are recognized as a contract liability, then reclassified as revenue when services have been provided. At the end of each reporting period, the management recognized and adjusted beauty and body spa course services revenue based on the actuarial analyses of the Group's historical service experience and the percentage of expected redemption rate of deferred courses was calculated as the number of courses actually rendered to customers relative to the number of courses expected to be rendered to customers, excluding the courses that had incurred refund liability during the effective period.

3) Revenue from dining, ticketing and amusement

Revenue from dining is derived from sales of food and beverages related to the restaurant at the tourist factory and is recognized when the customer purchases the food and beverages.

Ticketing and amusement revenues are derived from the sales of tourist factory entrance tickets and event revenues, which are transferred to revenue when the services are rendered. The advance receipts received from the factory tour before the provision of services are recognized as contract liabilities and are transferred to income after the provision of services.

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.

When the Group subleases a right-of-use asset, the sublease is classified by reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. However, if the head lease is a short-term lease that the Group, as a lessee, has accounted for applying recognition exemption, the sublease is classified as an operating lease.

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, except for those that meet the definition of investment properties. With respect to the recognition and measurement of right-of-use assets that meet the definition of investment properties, refer to Note 9 for the accounting policies for investment properties.

Right-of-use assets are depreciated using thr 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. 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 interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, 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.

p. Borrowing costs

Borrowing costs directly attributable to an acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other than that which is stated above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

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 defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost, past service cost, as well as gains and losses on settlements), and net interest on the net defined benefit liabilities (assets) are recognized as employee benefits expense in the period in which they occur or when the plan amendment or curtailment occurs. 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 plans. 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

<u>Restricted shares for employees granted to employees</u>

The fair value at the grant date of the restricted shares for employees 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 other equity - unearned employee benefits. It is recognized as an expense in full at the grant date if vested immediately.

When restricted shares for employees are issued, other equity - unearned employee benefits is recognized on the grant date, with a corresponding increase in capital surplus - restricted shares for employees.

At the end of each reporting period, the Group revises its estimate of the number of restricted shares for employees 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 - restricted shares for employees.

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 Tax 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 and unused loss carryforwards 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, 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 and interests 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 assets 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 taxes for the year

Current and deferred taxes 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 taxes are also recognized in other comprehensive income or directly in equity, respectively.

5. MATERIAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, management is required to make judgments, estimations, 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.

When developing material accounting estimates, the Group considers the possible impact on the cash flow projection, growth rates, discount rates, profitabilities and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Key Sources of Estimation Uncertainty

a. Beauty and body course services revenue recognition

In principle, the total amount for the total number of the beauty and body spa course advanced receipt from customer is recognized as a contract liability, then reclassified as revenue when service is provided. At the end of each reporting period, the Group assesses the assumptions of the actuarial analyses, including the percentage of expected redemption rate of deferred courses calculated as the number of courses actually rendered to customers relative to the number of courses expected to be rendered to customers, excluding the courses that have incurred refund liability during the effective period, in order to adjust the revenue recognized.

b. Assessment of goodwill impairment

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The calculation of the value in use requires management to estimate the future cash flows expected to arise from the cash-generating units and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, or change in facts and circumstances results in downward revision of future cash flows or upward revision of discount rate, a material impairment loss may arise.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2025	**2024**
Cash on hand	$ 3,154	$ 3,718
Checking accounts and demand deposits	450,335	550,687
Cash equivalents		
Time deposits	75,953	99,631
	$ 529,442	$ 654,036

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

	December 31	
	2025	**2024**
Bank balance	0.00%-3.68%	0.00%-4.63%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31	
	2025	**2024**
Financial liabilities at FVTPL - current		
Financial liabilities held for trading		
Derivative financial liabilities (not under hedge accounting)		
Put option and redemption option of convertible bonds (Note 18)	$ 15,593	$ 5,968

8. FINANCIAL ASSETS AT AMORTIZED COST

	December 31 2025	December 31 2024
Current		
Time deposits with original maturities of more than 3 months	$ 634,330	$ 492,580
Interest rates	0.67%-2.65%	1.30%-1.95%
Non-current		
Restricted time deposits	$ 328,004	$ 222,000
Restricted demand deposits	1,150	1,096
Time deposits with original maturities of more than 12 months	44,960	134,340
	$ 374,114	$ 357,436
Interest rates		
Restricted time deposits	0.69%-3.73%	0.67%-1.70%
Time deposits with original maturities of more than 12 months	2.35%	2.65%

Refer to Note 31 for information relating to investments financial assets at amortized cost pledged as security.

9. NOTES RECEIVABLE AND TRADE RECEIVABLES

	December 31 2025	December 31 2024
Note receivables		
Notes receivable from operations	$ 73	$ 436
Trade receivables from unrelated parties		
At amortized cost		
Gross carrying amount	$ 74,755	$ 74,373
Receivables - installment	41,797	28,149
Less: Allowance for impairment loss	(11,972)	(92)
	$ 104,580	$ 102,430
Trade receivables from related parties		
At amortized cost		
Gross carrying amount	$ 151,948	$ 129,825
Less: Allowance for impairment loss	(83,629)	(57,923)
	$ 68,319	$ 71,902

The Group collects payments for the disposal of stores directly operated by employees in installments. Amounts with a maturity of more than one year are recognized as long-term installment receivables.

	December 31	
	2025	2024
Long-term receivables - installment		
At amortized cost		
Notes receivable from operations	$ 37,592	$ 56,299

The retail sales of the Group to individual consumers were usually settled through cash and credit card. Trade receivables mainly consist of payments due from bank for credit cards, with an average credit period 30 days. The average credit period of sales of goods for other trade receivables was 30 to 180 days based on mutual agreement between the parties, and no interest was charged on trade receivables due to the short credit period.

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 by reference to the past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecasted direction of economic conditions at the reporting date. 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 Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of notes receivables and trade receivables (including related parties) based on the Group's provision matrix.

December 31, 2025

	Not Past Due	Less than 90 Days	91 to 180 Days	181 to 240 Days	Over 241 Days	Total
Gross carrying amount	$ 184,018	$ 20,426	$ 15,745	$ 7,388	$ 78,588	$ 306,165
Loss allowance (Lifetime ECLs)	(3,583)	(6,549)	(8,947)	(4,315)	(72,207)	(95,601)
Amortized cost	$ 180,435	$ 13,877	$ 6,798	$ 3,073	$ 6,381	$ 210,564

December 31, 2024

	Not Past Due	Less than 90 Days	91 to 180 Days	181 to 240 Days	Over 241 Days	Total
Gross carrying amount	$ 212,594	$ 12,955	$ 7,732	$ 4,566	$ 51,235	$ 289,082
Loss allowance (Lifetime ECLs)	-	(2,214)	(2,290)	(2,276)	(51,235)	(58,015)
Amortized cost	$ 212,594	$ 10,741	$ 5,442	$ 2,290	$ -	$ 231,067

The movements of the loss allowance of notes receivables and trade receivables (including related parties) were as follows:

	For the Year Ended December 31	
	2025	2024
Balance on January 1	$ 58,015	$ 49,186
Add: Net remeasurement of loss allowance	37,197	8,852
Less: Amounts written off	-	(23)
Add: Foreign exchange gains and losses	389	-
Balance on December 31	$ 95,601	$ 58,015

10. INVENTORIES

	December 31	
	2025	2024
Raw materials	$ 63,208	$ 71,678
Work in progress	19,422	14,725
Finished goods	130,606	226,589
Merchandise	14,571	17,423
	$ 227,807	$ 330,415

The costs of inventories recognized as cost of goods sold for the years ended December 31, 2025 and 2024 were $309,071 thousand and $303,147 thousand, respectively. The cost of inventories recognized as cost of goods sold for the years ended December 31, 2025 and 2024 included inventory write-downs (reversal of write-downs) of $3,808 thousand and $(651) thousand, respectively. Inventory write-downs were reversed as a result of decreased slow-moving inventories.

11. SUBSIDIARIES

Subsidiaries Included in the Consolidated Financial Statements

			Proportion of Ownership (%)	
			December 31	
Investor	Investee	Nature of Activities	2025	2024
The Company	BIO-JOURDENESS INTERNATIONAL GROUP CO., LTD. (“JOURDENESS INTERNATIONAL”)	Beauty and body spa business, manufacture and sale of cosmetic products, and operation of a tourist factory	100	100
The Company	SUCCESS UNITED LIMITED (“SUCCESS”)	Investment	100	100
The Company	JOURDENESS DEVELOPMENT LIMITED (“J DEVELOPMENT”)	Investment	100	100
The Company	BIO-JOURDENESS COSMETIC CO. (MY) SDN. BHD. (“MY”)	Beauty and body spa business and sale of cosmetic products	-	100
SUCCESS	JOURDENESS (GUANGZHOU) COSMETICS CO., LTD. (“Jourdeness (GUANGZHOU) COSMETICS”)	Beauty and body spa business and manufacture and sale of cosmetic products	100	100
SUCCESS	JOURDENESS (VN) CO., LTD (JOURDENESS (VN))	Sale of cosmetic products and management consulting services	100	100
J DEVELOPMENT	JOURDENESS (GUANGZHOU) COSMETOLOGY ENTERPRISE MANAGEMENT CO., LTD. (“Jourdeness ENTERPRISE MANAGEMENT”)	Consulting services of beauty and body spa business	100	100

(Continued)

Investor	Investee	Nature of Activities	Proportion of Ownership (%) December 31 2025	2024
JOURDENESS INTERNATIONAL	JOURDENWELL BIOMED CO., LTD.("JOURDENWELL BIOMED")	Equipment rental and sale of cosmetic products	100	100
Jourdeness (GUANGZHOU) COSMETICS	JOURDENESS TRADING (MY) SDN. BHD. (JOURDENESS TRADING (MY))	Sale of cosmetic products and management consulting services	100	100
Jourdeness (GUANGZHOU) COSMETICS	JOURDENESS (VIETNAM) TRADING CO., LTD (JOURDENESS (VN) TRADING)	Sale of cosmetic products and management consulting services	100	100
JOURDENESS TRADING (MY)	BIO-JOURDENESS COSMETIC CO. (MY) SDN. BHD.(MY)	Beauty and body spa business and sale of cosmetic products	100	-

(Concluded)

a. On November 9, 2023, the Company's board of directors resolved to establish High Power Trading Limited ("High Power") with an estimated investment of US$100 thousand and the Company's shareholding ratio of 100%. High Power completed registration on November 17, 2023, As of the date the consolidated financial statements were authorized for issue, the Company had not yet actually contributed capital.

b. On August 22, 2024, the Company's board of directors resolved to establish Jourdeness Americas LLC with an estimated investment of US$1,000 thousand and the Company's shareholding ratio of 100%. As of the date the consolidated financial statements were authorized for issue, the Company had not yet actually contributed capital, in light of the rapidly changing international political and economic environment, and after considering the Company's business development, the Board of Directors resolved on May 12, 2025 to cancel the aforementioned investment plan.

c. On February 27, 2025, the Company established JOURDENESS HOLDINGS INC., with an estimated investment of US$300 thousand and the Company's shareholding ratio of 100%. As of the date the consolidated financial statements were authorized for issue, the Company had not yet actually contributed capital.

d. On June 27, 2024, the SUCCESS's board of directors resolved to establish JOURDENESS (VN) CO., LTD ("JOURDENESS (VN)") and the Company's shareholding ratio of 100%. JOURDENESS (VN) completed registration on September 23, 2024, as of December 31, 2025 the Company remitted its capital investment of US$500 thousand to JOURDENESS (VN).

e. On October 18, 2023, the JOURDENESS (GUANGZHOU) COSMETICS's board of directors resolved to establish JOURDENESS TRADING (MY) SDN. BHD. ("JOURDENESS TRADING (MY)") with an estimated investment of MYR13,000 thousand and the investor's shareholding ratio of 100%. JOURDENESS TRADING (MY) completed its registration on February 19, 2024 and received the investment of MYR926 thousand, MYR8,380 thousand, and MYR826 thousand on July 10, 2024, March 12, 2025, and September 4, 2025, respectively.

f. To optimize the investment structure and management efficiency of subsidiaries, the Company's board of directors resolved in their meeting on May 9, 2024 to adjust the Group's investment structure by transferring 100% equity stake in MY to JOURDENESS TRADING (MY) in May 2025. The transaction is a reorganization under common control and is considered to have been acquired from the outset.

g. On June 17, 2024, the JOURDENESS (GUANGZHOU) COSMETICS's board of directors resolved to establish JOURDENESS (VIETNAM) TRADING CO., LIMITED ("JOURDENESS (VN) TRADING") with the investor's shareholding ratio of 100%. JOURDENESS (VN) TRADING completed registration on September 26, 2024 and received the investment of US$2,900 thousand and US$100 thousand on December 9, 2024 and February 14, 2025, respectively.

h. On June 27, 2024, JOURDENESS INTERNATIONAL’s board of directors approved a cash capital increase by issuing 500,000 ordinary shares with a par value of NT$10 per share and an issuance price of NT$240.8 per share, for a total capital increase of $120,400 thousand.

12. PROPERTY, PLANT AND EQUIPMENT

	December 31	
	2025	2024
Assets used by the Group	$ 2,919,279	$ 3,077,446
Assets leased under operating leases	86,802	101,041
	$ 3,006,081	$ 3,178,487

a. Assets used by the Group

	Freehold Land	Buildings	Machinery and Equipment	Transportation Equipment	Other Equipment	Leasehold Improvements	Construction in Progress and Machinery in Transit	Total
Cost								
Balance on January 1, 2025	$ 817,118	$ 2,251,729	$ 183,590	$ 18,836	$ 520,890	$ 993,158	$ 8,214	$ 4,793,535
Additions	-	13,659	1,531	281	9,416	11,581	40,629	77,097
Disposals	-	-	(3,719)	-	(20,433)	(16,290)	-	(40,442)
Internal transfer	-	5,434	-	-	157	32,711	(38,302)	-
Effect of foreign currency exchange differences	-	1,502	311	50	339	2,149	(177)	4,174
Balance on December 31, 2025	$ 817,118	$ 2,272,324	$ 181,713	$ 19,167	$ 510,369	$ 1,023,309	$ 10,364	$ 4,834,364
Accumulated depreciation								
Balance on January 1, 2025	$ -	$ 615,035	$ 103,547	$ 15,666	$ 340,276	$ 641,565	$ -	$ 1,716,089
Depreciation expenses	-	85,291	13,079	1,520	47,339	79,488	-	226,717
Disposals	-	-	(3,483)	-	(19,020)	(9,487)	-	(31,990)
Effect of foreign currency exchange differences	-	1,103	257	43	261	2,605	-	4,269
Balance on December 31, 2025	$ -	$ 701,429	$ 113,400	$ 17,229	$ 368,856	$ 714,171	$ -	$ 1,915,085
Carrying amounts on December 31, 2025	$ 817,118	$ 1,570,895	$ 68,313	$ 1,938	$ 141,513	$ 309,138	$ 10,364	$ 2,919,279
Cost								
Balance on January 1, 2024	$ 817,118	$ 2,258,180	$ 174,890	$ 22,718	$ 520,958	$ 919,083	$ 16,881	$ 4,729,828
Additions	-	4,366	7,952	-	24,281	4,036	71,291	111,926
Disposals	-	(20,194)	(2,124)	(4,265)	(29,615)	(24,859)	-	(81,057)
Internal transfer	-	383	-	-	497	79,214	(80,123)	(29)
Effect of foreign currency exchange differences	-	8,994	2,872	383	4,769	15,684	165	32,867
Balance on December 31, 2024	$ 817,118	$ 2,251,729	$ 183,590	$ 18,836	$ 520,890	$ 993,158	$ 8,214	$ 4,793,535
Accumulated depreciation								
Balance on January 1, 2024	$ -	$ 542,888	$ 89,488	$ 16,457	$ 307,253	$ 560,989	$ -	$ 1,517,075
Depreciation expenses	-	87,450	13,598	2,680	55,796	81,346	-	240,870
Disposals	-	(20,187)	(1,841)	(3,763)	(26,668)	(14,427)	-	(66,886)
Internal transfer	-	(1,208)	-	-	-	1,208	-	-
Effect of foreign currency exchange differences	-	6,092	2,302	292	3,895	12,449	-	25,030
Balance on December 31, 2024	$ -	$ 615,035	$ 103,547	$ 15,666	$ 340,276	$ 641,565	$ -	$ 1,716,089
Carrying amounts on December 31, 2024	$ 817,118	$ 1,636,694	$ 80,043	$ 3,170	$ 180,614	$ 351,593	$ 8,214	$ 3,077,446

No impairment loss was recognized in fiscal year 2025 and 2024.

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

Buildings	
Plant buildings and office	10 to 50 years
Others	5 to 30 years
Machinery and equipment	5 to 10 years
Transportation equipment	5 years
Other equipment	3 to 15 years
Leasehold improvements	1 to 10 years

b. Assets leased under operating leases

	Buildings	Equipment	Leasehold Improvements	Total
Cost				
Balance on January 1, 2025	$ 94,622	$ 65,576	$ 72,489	$ 232,687
Additions	-	2,333	-	2,333
Balance on December 31, 2025	$ 94,622	$ 67,909	$ 72,489	$ 235,020
Accumulated depreciation				
Balance on January 1, 2025	$ 37,267	$ 61,518	$ 32,861	$ 131,646
Depreciation expenses	5,043	3,189	8,340	16,572
Balance on December 31, 2025	$ 42,310	$ 64,707	$ 41,201	$ 148,218
Carrying amount on December 31, 2025	$ 52,312	$ 3,202	$ 31,288	$ 86,802
Cost				
Balance on January 1, 2024	$ 196,722	$ 67,382	$ 72,489	$ 336,593
Additions	-	2,004	-	2,004
Reclassification	(105,097)	-	-	(105,097)
Disposals	-	(3,810)	-	(3,810)
Effects of foreign currency exchange differences	2,997	-	-	2,997
Balance on December 31, 2024	$ 94,622	$ 65,576	$ 72,489	$ 232,687
Accumulated depreciation				
Balance on January 1, 2024	$ 94,253	$ 58,683	$ 24,521	$ 177,457
Depreciation expenses	5,043	6,645	8,340	20,028
Reclassification	(63,850)	-	-	(63,850)
Disposals	-	(3,810)	-	(3,810)
Effects of foreign currency exchange differences	1,821	-	-	1,821
Balance on December 31, 2024	$ 37,267	$ 61,518	$ 32,861	$ 131,646
Carrying amount on December 31, 2024	$ 57,355	$ 4,058	$ 39,628	$ 101,041

The Group leases machinery and equipment, buildings and leasehold improvements under operating leases for periods ranging from 1 years. The lessees do not have bargain purchase options to acquire the assets at the expiration of the lease periods. In addition to the fixed lease payments, the lease contracts also indicate that the lessees should make variable payments, which shall be determined at a specific percentage of the respective lessee's operating profit lease payments. Future lease benefits to be received total $6,646 thousand and $9,446 thousand for the year ended December 31, 2025 and 2024, respectively.

No impairment loss was recognized in fiscal years 2025 and 2024.

The above items of assets leased under operating leases are depreciated on a straight-line basis over the estimated useful lives as follows:

Buildings	
Plant buildings and office	50 years
Others	5 to 10 years
Machinery and equipment	3 years
Leasehold improvements	5 to 12 years

The company provides property, plant and equipment pledged as collateral for bank borrowings and performance guarantees were set out in Note 31.

13. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2025	2024
Carrying amounts		
Land	$ 57,521	$ 62,656
Buildings	674,143	817,185
Transportation equipment	-	1,705
	$ 731,664	$ 881,546

	For the Year Ended December 31	
	2025	2024
Additions to right-of-use assets	$ 164,627	$ 412,846
Depreciation charge for right-of-use assets		
Land	$ 1,889	$ 1,942
Buildings	283,451	329,257
Transportation equipment	1,705	2,336
	$ 287,045	$ 333,535

The Group has been subleasing its leasehold office space located in Changhua, Taoyuan, Hsinchu, Kaohsiung, Tainan, Taipei, Chengdu, Xiamen, Changsha, Nanjing, Wuhan and Shanghai to other companies under operating leases. The related right-of-use assets are presented as investment properties (as set out in Notes 14 and 30). The amounts disclosed above with respect to the right-of-use assets do not include right-of-use assets that meet the definition of investment properties.

Except for the aforementioned addition, disposal of Company-operated stores and recognized depreciation, the Group did not have significant sublease or impairment of right-of-use assets for the years ended December 31, 2025 and 2024.

b. Lease liabilities

	December 31	
	2025	**2024**
Carrying amount		
Current	$ 271,415	$ 301,785
Non-current	$ 518,084	$ 640,267

Range of discount rate for lease liabilities was as follows:

	December 31	
	2025	**2024**
Buildings	1.215%-6.900%	1.215%-6.900%
Transportation equipment	-	1.840%

c. Material lease-in activities and terms

The Group leases certain land, buildings and transportation equipment for the use of offices with lease terms of 2 to 50 years. The Group does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms. In addition, the Group is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessor's consent.

d. Other lease information

	For the Year Ended December 31	
	2025	**2024**
Expenses relating to short-term leases	$ 7,572	$ 14,887
Total cash outflow for leases	$ (338,836)	$ (401,234)

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	$ 44,184	$ 38,476

14. INVESTMENT PROPERTIES

	Land	Buildings	Right-of-use Assets	Total
Cost				
Balance on January 1, 2025	$ 116,942	$ 105,663	$ 127,688	$ 350,293
Additions	-	-	9,367	9,367
Disposals	-	-	(10,009)	(10,009)
Reclassification	-	-	(573)	(573)
Effects of foreign currency exchange differences	-	425	43	468
Balance on December 31, 2025	$ 116,942	$ 106,088	$ 126,516	$ 349,546
Accumulated depreciation				
Balance on January 1, 2025	$ -	$ 68,949	$ 62,937	$ 131,886
Depreciation expenses	-	3,988	16,449	20,437
Disposals	-	-	(9,821)	(9,821)
Reclassification	-	-	(35)	(35)
Effects of foreign currency exchange differences	-	427	(99)	328
Balance on December 31, 2025	$ -	$ 73,364	$ 69,431	$ 142,795
Carrying amounts on December 31, 2025	$ 116,942	$ 32,724	$ 57,085	$ 206,751
Cost				
Balance on January 1, 2024	$ 116,942	$ -	$ 118,133	$ 235,075
Additions	-	-	1,637	1,637
Reclassification	-	105,097	19,534	124,631
Disposals	-	-	(12,091)	(12,091)
Effects of foreign currency exchange differences	-	566	475	1,041
Balance on December 31, 2024	$ 116,942	$ 105,663	$ 127,688	$ 350,293
Accumulated depreciation				
Balance on January 1, 2024	$ -	$ -	$ 44,419	$ 44,419
Depreciation expenses	-	4,729	16,419	21,148
Reclassification	-	63,850	13,781	77,631
Disposals	-	-	(12,021)	(12,021)
Effects of foreign currency exchange differences	-	370	339	709
Balance on December 31, 2024	$ -	$ 68,949	$ 62,937	$ 131,886
Carrying amounts on December 31, 2024	$ 116,942	$ 36,714	$ 64,751	$ 218,407

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

Buildings	20 years
Right-of-use assets	3 to 12 years

a. The Group's vacant land in Taichung, including the land serial numbers of 0716-0000, 0716-0001, 0717-0000 and 0742-0000, were not for operation and lease in 2025 and 2024. There were no direct operating expenses of investment properties for the years ended in December 31, 2025 and 2024.

b. The fair values of investment properties were $533,242 thousand and $503,487 thousand as of December 31, 2025 and 2024, respectively. The valuation was arrived at by reference to market evidence of transaction price for similar properties. The fair value of right-of-use assets is determined by adding the amount of lease liabilities already recognized to the valuation result that reflects the expected lease income after deduction of expected payments.

c. Right-of-use assets included in investment properties are buildings located in Changhua, Taoyuan, Hsinchu, Kaohsiung, Tainan, Taipei, Chengdu, Xiamen Changsha, Nanjing, Wuhan and Shanghai subleased under operating leases to other companies. The abovementioned investment properties were leased out for 1 to 5 years. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods.

Refer to Note 31 for information on the pledged investment properties.

15. GOODWILL

	For the Year Ended December 31	
	2025	2024
Cost		
Balance on January 1	$ 449,459	$ 518,466
Disposals	(33,045)	(85,822)
Effect of foreign currency exchange differences	1,725	16,815
Balance on December 31	$ 418,139	$ 449,459

At the end of the reporting period, the Group assessed the impairment of recoverable amount of goodwill based on value in use, which was calculated using the cash flow projections in the financial budgets and were calculated using annual discount rates ranging from 12.40% to 15.15% and 9.05% to 14.05% for the years 2025 and 2024, respectively, and annual discount rate to reflect the relevant specific risk. No impairment loss of goodwill recognized for the years ended December 31, 2025 and 2024. As of December 31, 2025 and 2024, no significant change indicating impairment were noted.

16. OTHER INTANGIBLE ASSETS

	Computer Software	Customer Relationship	Total
Cost			
Balance on January 1, 2025	$ 43,863	$ 983,146	$ 1,027,009
Additions	1,861	-	1,861
Disposals	-	(56,502)	(56,502)
Effect of foreign currency exchange differences	28	4,214	4,242
Balance on December 31, 2025	$ 45,752	$ 930,858	$ 976,610
Accumulated amortization			
Balance on January 1, 2025	$ 27,128	$ 719,610	$ 746,738
Amortization expenses	6,981	95,042	102,023
Disposals	-	(43,135)	(43,135)
Effects of foreign currency exchange differences	28	6,407	6,435
Balance on December 31, 2025	$ 34,137	$ 777,924	$ 812,061
Carrying amount on December 31, 2025	$ 11,615	$ 152,934	$ 164,549
Cost			
Balance on January 1, 2024	$ 41,616	$ 1,135,798	$ 1,177,414
Additions	2,016	-	2,016
Disposals	-	(190,773)	(190,773)
Effects of foreign currency exchange differences	231	38,121	38,352
Balance on December 31, 2024	$ 43,863	$ 983,146	$ 1,027,009
Accumulated amortization			
Balance on January 1, 2024	$ 19,626	$ 716,730	$ 736,356
Amortization expenses	7,273	111,376	118,649
Disposals	-	(133,311)	(133,311)
Effect of foreign currency exchange differences	229	24,815	25,044
Balance on December 31, 2024	$ 27,128	$ 719,610	$ 746,738
Carrying amount on December 31, 2024	$ 16,735	$ 263,536	$ 280,271

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

Computer software	3 to 10 years
Customer relationship	10 years

17. BORROWINGS

a. Short-term borrowings

	December 31	
	2025	2024
Secured borrowings		
Bank loans	$ 380,000	$ 300,000
Unsecured borrowings		
Bank loans	20,000	145,000
	$ 400,000	$ 445,000

The guaranteed bank loans were secured by the Group for its own land and buildings and were jointly guaranteed by the Group's key management within the limits of the guarantees.

The range of weighted average effective interest rates on bank loans was 1.70%-2.33% and 2.10%-2.44% per annum on December 31, 2025 and 2024, respectively.

b. Long-term borrowings

	December 31	
	2025	2024
Secured borrowings		
Bank loans (1)	$ 1,012,851	$ 1,037,029
Other loans (2)	100	687
	1,012,951	1,037,716
Less: Current portion of long-term borrowings	(73,598)	(24,765)
Long-term borrowings	$ 939,353	$ 1,012,951

1) The bank loans were secured by the Group with its own land and buildings under the approval of the key management of the Group and several other guarantors, who complied with the limits set for these guarantees. The loan periods are from May 2023 to May 2030 and from February 2023 to May 2039, respectively, with effective interest rates as of December 31, 2025 and 2024, ranging from 2.22% to 2.60% and from 1.97% to 2.60%, respectively. The principal is amortized for 3 years and 1 year after the date of funding, and interest is payable monthly.

2) Other borrowings are financing loans that the Group signed with a leasing company for the sale and leaseback of machinery and equipment, which are secured by the mortgage of the machinery, and the Group's key management and JOURDENESS INTERNATIONAL were joint guarantors. The loan period is from August 2020 to April 2026. The implied interest rate for the rent that the Group needs to pay according to the lease contract is about 1.406% to 1.410%, and the principal and interest are repayable in monthly instalments from the date of the loan.

18. BONDS PAYABLE

	December 31	
	2025	2024
The third unsecured domestic convertible bonds (b)	$ 641,700	641,700
Less: Discounts on bonds payable	(24,026)	(38,734)
Less: Current portion of bonds payable	(617,674)	-
	$ -	$ 602,966

a. The second unsecured domestic convertible bonds

On November 22, 2021, the Company issued at 101.5% of par value 10,000 thousand, 0% NTD denominated unsecured convertible bonds in Taiwan, with an aggregate principal amount of $1,015,000 thousand.

Each bond entitles the holder to convert the bonds into ordinary shares of the Company at a conversion price of $86. Conversion may occur at any time between February 23, 2022 and November 22, 2024. After the issuance of the convertible bonds, when there is an increase in the number of the Company's ordinary shares, including but not limited to capital increase by cash (through public offering or private placement), share dividends from retained earnings or capital reserves, shares issued as consideration in merger and acquisition, share split, and capital increase through issuance of overseas depository receipts, the conversion price shall be adjusted in accordance with Article 12 "Rules Governing Issue and Conversion of The Second Unsecured Domestic Convertible Bonds" (hereinafter referred to as "Rules 12"). The increase in ordinary shares should not include new shares issued upon exercise of conversion rights or warrants or new shares issued as employee bonus.

The conversion price of bonds shall be determined from the decision date to the actual date of issue. In the case of ex-right or ex-dividend date, it shall be adjusted by the adjustment formula of conversion price. Since the Company in 2024 applied for ex-dividend date of August 5, 2024, the conversion price of bonds was adjusted to $79.2 per share in accordance with Rules.

The period for the conversion of bonds is from the day following three months after the date of issuance up to the 40^{th} day before the maturity date. If, within this conversion period, the closing price of the Company's ordinary shares at the securities counter trading center exceeds the then convertible bond's conversion price by more than, or becomes equal to, 30% for 30 consecutive business days, or if the amount of the Company's outstanding circulating bonds falls below 10% of the total amount at original issuance, the Company may redeem all of the outstanding convertible bonds at par value in cash.

The holders of the bonds can sell the convertible bonds to the Company after 2 years from the date of issuance with notice to the Company in writing in accordance with Rules 12; the Company will buy the bonds at par value plus interest.

The convertible bonds contain liability and equity components. The equity component was presented in equity under the heading of capital surplus - options. The effective interest rate of the liability component was 0.84% per annum on initial recognition.

The liability and equity components are as follows:

Proceeds from issuance (transaction costs $5,484 thousand deducted)	$ 1,009,516
Derivative financial liabilities component	(5,600)
Equity component (transaction costs allocated to the equity component of $157 thousand deducted)	(28,753)
Liability component at the date of issue (transaction costs allocated to the liability component of $5,327 thousand deducted)	$ 975,163

The movements of principal debt instruments for the year 2024 were as follows:

Liability component on January 1, 2024	$ 585,583
Interest charged at an effective interest rate of 0.84%	4,517
Redemption of bonds payable at maturity	(590,100)
Liability component on December 31, 2024	$ -

The movements of the conversion rights of the equity components (under capital surplus) for the year 2024 was as follows:

Balance on January 1, 2024	$ 16,967
Redemption of bonds payable at maturity	(16,967)
Balance on December 31, 2024	$ -

As of November 22, 2024, the holders of convertible bonds had exercised their conversion rights on bonds with a face value of $43,500 thousand, and exchanged these bonds for 532 thousand shares of the Company's ordinary shares, a capital surplus of $39,260 thousand was recognized for this conversion. The conversion bonds matured on November 22, 2024 and were fully repaid on bond maturity.

b. The third unsecured domestic convertible bonds

On July 11, 2024, the Company issued 7,000 thousand 0% NTD-denominated unsecured convertible bonds in Taiwan at 101.5% of par value, with an aggregate principal amount of $710,500 thousand.

Each bond entitles the holder to convert the bonds into ordinary shares of the Company at a conversion price of NT$56.1. Conversion may occur at any time between October 12, 2024 and July 11, 2027. After the issuance of the convertible bonds, when there is an increase in the number of the Company's ordinary shares, including but not limited to capital increase by cash (through public offering or private placement), distribution of share dividends from retained earnings or capital reserves, shares issuance as consideration in merger and acquisition, share split, and capital increase through issuance of overseas depository receipts, the conversion price shall be adjusted in accordance with Article 12 "Rules Governing Issue and Conversion of The Third Unsecured Domestic Convertible Bonds". The increase in ordinary shares should not include new shares issued upon the exercise of conversion rights or warrants or new shares issued as employee bonus. If the convertible bonds are not converted within the conversion period, they will all be repaid in cash at face value on July 11, 2027.

The conversion price of bonds shall be determined from the decision date to the actual date of issue. For the ex-right or ex-dividend date, it shall be adjusted by the adjustment formula for the conversion price. Since the Company in 2024 applied for the ex-dividend date of August 5, 2024, the conversion price of bonds was adjusted to NT$55.0 per share in accordance with Rules. Due to the Company's ex-dividend distribution in 2025, the conversion price of the convertible bonds has been adjusted in accordance with the terms and conditions of issuance and conversion, and has been set at NT$54.2 per share effective from July 25, 2025.

For the conversion of bonds from the day following three months after the date of issuance up till the 40th day before the maturity date, if the closing price of the Company's ordinary shares at the Taiwan Stock Exchange exceeded the then convertible bond's conversion price by more than, or becomes equal to 30% for 30 consecutive business days, or if the amount of the Company's outstanding circulating bonds falls below 10% of the total amount of original issuance, the Company may redeem all of the outstanding convertible bonds at par value in cash.

The holders of the bonds can sell the convertible bonds to the Company after 2 years from the date of issuance, with a notice to the Company in writing in accordance with Rules 12; the Company will buy the bonds at par value plus interest.

The convertible bonds contain liability and equity components. The equity component was presented in equity under the heading of capital surplus - options. The effective interest rate for the liability component was 2.41% per annum on initial recognition.

The liability and equity components are as follows:

Proceeds from issuance (transaction costs $5,599 thousand deducted)	$ 704,901
Derivative financial liabilities component	(5,810)
Equity component (transaction costs allocated to the equity component of $384 thousand deducted)	(47,916)
Liability component at the date of issue (transaction costs allocated to the liability component of $5,215 thousand deducted)	$ 651,175

The movements of principal debt instruments for the year 2025 and from the date of issuance to December 31, 2024 were as follows:

Liability component on July 11, 2024	$ 651,175
Interest charged at an effective interest rate of 2.41%	6,353
Bonds payable into ordinary shares	(54,562)
Liability component on December 31, 2024	$ 602,966
Liability component on January 1, 2025	$ 602,966
Interest charged at an effective interest rate of 2.41%	14,708
Liability component on December 31, 2025	$ 617,674

The changes in the sale/redemption rights derivatives for the year 2025 and from the date of issuance to December 31, 2024 are as follows:

Balance on July 11, 2024	$ (5,810)
Gain (loss) on fair value changes	(676)
Bonds payable into ordinary shares	518
Balance on December 31, 2024	$ (5,968)
Balance on January 1, 2025	$ (5,968)
Gain (loss) on fair value changes	(9,625)
Balance on December 31, 2025	$ (15,593)

The movements of the conversion rights of the equity components (under capital surplus) for the year 2025 and from the date of issuance to December 31, 2024 were as follows:

Balance on July 11, 2024	$ 47,916
Bonds payable into ordinary shares	(3,991)
Balance on December 31, 2024	$ 43,925
Balance as of January 1 and December 31, 2025	$ 43,925

As of December 31, 2025 and 2024, the holders of the convertible bonds holders had exercised their conversion rights on bonds with a face value of $58,300 thousand, which were exchanged for 1,060 thousand shares of the Company's ordinary shares, a capital surplus of $48,471 thousand was recognized for this conversion.

As of December 31, 2025 and 2024, the remaining outstanding corporate bonds had face values of $641,700 thousand.

19. CONTRACT LIABILITIES

	December 31, 2025	December 31, 2024	January 1, 2024
Advance receipts of services	$ 1,646,001	$ 1,769,434	$ 1,808,545
Advance receipts of products and tickets	21,277	57,828	39,360
Customer loyalty programs	9,655	10,580	8,972
	$ 1,676,933	$ 1,837,842	$ 1,856,877

	For the Year Ended December 31	
	2025	2024
Advance receipts of services		
Balance on January 1	$ 1,769,434	$ 1,808,545
Additions	913,672	949,466
Disposals	(28,080)	(68,682)
Transferred to revenue	(1,009,403)	(931,798)
Effect of foreign currency exchange differences	378	11,903
Balance on December 31	1,646,001	1,769,434
Advance receipts of products and tickets	21,277	57,828
Customer loyalty programs	9,655	10,580
Balance on December 31, 2025 and 2024	$ 1,676,933	$ 1,837,842

The contract liabilities were the performance obligation for delivering the goods or services to the customers.

Subsidiary JOURDENESS INTERNATIONAL's revenue is recognized based on historical service experience and the percentage of expected redemption rate of deferred courses; the percentage is calculated as the number of courses actually rendered to customers relative to the number of courses expected to be rendered to customers, excluding the courses that had incurred refund liability during the effective period within one year.

The key assumptions of expected aggregate redemption rate of deferred courses used in actuarial analyses were as follows:

	For the Year Ended December 31	
	2025	**2024**
The aging of courses		
0-1 years	100.00%	100.00%
1-2 years	72.21%	73.13%
2-3 years	64.78%	65.97%
3-4 years	56.46%	57.91%
4-5 years	47.47%	49.14%
5-6 years	38.12%	39.92%
6-7 years	28.79%	30.59%
7-8 years	19.89%	21.53%
8-9 years	11.86%	13.15%
9-10 years	5.11%	5.85%
Over 10 years	0.00%	0.00%

Subsidiary Jourdeness ENTERPRISE MANAGEMENT's revenue recognitions were based on historical service experience and the percentage of expected redemption rate of deferred courses, the percentage was calculated as the number of courses actually rendered to customers relative to the number of courses expected to be rendered to customers, excluding the courses that had incurred refund liability during the effective period within half a year.

The key assumptions of expected aggregate redemption rate of deferred courses used in actuarial analyses were as follows:

	For the Year Ended December 31	
	2025	**2024**
The aging of courses		
0-0.5 years	100.00%	100.00%
0.5-2 years	51.20%	89.42%
Over 2years	0.00%	0.00%

Subsidiary Jourdeness (GUANGZHOU) COSMETICS's revenue recognitions were based on historical service experience and the percentage of expected redemption rate of deferred courses, the percentage was calculated as the number of courses actually rendered to customers relative to the number of courses expected to be rendered to customers, excluding the courses that had incurred refund liability during the effective period within half a year.

The key assumptions of expected aggregate redemption rate of deferred courses used in actuarial analyses were as follows:

	For the Year Ended December 31	
	2025	**2024**
The aging of courses		
0-0.5 years	100.00%	100.00%
0.5-2 years	54.50%	52.96%
Over 2 years	0.00%	0.00%

Subsidiary MY's revenue recognitions were based on historical service experience and the percentage of expected redemption rate of deferred courses, the percentage was calculated as the number of courses actually rendered to customers relative to the number of courses expected to be rendered to customers.

The key assumptions of expected aggregate redemption rate of deferred courses used in actuarial analyses were as follows:

	For the Year Ended December 31	
	2025	2024
The aging of courses		
0-2 years	67.83%	61.95%
Over 2 years	0.00%	0.00%

20. OTHER PAYABLES TO UNRELATED PARTIES

	December 31	
	2025	2024
Payables for salaries or bonuses	$ 107,506	$ 105,641
Payables for social security fund and housing provident fund	32,543	35,122
Payables for equipment and construction	13,019	16,900
Payables for levies	11,661	13,836
Payables for employees' benefits	5,678	5,655
Payables for employee's compensation	-	3,445
Others	66,449	76,721
	$ 236,856	$ 257,320

The Group's subsidiaries in mainland China were required to pay the social security expenses and housing provident fund with a fixed percentage of total monthly salaries and wages in accordance with the "Social Insurance Law of the People's Republic of China". In addition, those subsidiaries had accrued the social security expenses and the housing provident fund based on actual monthly salaries and wages on the balance sheets date.

21. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

The subsidiary, JOURDENESS INTERNATIONAL and JOURDENWELL BIOMED, 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.

The employees of the Group's subsidiaries in mainland China are members of a state-managed retirement benefit plan operated by the government of mainland China. The subsidiaries were required to contribute 21%-24% of monthly salaries per person to the retirement benefit scheme for the years ended December 31, 2025 and 2024, of which the subsidiaries were responsible for 14%-16% contributions.

b. Defined benefit plans

The defined benefit plans adopted by the subsidiary, JOURDENESS INTERNATIONAL, in accordance with the Labor Standards Law is operated by the government of the Republic of China (ROC). Pension benefits are calculated on the basis of the length of service and average monthly salaries of six months before retirement. The subsidiary 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 subsidiary 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 subsidiary 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 subsidiary 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	$ 57,974	$ 59,268
Fair value of plan assets	(79,732)	(78,781)
Net defined benefit assets	$ (21,758)	$ (19,513)

Movements in net defined benefit assets were as follows:

	Present Value of the Defined Benefit Obligation	**Fair Value of the Plan Assets**	**Net Defined Benefit Liabilities (Assets)**
Balance on January 1, 2025	$ 59,268	$ (78,781)	$ (19,513)
Net interest expense (income)	967	(1,289)	(322)
Recognized in profit or loss	967	(1,289)	(322)
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(5,452)	(5,452)
Actuarial gain - changes in demographic assumptions	2,003	-	2,003
Actuarial loss - changes in financial assumptions	1,509	-	1,509
Actuarial loss - experience adjustments	17	-	17
Recognized in other comprehensive income	3,529	(5,452)	(1,923)
Benefit Payments	(5,790)	5,790	-
Balance on December 31, 2025	$ 57,974	$ (79,732)	$ (21,758)

(Continued)

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liabilities (Assets)
Balance on January 1, 2024	$ 66,947	$ (72,695)	$ (5,748)
Net interest expense (income)	829	(901)	(72)
Recognized in profit or loss	829	(901)	(72)
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(6,572)	(6,572)
Actuarial gain - changes in demographic assumptions	55	-	55
Actuarial loss - changes in financial assumptions	(2,664)	-	(2,664)
Actuarial loss - experience adjustments	(4,512)	-	(4,512)
Recognized in other comprehensive income	(7,121)	(6,572)	(13,693)
Benefit Payments	(1,387)	1,387	-
Balance on December 31, 2024	$ 59,268	$ (78,781)	$ (19,513)

(Concluded)

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 or 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 of a 2-year time deposit with local banks.

2) Interest risk: A decrease in government and corporate bond interest rates 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 with reference to the future salaries of plan participants. As such, an increase in the salaries 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	1.40%	1.65%
Expected rates of salary increase	3.00%	3.00%

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

	December 31	
	2025	2024
Discount rates		
0.25% increase	$ (1,509)	$ (1,587)
0.25% decrease	$ 1,567	$ 1,648
Expected rates of salary increase		
0.25% increase	$ 1,538	$ 1,622
0.25% decrease	$ (1,490)	$ (1,570)

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

	December 31	
	2025	2024
Expected contributions to the plans for the next year	$ -	$ -
Average duration of the defined benefit obligation	10 years	11 years

22. EQUITY

a. Ordinary shares

	December 31	
	2025	2024
Number of shares authorized (in thousands)	100,000	100,000
Shares authorized	$ 1,000,000	$ 1,000,000
Number of shares issued and fully paid (in thousands)	61,669	61,952
Shares issued	$ 616,688	$ 619,523

The holders of issued ordinary shares with a par value of $10 are entitled the right to vote and receive dividends.

Changes in the Company’s equity were mainly due to the issuance and cancellation of restricted employee right shares and the conversion of bonds payable into ordinary shares.

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	$ 530,387	$ 530,387
Conversion and redemption of bonds	98,267	98,267
Lapsed share options	42,330	42,330
May be used to offset a deficit only		
Issuance of ordinary shares for cash which is reserved for employees	945	945
Other	6,303	6,303
May not be used for any purpose		
Employee restricted shares	27,034	47,937
Employee share options	43,925	43,925
	$ 749,191	$ 770,094

* 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 dividends policy as set forth in the amended Articles, as the Company continues to grow and undertakes capital expenditure projects and business expansion, and for a sound financial planning of sustainable development, the Company may distribute dividends to shareholders in the form of cash and/or bonus shares. Shares may be distributed in lieu of the cash amount of any dividend to meet the Company's future expenditure budgets and funding needs. The issue of share dividends is subject to the review, approval and resolution of the shareholders in their meeting. The payment of cash dividend is subject to the review, approval and resolution of the board of directors.

Unless otherwise provided in the applicable listing rules, the net profit of the Company for each annual financial year shall be allocated in the following order and proposed by the board of directors to the shareholders in the general meeting for approval:

1) To make provision for income tax pursuant to applicable tax laws and regulations;

2) To offset accumulated losses of previous years (if any);

3) To set aside ten percent (10%) as legal reserve pursuant to the applicable listing rules until the accumulated amount of such legal reserve equals the total paid-up capital of the Company;

4) To set aside an amount as special reserve pursuant to the applicable listing rules and requirements of the securities commission; and;

5) With respect to the earnings available for distribution (i.e., the net profit after the deduction of the items (1) to (4) above plus any previously undistributed accumulated retained earnings), the board of directors may prepare a proposal for distribution of dividends and present such proposal to the shareholders' annual general meeting for approval pursuant to the applicable listing rules. Dividends may be distributed in the form of cash dividends and/or bonus shares, and the Company may distribute the remaining balance in part or in whole as determined by a resolution passed by a majority of the Directors present at a meeting of the Board attended by two-thirds or more of the total number of Directors to the Shareholders as dividends/bonuses, and in addition thereto a report of such distribution shall be submitted to the general meeting. According to Cayman Islands laws, the amount of dividends shall be at least ten percent (10%) of net profit after the deduction of items (1) to (4) above. Cash dividends shall comprise a minimum of ten percent (10%) and a maximum of one hundred percent (100%) of the total dividends allocated to shareholders.

   For the policies on the distribution of compensation of employees and remuneration of directors after the amendment, refer to compensation of employees and remuneration of directors in Note 24(h).

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

The appropriations of earnings for 2024 and 2023, were as follows:

	Appropriation of Earnings For the Year Ended December 31	
	2024	**2023**
Cash dividends	$ 29,885	$ 61,091
Cash dividends per share (NT$)	$ 0.5000	$ 1.0053

The appropriation for cash dividends for 2024 and 2023 was resolved by the Company's board of directors on March 11, 2025 and March 7, 2024, respectively.

The share dividend distribution rate for the year ended December 31, 2023, was NT$1.00 per share. As of March 7, 2024, the shareholders were entitled to receive dividends for 61,091 thousand shares. The number of outstanding shares of the Company was changed to 60,950 thousand shares due to the cancellation of restricted employee shares and the forfeiture of allocated restricted employee shares that did not meet the vesting conditions, These shares were excluded from dividend distribution, resulting in a change in the number of outstanding ordinary shares. At their meeting on March 7, 2024, the board of directors resolved to authorize the chairman of the board to adjust the shareholders' dividend distribution rate to NT$1.0053 per share.

The appropriations of earnings for 2025, which were resolved by the Company's board of directors on March 12, 2026, were as follows:

	For the Year Ended December 31, 2025
Cash dividends	$ 29,631
Cash dividends per share (NT$)	$ 0.5000

d. Treasury shares

Purpose of Buy-back	Shares Transferred to Employees (In Thousands of Shares)
Number of shares on January 1 and December 31, 2025	2,000
Number of shares on January 1, 2024	-
Increase during the year	2,000
Number of shares on December 31, 2024	2,000

Under the Securities and Exchange Act, the Company shall neither pledge treasury shares nor exercise shareholders' rights on these shares, such as the rights to dividends and to vote.

On October 8, 2024, the Company's board of directors resolved to repurchase the Company's shares for transfer to employees, with an estimated repurchase quantity of 2,000 thousand shares. As of November 22, 2024 (the completion date), the Company repurchased 2,000 thousand shares for $108,436 thousand.

23. NET REVENUE

a. Disaggregation of revenue

	For the Year Ended December 31	
	2025	2024
Type of goods or services		
Sale of goods	$ 1,100,876	$ 1,091,787
Rendering of beauty and body spa course services	1,011,633	938,857
Others	196,936	249,925
	$ 2,309,445	$ 2,280,569

Refer to Note 4 for information related to contracts with customer. Refer to Note 34 for segment revenue and operating results.

b. Contract balances

The changes in the contract liabilities balances primarily result from the timing difference between the satisfaction of performance obligation and the customer's payment, refer to Note 19.

24. NET PROFIT FROM CONTINUING OPERATIONS

a. Other income and expenses

	For the Year Ended December 31	
	2025	2024
Lease modification (loss) gain	$ (3,945)	$ 6,817
Net (loss) gain on disposal of property, plant and equipment	(7,539)	421
Disposal of net gain (loss) from company-operated stores	4,359	(18,065)
	$ (7,125)	$ (10,827)

b. Interest income

	For the Year Ended December 31	
	2025	2024
Bank deposits	$ 4,879	$ 8,425
Financial assets at amortized cost	10,451	23,758
	$ 15,330	$ 32,183

c. Other income

	For the Year Ended December 31	
	2025	2024
Rental income	$ 39,413	$ 46,333
Others	30,582	17,260
	$ 69,995	$ 63,593

d. Other gains and losses

	For the Year Ended December 31	
	2025	2024
Loss on valuation of financial liabilities at FVTPL	$ (9,625)	$ (676)
Net foreign exchange losses	(6,041)	(40)
Others	(13,816)	(7,824)
	$ (29,482)	$ (8,540)

e. Finance costs

	For the Year Ended December 31	
	2025	2024
Interest on bank loans	$ 31,849	$ 33,324
Interest on obligations under finance leases	24,763	31,921
Interest on convertible bonds	14,708	10,870
Other interest expenses	33	35
	$ 71,353	$ 76,150

f. Depreciation and amortization

	For the Year Ended December 31	
	2025	2024
Property, plant and equipment	$ 243,289	$ 260,898
Right-of-use assets	287,045	333,535
Investment properties	20,437	21,148
Intangible assets	102,023	118,649
	$ 652,794	$ 734,230
An analysis of depreciation by function		
Operating costs	$ 33,722	$ 53,214
Operating expenses	517,049	562,367
	$ 550,771	$ 615,581
An analysis of amortization by function		
Operating costs	$ 1,647	$ 1,608
Selling and marketing expenses	98,481	114,778
General and administrative expenses	1,895	2,263
	$ 102,023	$ 118,649

g. Employee benefits expense

	For the Year Ended December 31	
	2025	2024
Post-employment benefits		
Defined contribution plans	$ 60,158	$ 68,971
Defined benefit plans	(322)	(72)
	59,836	68,899
Share-based payments		
Equity-settled	(20,415)	(10,000)
Other employee benefits	1,037,925	1,128,606
Total employee benefits expense	$ 1,077,346	$ 1,187,505
An analysis of employee benefits expense by function		
Operating costs	$ 495,704	$ 562,248
Operating expenses	581,642	625,257
	$ 1,077,346	$ 1,187,505

h. Compensation of employees and remuneration of directors

According to the Articles of Incorporation of the Company, the Company accrues compensation of employees at rates of no less than 1% and no higher than 5% of net profit before income tax, and accrued remuneration of directors at rates of no higher than 3% of net profit before income tax.

For the year ended December 31, 2025 and 2024, due to the Company has deficit, compensation of employees were not estimated.

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.

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

25. INCOME TAXES

a. Major components of income tax (benefit) expense recognized in profit or loss are as follows:

	For the Year Ended December 31	
	2025	**2024**
Current tax		
In respect of the current year	$ 40,083	$ 71,857
Adjustments for prior years	(14,873)	17,859
	25,210	89,716
Deferred tax		
In respect of the current year	(39,701)	(72,835)
Income tax (benefit) expense recognized in profit or loss	$ (14,491)	$ 16,881

A reconciliation of accounting profit and income tax (benefit) expense is as follows:

	For the Year Ended December 31	
	2025	**2024**
Loss before tax	$ (108,753)	$ (275,065)
Income tax benefit calculated at the statutory rate	$ (18,116)	$ (44,655)
Nondeductible expense in determining taxable income	13,563	9,614
Unrecognized loss carryforwards/deductible temporary differences	(214)	17,024
Income tax expense of earnings repatriation from subsidiaries	2,995	16,512
Adjustments for prior years' tax	(14,873)	17,859
Others	2,154	527
Income tax (benefit) expense recognized in profit or loss	$ (14,491)	$ 16,881

b. Income tax recognized in other comprehensive income

	For the Year Ended December 31	
	2025	2024
Deferred tax		
In respect of the current year		
Remeasurement on defined benefit plans	$ (385)	$ (2,739)

c. Current tax assets and liabilities

	December 31	
	2025	2024
Current tax assets		
Income tax receivable	$ 9,694	$ 12,448
Current tax liabilities		
Income tax payable	$ 31,032	$ 54,840

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
Deferred tax assets					
Temporary differences					
Write-down of inventory	$ 4,323	$ 677	$ -	$ (8)	$ 4,992
Deferred revenue	12,781	(3,099)	-	322	10,004
Payables for annual leave	4,422	(164)	-	1	4,259
Payables for employees' benefits	1,414	-	-	6	1,420
Allowance for losses on accounts receivable	67	4,137	-	96	4,300
Lease liabilities	122,390	(27,550)	-	(433)	94,407
Unrealized exchange losses	-	3,380	-	-	3,380
Others	17,914	2,168	-	146	20,228
	$ 163,311	$ (20,451)	$ -	$ 130	$ 142,990
Deferred tax liabilities					
Temporary differences					
Deferred revenue	$ (242,623)	$ 25,713	$ -	$ (8)	$ (216,918)
Defined benefit obligations	(3,903)	(64)	(385)	-	(4,352)
Amortization of prepayments for leases	(7,395)	(504)	-	(49)	(7,948)
Unrealized exchange losses	(7,588)	7,588	-	-	-
Right-of-use assets	(111,338)	27,419	-	477	(83,442)
Others	(517)	-	-	(30)	(547)
	$ (373,364)	$ 60,152	$ (385)	$ 390	$ (313,207)

For the year ended December 31, 2024

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Exchange Differences	Closing Balance
Deferred tax assets					
Temporary differences					
Write-down of inventory	$ 4,543	$ (313)	$ -	$ 93	$ 4,323
Deferred revenue	11,834	192	-	755	12,781
Payables for annual leave	4,239	182	-	1	4,422
Payables for employees' benefits	1,366	-	-	48	1,414
Allowance for losses on accounts receivable	354	(287)	-	-	67
Lease liabilities	138,445	(20,848)	-	4,793	122,390
Others	22,628	(4,716)	-	2	17,914
	$ 183,409	$ (25,790)	$ -	$ 5,692	$ 163,311
Deferred tax liabilities					
Temporary differences					
Deferred revenue	$ (317,912)	$ 85,921	$ -	$ (10,632)	$ (242,623)
Defined benefit obligations	(1,150)	(14)	(2,739)	-	(3,903)
Amortization of prepayments for leases	(6,643)	(518)	-	(234)	(7,395)
Unrealized exchange losses	(172)	(7,416)	-	-	(7,588)
Right-of-use assets	(127,579)	20,652	-	(4,411)	(111,338)
Others	(469)	-	-	(48)	(517)
	$ (453,925)	$ 98,625	$ (2,739)	$ (15,325)	$ (373,364)

e. Income tax assessments

The income tax returns of the Company and JOURDENESS INTERNATIONAL through 2023 have been assessed by the tax authorities. The Company's subsidiary, JOURDENESS INTERNATIONAL, disagreed with the tax authorities' assessment of its 2017 to 2023 tax returns and filed a lawsuit or appeal. JOURDENWELL BIOMED, its Taiwan branch and the Group's subsidiaries income tax returns through 2023 have been assessed by the tax authorities.

26. LOSSES PER SHARE

Unit: NT$ Per Share

	For the Year Ended December 31	
	2025	**2024**
Basic and diluted losses per share	$ (1.59)	$ (4.87)

Net loss and weighted-average number of ordinary shares used in calculating losses per share were as follows:

Net Losses of the Current Year

	For the Year Ended December 31	
	2025	**2024**
Net loss for the purpose of calculating basic and diluted losses per share	$ (94,262)	$ (291,946)

Shares

Unit: Thousand Shares

	For the Year Ended December 31	
	2025	**2024**
Weighted average number of ordinary shares used in computation of basic and diluted losses per share	59,307	59,946

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. The loss for fiscal year 2025 and 2024 was excluded from the calculation of diluted loss per share because the approximate number of shares issued for employee compensation, restricted employee shares, and convertible bonds had an anti-dilutive effect.

27. EMPLOYEE RESTRICTED SHARES

In their meeting on June 23, 2016, the shareholders approved a restricted share plan for employees for 2,900 thousand shares. On August 2, 2016, this plan was approved by the Financial Supervisory Commission (FSC). The Company issued 2,645 thousand and 110 thousand of the restricted shares on August 30, 2016 and December 28, 2016, respectively. The rights on these shares with restricted employees' rights, which were allotted to the employees before the fulfillment of the vesting conditions, are subject to restrictions, including that the new shares with restricted employees' rights may not be sold, pledged, transferred, gifted to others, set up or otherwise disposed of, and that the rights to attend the shareholders' meeting, to propose, to speak, to vote, to make choices, etc., are exercised in accordance with the deed of trusteeship. The Company agrees to provide employees with dividends on shares allocated to them during the vesting period at no cost, regardless of whether or not the employees have fulfilled the vesting conditions. If an employee fails to fulfill the vesting conditions, the Company has the right to withdraw the new shares with restricted employee rights allocated to the employee without compensation and cancel them.

On June 27, 2023, the Company resolved to issue 300 thousand new shares with restricted employees' rights, and this issuance was declared effective by the FSC on August 14, 2023. On September 22, 2023, the Company issued 183 thousand new shares with restricted employees' rights. The rights on these restricted shares, which were allocated to the employees before the fulfillment of the vesting conditions, are subject to restrictions, including the prohibition of selling, pledging, transferring, gifting, setting up or otherwise disposing of the restricted shares, and the right to attend, propose, speak, vote and elect at the shareholders' meetings are executed in accordance with the trust and custody agreement. Until the vesting conditions are met, employees may not receive cash dividends or share dividends on the new shares of restricted shares, nor may they participate in cash capital increases.

The related information was as follows:

Employee Restricted Shares	For the Year Ended December 31 2025 Number of Shares (In Thousands of Shares)	2024 Number of Shares (In Thousands of Shares)
Balance on January 1	691	1,031
Options vested	-	(141)
Options forfeited	-	(58)
Disposals	(284)	(141)
Balance on December 31	407	691

On March 12, 2026, the Company's Board of Directors resolved to repurchase 224 thousand restricted shares issued for employee compensation that had not met the vesting conditions and to cancel such shares. The capital reduction record date was set as March 18, 2026.

Information about outstanding employee restricted shares as of December 31, 2025 was as follows:

Grant-date	Grant-date Fair Value (NT$)	Number of Shares (In Thousands of Shares)	Vesting Period (Years)
August 18, 2016	$ 83.70	209	1-10
December 26, 2016	84.20	15	1-10
August 24, 2023	67.20	183	1-5

The calculation of employee restricted shares' fair value was based on the closing price of the ordinary shares at the grant date.

Compensation costs of share-based payments arrangement recognized were $(20,415) thousand and $(10,000) thousand for the years ended December 31, 2025 and 2024, respectively.

28. CAPITAL MANAGEMENT

In order to set out the appropriate capital structure, the Group manages its capital based on the industry scale, the growth of market and the development of products for determining an appropriate market share, and considers the working capital, business benefits and cash flow generated from the competitive products.

29. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments not measured at fair value

December 31, 2025

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial liabilities					
Financial liabilities at amortized cost					
Convertible bonds	$ 617,674	$ -	$ -	$ 623,540	$ 623,540

December 31, 2024

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial liabilities					
Financial liabilities at amortized cost					
Convertible bonds	$ 602,966	$ -	$ -	$ 603,285	$ 603,285

When the Group estimated the fair value of the liabilities component of convertible bonds, it assumed that the convertible bonds would be redeemed on the maturity date, and the risk-adjusted discount rates of as of December 31, 2025 and 2024 were assessed by the borrowing interest rate of similar corporation, respectively.

Except as stated above, the management of the Group believes the carrying amounts of financial assets and financial assets and liabilities recognized in the consolidated financial statements approximate their fair values or their fair values cannot be reliably measured.

b. Fair value of financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial liabilities at FVTPL				
Derivatives	$ -	$ -	$ 15,593	$ 15,593

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial liabilities at FVTPL				
Derivatives	$ -	$ -	$ 5,968	$ 5,968

2) Reconciliation of Level 3 fair value measurements of financial instruments

Financial assets (liabilities) at FVTPL - derivatives

	December 31	
	2025	2024
Balance on January 1	$ (5,968)	$ -
Increase for the year	-	(5,810)
Decrease for the year	-	518
Recognized in profit (valuation at FVTPL)	(9,625)	(676)
Balance on December 31	$ (15,593)	$ (5,968)

3) Valuation techniques and inputs applied for Level 3 fair value measurement

The fair values of the host liability instrument and the conversion option derivative instrument, consisting of put option and redemption option of convertible bonds, were estimated using the Binomial Convertible Bonds Pricing Model. The significant parameters used in the evaluation model were as follows:

	December 31	
	2025	2024
Volatility	27.55%	28.15%
Risk-free rate of interest	1.2089%	1.4457%
Risk discount rate	1.8966%	2.1334%
Liquidity risk	0.36%	10.13%

c. Categories of financial instruments

	December 31	
	2025	2024
Financial assets		
Financial assets at amortized cost (1)	$ 1,828,958	$ 1,819,031
Financial liabilities		
Financial liabilities at FVTPL	15,593	5,968
Financial liabilities at amortized cost (2)	2,161,178	2,233,636

1) The balances include financial assets measured at amortized cost, which comprise cash and cash equivalents, time deposit with original maturities more 3 months, restricted demand deposits, notes receivable, trade receivables, other receivables and refundable deposits.

2) The balances include financial liabilities at amortized cost, which comprise short-term borrowings, notes payable, trade payables, other payables, guarantee deposits, bonds payable and long-term loans.

d. Financial risk management objectives and policies

The operations of the Group are affected by several financial risks, the risks include market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management policy is focused on unpredictable events in the financial markets and seeks to reduce the potentially adverse effects on the Group's financial position and financial performance.

The risk management work is carried out by the financial management function of the Group in accordance with the policies approved by the board of directors. The Group's financial management function is responsible for identifying, assessing and evading financial risks by working closely with the Group's operation management function.

1) Market risk

The Group's activities exposed it primarily to the market risks of changes in foreign currency exchange rates.

a) Foreign currency risk

The Group is a multinational corporation, which exposed it to the financial risks of changes in foreign currency exchange rates (the main currencies are U.S. dollars and RMB). The relevant foreign currency risk arises from future commercial transactions, financial assets and liabilities denominated in foreign currencies, and net investments in the foreign operation institutions.

The Group holds investments from a number of foreign operating institutions resulting in foreign currency risk on net assets.

The Group's operations are transacted in several non-functional currencies (the functional currencies of the Company and subsidiaries include the NTD, RMB, MYR and VND); therefore, the Group is affected by the volatility of exchange rates. The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are set out in Note 32.

Sensitivity analysis

The Group's sensitivity analysis mainly focuses on the foreign currency risk of U.S. dollars at the end of the reporting period. Assuming a 3% strengthening/weakening of the functional currency against U.S. dollars, the loss before tax for the years ended December 31, 2025 and 2024 would have increased/decreased by $7,071 thousand and $3,947 thousand, respectively.

In management's opinion, sensitivity analysis was unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period did not reflect the exposure during the period.

b) Interest rate risk

The Group was exposed to fair value and cash flow interest rate risk because the Group held both fixed and floating interest rate financial assets and financial liabilities. The management monitors fluctuations in market interest rate regularly. If it is needed, the management will perform necessary procedures to control significant interest rate risks from fluctuations in market interest rates.

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	December 31	
	2025	2024
Fair value interest rate risk		
Financial assets	$ 854,527	$ 753,551
Financial liabilities	1,507,273	1,979,439
Cash flow interest rate risk		
Financial assets	647,118	712,619
Financial liabilities	1,312,851	1,087,029

Sensitivity analysis

The Group's sensitivity analysis is based on the floating interest rates financial assets and financial liabilities at the end of the reporting period. If interest rates had been 0.5% higher/lower and all other variables were held constant, the net income loss before tax for the years ended December 31, 2025 and 2024 would have increased/decreased by $3,329 thousand and $1,872 thousand, respectively.

2) Credit risk

a) Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group is required to manage and analyze the credit risk for each of its new customers before granting the payment terms and the delivery conditions in accordance with the internal credit policy. For internal risk control, the Group assesses the credit quality of customers by considering their financial status, past experience and other factors. The limitations of individual risk are set by the board of directors based on internal or external credit ratings and regular monitoring of the use of credit lines.

b) The Group transacts with a large number of unrelated customers and, thus, no concentration of credit risk was observed. Credit risk arises from cash and cash equivalents, deposit in banks and trade receivables from customers. In addition, the credit risk is not high because the counterparty of liquidity is the bank with a high credit rating granted by the rating agency.

c) The Group deals with creditworthy counterparties as a means of mitigating the risk of financial loss. The Group also monitors the exposure at default and the credit ratings of its counterparties continuously. Management does not anticipate any significant losses due to counterparty default.

3) Liquidity risk

a) The Group's financial control center aggregates the cash flow forecasting performed by each operating entity and monitors the forecast of the Group's liquidity requirements to ensure that it has sufficient funds to meet operational needs.

b) The remaining cash held by each operating entity is invested in demand deposits and marketable securities when it exceeds the management of working capital. The selected instruments have appropriate maturity dates or sufficient liquidity to meet the above forecast and provide sufficient water level.

c) The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay.

December 31, 2025

	On Demand or Less than 1 Year	1-5 Years	5+ Years
Non-derivative financial liabilities			
Non-interest bearing	$ 129,338	$ 92,476	$ 59,199
Lease liabilities	273,473	511,031	41,632
Floating interest rate liabilities	370,293	336,660	602,693
Fixed interest rate liabilities	741,800	-	-
	$ 1,514,904	$ 940,167	$ 703,524

December 31, 2024

	On Demand or Less than 1 Year	1-5 Years	5+ Years
Non-derivative financial liabilities			
Non-interest bearing	$ 144,624	$ 103,293	$ 73,425
Lease liabilities	325,095	598,659	76,404
Floating interest rate liabilities	74,178	334,830	678,021
Fixed interest rate liabilities	395,587	641,800	-
	$ 939,484	$ 1,678,582	$ 827,850

d) Financing facilities

	December 31	
	2025	2024
Unsecured bank loan facilities		
Amount used	$ 20,000	$ 145,000
Amount unused	460,000	647,280
	$ 480,000	$ 792,280
Secured bank loan facilities		
Amount used	$ 1,827,602	$ 1,779,867
Amount unused	660,398	178,133
	$ 2,488,000	$ 1,958,000
Secured other loan facilities		
Amount used	$ 2,625	$ 2,625
Amount unused	-	-
	$ 2,625	$ 2,625

30. 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. Details of transactions between the Group and other related parties are disclosed below.

a. Related party name and category

Related Party Name	Relationship
Jourdeness Cosmetic., Sdn Bhd. ("Cosmetic")	Related party in substance
Guangzhou Jourdenwell Medical Beauty Clinic Co., Ltd. ("Guangzhou Jourdenwell")	Related party in substance
Wuhan Jourdenwell Medical Beauty Clinic Co., Ltd. ("Wuhan Jourdenwell")	Related party in substance
Lanniewell Medical Beauty Clinic Co., Ltd. In Wuchang District, Wuhan ("Lanniewell")	Related party in substance
Chengdu Jinniu Jourdenwell Medical Beauty Clinic Co., Ltd. ("Chengdu Jinniu Jourdenwell")	Related party in substance
Jourdenwell Chen Sufang Medical Beauty Clinic Co., Ltd. in Siming District, Xiamen ("Jourdenwell in Siming District, Xiamen")	Related party in substance
Jourdenwell Medical Beauty Clinic Co., Ltd. in Yuelu District, Changsha ("Jourdenwell in Yuelu District, Changsha")	Related party in substance
Nanning Jourdenwell Medical Beauty Clinic Co., Ltd. ("Nanning Jourdenwell")	Related party in substance
Beijing Jourdenwell Medical Beauty Clinic Co., Ltd. ("Beijing Jourdenwell")	Related party in substance
Hangzhou Jourdenwell Medical Beauty Clinic Co., Ltd. ("Hangzhou Jourdenwell")	Related party in substance
Jourdenwell Health Management Medical Beauty Clinic ("Changhua Yuanlin Jourdenwell")	Related party in substance
Jourdenwell Clinic ("Taichung Jourdenwell")	Related party in substance
Taoyuan Jourdenwell Medical Beauty Clinic ("Taoyuan Jourdenwell")	Related party in substance
Hsinchu Jourdenwell Medical Beauty Clinic ("Hsinchu Jourdenwell")	Related party in substance
Kaohsiung Jourdenwell Medical Beauty Clinic ("Kaohsiung Jourdenwell")	Related party in substance
Tainan Jourdenwell Medical Beauty Clinic ("Tainan Jourdenwell")	Related party in substance
Taipei Jourdenwell Medical Beauty Clinic ("Taipei Jourdenwell")	Related party in substance
PHUC AN KHANG VIET NAM DEVELOPMENT AND INVESTMENT COMPANY LIMITED("PHUC AN KHANG")	Related party in substance
Coswift International Marketing Co., Ltd.	Other related party (the chairman of the company is the spouse of the Company's main management)
Cynn Trading Co., Ltd.	Other related party (the chairman of the company is the spouse of the Company's main management)

(Continued)

Related Party Name	Relationship
Guang Jie Internation Trade Co., Ltd.	Other related party (the chairman of the company is a second degree relative of the Company's main management)
Yong Yuan International Beauty Group Co., Ltd.	Other related party (the chairman of the company is a first degree relative of the Company's main management)
Yuan Rong Agricultural and Sideline Products Co., Ltd.	Other related party (the chairman of the company is a second degree relative of the Company's main management)
Chen, Cheng-Hsiung	Key management personnel (chairman of the Company)
Chen, Cheng-Tzu	Key management personnel (director of the Company)
Chen, Chia-Chi	Key management personnel (general manager of the Company)

(Concluded)

b. Operating revenue

Line Item	Related Party Category	For the Year Ended December 31 2025	2024
Sales of goods	Related party in substance	$ 38,403	$ 48,966
	Other related parties	10,525	4,853
Consulting services revenue	Related party in substance	76,211	81,585
Support services revenue	Related party in substance	39,844	43,623
	Other related parties	-	208
		$ 164,983	$ 179,235

The selling price of the Group to the related parties was negotiated among each other. The payment terms for the related parties were 30 to 180 days after shipment of goods or services provided, and they were similar to those for third parties.

c. Purchases of goods

Relationship	For the Year Ended December 31 2025	2024
Other related parties	$ 5,021	$ 7,649

d. Trade receivables from related parties

Relationship	December 31 2025	2024
Related party in substance	$ 68,319	$ 71,805
Other related parties	-	97
	$ 68,319	$ 71,902

The outstanding trade receivables from related parties were unsecured. For the years ended December 31, 2025 and 2024, the impairment loss on trade receivables from related parties were $83,629 thousand and $57,923 thousand, respectively.

e. Other receivables from related parties

Relationship	December 31 2025	December 31 2024
Related party in substance	$ 1,015	$ 1,369

f. Other payables to related parties

Relationship	December 31 2025	December 31 2024
Related party in substance	$ 5,292	$ 7,384
Other related parties	1,668	12
	$ 6,960	$ 7,396

g. Other unearned revenue

Relationship	December 31 2025	December 31 2024
Related party in substance	$ 97	$ 97

h. Lease arrangement - the Group is lessor/sublease arrangements

The Group's sublease arrangements under operating leases

The Group subleases its right-of-use assets on buildings to its associates: Jourdenwell in Siming District, Xiamen, Lanniewell, Changhua Yuanlin Jourdenwell, Taoyuan Jourdenwell, Hsinchu Jourdenwell, Kaohsiung Jourdenwell, Tainan Jourdenwell, and Taipei Jourdenwell under operating lease with lease term of 1 years for each. The rentals are based on similar asset's market rental rates and fixed lease payments are received monthly. As of December 31, 2025 and 2024, the gross lease payments received were $31,108 thousand and $28,989 thousand, respectively.

The Group is lessor under operating leases

The Group is a lessor of equipment to its associate Chengdu Jinniu Jourdenwell, Jourdenwell in Siming District, Xiamen, Guangzhou Jourdenwell, Changhua Yuanlin Jourdenwell, Taichung Jourdenwell, Taoyuan Jourdenwell, Hsinchu Jourdenwell, Kaohsiung Jourdenwell, Tainan Jourdenwell and Taipei Jourdenwell under operating lease with lease term of 1 years, and the rental is based on similar asset's market rental rates and fixed lease payments are received monthly. As of December 31, 2025 and 2024, the gross lease payments received were $2,109 thousand and $3,999 thousand, respectively.

The Group is a lessor of buildings to its associate Taichung Jourdenwell under operating lease with lease term of 1 years, and the rental is based on similar asset's market rental rates and fixed lease payments are received monthly. As of December 31, 2025 and 2024, the gross lease payments received were both $5,448 thousand.

Lease income was as follows:

Relationship/Name	2025 Operating Revenue	2025 Non-operating Revenue	2024 Operating Revenue	2024 Non-operating Revenue
Related party in substance				
Taipei Jourdenwell	$ 5,862	$ 7,291	$ 8,631	$ 8,771
Kaohsiung Jourdenwell	4,198	4,137	6,422	5,177
Hsinchu Jourdenwell	5,078	4,126	7,372	5,011
Changhua Jourdenwell	4,233	2,937	6,902	3,680
Taichung Jourdenwell	4,338	5,189	4,682	6,423
Tainan Jourdenwell	3,507	3,200	4,077	4,080
Taoyuan Jourdenwell	4,761	3,246	3,734	4,011
Guangzhou Jourdenwell	-	2,059	-	2,117
Others	-	3,298	-	4,085
	$ 31,977	$ 35,483	$ 41,820	$ 43,355

i. Endorsements and guarantees

Endorsements and guarantees given by related parties

Relationship	December 31 2025	December 31 2024
Key management personnel		
Amount endorsed	$ 2,820,625	$ 2,752,905
Amount utilized	$ 1,730,227	$ 1,927,492

j. Compensation of key management personnel

	For the Year Ended December 31 2025	For the Year Ended December 31 2024
Short-term employee benefits	$ 25,399	$ 28,709
Post-employment benefits	452	508
Share-based payments	83	(4,983)
	$ 25,934	$ 24,234

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

31. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral applications as follows:

	December 31		
	2025	2024	Collateral Applications
Buildings	$ 208,064	$ 214,386	Performance bond (a) and (c)
Buildings	1,348,984	1,348,992	Guarantees of bank loans
Land	216,067	216,067	Performance bond (a) and (c)
Land	704,882	704,882	Guarantees of bank loans
Equipment	139	972	Guarantees of other bank loans
Financial assets at amortized cost - trust time deposits	175,000	175,000	Performance bond (b) and (c)
Financial assets at amortized cost - pledged time deposits	153,004	47,000	Performance bond (a) and (c)
Financial assets at amortized cost - demand deposits	1,151	1,096	Property maintenance funds
	$ 2,807,291	$ 2,708,395	

a. Subsidiary JOURDENESS INTERNATIONAL entrusts the credit bank to process the collection and payment from the credit card holder's account. Since the service provided by JOURDENESS INTERNATIONAL is of a pre-receipt nature, the failure of JOURDENESS INTERNATIONAL to satisfy performance obligations will cause losses on the credit card bank. Therefore, JOURDENESS INTERNATIONAL has agreed to provide time deposit as collateral to obtain credit line with credit bank, and the guaranteed amount is $135,000 thousand. In addition, JOURDENESS INTERNATIONAL signed an agreement with National Credit Card Center of the ROC, which agreed to obtain a comprehensive credit line by pledging buildings and land as collateral. The credit bank issues a performance statement with a guarantee amount of $150,000 thousand which is the guarantee for the credit card losses caused by JOURDENESS INTERNATIONAL's promise to pay for the bank's default.

b. For the purpose of strengthening the protection of consumer rights by JOURDENESS INTERNATIONAL, in addition to the original performance bond, the "Guarantee Trust Deed Agreement" was approved by JOURDENESS INTERNATIONAL's board of directors on August 28, 2015. The agreement states that JOURDENESS INTERNATIONAL needs to consider the liquidity and the enhancement of the guarantee reserve rate, and be responsible for trust management through the trust management bank, as well as 30% of the advance receipts which are based on the JOURDENESS INTERNATIONAL's recent audit report deducted by the performance bond as a guarantee reserve have to be remitted to the trust account. If JOURDENESS INTERNATIONAL fails to perform its services or goods in accordance with the contract from customer, consumers can obtain relevant rulings through formal channels to ensure their remaining rights.

c. The performance bonds provided by JOURDENESS INTERNATIONAL were $478,004 thousand and $522,000 thousand as of December 31, 2025 and 2024, respectively, which had complied with the commitment guarantee amount as stated in (b) above.

32. 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 and the related exchange rates between foreign currencies and respective functional currencies were as follows:

December 31, 2025

	Foreign Currency (In Thousands)	Exchange Rate (In Dollars)		Functional Currency (In Thousands)	Carrying Amount (In Thousands)
Financial assets					
Monetary items					
USD	$ 13,318	31.430	(USD:NTD)	$ 470,302	$ 470,302
USD	2,536	26,635.593	(USD:VND)	66,123,553	79,697
Financial liabilities					
Monetary items					
USD	10,000	31.430	(USD:NTD)	314,300	314,300

December 31, 2024

	Foreign Currency (In Thousands)	Exchange Rate (In Dollars)		Functional Currency (In Thousands)	Carrying Amount (In Thousands)
Financial assets					
Monetary items					
USD	$ 15,213	32.785	(USD:NTD)	$ 498,770	$ 498,770
Financial liabilities					
Monetary items					
USD	11,200	32.785	(USD:NTD)	367,192	367,192

For the years ended December 31, 2025 and 2024, net foreign exchange losses were $6,041 thousand and $40 thousand, respectively. It is impractical to disclose net foreign exchange gains by each significant foreign currency due to the variety of the foreign currency transactions.

33. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions

    1) Financing provided to others (Table 1).

    2) Endorsements/guarantees provided (Table 2).

    3) Significant marketable securities held (excluding investments 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 (None).

5) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital (Table 3).

6) Intercompany relationships and significant intercompany transactions (Table 4).

b Information on 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, repatriated 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 year or on the financial position, such as the rendering or receipt of services.

34. SEGMENT INFORMATION

Information reported to the chief operating decision maker was based on the types of business units. Business units include JOURDENESS INTERNATIONAL, Jourdeness (GUANGZHOU) COSMETICS, Jourdeness Enterprise Management and MY.

The operating segments' accounting policies were similar to the Group as detailed in Note 4. The operating segments' profit or loss is measured in terms of profit or loss before tax and serves as the basis for assessing performance.

a. Segment revenues and results

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

For the year ended December 31, 2025

	JOURDENESS INTERNATIONAL	Jourdeness (GUANGZHOU) COSMETICS	Jourdeness Enterprise Management	MY	Other	Elimination	Total
Revenue from external customers	$ 1,263,669	$ 887,483	$ 36,689	$ 47,063	$ 74,541	$ -	$ 2,309,445
Inter-segment revenue	57,499	9,351	3,200	-	5,218	(75,268)	-
Consolidated revenue	$ 1,321,168	$ 896,834	$ 39,889	$ 47,063	$ 79,759	$ (75,268)	$ 2,309,445
Segment profit (loss)	$ (55,500)	$ (4,978)	$ 16,208	$ (12,335)	$ (38,047)	$ 1,409	$ (93,243)
Interest income							15,330
Other income							69,995
Other gains and losses							(29,482)
Finance costs							(71,353)
Loss before tax							$ (108,753)

For the year ended December 31, 2024

	JOURDENESS INTERNATIONAL	Jourdeness (GUANGZHOU) COSMETICS	Jourdeness Enterprise Management	MY	Other	Elimination	Total
Revenue from external customers	$ 1,276,482	$ 847,302	$ 20,353	$ 46,338	$ 90,094	$ -	$ 2,280,569
Inter-segment revenue	45,121	8,837	2,868	-	-	(56,826)	-
Consolidated revenue	$ 1,321,603	$ 856,139	$ 23,221	$ 46,338	$ 90,094	$ (56,826)	$ 2,280,569
Segment profit (loss)	$ (102,936)	$ (159,572)	$ 360	$ (6,182)	$ (19,250)	$ 1,449	$ (286,131)
Interest income							32,183
Other income							63,573
Other gains and losses							(8,540)
Finance costs							(76,150)
Loss before tax							$ (275,065)

The segment revenues were all generated from external customers. All intercompany transactions in 2025 and 2024 have been eliminated on consolidation.

Segment profit represented the profit before tax earned by each segment without interest income, other income, other gains and losses, finance costs and income tax expense. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

The segment information provided to operating decision makers did not include the assets and liabilities of individual operating segments, and therefore the segment financial information did not include the measurement of assets and liabilities of operating segments.

b. Revenue from major products and services: Refer to Note 23.

c. Geographical information

The Group's revenue from continuing operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below.

	Revenue from External Customers		**Non-current Assets**	
	For the Year Ended December 31		**December 31**	
	2025	**2024**	**2025**	**2024**
China	$ 924,172	$ 867,655	$ 716,268	$ 963,481
Taiwan	1,337,721	1,366,576	3,349,399	3,571,215
Others	47,552	46,338	45,184	27,265
	$ 2,309,445	$ 2,280,569	$ 4,110,851	$ 4,561,961

Non-current assets exclude those which are classified as financial instruments, Goodwill, deferred tax assets and defined benefit assets.

d. Information about major customers

No single customer contributed 10% or more to the Group's revenue in 2025 and 2024.

JOURDENESS GROUP LIMITED AND SUBSIDIARIES

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

No.	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the Period (Note 3)	Ending Balance (Note 3)	Actual Borrowing Amount (Note 3)	Interest Rate	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 2)	Aggregate Financing Limits (Note 2)
													Item	Value		
1	BIO-JOURDENESS INTERNATIONAL GROUP CO., LTD.	JOURDENESS GROUP LIMITED	Other receivables from related parties	Yes	$ 352,016 (US$ 11,200 thousand)	$ 314,300 (US$ 10,000 thousand)	$ 314,300 (US$ 10,000 thousand)	-	Short-term financing	$ -	Operating capital	$ -	-	-	$ 455,141	$ 455,141

Note 1: The information of note column is as follows:

a. The Company: 0.
b. The subsidiaries are marked in numerical order from 1.

Note 2: The total amount of the financing provided by BIO-JOURDENESS INTERNATIONAL GROUP CO., LTD. to others, collectively and to any individual entity shall not exceed 40% of its net worth in recent audited (reviewed) financial statements. The Company's net worth was calculated as of December 31, 2025.

Note 3: The calculation was based on the spot exchange rate of December 31, 2025.

Note 4: All intercompany transactions have been eliminated on consolidation.

JOURDENESS GROUP LIMITED AND SUBSIDIARIES

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

No. (Note)	Endorser/Guarantor	Endorsee/Guarantee Receiver		Limits on Endorsement/ Guarantee Given on Behalf of Each Party (Notes 2 and 3)	Maximum Amount Endorsed/ Guaranteed During the Period (Note 3)	Outstanding Endorsement/ Guarantee at the End of the Period (Note 3)	Actual Borrowing Amount (Note 3)	Amount Endorsed/ Guaranteed by Collateral (Note 3)	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 2)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries (Note 4)	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent (Note 4)	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China (Note 4)
		Name	Relationship										
0	JOURDENESS GROUP LIMITED	BIO-JOURDENESS INTERNATIONAL GROUP CO., LTD.	Subsidiary	$ 817,868	$ 100,000	$ 100,000	$ -	$ -	6.11	$ 1,635,735	Y	N	N
1	BIO-JOURDENESS INTERNATIONAL GROUP CO., LTD.	JOURDENESS GROUP LIMITED	Parent	739,605	$ 251,440 (US$ 8,000 thousand)	$ 125,720 (US$ 4,000 thousand)	-	144,000	7.69	1,137,854	N	Y	N
		JOURDENESS GROUP LIMITED	Parent	739,605	94,290 (US$ 3,000 thousand)	94,290 (US$ 3,000 thousand)	-	-	5.76	1,137,854	N	Y	N
		JOURDENESS GROUP LIMITED	Parent	739,605	125,720 (US$ 4,000 thousand)	-	-	-	-	1,137,854	N	Y	N
		JOURDENESS GROUP LIMITED	Parent	739,605	251,440 (US$ 8,000 thousand)	157,150 (US$ 5,000 thousand)	-	200,000	9.61	1,137,854	N	Y	N
		JOURDENESS GROUP LIMITED	Parent	739,605	125,720 (US$ 4,000 thousand)	-	-	-	-	1,137,854	N	Y	N
		JOURDENESS GROUP LIMITED	Parent	739,605	94,290 (US$ 3,000 thousand)	94,290 (US$ 3,000 thousand)	-	-	5.76	1,137,854	N	Y	N
		JOURDENWELL BIOMED CO., LTD.	Subsidiary	739,605	2,625	2,625	2,625	2,625	0.16	1,137,854	N	N	N

Note 1: The information of note column is as follows:

a. The Company: 0.
b. The subsidiaries are marked in numerical order from 1.

Note 2: The total amount of the guarantee provided by the Company to others, collectively and to any individual entity shall not exceed 100% and 50% of its net worth, respectively. The Company's net worth was calculated as of December 31, 2025.

The total amount of the guarantees provided by the subsidiary, JOURDENESS INTERNATIONAL, to others, collectively and to any individual entity, shall not exceed 100% and 65% of its net worth, respectively. The subsidiary's net worth was calculated as of December 31, 2025.

Note 3: The calculation was based on the spot exchange rate of December 31, 2025.

Note 4: Endorsement/guarantee given by parent on behalf of subsidiaries marked as "Y"; endorsement/guarantee given by subsidiaries on behalf of parent marked as "Y"; endorsement/guarantee given on behalf of companies in mainland China marked as "Y".

JOURDENESS GROUP LIMITED AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Ending Balance (Note 3)	Turnover Rate	Overdue		Amount Received in Subsequent Period (Notes 2 and 3)	Allowance for Impairment Loss
					Amount	Actions Taken		
BIO-JOURDENESS INTERNATIONAL GROUP CO., LTD.	JOURDENESS GROUP LIMITED	Parent	$ 314,300	-	$ -	-	$ 95,565	Note 1

Note 1: After valuation, it is not necessary to provide allowance for losses.

Note 2: After the end of the reporting period refers to the period from January 1, 2026 to March 12, 2026.

Note 3: All intercompany transactions have been eliminated on consolidation.

JOURDENESS GROUP LIMITED AND SUBSIDIARIES

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

No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Transactions Details			
				Financial Statement Accounts	Amount	Transaction Terms	% to Total Sales or Assets (Note 3)
0	JOURDENESS GROUP LIMITED	BIO-JOURDENESS INTERNATIONAL GROUP CO., LTD.	a	Other payables to related parties	$ 314,300	No significant difference from others	4.63
1	BIO-JOURDENESS INTERNATIONAL GROUP CO., LTD.	Jourdeness (GUANGZHOU) COSMETICS CO., LTD.	c	Sales revenue	27,811	No significant difference from others	1.20

Note 1: The information about the transactions between the Company and its subsidiaries is marked in the note column as follows:

a. The Company: 0.
b. The subsidiaries are marked in numerical order from 1.

Note 2: Investment types are as follows:

a. The Company to the subsidiaries.
b. The subsidiaries to the Company.
c. Between the subsidiaries.

Note 3: The ratio of transaction amounts to total sales revenue or assets was calculated as follows: (1) Asset or liability: The ratio was calculated based on the ending balance over the total consolidated assets; (2) Income or loss: The ratio was calculated based on the midterm accumulated amounts over the total consolidated sales revenue.

Note 4: All intercompany transactions have been eliminated on consolidation.

JOURDENESS GROUP LIMITED AND SUBSIDIARIES

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

Investor Company	Investee Company	Location	Business Content	Original Investment Amount (Note 1)		As of December 31, 2025 (Note 1)			Net Income (Loss) of Investee	Share of Profit (Loss)	Note
				December 31, 2025	December 31, 2024	Number of Shares	%	Carrying Amount			
JOURDENESS GROUP LIMITED	BIO-JOURDENESS INTERNATIONAL GROUP CO., LTD.	Taiwan	Beauty and body spa business, manufacture and sale of cosmetic products, and operation of a tourist factory	$ 210,000	$ 210,000	21,000,000	100	$ 1,137,854	$ (47,719)	$ (47,719)	Note 1
	SUCCESS UNITED LIMITED	Samoa	Investment	224,494	224,494	6,529,401	100	1,338,854	(15,868)	(15,868)	Note 1
	JOURDENESS DEVELOPMENT LIMITED	Hong Kong	Investment	32,320	32,320	1,000,000	100	34,081	15,318	15,318	Note 1
	BIO-JOURDENESS COSMETIC CO. (MY) SDN. BHD.	Malaysia	Beauty and body spa business and sale of cosmetic products	-	7,857	-	-	-	(10,816)	(1,816)	Notes 1 and 3
BIO-JOURDENESS INTERNATIONAL GROUP CO., LTD.	JOURDENWELL BIOMED CO., LTD.	Taiwan	Equipment rental and sale of cosmetic products	40,000	40,000	4,000,000	100	42,370	(192)	-	Note 1
SUCCESS UNITED LIMITED	JOURDENESS (VN) CO., LTD	Vietnam	Sale of cosmetic products and management consulting service	16,093	16,093	-	100	9,609	(4,902)	-	Notes 1 and 2
Jourdeness (GUANGZHOU) COSMETICS CO., LTD.	JOURDENESS TRADING (MY) SDN. BHD.	Malaysia	Sale of cosmetic products and management consulting service	72,409	6,448	10,131,583	100	61,730	(7,109)	-	Note 1
	JOURDENESS (VIETNAM) TRADING CO., LTD	Vietnam	Sale of cosmetic products and management consulting service	98,018	94,737	-	100	85,760	(4,442)	-	Notes 1 and 2
JOURDENESS TRADING (MY) SDN. BHD	BIO-JOURDENESS COSMETIC CO. (MY) SDN. BHD.	Malaysia	Beauty and body spa business and sale of cosmetic products	7,857	-	1,100,750	100	50,089	(10,816)	-	Notes 1 and 3

Note 1: All intercompany transactions have been eliminated on consolidation.

Note 2: It is a limited liability company and does not have share capital divided into shares.

Note 3: In May 2025, the Company transferred its 100% equity interest in BIO-JOURDENESS COSMETIC CO. (MY) SDN. BHD. to JOURDENESS TRADING (MY) SDN. BHD. The transaction is a reorganization under common control.

JOURDENESS GROUP LIMITED AND SUBSIDIARIES

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

Investee Company	Business Content	Paid-in Capital (Note 1)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025	Investment Flows		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 4)	Carrying Amount as of December 31, 2025 (Note 4)	Accumulated Repatriation of Investment Income as of December 31, 2025
					Outflow	Inflow						
Jourdeness (GUANGZHOU) COSMETICS CO., LTD.	Beauty and body spa business and manufacture and sale of cosmetic products	$ 288,090	Note 2	$ -	$ -	$ -	$ -	$ (7,844)	100	$ (7,844)	$ 1,321,013	$ -
Jourdeness (GUANGZHOU) COSMETOLOGY ENTERPRISE MANAGEMENT CO., LTD.	Consulting services of beauty and body spa business	30,695	Note 2	-	-	-	-	15,318	100	15,318	34,079	-

Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA (Note 3)
$ -	$ -	$ -

Note 1: The calculation was based on the spot exchange rate of December 31, 2025.

Note 2: The company indirectly invested in subsidiaries in mainland China by investing via third region.

Note 3: The company was incorporated in Cayman Islands and not restricted to “Guideline Governing the Review of Investment or Technical Cooperation in the Mainland Area.”

Note 4: All intercompany transactions have been eliminated on consolidation. The basis for investment income (loss) recognition is the financial statements audited and attested by parent company’s CPA in the ROC.