Stock Code: 7705

Mercuries F&B Co., Ltd.

Parent Company Only Financial Statements and Independent Auditors' Report

For the Years Ended December 31, 2025 and 2024

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Independent Auditors' Report

To the Board of Directors of Mercuries F&B Co., Ltd.:

Opinions

Mercuries F&B Co., Ltd.'s Balance Sheets as of December 31, 2025 and 2024, in addition to the Statements of Comprehensive Income, Statements of Changes in Equity, Statements of Cash Flows, and Notes to the Parent Company Only Financial Statements (including a summary of significant accounting policies) from January 1 to December 31, 2025 and 2024, have been audited by the CPAs.

In our opinion, the Parent Company Only Financial Statements mentioned above have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers in all material aspects, and are considered to have reasonably expressed the financial conditions of Mercuries F&B Co., Ltd. as of December 31, 2025 and 2024, as well as the financial performance and cash flows from January 1 to December 31, 2025 and 2024.

Basis for Opinions

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the section regarding the auditor's responsibilities in auditing the parent company only financial statements. The firm to which we belong has ensured that its personnel comply with independence regulations and has maintained an objective independence from Mercuries F&B Co., Ltd., fulfilling other responsibilities outlined in the professional ethics standards for accountants. We believe that sufficient and appropriate audit evidence has been obtained to serve as 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 parent company only financial statements of Mercuries F&B Co., Ltd. for the year ended December 31, 2025. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. Key audit matters for the Company’s parent company only financial statements for the year ended December 31, 2025 are stated as follows:

Recognition of Revenue from Food and Beverage Sales

Please refer to Note IV(XV) of the parent company only financial statements for the accounting policy for revenue recognition. Please refer to Note VI(XVIII) for disclosures related to revenue recognition.

Description of Key Audit Matters:

Mercuries F&B Co., Ltd. specializes in providing catering services and conducting sales operations. The Company's revenue is generated through the direct provision of catering services to consumers at various locations established throughout Taiwan. Although the transaction amounts are small due to the large number of stores and the fact that the direct customers are general consumers, transaction volume is high. Consequently, the Company relies on a point-of-sale (POS) system to collect and summarize daily revenue information. Mercuries F&B Co., Ltd. issues invoices directly to consumers or to sales venues and delivery platforms from its stores. The accounting department verifies the daily POS reports from each store to summarize the amounts of cash, credit card, and mobile payment transactions before recognizing the revenue. The accuracy of revenue recognition from these stores is considered one of the key assessment matters in the audit of Mercuries F&B Co., Ltd.'s financial statements.

Responding Audit Procedures:

The primary audit procedures we conducted concerning the aforementioned key audit matters include understanding and testing the effectiveness of the general computer environment controls of the ERP system; evaluating whether the revenue recognition policies are implemented in accordance with relevant accounting standards; obtaining sales revenue reports generated by the POS system and selecting samples to perform tests on the effectiveness of internal controls; and conducting spot checks on the sales revenue reports to assess the accuracy of the recognized revenue amounts and the reasonableness of the timing of revenue recognition.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

To ensure that the Parent Company Only Financial Statements do not contain material misstatements caused by fraud or errors, the management is responsible for preparing prudent Parent Company Only Financial Statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for preparing and maintaining necessary internal control procedures pertaining to the Parent Company Only Financial Statements.

In preparing the Parent Company Only Financial Statements, the management is responsible for assessing Mercuries F&B Co., Ltd.'s ability to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going concern basis of accounting unless the management either intends to liquidate Mercuries F&B Co., Ltd. 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 Mercuries F&B Co., Ltd.'s financial reporting process.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

The purpose of this audit of the parent company only financial statements is to obtain reasonable assurance that the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with accounting standards, we exercise professional judgment and skepticism throughout the audit. We also:

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

2. Obtain an understanding of internal controls 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 internal controls of Mercuries F&B Co., Ltd..

3. Assess the appropriateness of the accounting policies adopted by the management, as well as the reasonableness of their accounting estimates and relevant disclosures.

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 Mercuries F&B Co., Ltd.'s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Mercuries F&B Co., Ltd. to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only 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 investment in other entities accounted for using the equity method to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion of Mercuries F&B Co., Ltd.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of Mercuries F&B Co., Ltd.. for the year ended December 31, 2025. 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.

KPMG

CPA:

Approval Document No. from the Financial Supervisory Commission	:	Tai-Cai-Zheng-Liu-Zi No. 0920122026 Jin-Guan-Zheng-Liu-Zi No. 0940100754

February 23, 2025

Mercuries F&B Co., Ltd.

Balance Sheets

For the years ended December 31, 2025 and 2024

Unit: Thousands of New Taiwan Dollars

	Assets	**2025.12.31 Amount**	**%**	**2024.12.31 Amount**	**%**
	Current Assets:				
1100	Cash and cash equivalents (Note VI(I))	$ 372,777	10	130,014	4
1110	Financial assets at fair value through profit or loss - current (Notes VI(II) and XIII)	104,407	3	82,351	2
1170	Net accounts receivable (Notes VI(III) and VII)	140,455	4	126,288	3
1200	Other receivables (Note VII and XIII)	19,783	-	20,864	-
1310	Net inventories (Note VI(IV))	292,483	7	384,876	11
1410	Prepayments (Note VII)	1,738	-	10,334	-
1470	Other current assets	2,786	-	25	-
		934,429	24	754,752	20
	Non-current assets:				
1550	Investments accounted for using the equity method (Note VI(V))	91,398	2	91,677	3
1600	Property, plant, and equipment (Notes VI(VI) and VII)	1,700,133	45	1,652,986	46
1755	Right-of-use assets (Note VI(VII))	992,706	26	1,007,692	28
1780	Intangible assets (Note VI(VIII))	9,022	-	2,985	-
1840	Deferred tax assets (Note VI(XIV))	5,151	-	2,643	-
1920	Refundable deposits (Note VII)	101,439	3	98,440	3
		2,899,849	76	2,856,423	80
	Total assets	**$ 3,834,278**	**100**	**3,611,175**	**100**

	Liabilities and Equity	**2025.12.31 Amount**	**%**	**2024.12.31 Amount**	**%**
	Current Liabilities:				
2100	Short-term loans (Note VI(IX))	$ 490,000	13	10,000	-
2110	Short-term notes and bills payable (Note VI(X))	-	-	69,979	2
2130	Contract liabilities - current (Note VI(XVIII))	18,866	-	23,987	1
2170	Notes and accounts payable (Note VII)	337,589	9	316,132	9
2200	Other payables (Notes VI(XI) and VII)	408,011	11	414,788	10
2230	Current income tax liabilities	882	-	55,770	2
2280	Lease liabilities - current (Notes VI(XII) and VII)	360,385	9	354,665	10
2300	Other current liabilities (Note VII)	3,693	-	3,578	-
		1,619,426	42	1,248,899	34
	Non-current liabilities:				
2551	Non-current provisions for employee benefits (Note VI(XIII))	1,410	-	5,498	-
2556	Long-term provision for decommissioning, restoration and rehabilitation costs	3,878	-	3,878	-
2580	Lease liabilities - non-current (Notes VI(XII) and VII)	658,348	18	674,393	19
2600	Other non-current liabilities	4,594	-	5,034	-
		668,230	18	688,803	19
	Total liabilities	2,287,656	60	1,937,702	53
	Equity (Notes VI(XV) and (XVII)):				
3100	Capital stock	660,673	17	660,673	18
3200	Capital surplus	540,668	14	540,668	15
	Retained earnings:				
3310	Legal reserve	192,689	5	167,829	5
3320	Special reserve	5,760	-	-	-
3350	Unappropriated earnings	153,532	4	310,063	9
		351,981	9	477,892	14
3400	Other equity	(6,700)	-	(5,760)	-
	Total equity	1,546,622	40	1,673,473	47
	Total liabilities and equity	**$ 3,834,278**	**100**	3,611,175	100

(Please refer to the notes to the parent company only financial statements)

Chairman: Shiang-Feng Chen **Manager: Shiang-Feng Chen** **Accounting Supervisor: Chao Hui-Ling**

Mercuries F&B Co., Ltd.

Statements of Comprehensive Income

For the years ended December 31, 2025 and 2024

Unit: Thousands of New Taiwan Dollars

		For the year ended December 31, 2025		For the year ended December 31, 2024	
		Amount	**%**	**Amount**	**%**
4000	**Operating Revenue (Notes VI(XVIII) and VII)**	$ 6,499,719	100	6,297,547	100
5000	**Cost of Goods Sold (Notes VI(IV), VII, and XII)**	4,198,594	65	3,967,849	63
	Gross profit	2,301,125	35	2,329,698	37
	Operating Expenses: (Notes VI(III), VI(VI), VI(VII), VI(VIII), VI(XII), VI(XIII), VI(XVI), VI(XX),VII, and XII)				
6100	Selling and marketing expenses	1,885,942	29	1,757,499	28
6200	General and administrative expenses	245,425	4	246,893	4
6300	Research and development Expenses	16,627	-	22,964	-
6450	Expected credit losses (or gains)	-	-	(29)	-
	Total operating expenses	2,147,994	33	2,027,327	32
	Net operating income	153,131	2	302,371	5
	Non-operating income and expenses (Notes VI(V), (XII), (XIX), and VII):				
7100	Interest income	1,371	-	728	-
7010	Other income	32,209	-	31,447	-
7020	Other gains and losses	17,098	-	18,510	-
7050	Finance costs	(25,846)	-	(23,926)	-
7070	Share of profit or loss of subsidiaries, associates, and joint ventures accounted for using the equity method	(20,519)	-	(18,035)	-
		4,313	-	8,724	-
	Net income before tax	157,444	2	311,095	5
7950	**Less: Tax expense (Note VI(XIV))**	30,381	-	60,930	1
	Net profit for the current period	127,063	2	250,165	4
8300	**Other comprehensive income:**				
8310	**Components that will not be reclassified to profit or loss**				
8311	Re-measurements of defined benefit plans	(1,918)	-	(1,382)	-
8349	Income tax related to components that will not be reclassified to profit or loss	-	-	-	-
	Components that will not be reclassified to profit or loss	(1,918)	-	(1,382)	-
8360	**Components that may be reclassified to profit or loss**				
8361	Exchange differences on translation of financial statements of foreign operations	(940)	-	(440)	-
8399	Income tax related to components that can be reclassified to profit or loss	-	-	-	-
	Components that may be reclassified to profit or loss	(940)	-	(440)	-
8300	**Other comprehensive income for the current period**	(2,858)	-	(1,822)	-
8500	**Total comprehensive income for the current period**	$ 124,205	2	248,343	4
	Basic earnings per share (Unit: NT$) (Note VI(XVII))	$	1.92		4.10
	Diluted earnings per share (Unit: NT$) (Note VI(XVII))	$	1.92		4.10

(Please refer to the notes to the parent company only financial statements)

Chairman: Shiang-Feng Chen **Manager: Shiang-Feng Chen** **Accounting Supervisor: Chao Hui-Ling**

Mercuries F&B Co., Ltd and Subsidiaries

Statements of Changes in Equity

For the years ended December 31, 2025 and 2024

Unit: Thousands of New Taiwan Dollars

						Other equity items	
			Retained earnings				
	Capital stock - common shares	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translation of financial statements of foreign operations	Total Equity
Balance as of January 1, 2024	$ 604,193	140,972	150,442	100	272,092	(5,320)	1,162,479
Net income	-	-	-	-	250,165	-	250,165
Other Comprehensive Income	-	-	-	-	(1,382)	(440)	(1,822)
Total comprehensive income for the current period	-	-	-	-	248,783	(440)	248,343
Appropriation and distribution of earnings:							
Legal reserve	-	-	17,387	-	(17,387)	-	-
Cash dividends of common stock	-	-	-	-	(193,342)	-	(193,342)
Reversal of special reserve	-	-	-	(100)	100	-	-
Other changes in additional paid-in capital:							
The impact of the equity method on the shareholding ratio of affiliated enterprises	-	-	-	-	(183)	-	(183)
Issuance of common stock for cash	56,480	395,547	-	-	-	-	452,027
Share-based payments	-	4,149	-	-	-	-	4,149
Balance as of December 31, 2024	660,673	540,668	167,829	-	310,063	(5,760)	1,673,473
Net income	-	-	-	-	127,063	-	127,063
Other Comprehensive Income	-	-	-	-	(1,918)	(940)	(2,858)
Total comprehensive income for the current period	-	-	-	-	125,145	(940)	124,205
Appropriation and distribution of earnings:							
Legal reserve	-	-	24,860	-	(24,860)	-	-
special reserve	-	-	-	5,760	(5,760)	-	-
Cash dividends of common stock	-	-	-	-	(251,056)	-	(251,056)
Balance as of December 31, 2025	**$ 660,673**	**540,668**	**192,689**	**5,760**	**153,532**	**(6,700)**	**1,546,622**

(Please refer to the notes to the parent company only financial statements)

Chairman: Shiang-Feng Chen **Manager: Shiang-Feng Chen** **Accounting Supervisor: Chao Hui-Ling**

Mercuries F&B Co., Ltd.

Statements of Cash Flows

For the years ended December 31, 2025 and 2024

Unit: Thousands of New Taiwan Dollars

	For the year ended December 31, 2025	For the year ended December 31, 2024
Cash flows from operating activities:		
Net income before tax for the current period		311,095
Adjustment Items:	$ 157,444	
Adjustments to reconcile profit (loss):		
Depreciation expenses	750,042	664,247
Amortization expenses	3,151	1,174
Expected credit reversal gains	-	(29)
Net gain on financial assets at fair value through profit or loss	(22,056)	(19,504)
Interest expenses	25,846	23,926
Interest income	(1,371)	(728)
Share-based payments	-	4,149
Share of subsidiaries and associates accounted for using the equity method	20,519	18,035
Loss on disposal of property, plant, and equipment	3,283	205
Reversal gains on inventory write-downs	8,240	(7,888)
Loss on lease modifications	800	2
Total adjustments to reconcile profit (loss)	788,454	683,589
Changes in operating assets and liabilities:		
Decrease (increase) in accounts receivable	(14,167)	11,490
Decrease (increase) in other receivables	1,081	(2,752)
Decrease (increase) in Inventory	84,153	(84,355)
Decrease (increase) in prepayments	8,596	(6,317)
Decrease (increase) in other current assets	(2,762)	1,554
Net changes in operating assets	76,901	(80,380)
Increase (decrease) in contract liabilities	(5,121)	36
Increase in notes and accounts payable	21,457	60,031
Increase in other payables	20,888	23,318
Increase (decrease) in other current liabilities	115	(6,041)
Decrease in net defined benefit liabilities	(6,006)	(3,043)
Decrease in decommissioning liabilities	-	(180)
Increase (decrease) in other non-current liabilities	(1,000)	169
Total adjustment items	895,688	677,499
Cash inflow from operations	1,053,132	988,594
Interest received	1,371	728
Interest paid	(6,450)	(8,049)
Income tax paid	(87,777)	(3,695)
Net cash flows generated from operating activities	960,276	977,578
Cash flows from investing activities:		
Disposal of financial assets at fair value through profit or loss	-	11,319
Acquisition of Intangible Assets	(8,356)	(1,917)
Acquisition of investments accounted for using the equity method	(21,180)	(15,000)
Acquisition of property, plant, and equipment	(378,224)	(373,257)
Proceeds from disposal of property, plant, and equipment	-	3
Increase in refundable deposits	(2,998)	(5,091)
Net cash flows used in investing activities	(410,758)	(383,943)
Cash flows from financing activities:		
(Repayments) proceeds from short-term loans	480,000	(290,000)
Increase (decrease) in short-term notes and bills payable	(69,979)	9,989
Repayments of long-term loans	-	(150,000)
Increase (decrease) in guarantee deposits received	560	(184)
Repayment of the principal portion of lease	(466,280)	(414,483)
Cash dividends paid	(251,056)	(193,342)
Issuance of common stock for cash	-	452,027
Net cash flows used in financing activities	(306,755)	(585,993)
Increase in cash and cash equivalents for the current period	242,763	7,642
Cash and cash equivalents at beginning of period	130,014	122,372
Cash and cash equivalents at end of period	$ 372,777	130,014

(Please refer to the notes to the parent company only financial statements)

Chairman: Shiang-Feng Chen **Manager: Shiang-Feng Chen** **Accounting Supervisor: Chao Hui-Ling**

Mercuries F&B Co., Ltd.
Notes to Parent Company Only Financial Statements
For the Years Ended December 31, 2025 and 2024
(Unless otherwise specified, all amounts are expressed in thousands of New Taiwan Dollars)

I. Company History

Mercuries F&B Co., Ltd. (hereinafter referred to as "the Company") was established on December 7, 1996. Its registered address is 5th Floor, No. 145, Section 2, Jianguo North Road, Zhongshan District, Taipei City. The Company primarily engages in restaurant operations, ready-to-eat meal manufacturing, as well as food and beverage retail businesses.

On October 26, 2018, the Board of Directors of the Company resolved to set January 1, 2019 as the merger base date, issuing 20,000 thousand new shares with a par value of NT$10 per share, totaling NT$300,000 thousand. These shares were used to acquire the relevant businesses (including assets, liabilities, and operations) of the External Catering Division of Mercuries & Associates, Ltd., with the net asset book value calculated at NT$300,000 thousand. In this merger, the Company valued the External Catering Division based on its book value and issued new shares to the shareholders of Mercuries & Associates, Ltd. (namely, Mercuries & Associates Holding, Ltd.) as consideration.

The Company received approval for public issuance on September 25, 2023, and has been listed for trading on the Taiwan Stock Exchange since November 26, 2024.

II. Date of Authorization for Issuance of the Parent Company Only Financial Statements and Procedures for Authorization

The Parent Company Only Financial Statements have been approved by the Board of Directors on February 23, 2026.

III. Application of New and Amended Standards and Interpretations

(I) Adoption of newly released and revised standards and interpretations recognized by the Financial Supervisory Commission

Starting from January 1, 2026, the Company has adopted the following revised International Financial Reporting Standards (IFRS) and accounting standards, which have not caused a significant impact on the parent company only financial reports.

- Amendments to International Accounting Standard 21: "Lack of Exchangeability"

(II) Impact of Not Adopting the International Financial Reporting Standards Approved by the Financial Supervisory Commission

Starting from January 1, 2025, the Company has adopted the following revised International Financial Reporting Standards (IFRS) and accounting standards, which have not caused a significant impact on the parent company only financial reports.

- Amendments to IFRS 17 "Insurance Contracts" and IFRS 17
- Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"
- Annual Improvements to International Financial Reporting Standards
- Amendments to IFRS 9 and IFRS 7 "Contracts for Renewable Electricity"

(III) New and Amended Standards and Interpretations Not Yet Approved by Financial Supervisory Commission

The International Accounting Standards Board has issued and amended standards and interpretations that have not yet been approved by the Financial Supervisory Commission. These may be relevant to our company as follows:

Newly Released or Revised Standards	Main Amended Content	Effective Date of Issuance by the Board
International Financial Reporting Standard No. 18: Presentation and Disclosure of Financial Statements	The new guidelines introduce three categories of revenue and expenses, two subtotals in the income statement, and a single note concerning the measurement of management performance. These three amendments and enhancements to the guidance on segmenting information in financial statements establish a foundation for users to access improved and more consistent information, thereby impacting all companies. • More Structured Income Statement: Under current standards, the company employs various formats to present its operating results, which complicates investors' ability to compare the financial performance of different companies. The new standards implement a more structured income statement, introducing a revised definition of the 'operating profit' subtotal and requiring that all	January 1, 2027 note: On September 25, 2025, the FSC issued a press release announcing that Taiwan will adopt IFRS 18 beginning in 2028. Entities that need to adopt the new standard earlier may do with the endorsement of the FSC.

Newly Released or Revised Standards	Main Amended Content	Effective Date of Issuance by the Board
	revenues and expenses be classified into three distinct categories based on the company's primary operating activities. • Management Performance Measurement (MPM): The new guidelines introduce a definition of management performance measurement and require companies to explain, in a single note to the financial statements, how each measurement indicator provides useful information, how it is calculated, and how the measurement indicators are adjusted in relation to the amounts recognized in accordance with International Financial Reporting Standards. • Detailed Information: The new guidelines provide instructions for companies on improving the organization of information within their financial statements. This includes guidance on whether certain information should be presented in the primary financial statements or elaborated upon in the accompanying notes.	

The Company is currently conducting an assessment of the aforementioned guidelines and interpretations to evaluate their impact on its financial condition and operating results. The relevant impacts will be disclosed upon the completion of this assessment.

The Company anticipates that the following newly issued and amended standards, which have not yet been approved, will not significantly impact individual financial reports.

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

IV. Summary of Significant Accounting Policies

The significant accounting policies adopted in this individual financial report are summarized as follows: The accounting policies outlined below have been consistently applied across all reporting periods covered by this financial report.

(I) Compliance declaration

The Parent Company Only Financial Statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

(II) Preparation basis

1. Measurement basis

With the exception of the significant items listed in the following balance sheet, this individual financial report has been prepared on the basis of historical cost:

(1) Financial assets at fair value through profit or loss measured at fair value;

(2) The determination of defined benefit liabilities (or assets) is based on the fair value of retirement fund assets, less the net present value of defined benefit obligations.

2. Functional Currency and Reporting Currency

The Company operates with the currency of the primary economic environment in which it conducts its business as its functional currency. This individual financial report is expressed in the Company's functional currency, the New Taiwan Dollar (NT$). All financial information expressed in New Taiwan Dollars, unless otherwise noted, is presented in thousands of New Taiwan Dollars.

(III) Foreign currencies

1. Foreign currency transactions

Foreign currency transactions are converted into the functional currency using the exchange rate applicable on the transaction date. For each subsequent reporting period's ending date (hereinafter referred to as the reporting date), foreign currency monetary items are converted into the functional currency based on the exchange rate on that date.

Foreign currency non-monetary items that are measured at fair value are converted into the functional currency using the exchange rate applicable on the measurement date. Conversely, foreign currency non-monetary items measured at historical cost are converted using the exchange rate on the transaction date.

Foreign exchange differences arising from translation are recognized in profit or loss.

2. Foreign operations

Assets and liabilities of foreign operations, including goodwill and fair value adjustments arising from acquisitions, are translated into NTD at the exchange rate prevailing on the reporting date. Revenue and expense items are translated into NTD at the average exchange rate for the period. Exchange differences arising from the translation are recognized in other comprehensive income.

When foreign operations are disposed of, resulting in the loss of control, joint control, or significant influence, the cumulative exchange differences related to the foreign operation are reclassified in full to profit or loss. When partially disposing of associates or joint ventures that include foreign operations, the proportionate amount of the cumulative exchange differences is reclassified to profit or loss.

For monetary receivables or payables with foreign operations, if there are no plans for settlement and it is unlikely that they will be settled in the foreseeable future, the resulting foreign exchange differences are considered part of the net investment in the foreign operation and are recognized in other comprehensive income.

(IV) Classification standards for current and non-current assets and liabilities

The Company classifies assets as current if they meet any of the following conditions. All other assets are classified as non-current:

1. The asset is expected to be realized, sold, or consumed during the normal operating cycle;
2. The asset is held primarily for trading purposes;
3. The asset is expected to be realized within twelve months after the reporting period;

4. The asset is cash or a cash equivalent (as defined in IAS 7), unless it is restricted for exchange or settlement of a liability for at least twelve months after the reporting period.

The Company classifies liabilities as current if they meet any of the following conditions. All other liabilities are classified as non-current:

1. The liability is expected to be settled during the normal operating cycle;
2. The liability is held primarily for trading purposes;
3. The liability is due to be settled within twelve months after the reporting period;
4. The Consolidated Company does not have an unconditional right at the end of the reporting period to defer the settlement of the liability for at least twelve months.

(V) Cash and cash equivalents

Cash includes cash on hand and demand deposits. Cash equivalents refer to short-term, highly liquid investments that are readily convertible to a fixed amount of cash and are subject to an insignificant risk of changes in value. Time deposits that meet the aforementioned definition and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes are classified as cash equivalents.

(VI) Financial instruments

Accounts receivable

Accounts receivable and issued debt securities are initially recognized at the time they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the financial instrument.

1. Financial assets

The Company shall reclassify all affected financial assets only when there is a change in the operating model for managing financial assets, effective from the beginning of the next reporting period.

(1) Financial assets at amortized cost

Financial assets are measured at amortized cost if they meet the following criteria and are not designated as measured at fair value through profit or loss:

- Held within a business model whose objective is to collect contractual cash flows.
- Contractual terms of the financial assets result in cash flows on specific dates that are solely payments of principal and interest on the principal outstanding.

Such assets are subsequently measured at amortized cost, which is calculated as the original recognition amount adjusted by the cumulative amortization using the effective interest method and adjusted for any loss allowances. Interest income, foreign exchange differences, and impairment losses are recognized in profit or loss. Upon derecognition, any gains or losses are also recognized in profit or loss.

(2) Financial assets at fair value through profit or loss

Financial assets that are neither measured at amortized cost nor at fair value through other comprehensive income—such as those held for trading or managed on a fair value basis with performance evaluation—are measured at fair value through profit or loss. Net gains or losses, including dividends and interest income, are recognized in profit or loss.

(3) Impairment of financial assets

The Company recognizes loss allowances for expected credit losses on financial assets measured at amortized cost (including cash and cash equivalents, accounts receivable, other receivables, and refundable deposits).

The following financial assets are measured based on the amount of expected credit losses over twelve months, while others are measured based on expected credit losses over the lifetime:

- Determination that the debt securities have low credit risk as of the reporting date;
- The credit risk of other debt securities and bank deposits (e.g., the risk of default occurring beyond the expected lifetime of the financial instrument) has not significantly increased since initial recognition.

The loss allowance for accounts receivable is measured based on the expected credit losses over the lifetime of the financial instrument.

Lifetime expected credit losses refer to the anticipated credit losses from all possible default events throughout the expected life of the financial instrument.

Twelve-month expected credit losses represent the estimated credit losses from potential default events within the twelve months following the reporting date (or a shorter period if the expected life of the financial instrument is less than twelve months).

The maximum period for measuring expected credit losses is the longest contractual period during which the Company is exposed to credit risk.

Expected credit losses are the probability-weighted estimate of credit losses over the expected lifetime of the financial instrument. Credit losses are measured as the present value of all cash shortfalls—that is, the difference between the cash flows the Company is entitled to receive under the contract and the cash flows the Company expects to receive. The expected credit losses are discounted using the effective interest rate of the financial asset.

Loss allowances for financial assets measured at amortized cost are deducted from the asset's carrying amount. Loss allowances for debt instruments measured at fair value through other comprehensive income are recognized as adjustments to profit or loss and included in other comprehensive income (without reducing the carrying amount of the asset).

When the Company cannot reasonably expect to recover a financial asset, either in whole or in part, it directly reduces the financial asset's total carrying amount. However, written-off financial assets may still be subject to enforcement procedures to recover overdue amounts in line with the Company's processes.

(4) Derecognition of financial assets

The Company will only derecognize financial assets when the contractual rights to cash flows from the asset expire, or when the financial asset has been transferred and substantially all the risks and rewards of ownership of the asset have been transferred to other entities, or if the Consolidated Company has neither transferred nor retained substantially all the risks and rewards of ownership and does not retain control of the financial asset.

2. Financial liabilities and equity instruments

   (1) Classification of liabilities or equity

   The Company classifies its issued debt and equity instruments as either financial liabilities or equity based on the substance of the contractual arrangements and the definitions of financial liabilities and equity instruments.

   (2) Equity transactions

   Equity instruments are contracts that represent any residual interest in the Company's assets after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the amount of consideration received, net of direct issue costs.

   (3) Financial liabilities

   Financial liabilities are classified as amortized cost or fair value through profit or loss. A financial liability is classified as fair value through profit or loss if it is held for trading, a derivative, or designated as such at initial recognition. Financial liabilities measured at fair value through profit or loss are measured at fair value, with net gains or losses, including interest expense, recognized in profit or loss.

   Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and exchange differences are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

   (4) Derecognition of financial liabilities

   The Company derecognizes financial liabilities when the contractual obligations are fulfilled, canceled, or expired. If the terms of a financial liability are modified and the cash flows of the liability under the revised terms differ significantly, the original financial liability is derecognized, and a new financial liability is recognized based on the revised terms at fair value.

   When derecognizing a financial liability, the difference between its carrying amount and the total consideration paid or payable (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

(5) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset, and the net amount is presented in the balance sheet only when the Company currently has a legally enforceable right to offset the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

(VII) Inventories

Inventory is measured at the lower of cost and net realizable value. Cost includes acquisition, production, or processing expenses and other costs incurred to bring the inventory to its present location and condition, calculated using the weighted average method.

Net realizable value refers to the estimated selling price during normal business operations, less the estimated costs necessary to complete the sale.

(VIII) Investments in associates

An associate refers to an investee company over which the Company has significant influence on its financial and operational policies, but does not exercise control or joint control.

The Company accounts for its interest in associates using the equity method. Under the equity method, the initial recognition is based on cost, and the investment cost includes transaction costs. The carrying amount of the investment in an associate includes the goodwill identified at the time of the original investment, less any accumulated impairment losses.

The financial reports include the amounts of profit or loss and other comprehensive income of the associate company recognized by the Company in proportion to its equity interest, from the date significant influence is established to the date it is lost, after adjustments to ensure consistency with the accounting policies of the Company. When an associate experiences equity changes that are unrelated to profit, loss, or other comprehensive income, and these changes do not affect the Company’s ownership percentage, the Company recognizes all such equity changes in proportion to its shareholding as capital reserves.

Unrealized gains and losses arising from transactions between the Company and its associates are only recognized in the financial statements within the scope of the equity held by non-related party investors in the associate.

When the Company's share of the losses of an associate equals or exceeds its equity in the associate, it ceases to recognize further losses. Additional losses and related liabilities are recognized only to the extent that the Company has incurred legal obligations, constructive obligations, or made payments on behalf of the investee.

When the Company ceases to apply the equity method from the date its investment is no longer an associate, the difference between the disposal proceeds and the carrying amount of the investment on the date of discontinuation is recognized in the current profit or loss. Any amounts previously recognized in other comprehensive income related to the investment are accounted for on the same basis as if the associate had directly disposed of the related assets or liabilities. Specifically, if gains or losses previously recognized in other comprehensive income must be reclassified to profit or loss (or retained earnings) upon the disposal of related assets or liabilities, such gains or losses are reclassified from equity to profit or loss (or retained earnings) when the entity discontinues the equity method.

When an associate issues new shares and the Company does not subscribe in proportion to its shareholding, resulting in changes to its ownership percentage and changes in the equity value of the investment, the adjustments are recorded in capital reserves and the equity-method investment. If the adjustment involves a reduction in capital reserves, but the remaining capital reserves derived from the equity-method investment are insufficient, the difference is debited to retained earnings. However, if the Company’s ownership equity in the associate decreases due to non-proportional subscription, amounts previously recognized in other comprehensive income related to the associate are reclassified proportionally. This accounting treatment is consistent with the basis required if the associate were directly disposing of related assets or liabilities.

(IX) Investments in subsidiaries

In the preparation of parent company only financial statements, the Company employs the equity method to value investee companies over which it has control.

The changes in ownership interests of the subsidiary do not result in a loss of control and are treated as equity transactions between the owners.

(X) Property and equipment

1. Recognition and measurement

   Items of property, plant, and equipment are measured at cost (including capitalized borrowing costs) less accumulated depreciation and any accumulated impairment losses.

   When significant components of property, plant, and equipment have different useful lives, they are treated as separate items (main components) of property, plant, and equipment.

   Gains or losses on the disposal of property, plant, and equipment are recognized in profit or loss.

2. Subsequent costs

   Subsequent expenditures are capitalized only when it is probable that future economic benefits associated with the expenditure will flow to the Company.

3. Depreciation

   Depreciation is calculated based on the cost of the asset less its residual value and is recognized in profit or loss using the straight-line method over the estimated useful lives of each component.

   Leasehold improvements are amortized using the straight-line method over the shorter of their estimated usable life or the lease term. The Company reviews depreciation methods, useful lives, and residual values at least at each annual reporting date. If expectations differ from previous estimates, necessary adjustments are made, and such changes are accounted for as revisions to accounting estimates.

   Land is not depreciated.

   The estimated useful lives for the current and comparative periods are as follows:

   (1) Buildings and structures: 25-60 years

   (2) Transportation equipment: 3-6 years

   (3) Food preparation equipment: 1-15 years

   (4) Leasehold improvements: 1-11 years

   (5) Other equipment: 2-15 years

(XI) Leases

The Company evaluates at the inception of a contract whether the contract is or contains a lease. If the contract transfers control of the use of an identified asset for a period of time in exchange for consideration, the contract is classified as or includes a lease.

1. Lessee

At the commencement date of a lease, the Company recognizes right-of-use assets and lease liabilities. Right-of-use assets are initially measured at cost, which includes the initial measurement of the lease liability, adjustments for any lease payments made on or before the commencement date, initial direct costs incurred, and estimated costs for dismantling, removing the underlying asset, and restoring the site or asset, less any lease incentives received.

Subsequently, right-of-use assets are depreciated on a straight-line basis over the shorter of the asset's estimated useful life or the lease term. Additionally, the Company periodically evaluates whether the right-of-use asset is impaired and accounts for any impairment losses incurred. Adjustments to the right-of-use asset are made if there is a remeasurement of the lease liability.

Lease liabilities are initially measured at the present value of lease payments that have not yet been paid as of the commencement date. If the implicit interest rate of the lease is readily determinable, that rate is used as the discount rate. If it is not readily determinable, the Company uses its incremental borrowing rate. Generally, the Company adopts its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of lease liabilities consist of:

(1) Fixed payments, including in-substance fixed payments;

(2) Variable lease payments based on changes in an index or rate, initially measured using the index or rate at the commencement date;

(3) Amounts expected to be paid under residual value guarantees;

(4) Exercise prices of purchase options or penalties for terminating leases, if it is reasonably certain that such options will be exercised or termination penalties will be incurred.

Lease liabilities are subsequently measured under the effective interest method, and the amounts are remeasured upon the occurrence of the following circumstances:

(1) Changes in the index or rate used to determine lease payments, resulting in modifications to future lease payments;

(2) Variations in the expected payments under residual value guarantees;

(3) Reassessments of the exercise of purchase options related to the underlying asset;

(4) Changes in the estimates regarding whether extension or termination options will be exercised, leading to revisions in the assessment of the lease term;

(5) Amendments to the lease's scope, the underlying assets, or other terms.

When lease liabilities are remeasured due to changes in indices or rates used to determine lease payments, variations in residual value guarantees, or reassessments of purchase, extension, or termination options, the carrying amount of the corresponding right-of-use assets is adjusted. If the carrying amount of the right-of-use asset is reduced to zero, any remaining remeasurement amount is recognized in profit or loss.

For lease modifications that reduce the scope of the lease, the carrying amount of the right-of-use asset is reduced to reflect the partial or complete termination of the lease, and the difference between the remeasured lease liability and the adjustment to the right-of-use asset is recognized in profit or loss.

The Company presents right-of-use assets and lease liabilities as separate line items in the balance sheet.

For leases of low-value underlying assets, such as office and kitchen equipment, the Company opts not to recognize right-of-use assets and lease liabilities. Instead, related lease payments are recognized as expenses over the lease term.

(XII) Intangible assets

The intangible assets acquired by the Company are measured at cost, less accumulated amortization and accumulated impairment losses.

1. Subsequent expenditures

   Subsequent expenditures are capitalized only when they are likely to enhance the future economic benefits of the specific asset. All other expenditures, including internally developed goodwill and brands, are recognized as expenses when incurred.

2. Amortization

   Amortization, except for goodwill, is calculated based on the asset's cost less its estimated residual value. It is recognized in profit or loss on a straight-line basis over the estimated useful life of the intangible asset, starting from the date it is available for use.

   For purchased computer software, the estimated useful life is five years. The Company reviews the amortization methods, useful lives, and residual values of intangible assets at each reporting date and adjusts them as necessary.

(XIII) Impairment of non-financial assets

The Company assesses at each reporting date whether there are any indications that the carrying amounts of non-financial assets (excluding inventory and deferred tax assets) may be impaired. If any such indication exists, the recoverable amount of the asset is estimated. If the recoverable amount of an individual asset cannot be estimated, the recoverable amount of the cash-generating unit to which the asset belongs is estimated to assess impairment.

The recoverable amount is the higher of the fair value less costs to sell or the value in use of an individual asset or a cash-generating unit.

If the recoverable amount of an individual asset or a cash-generating unit is less than its carrying amount, an impairment loss is recognized. Impairment losses are immediately recognized in profit or loss and are first applied to reduce the carrying amount of goodwill allocated to the cash-generating unit. Subsequently, the carrying amounts of other assets within the unit are reduced proportionally based on their carrying amounts.

At the end of each reporting period, the Company reassesses whether there are indications that impairment losses recognized in previous periods for non-financial assets may no longer exist or may have decreased. If there is any change in the estimates used to determine the recoverable amount, the impairment loss is reversed, increasing the carrying amount of the individual asset or cash-generating unit up to its recoverable amount. However, this increase cannot exceed the carrying amount that would have been determined, net of depreciation or amortization, had no impairment loss been recognized in previous periods.

(XIV) Provisions

Provisions are recognized when a past event creates a present obligation that makes it highly probable the Company will need to outflow economic resources to settle the obligation, and when the amount of the obligation can be reliably estimated. Provisions are discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the specific risks associated with the liability. The amortization of the discount is recognized as an interest expense.

(XV) Revenue recognition

Sales revenue for the Company is measured based on the consideration expected to be entitled in exchange for the transfer of goods and is recognized when control of the goods is transferred to the customer, thereby fulfilling the performance obligation. The major revenue items are explained as follows:

1. Sale of goods

   The Company operates restaurants and directly sells finished food products to consumers. Revenue is recognized when the goods are delivered to the customer, and payments are made immediately when customers purchase the goods.

2. Customer loyalty programs

   The Company offers customer loyalty programs. Customers earn points for purchases that reach a certain amount, granting them the right to purchase goods from the Company in the future for free or at a discount. The transaction price is allocated to the goods sold and the points based on their relative stand-alone selling prices. Management estimates the stand-alone selling price of each point based on past experience, considering the discounts offered upon redemption and the likelihood of redemption. The stand-alone selling price of goods is estimated based on their retail prices. Deferred revenue is recognized at the time of the sale of goods based on these principles and is recognized as revenue when the points are redeemed or expire.

(XVI) Employee benefits

1. Defined contribution plans

   The contribution obligations under defined contribution retirement pension plans are recognized as employee benefit expenses in profit or loss during the period in which employees provide services.

2. Defined benefit plans

   Retirement benefit plans that do not qualify as defined contribution plans are classified as defined benefit plans. The Company's net obligation under defined benefit pension plans is calculated separately for each plan by discounting the future benefit amounts earned by employees through current and past service to their present value. The fair value of any plan assets is then deducted. The discount rate is determined based on the market yield of high-quality corporate bonds at the financial reporting date, with maturity dates close to the duration of the net obligation and denominated in the same currency as the expected benefit payments.

   The Company's net obligation is actuarially calculated each year by qualified actuaries using the projected unit credit method. When the calculation results are favorable to the Company, the recognized asset is limited to the present value of economic benefits expected to be received through fund refunds or reduced future contributions to the plan. In calculating the present value of economic benefits, the minimum funding requirements applicable to the plan must be considered. Economic benefits are regarded as realizable if they can be utilized during the life of the plan or upon the settlement of plan obligations.

   When there is a plan improvement that increases benefits due to employees' past service, the resulting costs are immediately recognized in profit or loss.

   Remeasurements of the net defined benefit liability (asset) include: actuarial gains and losses; return on plan assets, excluding amounts included in the net interest of the net defined benefit liability (asset); and any changes in the effect of the asset ceiling, excluding amounts included in the net interest of the net defined benefit liability (asset). Remeasurements of the net defined benefit liability (asset) are recognized under other comprehensive income. The Company has opted to transfer amounts recognized in other comprehensive income into retained earnings, and this approach will be consistently applied in future periods.

(XVII) Share-based payment transactions

Equity-settled share-based payment arrangements are measured at the fair value on the grant date. Expenses are recognized over the vesting period of the awards, increasing the corresponding equity. The recognized expense is adjusted based on the estimated number of awards expected to satisfy service conditions. The final amount recognized is measured based on the number of awards meeting service conditions on the vesting date.

Non-vesting conditions related to share-based payment awards are factored into the measurement of the fair value at the grant date. Differences between expected and actual outcomes for non-vesting conditions do not require verification adjustments.

(XVIII) Income Tax

Income tax expense includes current and deferred income taxes. Except for items directly recognized in equity or other comprehensive income, current and deferred income taxes are recognized in profit or loss.

Current income taxes include the estimated amount of income tax payable or receivable based on the taxable income (or loss) for the year, as well as any adjustments to income taxes payable for prior years.

Deferred income taxes are recognized based on the temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. However, deferred income taxes are not recognized for temporary differences arising in the following situations:

1. The initial recognition of assets or liabilities in a transaction that is not a business combination and does not affect accounting profit or taxable income (or loss) at the time of the transaction;
2. Temporary differences arising from investments in subsidiaries, associates, and joint ventures when it is probable that these differences will not reverse in the foreseeable future;
3. Taxable temporary differences related to the initial recognition of goodwill.

Deferred income taxes are measured at the tax rates expected to apply to the temporary differences when they reverse, based on the statutory or substantively enacted tax rates as of the reporting date.

The company offsets deferred tax assets and deferred tax liabilities only when the following conditions are met:

1. There is a legally enforceable right to offset current tax assets against current tax liabilities.
2. Deferred tax assets and deferred tax liabilities relate to one of the following taxable entities taxed by the same tax authority:
   (1) The same taxable entity.
   (2) Different taxable entities, provided the entities intend to settle current tax liabilities and assets on a net basis or simultaneously realize the assets and settle the liabilities during each future period in which significant deferred tax assets are expected to be recovered and deferred tax liabilities are expected to be settled.

For unused taxable losses, unused tax credits carried forward, and deductible temporary differences, deferred tax assets are recognized to the extent that it is probable that future taxable income will be available to utilize them. These assets are reassessed at each reporting date. Adjustments are made to reduce deferred tax assets to the extent that the related tax benefits are no longer probable of being realized or reversed if it becomes probable that sufficient taxable income will be available.

(XIX) Earnings per Share

The Company discloses basic and diluted earnings per share attributable to ordinary equity holders of the parent. Basic earnings per share are calculated by dividing the profit or loss attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share are calculated by adjusting the profit or loss attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares outstanding for the effects of all potential dilutive ordinary shares. The potential dilutive ordinary shares of the Company include share-based compensation plans and employee remuneration that has not yet been resolved by the board of directors but may be issued as shares.

(XX) Segment Information

The Company has disclosed departmental information in the consolidated financial report; therefore, the parent company only financial statements do not contain departmental information.

V. Primary Sources of Uncertainties in Material Accounting Judgments, Estimates, and Assumptions

When preparing the parent company only financial statements in accordance with the Guidelines for the Preparation of Financial Reports by Securities Issuers, management must make judgments and estimates regarding the future (including climate-related risks and opportunities) that affect the adoption of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Management continuously reviews estimates and underlying assumptions, ensuring they align with the Company's risk management and climate-related commitments. Changes in estimates are recognized prospectively during the period of change and in any affected future periods.

The following are significant judgments with a material impact on the amounts recognized in the parent company only financial statements:

Assessment of significant influence over investee companies

The Company holds less than 20% of the shares of Mercuries Leisure Co., Ltd. However, due to the significant influence exerted through the combined ownership ratio of the Company and its affiliates, the equity method is used for recognition and valuation.

VI. Details of Significant Accounts

(I) Cash and cash equivalents

	2025.12.31	**2024.12.31**
Cash on hand	$ 9,618	9,414
Demand deposits and check deposits	363,159	120,600
Total	**$ 372,777**	**130,014**

The disclosure of interest rate risk and the sensitivity analysis of the Company's financial assets and liabilities can be found in Note VI(XXI).

(II) Financial assets at fair value through profit or loss

	2025.12.31	2024.12.31
Listed stocks	$ 104,407	82,351

1.As of December 31, 2025 and 2024, the Company did not provide any pledged collateral for financial assets measured at fair value through profit or loss.

2.The disclosure of types of financial assets and fair value measurement of the Consolidated Company can be found in Note VI(XXI).

(III) Accounts receivable

	2025.12.31	2024.12.31
Accounts receivable	$ 140,455	126,288
Less: loss allowance	-	-
	$ 140,455	126,288

The Company applies a simplified approach to estimate expected credit losses for all accounts receivable, using lifetime expected credit losses. For this purpose, these accounts receivable are grouped by shared credit risk characteristics that represent the customers' ability to pay all amounts due under the contract terms. Forward-looking information has also been incorporated into the analysis. The expected credit loss analysis for the Company's accounts receivable is as follows:

	2025.12.31		
	Carrying amount of accounts receivable	Weighted average expected credit loss rate	Allowance for expected credit losses during the period
Not Past Due	$ 140,003	0.00%	-
Past due less than 30 days	447	0.00%~0.75%	-
Past due 31-60 days	5	0.00%~1.22%	-
	$ 140,455		-

	2024.12.31		
	Carrying amount of accounts receivable	Weighted average expected credit loss rate	Allowance for expected credit losses during the period
Not Past Due	$ 126,225	0.00%	-

Past due less than 30 days	63	0.00%~0.88%	-
	$ 126,288		-

Changes in the allowance for losses on accounts receivable for the Company are as follows:

	For the year ended December 31, 2025	For the year ended December 31, 2024
Beginning balance	$ -	29
Reversal gains	-	(29)
Ending balance	$ -	-

None of the Company's accounts receivable have been pledged as collateral.

(IV) Inventories

		2025.12.31	2024.12.31
1.	Raw materials	$ 128,032	110,013
	Goods in Transit	34,459	57,872
	Materials	32,374	33,465
	Finished goods	114,471	192,139
	Less: allowance for inventory valuation and obsolescence losses	(16,853)	(8,613)
		$ 292,483	384,876

2. Total expenses and losses in the Company’s cost of sales are as follows:

	For the year ended December 31, 2025	For the year ended December 31, 2024
Inventory costs	$ 2,721,201	2,592,477
Cost of food and beverage services	1,469,153	1,383,260
Gain from price recovery of inventory	8,240	(7,888)
	$ 4,198,594	3,967,849

3. As of December 31, 2025 and 2024, none of the Company's inventory has been pledged as collateral.

(V) Investments Accounted for Using the Equity Method

The equity method investments of the Company as of the reporting date are listed as follows:

	2025.12.31	2024.12.31
Subsidiaries:		
Mercuries F&B Consulting Co., Ltd.	$ 3,197	13,201
Mercuries Food Service Japan, Ltd.	14,777	4,958
Associates:		
Mercuries Leisure Co., Ltd.	73,424	73,518
	$ 91,398	91,677

1. Subsidiaries

The details of the Company's subsidiaries are as follows:

Name of Investor	Name of Subsidiary	Nature of Business	Percentage of Shareholding 2025.12.31	Percentage of Shareholding 2024.12.31
The Company	Mercuries F&B Consulting Co., Ltd.	Food and beverage retail and consulting	98.62%	98.20%
The Company	Mercuries Food Service Japan, Ltd.	Instant food manufacturing	100%	100%

(1) On April 30, 2025, the Board of Directors of the Company resolved to increase the capital of Mercuries F&B Consulting Co., Ltd. by means of a cash injection amounting to NT$15,000 thousand. Following this capital increase, the shareholding ratio will be 98.62%.

(2) In order to integrate group resources, improve operational performance, and adjust the group's internal organizational structure, the Board of Directors resolved on December 3, 2015, to conduct a simplified merger with San Shang Catering Consulting, a subsidiary in which the Company directly holds 98.62% of the shares, in accordance with Article 19 of the Enterprise Mergers and Acquisitions Act. The Company will pay NT$90,000 in cash as the merger consideration to eliminate the 1.38% minority shareholder equity of Mercuries F&B Consulting Co., Ltd. The merger base date is January 14, 2026. After the merger, the Company will be the surviving company, and Mercuries F&B Consulting Co., Ltd will be dissolved.

(3) On October 31, 2024, the Company's Board of Directors resolved to increase capital in Mercuries Food Service Japan, Ltd. through a cash injection of JPY 100,000 thousand, completing registration for the capital increase in January 2025. The Company's shareholding percentage remained unchanged after the capital increase.

2. Associate

For associates accounted for using the equity method that are individually immaterial, their aggregated financial information is presented as follows. This financial information is included in the amounts reported in the parent company only financial statements of the Company:

		2025.12.31	2024.12.31
End-of-Period Summary: Book Value of Equity in Individually Non-Significant Related Enterprises	$	73,424	73,518

		For the year ended December 31, 2025	For the year ended December 31, 2024
The share attributable to the Company:			
Net profit (loss) for the current period	$	(94)	4,688
Other comprehensive income		-	-
Total comprehensive income	$	(94)	4,688

3. The share of profit or loss of subsidiaries and associates recognized by the Company using the equity method is as follows:

		For the year ended December 31, 2025	For the year ended December 31, 2024
Mercuries F&B Consulting Co., Ltd.	$	(10,004)	(11,359)
Mercuries Food Service Japan, Ltd.		(10,421)	(11,364)
Mercuries Leisure Co., Ltd.		(94)	4,688
	$	(20,519)	(18,035)

4. As of December 31, 2025 and 2024, the Company's equity-method investments in associated enterprises were not pledged, guaranteed, or subject to any restrictions.

(VI) Property, plant, and equipment

1. Details of changes in cost and accumulated depreciation for the Company’s property, plant, and equipment are as follows:

	Land	Housing and Construction	Food preparation equipment	Transportation Equipment	Leasehold improvement costs	Others	Construction in Process	Total
Cost:								
Balance as of January 1, 2025	$ 194,875	583,439	837,944	51,241	707,565	620,716	14,581	3,010,361
Addition	-	-	59,570	1,480	251,601	25,069	12,258	349,978
Disposals and write-offs	-	-	(8,056)	(1,349)	(110,795)	(8,519)	-	(128,719)
Transfer in & out	-	-	11,755	-	-	803	(12,558)	-
Reclassification	-	-	-	-	-	-	(832)	(832)
Balance as of December 31, 2025	$ 194,875	583,439	901,213	51,372	848,371	638,069	13,449	3,230,788
Balance as of January 1, 2024	$ 194,875	583,439	776,154	46,169	472,801	546,386	61,272	2,681,096
Addition	-	-	61,780	6,685	230,521	39,274	11,089	349,349
Disposals and write-offs	-	-	(6,747)	(2,345)	-	(7,201)	-	(16,293)
Reclassification	-	-	6,757	732	4,243	42,257	(57,780)	(3,791)
Balance as of December 31, 2024	$ 194,875	583,439	837,944	51,241	707,565	620,716	14,581	3,010,361
Accumulated depreciation:								
Balance as of January 1, 2025	$ -	119,553	580,643	38,976	352,375	265,828	-	1,357,375
Depreciation for the current period	-	10,426	66,795	4,357	172,954	44,184	-	298,716
Disposals and write-offs	-	-	(7,842)	(1,349)	(107,904)	(8,341)	-	(125,436)
Balance as of December 31, 2025	$ -	129,979	639,596	41,984	417,425	301,671	-	1,530,655
Balance as of January 1, 2024	$ -	109,127	520,378	36,672	211,305	227,253	-	1,104,735
Depreciation for the current period	-	10,426	66,948	4,647	136,779	45,634	-	264,434
Disposals and write-offs	-	-	(6,683)	(2,343)	-	(7,059)	-	(16,085)
Reclassification	-	-	-	-	4,291	-	-	4,291
Balance as of December 31, 2024	$ -	119,553	580,643	38,976	352,375	265,828	-	1,357,375
Carrying amount:								
December 31, 2025	$ 194,875	453,460	261,617	9,388	430,946	336,398	13,449	1,700,133
December 31, 2024	$ 194,875	463,886	257,301	12,265	355,190	354,888	14,581	1,652,986

2. For the years ended December 31, 2025 and 2024, no property, plant and equipment of the Company was pledged to others.

(VII) Right-of-use assets

Details of changes in cost and accumulated depreciation for the Company's leased properties and buildings are as follows:

	Housing and construction
Cost of right-of-use assets:	
Balance as of January 1, 2025	$ 1,859,992
Addition	437,280
Lease modification	(4,783)
Derecognition	(299,828)
Balance as of December 31, 2025	**$ 1,992,661**
Balance as of January 1, 2024	$ 1,712,554
Addition	485,766
Lease modification	(35,735)
Derecognition	(302,593)
Balance as of December 31, 2024	**$ 1,859,992**
Accumulated depreciation of right-of-use assets:	
Balance as of January 1, 2025	$ 852,300
Depreciation for the current year	451,326
Lease modification	(3,843)
Derecognition	(299,828)
Balance as of December 31, 2025	**$ 999,955**
Balance as of January 1, 2024	$ 780,631
Depreciation for the current year	399,813
Lease modification	(302,593)
Derecognition	(25,551)
Balance as of December 31, 2024	**$ 852,300**
Carrying amount:	
December 31, 2025	**$ 1,007,692**
December 31, 2024	**$ 931,923**

1. In the 2025 and 2024, the Company entered into operating leases for office and retail business premises. For further details, please refer to Note VI(XII).
2. For the years ended December 31, 2025 and 2024, no right-of-use assets of the Company were pledged to others.

(VIII) Intangible assets

Details of changes in intangible assets of the Company are as follows:

	Computer Software
Cost:	
Balance as of January 1, 2025	$ 4,810
Additions during the current period	8,356
Reclassifications during the current period	832
Derecognition	(600)
Balance as of December 31, 2025	**$ 13,398**
Balance as of January 1, 2024	$ 7,136
Additions during the current period	1,917
Derecognition	(4,243)
Balance as of December 31, 2024	**$ 4,810**
Amortization:	
Balance as of January 1, 2025	$ 1,825
Amortization for the current period	3,151
Derecognition	(600)
Balance as of December 31, 2025	**$ 4,376**
Balance as of January 1, 2024	$ 4,894
Amortization for the current period	1,174
Derecognition	(4,243)
Balance as of December 31, 2024	**$ 1,825**
Carrying amount:	
Balance as of December 31, 2025	**$ 9,022**
Balance as of December 31, 2024	**$ 2,985**

(IX) Short-term loans

	2025.12.31	2024.12.31
Unsecured bank loans	**$ 490,000**	**10,000**
Interest rate	**1.80%~1.93%**	**2.02%**

1. The Company has not pledged any assets as collateral for bank loans.
2. As of December 31, 2025 and 2024, the total credit limits for short-term and long-term loans, bank guarantees, and letters of credit were NT$1,545,715 thousand

and NT$1,116,393thousand, respectively. The unused credit limits were NT$966,150 thousand and NT$986,709 thousand, respectively.

(X) Short-term notes and bills payable

	2025.12.31	2024.12.31
Commercial paper payable	$ -	70,000
Less: discounts on short-term notes payable	-	(21)
Total	**$ -**	**69,979**
Unused credit limits	**$ 300,000**	**230,000**
Interest rate	**-**	**2.018%**

The Company has not pledged any assets as collateral for the issuance of short-term notes.

(XI) Other payables

	2025.12.31	2024.12.31
Accrued salaries	$ 185,550	176,083
Accrued employee compensation	1,620	3,163
Accrued compensation for directors and supervisors	1,500	2,000
Accrued insurance premiums	30,614	28,875
Accrued payments for construction and equipment	49,314	77,560
Business taxes payable	30,900	21,532
Other accrued expenses	108,513	105,575
Total	**$ 408,011**	**414,788**

(XII) Lease liabilities

The carrying amounts of the Company’s lease liabilities are as follows:

	2025.12.31	2024.12.31
Current	**$ 360,385**	**354,665**
Non-current	**$ 658,348**	**674,393**

For the analysis of maturity, please refer to Note VI(XXI) regarding financial instruments.

Amounts recognized in profit or loss for leases are as follows:

	For the year ended December 31, 2025	For the year ended December 31, 2024
Interest expenses on lease liabilities	$ 18,815	15,877
Short-term lease expenses	$ 823	26,106
Expenses for low-value leased assets (excluding short-term leases of low-value assets)	$ 4,211	3,615

Amounts recognized in the statement of cash flows for leases are as follows:

	For the year ended December 31, 2025	For the year ended December 31, 2024
Total cash flows on lease	$ 490,129	460,081

The Company rents properties and buildings for office spaces and retail stores. The lease term for office spaces is typically between one and four years, while the term for retail stores ranges from one to ten years. Some leases include an option to extend the lease for a period equivalent to the original contract term upon expiration.

(XIII) Employee benefits

1. Defined benefit plans

The reconciliation of the present value of defined benefit obligations and the fair value of plan assets is as follows:

	2025.12.31	2024.12.31
Present value of defined benefit obligation	$ 3,173	6,530
Fair value of plan assets	(1,763)	(1,032)
Net defined benefit liabilities	$ 1,410	5,498

The Company’s defined benefit plan contributions are deposited into the Labor Retirement Reserve Account at the Bank of Taiwan. Retirement payments for each employee under the Labor Standards Act are calculated based on the base amount earned through years of service and the average salary for the six months prior to retirement.

(1) Composition of plan assets

The retirement funds contributed by the Company under the Labor Standards Act are centrally managed by the Bureau of Labor Funds (hereinafter referred to as the "Bureau") of the Ministry of Labor. According to the "Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund," the fund's utilization must ensure an annual minimum return, which cannot be lower than the interest calculated at the two-year fixed deposit rate of local banks.

As of the reporting date, the balance of the Company's Labor Retirement Reserve Account at the Bank of Taiwan amounted to NT$1,628 thousand. For information regarding the utilization of the Labor Retirement Fund, including the fund's rate of return and asset allocation, please refer to the information published on the website of the Bureau of Labor Funds.

(2) Changes in the present value of defined benefit obligations

The changes in the present value of defined benefit obligations for the Company during 2025 and 2024 are as follows:

	For the year ended December 31, 2025	**For the year ended December 31, 2024**
Defined benefit obligations as of January 1	$ 6,530	7,687
Current service costs and interest	244	253
Remeasurements of net defined benefit liabilities		
－Actuarial gains (losses) arising from changes in financial assumptions	72	(280)
－Actuarial gains (losses) arising from experience adjustments	1,996	1,778
Benefits paid by the plan	(5,669)	(2,908)
Defined benefit obligation at December 31	**$ 3,173**	**6,530**

(3) Changes in the fair value of plan assets

The changes in the fair value of plan assets for the Company during 2025 and 2024 are as follows:

	For the year ended December 31, 2025	For the year ended December 31, 2024
Fair value of plan assets as of January 1	$ 1,032	528
Interest income	18	7
Remeasurements of net defined benefit assets		
—Plan asset returns (excluding current period interest)	150	116
Amounts contributed to the plan	6,232	3,289
Benefit paid by the plan	(5,669)	(2,908)
Fair value of plan assets at December 31	**$ 1,763**	**1,032**

(4) Expenses recognized in profit or loss

The details of expenses reported as operating expenses by the Company for 2025 and 2024 are as follows:

	For the year ended December 31, 2025	For the year ended December 31, 2024
Service costs for the current period	$ 144	161
Net interest on net defined benefit liabilities	82	85
Operating expenses	**$ 226**	**246**

(5) Actuarial assumptions

The main actuarial assumptions used by the Company as of the end date of financial reporting are as follows:

	2025.12.31	2024.12.31
Discount rate	1.45%	1.60%
Future salary increases	0.70%	0.70%

The Company expects to contribute NT$1,156 thousand to the defined benefit plan within one year after the reporting date for 2025.

The weighted average duration of the defined benefit plan for the Consolidated Company for 2025 and 2024 is 15.46 years and 11.95 years. respectively.

(6) Sensitivity analysis

When calculating the present value of defined benefit obligations, the Company must make judgments and estimates to determine the actuarial assumptions as of the balance sheet date. These include the discount rate, employee turnover rate, and future salary changes. Any changes in the actuarial assumptions could significantly affect the amount of the Company's defined benefit obligations.

The impact of changes in the main actuarial assumptions on the present value of defined benefit obligations, as adopted on December 31, 2025, is as follows:

	Impact on defined benefit obligations		
		Increase by 0.25%	**Decrease by 0.25%**
December 31, 2025			
Discount rate	$	(119)	125
Future salary increases		124	(118)
December 31, 2024			
Discount rate		(189)	198
Future salary increases		196	(189)

2. Defined contribution plans

The Company's defined contribution plan is established in accordance with the Labor Pension Act. Contributions are made to individual labor pension accounts managed by the Bureau of Labor Insurance at a rate of 6% of the employees' monthly wages. Under this plan, the Company has no legal or implied obligation to pay additional amounts after making fixed contributions to the Bureau of Labor Insurance.

The Company's pension expenses under the defined contribution plan amounted to NT$89,771thousand for 2025 and NT$84,089 thousand for 2024, which have been contributed to the Bureau of Labor Insurance.

(XIV) Income Tax

1. Details of the Company's income tax expense are as follows:

	For the year ended December 31, 2025	For the year ended December 31, 2024
Current income tax expense	$ 32,889	59,465
Deferred income tax expense (benefit)	(2,508)	1,465
Income tax expense	$ 30,381	60,930

The Company did not recognize any income tax expense under other comprehensive income for 2025 and 2024.

2. The reconciliation of income tax expense to profit before tax for 2025 and 2024 is as follows:

	For the year ended December 31, 2025	For the year ended December 31, 2024
Net income before tax	$ 157,444	311,095
Income tax calculated based on the domestic tax rate of the Company's location	$ 31,489	62,219
Changes in unrecognized temporary differences	3,109	2,950
Underestimation in previous periods	48	-
Suspension of income tax on gains from securities transactions	(4,411)	(3,892)
Others	146	(347)
Income tax expense	$ 30,381	60,930

3. Deferred income tax assets

(1) Unrecognized deferred tax assets

The items not recognized as deferred tax assets by the Company are as follows:

	2025.12.31	2024.12.31
Unrecognized temporary differences	$ 34,736	31,627

(2) Recognized deferred tax assets

The changes in deferred tax assets for 2025 and 2024 are as follows:

	Loss on inventory write-down	Others	Total
January 1, 2025	$ 1,723	920	2,643
Debit (Credit) to income statement	1,648	860	2,508
For the year ended December 31, 2025	**$ 3,371**	**1,780**	**5,151**
For the year ended December 31, 2024	$ 3,300	808	4,108
Debit (Credit) to income statement	(1,577)	112	(1,465)
For the year ended December 31, 2024	**$ 1,723**	**920**	**2,643**

4. The Company's corporate income tax filings have been approved by the tax authorities up to 2023.

(XV) Capital and other equity

1. Capital stock - common shares

As of December 31, 2025 and 2024, the Company’s authorized share capital amounted to NT$1,000,000 thousand, with a par value of NT$10 per share. The issued share capital consisted of 66,067 thousand and 60,419 thousand common shares, respectively, for which all proceeds from the issued shares had been received.

The reconciliation of outstanding shares for 2025 and 2024 is as follows:

	For the year ended December 31, 2025	For the year ended December 31, 2024
Beginning balance	66,067	60,419
Issuance of common stock for cash	-	5,648
Ending balance	**66,067**	**66,067**

On September 5, 2024, the Company's Board of Directors resolved to conduct a pre-IPO public offering through a capital increase by issuing 5,648 thousand common shares in cash, with a par value of NT$10 per share, resulting in a total issuance amount of NT$56,480 thousand. Among these, the shares for public subscription were issued at a premium price of NT$70.88 per share, and the competitive auction shares were issued at a weighted average premium price of NT$85.42 per share. In accordance with Article 267 of the Company Act, 10% of the total number of new shares, amounting to 565 thousand shares, were reserved for subscription by the Company's employees. For shares not subscribed or waived by employees, the Chairman was authorized to allocate these shares to designated parties. This capital increase was validated by the Taiwan Stock Exchange Corporation on September 19, 2024and was officially effective with November 22, 2024 designated as the base date of the capital increase. The total collected proceeds amounted to NT$459,464 thousand, with issuance costs of NT$3,288 thousand deducted, resulting in net cash proceeds of NT$456,176 thousand. The funds were fully received, and the registration of changes was completed. Among these proceeds, the premium amount of NT$399,696 thousand was recorded under capital surplus.

2. Capital surplus

As of December 31, 2025 and 2024, the details of the Company’s capital surplus balances are as follows:

		2025.12.31	2024.12.31
Stock issuance premium	$	540,595	540,595
Gain on disposal of assets		61	61
Changes in equity method recognized net equity of affiliates		12	12
	$	**540,668**	**540,668**

In accordance with the Company Act, capital surplus must first be used to offset losses before it can be distributed as new shares or cash in proportion to shareholders' existing holdings of realized capital surplus. Realized capital surplus includes the excess amount from issuing shares above par value and income from donations. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, the total amount of capital surplus that may be allocated to capital each year shall not exceed 10% of the paid-in capital.

3. Retained earnings

According to the Company’s Articles of Incorporation, if there is net profit after the annual financial statements are prepared, the profit shall first be used to pay taxes and offset accumulated losses. Then, 10% of the remaining profit shall be allocated as statutory earnings reserves, unless the statutory earnings reserves have already reached the amount of the Company’s paid-in capital, in which case no further allocation is required. The remainder, together with any accumulated undistributed earnings, shall be included in a dividend distribution proposal prepared by the Board of Directors and submitted to the shareholders' meeting for approval to distribute dividends to shareholders.

(1) Legal reserve

In accordance with the Company Act, the company shall allocate 10% of its after-tax net profit to statutory earnings reserves until the reserves are equal to the total capital. When the company has no losses, it may, with the resolution of the shareholders' meeting, distribute the statutory earnings reserves as new shares or cash. However, such distributions are limited to the portion of the reserves exceeding 25% of the paid-in capital.

(2) Special reserve

According to the Financial Supervisory Commission's Order No. 1090150022 issued on March 31, 2021, when distributing distributable profits, the Company shall not distribute the net amount of other equity impairment incurred in the current year as additional provisions to the special surplus reserve from the current year's profit or loss. If there is a subsequent reversal of the amount of other equity impairment, the Company may distribute profits on the reversed portion.

(3) Earnings distribution

On June 19, 2025 and May 24, 2024, the Company's shareholders' meetings resolved the earnings distribution plans for 2024 and 2022. The details of the dividends distributed to shareholders are as follows:

		For the year ended December 31, 2024		For the year ended December 31, 2023	
		Dividend per share (NT$)	**Amount**	**Dividend per share (NT$)**	**Amount**
Dividends distributed to common shareholders:					
Cash	$	3.80	**251,056**	3.20	**193,342**

The actual distribution of the Company's earnings for 2024 and 2023 was consistent with the amounts recognized in the financial statements, requiring no adjustments.

On February 23, 2026, the Company's Board of Directors proposed the earnings distribution plan for 2025, which includes a cash dividend of NT$1.60 per share, totaling NT$105,708 thousand. This proposal is pending approval at the annual shareholders' meeting to be held in 2026.

(XVI) Share-based payment

In 2024, the Company resolved through its Board of Directors to conduct a cash capital increase, reserving 565 thousand shares for employee subscription. The relevant details are as follows:

	For the year ended December 31, 2024
Grant date	September 5, 2024
Number of shares granted	565 thousand shares
Vesting conditions	Immediately vested

In 2024, the Company utilized the Black-Scholes option pricing model to estimate the fair value of the basic compensation granted in the form of stock options. The fair value per unit of stock option was NT$9.40, NT$7.20, and NT$4.90. During 2024, a total of NT$4,149 thousand was recognized as labor costs, categorized under operating expenses. For further details regarding the recognition of capital surplus, please refer to Note VI(XV).

(XVII) Earnings per Share

Basic earnings per share for the years ended December 31, 2025 and 2024 were calculated as follows:

	For the year ended December 31, 2025	For the year ended December 31, 2024
Basic earnings per share		
Profit or loss attributable to the Company's common equity holders	$ 127,063	250,165
Weighted average number of outstanding common shares	66,067	61,038
Basic earnings per share	$ 1.92	4.10

	For the year ended December 31, 2025	For the year ended December 31, 2024
Diluted earnings per share		
Profit or loss attributable to the Company's common equity holders	$ 127,063	250,165
Weighted average number of outstanding common shares	66,067	61,038
Effect of potentially dilutive common shares-employee compensation	47	51
Weighted average number of outstanding common shares (adjusted for potentially dilutive shares)	66,114	61,089
Diluted earnings per share	$ 1.92	4.10

(XVIII) Revenue from customer contracts

1. Revenue breakdown

Revenue for the years ended December 31, 2025 and 2024 is detailed as follows:

	For the year ended December 31, 2025	For the year ended December 31, 2024
Food and beverage sales	$ 6,498,600	6,296,762
Other operating revenue	1,119	785
	$ 6,499,719	6,297,547

2. Contract balance

(1) The recognition of contract liabilities associated with customer contract revenue is as follows:

	2025.12.31	2024.12.31
Contract liabilities- customer loyalty program	$ 18,866	23,987

(2) The amounts of contract liabilities recognized as revenue in 2025 and 2024 were NT$(845) thousand and NT$(871) thousand, respectively.

(XIX) Non-operating income and expenses

1. Other income

	For the year ended December 31, 2025	For the year ended December 31, 2024
Rental income	$ 1,734	1,711
Other income- miscellaneous	30,475	29,736
	$ 32,209	31,447

2. Other gains and losses

The details of other profits and losses of the Company for 2025 and 2024 are as follows:

	For the year ended December 31, 2025	For the year ended December 31, 2024
Loss on disposal of property, plant, and equipment	$ (3,283)	(205)
Losses on lease modifications	(800)	(2)
Net gain on financial assets at fair value	22,056	19,504

through profit or loss			
Other losses		(875)	(787)
	$	**17,098**	**18,510**

3. Finance costs

The financial costs of the Company for 2025 and 2024 are as follows:

		For the year ended December 31, 2025	**For the year ended December 31, 2024**
Interest on bank loans	$	(7,031)	(8,049)
Interest expense on lease liabilities		(18,815)	(15,877)
	$	**(25,846)**	**(23,926)**

(XX) Employee and director/supervisor compensation

The Company's Articles of Association were amended by resolution of the shareholders' meeting on June 19, 2025. According to the Company's Articles of Incorporation, if there is annual profit, no less than 1% of the profit shall be allocated as employee compensation, (more than 50% of the employee compensation amount in this item should be used for salary adjustments or compensation distribution for junior employees), as resolved by the Board of Directors, to be distributed in stock or cash. The recipients include employees meeting specific criteria. The Board of Directors may also allocate no more than 1% of the profit as compensation for directors and supervisors. The employee and director/supervisor compensation plans shall be reported to the shareholders' meeting. If the Company has accumulated losses, the required amounts for loss offset must first be retained before allocating employee and director/supervisor compensation based on the aforementioned percentages.

Before amended, the Company's Articles of Incorporation, if there is annual profit, no less than 1% of the profit shall be allocated as employee compensation, as resolved by the Board of Directors, to be distributed in stock or cash. The recipients include employees meeting specific criteria. The Board of Directors may also allocate no more than 1% of the profit as compensation for directors and supervisors. The employee and director/supervisor compensation plans shall be reported to the shareholders' meeting. If the Company has accumulated losses, the required amounts for loss offset must first be retained before allocating employee and director/supervisor compensation based on the aforementioned percentages.

For 2025 and 2024, the employee compensation amounts were estimated based on pre-tax net profit before deducting employee and director compensation, multiplied by the distribution percentages outlined in the Articles of Incorporation. They were reported as operating expenses for the respective periods. The employee and director/supervisor compensation amounts resolved by the Board of Directors were consistent with the estimates in the Company's financial reports for 2025 and 2024. Relevant information is available on the Market Observation Post System.

Estimated employee and director/supervisor compensation amounts as follows:

		2025	2024
Employee compensation	$	1,620	3,163
Director/supervisor compensation		1,500	2,000
	$	**3,120**	**5,163**

(XXI) Financial instruments

1. Credit risk

(1) Exposure to credit risk

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

(2) Credit risk concentration

The Company has a diverse customer base with no affiliations, resulting in limited credit risk concentration.

(3) Credit risk of receivables

Information on the credit risk exposure of account receivables is provided in Note VI(III). All other receivables are financial assets with low credit risk; therefore, the allowance for expected credit losses for the period is measured based on 12-month expected credit losses. (For an explanation of how the Consolidated Company determines low credit risk, please refer to Note IV(VI).)

2. Liquidity risk

The table below presents the contractual maturity dates of financial liabilities, including the estimated impact of interest.

	Carrying Amount	Contractual cash flows	Within one year	One to five years	Over five years
December 31, 2025					
Non-derivative financial liabilities					
Short-term loans	$ 490,000	490,946	490,946	-	-
Notes and Accounts Payable	337,589	337,589	337,589	-	-
Other payables	408,011	408,011	408,011	-	-
Lease liabilities	1,018,733	1,046,592	369,667	588,414	88,511
	$ 2,254,333	2,283,138	1,606,213	588,414	88,511
December 31, 2024					
Non-derivative financial liabilities					
Short-term loans	$ 10,000	10,008	10,008	-	-
Short-term notes and bills payable	69,979	70,000	70,000	-	-
Notes and Accounts Payable	316,132	316,132	316,132	-	-
Other payables	414,788	414,788	414,788	-	-
Lease liabilities	1,029,058	1,098,300	374,368	654,567	69,365
	$ 1,839,957	1,909,228	1,185,296	654,567	69,365

The Company does not expect the timing of the cash flows analyzed based on maturity dates to occur significantly earlier, nor does it anticipate the actual amounts to differ significantly.

3. Foreign exchange risk

(1) Exposure to foreign exchange risk

The Company’s financial assets and liabilities exposed to significant foreign currency exchange rate risk are as follows:

	2025.12.31			2024.12.31		
	Foreign currencies	**Exchange Rate**	**Foreign currencies**	**Exchange Rate**	**Foreign currencies**	**Exchange Rate**
Financial assets						
Monetary items						
USD	$ 55	31.430	1,732	52	32.705	1,699
EUR	84	36.900	3,107	138	34.290	4,748
JPY	13,797	0.201	2,770	111,335	0.212	23,582
Financial liabilities						
Monetary items						
USD	724	31.430	22,771	544	32.785	17,827
EUR	79	36.920	2,917	105	34.140	3,574

(2) Sensitivity analysis

The foreign exchange rate risk associated with the Company’s monetary items primarily arises from cash, cash equivalents, and payables denominated in foreign currencies, resulting in foreign exchange gains or losses upon conversion. As of December 31, 2025 and 2024, if the New Taiwan Dollar depreciates or appreciates by 1% relative to the US Dollar, Euro, and Japanese Yen, while all other factors remain unchanged, the Company’s net profit after tax for 2025 and 2024 would increase or decrease by NT$145 thousand and NT$69 thousand, respectively.

4. Interest rate analysis

The interest rate risk associated with the Company's financial assets and liabilities is detailed in Note VI(XXII) of the financial risk management section.

The following sensitivity analysis is based on the interest rate exposure of non-derivative instruments as of the reporting date. For floating-rate liabilities, the analysis assumes that the outstanding liability amount as of the reporting date remains constant throughout the entire year. The rate of change utilized by the company when reporting interest rates to senior management is an increase or decrease of 0.5%. Assuming all other variables remain unchanged, the company's after-tax net income for 2025 and 2024 will decrease or increase by NT$1,960 thousand and NT$320 thousand, respectively, primarily due to the Company's borrowing at floating interest rates.

5. Other price risk

The impact of changes in the price of equity securities at the reporting date—an analysis conducted for both periods based on the same foundation, assuming that other variable factors remain unchanged—on the items in the comprehensive income statement is as follows:

	For the year ended December 31, 2025		For the year ended December 31, 2024	
Reporting date securities prices	**Post-tax amounts in other comprehensive income**	**Post-tax profit or loss**	**Post-tax amounts in other comprehensive income**	**Post-tax profit or loss**
Increase by 5%	$ -	5,220	-	4,118
Decrease by 5%	$ -	(5,220)	-	(4,118)

6. Fair value information

(1) Category of financial instruments and fair value

The management of the Company believes that the carrying amounts of financial assets measured at amortized cost and financial liabilities measured at amortized cost in the current financial report approximate their fair value. Financial assets measured at fair value through profit or loss are evaluated on a recurring basis at fair value. The details are as follows:

	2025.12.31				
	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	$ 104,407	104,407	-	-	104,407

	2024.12.31				
	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	$ 82,351	82,351	-	-	82,351

(2) Fair value measurement techniques for financial instruments

If a financial instrument has quoted prices in an active market, those quoted prices are used as the fair value. The market prices announced by major exchanges and the Over-The-Counter Center for government bonds deemed as active securities serve as the basis for the fair value of listed equity instruments and debt instruments with quoted prices in active markets.

(XXII) Financial risk management

1. Overview

The Company is exposed to the following risks due to the use of financial instruments:

(1) Credit risk

(2) Liquidity risk

(3) Market risk

This note provides information on the Company's exposure to the aforementioned risks, as well as the objectives, policies, and procedures for measuring and managing these risks. For further quantitative disclosures, please refer to the relevant notes in the financial report.

2. Risk management framework

The Board of Directors oversees how management monitors adherence to the Company's financial risk management policies and procedures. It also reviews the appropriateness of the financial risk management framework in addressing the relevant risks faced by the Company. Internal audit personnel assist the Board of Directors in fulfilling its supervisory role.

3. Credit risk

Credit risk refers to the risk of financial loss incurred by the Company due to counterparties in business transactions or financial instruments failing to fulfill their contractual obligations. This risk primarily arises from the Consolidated Company’s bank deposits and accounts receivable. The Company’s bank deposits are held with reputable financial institutions that have no significant concerns regarding contract performance, and therefore pose no material credit risk. The accounts receivable are associated with well-known domestic retailers, department store counters, reputable domestic and international delivery platforms, or financial institutions, making the possibility of credit risk relatively low.

4. Liquidity risk

Liquidity risk refers to the risk that the Company may be unable to deliver cash or other financial assets to settle financial liabilities, resulting in a failure to meet related obligations. The Company’s capital and operating funds are sufficient to fulfill all contractual obligations, and there are adequate credit lines from financial institutions to support daily operational cash flow. Therefore, there is no liquidity risk arising from an inability to raise funds to meet contractual obligations.

5. Market risk

Market risk refers to the risk that changes in market prices—such as exchange rates, interest rates, or equity instrument prices—could affect the Company’s earnings or the value of its financial instruments. The objective of market risk management is to control the level of exposure to market risks within an acceptable range while optimizing investment returns.

The Company is exposed to equity price risk due to investments in listed equity securities.

(XXIII) Capital management

Based on the characteristics of the current industry and the future development of the company, and taking into account factors such as changes in the external environment, the merging company plans the working capital, research and development expenses and dividend payouts required in the future period to ensure that the merging company can continue to operate, reward shareholders and take into account the interests of other stakeholders, and maintain the best capital structure to enhance shareholder value in the long term.

The Board's policy is to maintain a sound capital base to sustain investor, creditor, and market confidence and support future operations. Total capital is the sum of all components of equity (i.e., share capital, capital reserves, retained earnings, and other equity) plus net debt. The Board controls the debt-to-equity ratio and the level of common stock dividends.

Furthermore, the merged company may, upon obtaining board approval, repurchase the treasury shares from the market at any time, with the timing of the repurchase depending on market prices. Decisions regarding the purchase and sale of treasury shares are determined by the board of directors based on specific transaction criteria.

	2025.12.31	2024.12.31
Total liabilities	$ 2,287,656	1,937,702
Less: Cash and cash equivalents	(372,777)	(130,014)
Net liabilities	$ 1,914,879	1,807,688
Total equity	$ 1,546,622	1,673,473
Debt to Capital ratio	123.81%	108.02%

The capital management strategy of the merged company in 2025 remained the same as that in 2024, with no major changes.

(XXIV) Non-cash transactions in investment and financing activities

1. Investment activities paid partially in cash

	For the year ended December 31, 2025	For the year ended December 31, 2024
Purchase of fixed assets	$ 349,978	349,349
Add: beginning balance of payables for construction projects and equipment	77,560	101,468
Less: ending balance of payables for construction projects	(49,314)	(77,560)
Cash paid during the current period	$ 378,224	373,257

2. For assets acquired through leasing, please refer to Note VI (XII) for details.

3. Reconciliation of liabilities from financing activities as shown below:

	2025.1.1	Cash flows from:	Non-cash changes in lease adjustments	2025.12.31
Short-term loans	$ 10,000	480,000	-	490,000
Short-term notes and bills payable	69,979	(69,979)	-	-
Lease liabilities	1,029,058	(466,280)	455,955	1,018,733
Total liabilities from financing activities	**$ 1,109,037**	**(56,259)**	**455,955**	**1,508,733**

	2024.1.1	Cash flows from:	Non-cash changes in lease adjustments	2024.12.31
Short-term loans	$ 300,000	(290,000)	-	10,000
Short-term notes and bills payable	59,990	9,989	-	69,979
Lease liabilities	952,079	(414,483)	491,462	1,029,058
Long-term loans	150,000	(150,000)	-	-
Total liabilities from financing activities	**$ 1,462,069**	**(844,494)**	**491,462**	**1,109,037**

VII. Related Party Transactions

(I) Parent and ultimate controlling party

The Company's ultimate parent company is Mercuries & Associates Holding Ltd., which holds 57.87% of the outstanding common shares of the Company. Mercuries & Associates Holding Ltd. has prepared consolidated financial reports for public distribution.

(II) Names of related parties and relationship

Related Party	Relationship with the Company
Mercuries & Associates Holding Ltd.	The parent company of the Company
Mercuries F&B Consulting Co., Ltd.	The Company's subsidiary
Mercuries Food Service Japan, Ltd.	The Company's subsidiary
Mercuries & Associates., Ltd.	Other related party
Mercuries Leisure Co., Ltd.	Associate

Mercuries Life Insurance Co., Ltd.	Other related party
Mercuries Liquor & Food Co., Ltd.	Other related party
Mercuries Fu Bao Ltd.	Other related party (merged into Mercuries Liquor & Food Co., Ltd. as of January 1, 2025)
Mercuries Data Systems Ltd.	Other related party
Simple Mart Retail Co., Ltd.	Other related party
Pet Wonderland Co., Ltd.	Other related party
Mercuries General Media, Inc.	Other related party
Mercuries Furniture Co., Ltd.	Other related party
Criminal Investigation and Prevention Association R.O.C.	Other related party
Chinese Slow Pitch Softball Association	Other related party
R.O.C. Taiwan Teeball Association	Other related party
Foundation of Chinese Dietary Culture	Other related party
Foundation for Taiwan Masters Golf Tournament	Other related party
Mercuries F&B Co., Ltd. Employee Welfare Committee	Other related party
Mercuries Furniture Co., Ltd. Employee Welfare Committee	Other related party
Sun Pao Tsun Construction Co., Ltd.	Other related party
SCI Pharmtech Inc.	Other related party
Horizon Securities Co., Ltd.	Other related party(No longer a related party of the company since February 2025)

All directors, their immediate family members, and the Company's senior management, including the General Manager and Deputy General Manager.

(III) Significant related party transactions

1. Operating revenue

Significant sales to related parties are as follows:

	For the year ended December 31, 2025	For the year ended December 31, 2024
Subsidiaries	$ 4,762	1,422
Other related party	5,297	293
	$ 10,059	**1,715**

The Company's purchases from the related parties are priced in accordance with the sales terms of our Company and are not significantly different from the general sales prices. The payment terms range from one to three months, with general sales being collected within the same month. Accounts receivable among related parties do not involve collateral, and after assessment, there is no need to recognize bad debt expenses.

2. Purchase of goods

Significant purchases from related parties are as follows:

	For the year ended December 31, 2025	For the year ended December 31, 2024
Subsidiaries	$ 380	24
Other related party	11,843	6,959
	$ 12,223	**6,983**

The purchase prices from the aforementioned company are comparable to those of general suppliers. The payment terms range from one to two months, which are also similar to those offered by general suppliers.

3. Receivables from related parties

The receivables from related parties were as follows:

Accounts	Type of related party	2025.12.31	2024.12.31
Accounts receivable	Subsidiaries	$ 726	522
Accounts receivable	Other related party	426	4

Other receivables	Subsidiaries	86	39
Other receivables	Other related party	105	2
		$ 1,343	567

4. Payables to related parties

The payables from related parties were as follows:

Accounts	Type of related party	2025.12.31	2024.12.31
Accounts payable	Subsidiaries	$ 32	17
Accounts payable	Other related party	602	1,505
Other payables	Other related party	182	766
		$ 816	2,288

5. Property transactions

Acquisition of property, plant, and equipment

	2025	2024
Other related parties	$ 4,690	-

The payments arising from above transactions have been fully settled.

6. Leases

In 2020, the Consolidated Company leased an office building from Mercuries & Associates, Ltd., renewed in April 1923, and signed a three-year lease agreement, referencing the rental market rates of nearby areas. The total value of the contract was NT$65,047 thousand. As of December 31, 2025 and 2024, the remaining lease liabilities were NT$5,272 thousand and NT$26,802 thousand, respectively. For these transactions, interest expenses of NT$293 thousand and NT$699 thousand were recognized in 2025 and 2024, respectively.

In 2022, the Consolidated Company renewed its lease with Mercuries Life Insurance Co., Ltd. for a logistics and research and development center. The lease agreement, based on the rental rates for factories in the surrounding area, has a term of five years and a total contract value of NT$69,806 thousand. As of December 31, 2025 and 2024, the lease liabilities balance amounted to NT$26,633 thousand and NT$40,168 thousand, respectively. For these transactions, interest expenses of NT$591 thousand and NT$829 thousand were recognized as of December 31, 2025 and 2024, respectively.

As of December 31, 2025 and 2024, the Consolidated Company paid security deposits of NT$5,545 thousand and NT$5,692 thousand, respectively, for the office premises and store locations leased from other related parties. Additionally, security deposits of NT$2,400 thousand were paid for the logistics and research and development center leased from Mercuries Life Insurance Co., Ltd.

7. Other incomes and expenses

Accounts	Type of related party	2025.12.31	2024.12.31
Other income	Subsidiaries	$ 60	40
Other income	Other related party	1,196	824
Donation	Other related party - Criminal Investigation and Prevention Association R.O.C.	600	600
Rental expense	Other related party	683	683
Other expenses	Subsidiaries	506	95
Other expenses	Other related party	1,077	2,351
		$ 4,122	4,593

The Company has prepaid rent amounting to NT$569 thousand for operating leases with related parties, which is recorded under prepaid expenses.

8. The Company sold gift vouchers and public relations vouchers to its subsidiaries, associates, and other related parties, amounting to NT$9,046 thousand in 2025 and NT$9,150 thousand in 2024. These amounts are recorded under other current liabilities.

9. Loans provided for related party

The actual usage of our company's funds to related parties are as follows, and are recorded as other receivables.

	2025					
	Highest balance during the period	Ending balance	actual usage amount	rate	Current interest revenue	Ending interest receivable
subsidiary	$ 1,000,000	-	-	2.50%	-	-

(IV) Remuneration to the management

		For the year ended December 31, 2025	For the year ended December 31, 2024
Short-term employee benefits	$	20,673	23,070
Benefits after retirement		352	416
	$	**21,025**	**23,486**

The Company provides two vehicles for the senior management team's use at a cost of NT$9,304 thousand.

VIII. Pledged Assets: None.

IX. Significant Contingent Liabilities and Unrecognized Contract Commitments

(I) Significant Unrecognized Contract Commitments

		2025.12.31	2024.12.31
A letter of credit has been issued but has not yet been utilized.	**$**	**79,565**	**107,044**

(II) As of December 31, 2025 and 2024, the performance guarantees provided by the bank for product cards amounted to NT$10,000 thousand and NT$12,640 thousand, respectively.

X. Significant Disaster Loss: None.

XI. Significant Events after the Balance Sheet Date: None.

XII. Others

Employee benefits, depreciation and amortization expenses by function are as follows:

By function / By type	For the year ended December 31, 2025			For the year ended December 31, 2024		
	Operation Costs	Operation Expenses	Operation Costs	Operation Expenses	Operation Costs	Operation Expenses
Employee benefits						
Salary	969,348	681,638	1,650,986	902,348	654,624	1,556,972
Labor and health insurance	129,122	79,990	209,112	115,830	74,324	190,154
Pension	57,423	32,574	89,997	56,732	27,603	84,335
Remuneration to directors	-	1,500	1,500	-	5,024	5,024

Other employee benefits	63,711	39,705	103,416	56,406	36,410	92,816
Depreciation expenses	324,616	425,426	750,042	287,712	376,535	664,247
Amortization expenses	-	3,151	3,151	-	1,174	1,174

For the years ended December 31, 2025 and 2024, the total numbers of employees and employee benefits were as follows:

	For the year ended December 31, 2025	For the year ended December 31, 2024
Number of employees	5,537	5,247
Number of directors who were not employees	6	6
The average employee benefit	$ 371	367
The average salaries and wages	$ 298	297
The adjustment rate of average employee salaries	0.34%	5.32%
Compensation to supervisors	$ -	-

The Company's compensation policy (for directors, supervisors, managers, and employees) is as follows:

A. Directors: The remuneration for directors shall be determined by the Board of Directors in accordance with the provisions of the Company's Articles of Incorporation, the level of participation and contribution of the directors to the Company's operations, the performance evaluation results of the Board of Directors, and by taking into account the standards of the domestic industry, as proposed by the Compensation Committee for the Board's resolution.

B. Managers: The performance evaluation and compensation of managers will be based on standard industry practices, considering individual time commitment, responsibilities, achievement of personal goals, performance in their roles, and the compensation provided by the Company to individuals in similar positions in recent years. Furthermore, the evaluation will take into account the correlation between individual performance and the Company's operational performance, as measured by the attainment of the Company's short-term and long-term business objectives and its financial condition.

C. Employees: The Company's employee compensation is determined by individual performance, the achievement of personal goals, market salary conditions, the Company's operational status, and its organizational structure. Adjustments may be made in response to market salary dynamics, overall economic conditions, industry trends, and applicable government regulations.

XIII. Supplementary Disclosures

(I) Information on Significant Transactions

The following is the information on significant transactions required by the Regulations Governing the Preparation of Financial Reports by Securities Issuers for the Company for the year ended December 31, 2025:

1. Loans provided for others:

Unit: Thousands of New Taiwan Dollars

No.	Name of lender	Name of borrower	Account name	Related party	Highest balance during the period	Ending balance	Actual Usage amount	Range of Interest rate	Purpose for the fund financing for the borrower	Transaction amount for business between two parties	Reasons for short-term financing	Allowamce for bad debt	Collateral		Individual funding loan limits	Maximum limit of fund financing
													Item	Value		
0	The Company	Mercuries F&B Consulting Co., Ltd	Other receivables-related party	YES	7,000	7,000	-	-	2	-	Working capital	-	-	-	154,662	309,324

Note 1：(1)"0"represents the Company.

(2) Subsidiaries are numbered starting from "1".

Note 2：Purpose of fund financing for the borrower：

(1) For those companies with business transaction with the Company, please fill in 1.

(2) For those companies with short-term financing needs, please fill in 2.

Note 3：the loan quota has been approved by the board of directors.

Note 4：(1) Mercuries F&B Consulting Co., Ltd shall not lend more than 10% of the net value of the company's most recent financial statements, and the total amount of loans shall not exceed 20% of the net value of the company's most recent financial statements.

2. Endorsements/Guarantees Provided for Others: None.

3. Securities held at end of period (excluding interests in subsidiaries, associates, and joint ventures):

Unit: Thousands of New Taiwan Dollars

Securities Holding Company	Type and Name of Securities	Relationship with Issuer of Securities	Ledger Account	Ending Balance				Remark
				Number of Shares	Carrying Amount	Percentage of Ownership	Fair Value	
The Company	Ordinary shares of Mercuries Life Insurance Co., Ltd.	Other related party	Financial assets at fair value through profit or loss - current	13,050,917	104,407	0.22 %	104,407	

4. Related parties transactions for purchase or sale with amount at least NT$100 million or 20% of paid-in capital or more: None.

5. Receivables from related parties amounting to at least NT$100 million or 20% of paid-in capital or more: None.

(II) Information on Investees

The following is the information on investees for the year ended December 31, 2025 (excluding information on invested companies in Mainland China):

Unit: Thousands of New Taiwan Dollars

Name of Investor	Name of Investee	Location	Main Business Activities	Initial Investment Amount		Ending Balance			Profit (Loss) of Investee for the Period	Investment Profit and Loss Recognized	Remark
				End of Current Period	End of Last Year	Number of Shares	Shareholding	Carrying Amount			
The Company	Mercuries Leisure Co., Ltd.	Taiwan	Leisure and entertainment business	70,000	70,000	6,856	9.11%	73,424	(1,044)	(94)	Associate
The Company	Mercuries F&B Consulting Co., Ltd.	Taiwan	Food and beverage retail and consulting	64,100	64,100	6,410	98.62%	3,197	(10,144)	(10,004)	Subsidiaries
The Company	Mercuries Food Service Japan, Ltd.	Japan	Instant food manufacturing	58,973	37,793	30	100.00%	14,777	(10,421)	(10,421)	Subsidiaries

(III) Information on investments in mainland China: None.

XIV. Segment Information:

Please refer to the consolidated financial statements for the year ended December 31, 2025.

Mercuries F&B Co., Ltd.

Statement of Cash and Cash Equivalents

For the year ended December 31, 2025

Unit: Thousands of New Taiwan Dollars

Item	Summary	Amount
Cash on hand (Including working capital)		$ 9,618
Bank deposits		
Check deposits		4,816
Demand deposits		350,734
Foreign currency deposits	Japanese yen is $13,797 thousand with the exchange rate at 0.201;	2,770
	Euro dollars are $84 thousand with the exchange rate at 36.900	3,107
	U.S. dollars are $55 thousand with the exchange rate at 31.430	1,732
		$ 372,777

Statement of Accounts Payable

Client Name	Summary	Amount	Remark
Accounts receivable			
Client A	Revenue from unrelated parties	$ 28,479	
Client B	〃	20,059	
Client C	〃	13,363	
Others (Note)		78,554	
Net accounts receivable		**$ 140,455**	

Note: Items for which balances do not exceed 5% of the balance of this account will not be listed separately.

Mercuries F&B Co., Ltd.

Statement of Inventories

For the year ended December 31, 2025

Unit: Thousands of New Taiwan Dollars

Item	Amount: Cost	Amount: Market price	Remark
Raw materials	$ 128,032	128,032	The market price is according to the net realizable value.
Goods in Transit	34,459	34,459	〃
Materials	32,374	32,374	〃
Finished goods	114,471	114,471	〃
Subtotal	309,336	**309,336**	
Less: allowance for inventory valuation and obsolescence losses	(16,853)		
Total	**$ 292,483**		

Mercuries F&B Co., Ltd.

Statement of Changes in Investments Accounted for Using the Equity Method

For the year ended December 31, 2025 **Unit: Thousands of New Taiwan Dollars**

	Beginning balance		Addition		Decrease		Other changes (Note 1)		Ending balance			Market Value/Net Equity Value (Note 2)			
Name	Number of Shares (in thousands)	Amount	Number of Shares (in thousands)	Amount	Number of Shares (in thousands)	Amount	Number of Shares (in thousands)	Amount	Number of Shares (in thousands)	Percentage of Ownership	Amount	Unit price (NT$)	Total	Guarantee or Pledge	Remark
Mercuries Leisure Co., Ltd.	6,856	$ 73,518	-	-	-	-	-	(94)	6,856	9.11%	73,424	10.71	73,424	None	
Mercuries Food Service Japan, Ltd.	20	4,958	10	21,180	-	-	-	(11,361)	30	100.00%	14,777	492.57	14,777	None	
Mercuries F&B Consulting Co., Ltd.	6,410	13,201	-	-	-	-	-	(10,004)	6,410	98.62%	3,197	0.50	3,197	None	
		$ 91,677		21,180		-		(21,459)			91,398		91,398		

Note1: Other changes include the recognition of investment gains and losses from investee companies using the equity method, adjustments for cumulative translation differences, and the recognition of differences in net equity from the subscription of new shares not proportionate to shareholding.

Note2: The net equity is calculated based on the net equity reported in the financial statements of the invested company, which have been audited and certified by a CPA.

Mercuries F&B Co., Ltd.

Statement of Short-term Loans

For the year ended December 31, 2025

Unit: Thousands of New Taiwan Dollars

Type of loans	Ending balance	Contract period	Interest rate	Line of credit	Pledge or guarantee
Cathay United Bank	$ 50,000	2025.2.28~2025.2.28	1.93%	$ 100,000	None
Far Eastern International Bank	100,000	2025.7.18~2026.7.18	1.92%	100,000	None
First Commercial Bank	200,000	2025.8.22~2026.8.22	1.92%	250,000	None
Yuanta Commercial Bank	80,000	2025.11.3~2026.11.2	1.93%	80,000	None
Mega International Commercial Bank	60,000	2025.11.11~2026.11.10	1.80%	100,000	None
	$ 490,000			**$ 630,000**	

Statement of Accounts Payable

Supplier Name	Summary	Amount
Vendor A	Non-related party	$ 20,317
Others (Note)	〃	317,272
		$ 337,589

Note: Items for which balances do not exceed 5% of the balance of this account will not be listed separately.

Mercuries F&B Co., Ltd.

Statement of Lease Liabilities

For the year ended December 31, 2025

Unit: Thousands of New Taiwan Dollars

Item	Lease period	Discount rate	Ending balance
Housing and Construction	2016.4~2035.11	1.92%	$ 1,018,733
Less: Lease liabilities - current			(360,385)
Lease liabilities - non-current			$ 658,348

Statement of Operating Revenue

For the year ended December 31, 2025

Item	Amount
Food and beverage sales revenue	$ 6,498,600
Management consulting and other income	1,119
Net sales revenue	$ 6,499,719

Mercuries F&B Co., Ltd.

Statement of Operating Costs

For the year ended December 31, 2025

Unit: Thousands of New Taiwan Dollars

Item	Amount
Beginning raw materials and in-transit inventory	$ 201,350
Add: Net amount of materials received for this period	2,201,024
Ending raw materials and in-transit inventory	(194,865)
Raw material consumption for this period	2,207,509
Manufacturing overheads	423,427
Cost of finished goods	2,630,936
Add: finished products at beginning of period	192,139
Less: finished products at end of period	(114,472)
Production and sales costs	2,708,603
Cost of food and beverage services	1,481,751
Loss from price recovery of inventory	8,240
Operating costs	**$ 4,198,594**

Mercuries F&B Co., Ltd.

Statement of Selling and Marketing Expenses

For the year ended December 31, 2025

Unit: Thousands of New Taiwan Dollars

Item	Amount	
Salary expenses	$	526,498
Depreciation		400,592
Commissions expense		323,122
Utilities expense		192,455
Others (Note)		443,275
Total	**$**	**1,885,942**

Note: Items for which balances do not exceed 5% of the balance of this account will not be listed separately.

Statement of General and Administrative Expenses

Item	Amount	
Salary expenses	$	150,287
Depreciation		23,832
Others (Note)		71,306
Total	**$**	**245,425**

Note: Items for which balances do not exceed 5% of the balance of this account will not be listed separately.

Mercuries F&B Co., Ltd.

Statement of Research and Development Expenses

For the year ended December 31, 2025 **Unit: Thousands of New Taiwan Dollars**

Item		Amount
Salary expenses	$	6,352
Depreciation		1,002
Others (Note)		9,273
Total	**$**	**16,627**

Note: Items for which balances do not exceed 5% of the balance of this account will not be listed separately.

Please refer to Note VI(VI) of the financial report for detailed information regarding changes in property, plant, and equipment.
Please refer to Note VI(VI) for the movement of accumulated depreciation of property, plants, and equipment.
Please refer to Note VI(VI) for the movement of accumulated impairment of property, plants, and equipment.
Please refer to Note VI(VII) for the movement of the right-of-use assets.
Please refer to Note VI(VII) for the movement of accumulated depreciation of the right-of-use assets.
Please refer to Note VI(VII) for the movement of accumulated impairment of the right-of-use assets.
Please refer to Note VI(XI) for the statement of other payables.