

**NAMCHOW HOLDINGS CO., LTD.
AND SUBSIDIARIES**

Consolidated Financial Statements

**With Independent Auditors' Review Report
For the Six Months Ended June 30, 2026 and 2025**

Address: No. 100, Yanping N. Rd., Sec 4., Taipei, Taiwan R.O.C
Telephone: (02)6619-3000

The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

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安侯建業聯合會計師事務所
KPMG

台北市110615信義路5段7號68樓(台北101大樓)
68F., TAIPEI 101 TOWER, No. 7, Sec. 5,
Xinyi Road, Taipei City 110615, Taiwan (R.O.C.)

電話 Tel	+ 886 2 8101 6666
傳真 Fax	+ 886 2 8101 6667
網址 Web	kpmg.com/tw

Independent Auditors' Review Report

To the Board of Directors of Namchow Holdings Co., Ltd.:

Introduction

We have reviewed the accompanying consolidated balance sheets of Namchow Holdings Co., Ltd. ("the Company") and its subsidiaries ("the Group") as of June 30, 2026 and 2025, and the related consolidated statements of comprehensive income for the three months and six months ended June 30, 2026 and 2025, as well as the changes in equity and cash flows for the six months ended June 30, 2026 and 2025, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with the Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. A review of the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing of the Republic of China and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As stated in note 4(b), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect the total assets amounting to \$1,778,452 thousand and \$1,787,773 thousand, constituting 5% and 6% of the consolidated total assets; and the total liabilities amounting to \$1,544,298 thousand and \$1,351,216 thousand, constituting 9% and 7% of the consolidated total liabilities as of June 30, 2026 and 2025, respectively; as well as the total comprehensive income (loss) amounting to \$59,998 thousand, \$(307,449) thousand, \$(52,793) thousand and \$(435,635) thousand, constituting 17%, 15%, (8)% and 32% of the consolidated total comprehensive income (loss) for the three months and six months ended June 30, 2026 and 2025, respectively.

Qualified Conclusion

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of June 30, 2026 and 2025, and of its consolidated financial performance for the three months and six months ended June 30, 2026 and 2025, as well as its consolidated cash flows for the six months ended June 30, 2026 and 2025 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' review report are Wu, Chung-Shun and Huang, Tsai-Chuan.

KPMG

Taipei, Taiwan (Republic of China)
August 13, 2026

Notes to Readers

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

The auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language auditors' review report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

June 30, 2026, December 31, 2025, and June 30, 2025

(Expressed in Thousands of New Taiwan Dollars)

		June 30, 2026		December 31, 2025		June 30, 2025				June 30, 2026		December 31, 2025		June 30, 2025	
Assets		Amount	%	Amount	%	Amount	%	Liabilities and Equity		Amount	%	Amount	%	Amount	%
11XX	Current assets:							21XX	Current liabilities:						
1100	Cash and cash equivalents (note 6(a))	\$ 4,488,977	13	5,365,659	16	5,844,433	19	2100	Short-term borrowings (notes 6(l) and 9)	\$ 3,171,202	10	2,037,742	6	2,896,929	9
1110	Financial assets measured at fair value through profit or loss—current (note 6(b))	-	-	6,220	-	9,747	-	2110	Short-term commercial paper payables (note 6(l))	-	-	99,894	-	176,848	1
1137	Financial assets measured at amortized cost—current (note 6(d))	2,352,035	7	2,771,784	8	1,771,444	5	2120	Current financial liabilities at fair value through profit or loss (note 6(b))	9,296	-	-	-	-	-
1150	Notes receivable, net (notes 6(e) and (u))	149,926	-	144,619	-	147,349	-	2130	Note payable	142,363	-	-	-	-	-
1170	Accounts receivable, net (notes 6(e) and (u))	2,460,097	7	2,386,909	7	2,233,322	7	2321	Contract liabilities — current (note 6(u))	315,590	1	324,490	1	262,171	1
1200	Other receivables (note 6(f))	110,763	-	169,872	1	267,025	1	2322	Bonds payable current portion (note 6(m))	2,998,210	10	2,990,089	9	-	-
1220	Current income tax assets	203,573	1	192,429	1	199,964	1	2170	Current portion of long-term borrowings (notes 6(l) and 8)	382,881	1	476,882	1	134,622	-
130x	Inventories (note 6(g))	4,040,428	12	4,167,563	12	3,725,215	12	2216	Accounts payable	1,454,772	4	1,551,095	5	1,704,911	5
1410	Prepayments	406,099	1	278,665	1	200,745	1	2219	Dividend payables (note 6(r))	-	-	-	-	70,431	-
1470	Other current assets	63,832	-	80,188	-	79,495	-	2230	Other payables (notes 6(p) and (v))	1,361,861	4	1,510,598	5	1,473,041	5
	Total current assets	14,275,730	41	15,563,908	46	14,478,739	46	2280	Current income tax liabilities	87,247	-	194,587	1	129,079	-
15XX	Non-current assets:							2399	Current lease liabilities (notes 6(o) and 7)	159,571	-	140,436	-	159,207	1
1517	Financial assets measured at fair value through other comprehensive income—non-current (note 6(c))	-	-	13,002	-	10,640	-		Other current liabilities (note 6(n))	62,289	-	41,754	-	29,869	-
1535	Financial assets measured at amortized cost—non-current (note 6(d))	2,251,200	7	1,618,560	5	2,209,140	7	25XX	Total current liabilities	10,145,282	30	9,367,567	28	7,037,108	22
1600	Property, plant and equipment (notes 6(i), 8 and 9)	15,318,543	46	14,609,175	44	12,883,424	42	2530	Non-Current liabilities:	1,977,144	6	1,971,728	6	4,948,281	16
1755	Right-of-use assets (note 6(j))	1,045,270	4	990,252	3	767,633	3	2540	Bonds payable (note 6(m))	3,081,041	10	3,838,391	11	4,018,646	13
1760	Investment property (note 6(k))	23,463	-	24,165	-	23,511	-	2550	Long-term borrowings (notes 6(l) and 8)	10,264	-	10,264	-	10,264	-
1805	Goodwill	105,417	-	105,417	-	105,417	-	2580	Provision liabilities—non-current (note 6(n))	693,481	2	654,818	2	418,492	1
1840	Deferred income tax assets	236,772	1	225,258	1	216,261	1	2570	Lease liabilities—non-current (notes 6(o) and 7)	1,783,793	5	1,779,691	5	1,787,215	6
1915	Prepayments for equipment	197,262	1	187,211	1	375,214	1	2640	Deferred income tax liabilities	150,451	-	182,594	1	184,306	1
1990	Other non-current assets	124,421	-	101,743	-	119,894	-		Net defined benefit liabilities—non-current	113,619	-	107,241	-	95,197	-
	Total non-current assets	19,302,348	59	17,874,783	54	16,711,134	54	2670	Other non-current liabilities	7,809,793	23	8,544,727	25	11,462,401	37
								2XXX	Total non-current liabilities	17,955,075	53	17,912,294	53	18,499,509	59
								31XX	Total liabilities						
									Equity attributable to shareholders of the Parent (notes 6(c), (r) and (s)):						
								3110	Common stock	2,941,330	9	2,941,330	9	2,941,330	9
								3200	Capital surplus	5,293,396	16	5,246,342	16	4,883,872	16
								3300	Retained earnings:						
								3310	Legal reserve	1,325,962	4	1,296,245	4	1,296,245	4
								3320	Special reserve	1,612,266	5	1,612,266	5	1,612,266	5
								3350	Unappropriated earnings	1,022,458	3	1,456,175	4	1,342,722	5
										3,960,686	12	4,364,686	13	4,251,233	14
								3400	Other equity:						
								3410	Financial statement translation differences for foreign operations	349,307	1	(36,466)	-	(1,658,850)	(5)
								3420	Unrealized gains on financial assets measured at fair value through other comprehensive income	-	-	4,781	-	2,869	-
										349,307	1	(31,685)	-	(1,655,981)	(5)
								3500	Treasury stock	(530,114)	(2)	(530,114)	(2)	(530,114)	(2)
									Total equity attributable to shareholders of the Company	12,014,605	36	11,990,559	36	9,890,340	32
								36xx	Non-controlling interests (notes 6(h), (r) and (s))	3,608,398	11	3,535,838	11	2,800,024	9
								3XXX	Total equity	15,623,003	47	15,526,397	47	12,690,364	41
1XXX	Total assets	\$ 33,578,078	100	33,438,691	100	31,189,873	100	2-3XXX	Total liabilities and equity	\$ 33,578,078	100	33,438,691	100	31,189,873	100

See accompanying notes to the consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the three months and six months ended June 30, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)

		For the three months ended June 30				For the six months ended June 30			
		2026		2025		2026		2025	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating revenue (notes 6(n) and (u))	\$ 5,715,830	100	5,767,983	100	11,531,193	100	11,626,549	100
5000	Operating costs (notes 6(g), (i), (j), (o), (p) and 9)	4,316,725	76	4,317,063	75	8,729,756	76	8,690,970	75
5900	Gross profit	1,399,105	24	1,450,920	25	2,801,437	24	2,935,579	25
6000	Operating expenses (notes 6(e), (f), (i), (j), (o), (p), (v) and 7):								
6100	Selling expenses	736,917	13	772,119	14	1,465,602	13	1,435,152	12
6200	Administrative expenses	425,226	7	402,328	7	889,967	8	856,510	8
6300	Research and development expenses	157,122	3	134,333	2	299,533	2	271,687	2
6450	Impairment losses (reversal of impairment loss) for expected credit losses	(234)	-	346	-	(2,021)	-	4,717	-
	Total operating expenses	1,319,031	23	1,309,126	23	2,653,081	23	2,568,066	22
6900	Operating income	80,074	1	141,794	2	148,356	1	367,513	3
7000	Non-operating income and expenses (notes 6(i), (m), (o), (w), 7 and 12):								
7100	Interest income	39,836	1	48,834	1	80,059	1	102,065	1
7010	Other income	46,660	1	22,449	-	130,840	1	100,563	1
7020	Other gains and losses	(1,771)	-	(377)	-	83	-	4,815	-
7050	Finance costs	(52,886)	(1)	(49,743)	(1)	(107,662)	(1)	(98,616)	(1)
	Total non-operating income and expenses	31,839	1	21,163	-	103,320	1	108,827	1
7900	Profit before income tax	111,913	2	162,957	2	251,676	2	476,340	4
7950	Less: income tax expense (note 6(q))	54,739	1	82,843	1	103,259	1	188,293	2
	Net profit for the period	57,174	1	80,114	1	148,417	1	288,047	2
8300	Other comprehensive income (loss) (notes 6(h) and (r)):								
8310	Items that will not be reclassified subsequently to profit or loss								
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	-	-	(2,786)	-	1,796	-	(530)	-
8349	Less: income tax related to items that will not be reclassified subsequently to profit or loss	-	-	-	-	-	-	-	-
	Total items that will not be reclassified subsequently to profit or loss	-	-	(2,786)	-	1,796	-	(530)	-
8360	Items that will be reclassified subsequently to profit or loss								
8361	Exchange differences on translation of foreign financial statements	138,982	2	(2,116,330)	(36)	501,554	4	(1,661,401)	(14)
8399	Less: income tax related to items that will be reclassified subsequently to profit or loss	-	-	-	-	-	-	-	-
	Total items that will be reclassified subsequently to profit or loss	138,982	2	(2,116,330)	(36)	501,554	4	(1,661,401)	(14)
8300	Other comprehensive income (loss), net of tax	138,982	2	(2,119,116)	(36)	503,350	4	(1,661,931)	(14)
	Total comprehensive income (loss) for the period	\$ 196,156	3	(2,039,002)	(35)	651,767	5	(1,373,884)	(12)
	Net profit attributable to:								
8610	Shareholders of the Parent	\$ 29,690	1	43,377	1	60,279	-	172,827	1
8620	Non-controlling interests	27,484	-	36,737	-	88,138	1	115,220	1
		\$ 57,174	1	80,114	1	148,417	1	288,047	2
	Total Comprehensive income (loss) attributable to:								
8710	Shareholders of the Parent	\$ 133,605	2	(1,784,122)	(31)	447,605	3	(1,256,066)	(11)
8720	Non-controlling interests	62,551	1	(254,880)	(4)	204,162	2	(117,818)	(1)
		\$ 196,156	3	(2,039,002)	(35)	651,767	5	(1,373,884)	(12)
9750	Basic earnings per share (in New Taiwan dollars) (note 6(t))	\$ 0.12		0.17		0.24		0.70	
9850	Diluted earnings per share (in New Taiwan dollars) (note 6(t))	\$ 0.12		0.17		0.24		0.70	

See accompanying notes to the consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the six months ended June 30, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of the Parent												
							Total other equity interest						
			Retained earnings				Financial statements translation differences for foreign operations	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Subtotal	Treasury stock	Total equity attributable to shareholders of the parent	Non-controlling interests	Total equity
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Subtotal							
Balance at January 1, 2025	\$ 2,941,330	4,798,603	1,193,905	1,612,266	1,996,675	4,802,846	(230,250)	14,054	(216,196)	(530,114)	11,796,469	3,043,053	14,839,522
Appropriation and distribution of retained earnings:													
Legal reserve	-	-	102,340	-	(102,340)	-	-	-	-	-	-	-	-
Cash dividends of common stock	-	80,008	-	-	(735,332)	(735,332)	-	-	-	-	(655,324)	(122,477)	(777,801)
Other changes in capital surplus	-	2,527	-	-	-	-	-	-	-	-	2,527	-	2,527
Net profit for the period	-	-	-	-	172,827	172,827	-	-	-	-	172,827	115,220	288,047
Other comprehensive income for the period	-	-	-	-	-	-	(1,428,600)	(293)	(1,428,893)	-	(1,428,893)	(233,038)	(1,661,931)
Total comprehensive income for the period	-	-	-	-	172,827	172,827	(1,428,600)	(293)	(1,428,893)	-	(1,256,066)	(117,818)	(1,373,884)
Changes in non-controlling interests	-	2,734	-	-	-	-	-	-	-	-	2,734	(2,734)	-
Disposal of investments in equity instruments measured at fair value through other comprehensive income	-	-	-	-	10,892	10,892	-	(10,892)	(10,892)	-	-	-	-
Balance at June 30, 2025	\$ 2,941,330	4,883,872	1,296,245	1,612,266	1,342,722	4,251,233	(1,658,850)	2,869	(1,655,981)	(530,114)	9,890,340	2,800,024	12,690,364
Balance at January 1, 2026	\$ 2,941,330	5,246,342	1,296,245	1,612,266	1,456,175	4,364,686	(36,466)	4,781	(31,685)	(530,114)	11,990,559	3,535,838	15,526,397
Appropriation and distribution of retained earnings:													
Legal reserve	-	-	29,717	-	(29,717)	-	-	-	-	-	-	-	-
Cash dividends of common stock	-	44,398	-	-	(470,613)	(470,613)	-	-	-	-	(426,215)	(131,602)	(557,817)
Other changes in capital surplus	-	2,656	-	-	-	-	-	-	-	-	2,656	-	2,656
Net profit for the period	-	-	-	-	60,279	60,279	-	-	-	-	60,279	88,138	148,417
Other comprehensive loss for the period	-	-	-	-	-	-	385,773	1,553	387,326	-	387,326	116,024	503,350
Total comprehensive income for the period	-	-	-	-	60,279	60,279	385,773	1,553	387,326	-	447,605	204,162	651,767
Disposal of investments in equity instruments measured at fair value through other comprehensive income	-	-	-	-	6,334	6,334	-	(6,334)	(6,334)	-	-	-	-
Balance at June 30, 2026	\$ 2,941,330	5,293,396	1,325,962	1,612,266	1,022,458	3,960,686	349,307	-	349,307	(530,114)	12,014,605	3,608,398	15,623,003

See accompanying notes to the consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES**Consolidated Statements of Cash Flows****For the six months ended June 30, 2026 and 2025****(Expressed in Thousands of New Taiwan Dollars)**

	For the six months ended June 30	
	2026	2025
Cash flows from operating activities:		
Profit before income tax	\$ 251,676	476,340
Adjustments:		
Adjustments to reconcile profit and loss:		
Depreciation	595,147	536,300
Impairment losses (reversed of impairment) for recognized expected credit losses	(2,021)	4,717
Interest expense	107,662	98,616
Interest income	(80,059)	(102,065)
Dividend income	(29,268)	(35,909)
Gains on disposal of property, plant and equipment, net	(4,131)	(745)
Gains on lease modification	(284)	(11)
Total adjustments to reconcile profit and loss	587,046	500,903
Changes in assets and liabilities relating to operating activities:		
Changes in operating assets:		
Financial assets measured at fair value through profit or loss	6,220	(6,072)
Notes receivable	(5,307)	27,077
Accounts receivables	(73,701)	(76,310)
Other receivables	34,317	(121,226)
Inventories	127,135	371,114
Prepayments	(127,434)	(4,972)
Other current assets	16,356	5,499
Total changes in operating assets, net	(22,414)	195,110
Changes in operating liabilities:		
Financial liabilities measured at fair value through profit or loss	9,296	-
Contract liabilities	(8,900)	(218,052)
Notes payable	142,363	-
Accounts payable	(96,323)	48,209
Other payables	(138,089)	(250,122)
Other current liabilities	20,535	(58,638)
Net defined benefit liabilities	(32,143)	(14,774)
Total changes in operating liabilities, net	(103,261)	(493,377)
Total changes in operating assets and liabilities, net	(125,675)	(298,267)
Total adjustments	461,371	202,636
Cash inflow generated from operations	713,047	678,976
Interest income received	136,090	102,065
Interest paid	(66,896)	(60,921)
Income taxes paid	(229,155)	(277,192)
Net cash flows from operating activities	553,086	442,928
Cash flows from investing activities:		
Proceeds from disposal of financial assets at fair value through other comprehensive income	14,798	25,050
Acquisition of financial assets at amortised cost	(212,891)	(854,091)
Acquisition of property, plant and equipment	(1,011,232)	(970,959)
Proceeds from disposal of property, plant and equipment	17,230	4,009
Increase in other non-current assets	(22,678)	(53,517)
Increase in prepayments for equipment	(59,707)	(225,618)
Net cash used in investing activities	(1,274,480)	(2,075,126)
Cash flows from financing activities:		
Increase in short-term borrowings	4,523,829	5,208,901
Decrease in short-term borrowings	(3,439,371)	(5,329,139)
Increase in short term commercial paper payables	350,000	445,000
Decrease in short-term commercial paper payables	(449,894)	(593,000)
Proceeds from long-term borrowings	9,502,946	7,952,000
Repayments of long-term borrowings	(10,351,336)	(6,506,080)
Payment of lease liabilities	(87,480)	(87,666)
Increase in other non-current liabilities	11,931	233
Cash dividends paid	(557,817)	(707,370)
Interest paid	(19,248)	(24,302)
Net change in unclaimed dividends	2,656	2,527
Net cash flows from (used in) financing activities	(513,784)	361,104
Effect of exchange rate changes on cash and cash equivalents	358,496	(1,065,781)
Net decrease in cash and cash equivalents	(876,682)	(2,336,875)
Cash and cash equivalents at beginning of period	5,365,659	8,181,308
Cash and cash equivalents at end of period	\$ 4,488,977	5,844,433

See accompanying notes to the consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

For the six months ended June 30, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

(1) Company history

Namchow Holdings Co., Ltd. (formerly called Namchow Chemical Industrial Co., Ltd.) (the Company) was incorporated on March 29, 1952 as a corporation limited by shares under the laws of the Republic of China (R.O.C.). The consolidated financial statements comprise the Company and its subsidiaries (the Group). The Group is engaged in the manufacture, sale, and processing of edible and non-edible oil products and frozen dough, as well as dish and laundry liquid detergent, it also provides management consulting services.

In order to improve its business performance and competitiveness, the Company decided to conduct a group restructuring and division of profession. On May 31, 2017, the shareholders of the Company decided to divide its entire departments and categorize them into two, then transfer them to two of its subsidiaries. The Department of Edible Products, which includes frozen dough items, will be transferred to Namchow Oil and Fat Co., Ltd. and the Department of Non-Edible Products will be transferred to Huaciang Industry Co., Ltd.. Both entities are 100% owned by the Company, with a record date of August 1, 2017.

For the purpose of transforming into a holding company, the Company, which was formerly named as Namchow Chemical Industrial Co., Ltd. is renamed as Namchow Holdings Co., Ltd. After the spin-off, the Company only engaged in investment holding.

(2) Approval date and procedures of the consolidated financial statements

The accompanying consolidated financial statements were approved and authorized for issue by the Company's Board of Directors on August 13, 2026.

(3) Application of new and revised standards, amendments and interpretations

- (a) The impact of the IFRS Accounting Standards endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2026:

- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”
- Annual Improvements to IFRS Accounting Standards – Volume 11
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

(Continued)

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

- (b) The impact of IFRS Accounting Standards endorsed by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2027, would not have a significant impact on its consolidated financial statements:

- IFRS 19 “Subsidiaries without Public Accountability: Disclosures” and amendments to IFRS 19
- Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”

The Group expects to adopt the following new and amended standards, which effective for annual period beginning on January 1, 2028:

- (i) IFRS 18 “Presentation and Disclosure in Financial Statements”

The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities.

- A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities.
- Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.
- Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.

The new standard introduces consequential amendments to IAS 7, which require to use the newly defined operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method. The consequential amendments also provide specific guidance on the classification of interest and dividend cash flows.

The Group is evaluating the impact on its consolidated financial statements upon the initial adoption of the new standard.

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

- (ii) Amendments to IAS 28 “The Fair Value Option for Investments in Associates and Joint Ventures”

The Group does not expect the amendments to have a significant impact on its consolidated financial statements.

- (c) The impact of IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

The Group does not expect the following new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 20 “Regulatory Assets and Regulatory Liabilities”

(4) Summary of material accounting policies

Except as described below, the material accounting policies applied in the consolidated financial statements are the same as those applied in the consolidated financial statements for the year ended December 31, 2025 and have been applied consistently to all periods presented in the consolidated financial statements. Refer to note 4 of the consolidated financial statements for the year ended December 31, 2025 for the details.

- (a) Statement of compliance

The accompanying consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as "the Regulations") and the IAS 34, Interim Financial Reporting, as endorsed and issued into effect by the FSC. The consolidated financial statements do not present all the disclosures required for a complete set of annual consolidated financial statements prepared under the IFRS Accounting Standards endorsed by the FSC with effective dates.

- (b) Basis of consolidation

Principles of preparation of the consolidated financial statements, and the number of subsidiaries included in the consolidated financial statements are the same as those applied in the consolidated financial statements for the year ended December 31, 2025. For the related information, please refer to note 4(c) of the consolidated financial statements for the year ended December 31, 2025.

- (i) List of subsidiaries in the consolidated financial statements

The subsidiaries included in the consolidated financial statements was as follows:

Name investor	Name of subsidiary	Main activities	Percentage of ownership			Description
			June 30, 2026	December 31, 2025	June 30, 2025	
The Company	Namchow (Thailand) Ltd. (Namchow Thailand)	Manufacturing and selling of instant noodles and rice cracker	100.00 %	100.00 %	100.00 %	
The Company	Mostro (Thailand) Ltd. (Mostro)	Manufacturing and selling of food	100.00 %	100.00 %	100.00 %	Notes 1 and 5

(Continued)

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

Name investor	Name of subsidiary	Main activities	Percentage of ownership			Description
			June 30, 2026	December 31, 2025	June 30, 2025	
The Company	Nacia International Corp. (Nacia)	Holding of investments	100.00 %	100.00 %	100.00 %	
The Company	Chow Ho Enterprise Co., Ltd. (Chow Ho)	Catering services, food and beverage retailing, and frozen food manufacturing	100.00 %	100.00 %	100.00 %	Note 4 and 5
The Company	Lucky Royal Co., Ltd. (Lucky Royal)	Manufacturing, selling and processing of various food and beverage products	60.27 %	60.27 %	69.51 %	Note 2
The Company	Nankyo Japan Co., Ltd. (Nankyo Japan)	Catering services, Bistro and wine-selling	100.00 %	100.00 %	100.00 %	Note 5
The Company	Namchow Consulting Company, Ltd. (Namchow Consulting)	Catering services, food and beverage retailing and other consulting services	100.00 %	100.00 %	100.00 %	Note 5
The Company	Namchow Oil and Fat Co., Ltd. (Namchow Oil)	Manufacturing, processing and selling of edible oil and frozen dough	100.00 %	100.00 %	100.00 %	
The Company	Huaciang Industry Co., Ltd. (Huaciang)	Manufacturing, processing and selling of dish and laundry liquid detergent as well as frozen food	100.00 %	100.00 %	100.00 %	
The Company and Lucky Royal	Navigator Business Publications Co., Ltd. (NBP)	Publishing, distributing and selling of printed publications	98.57 %	98.57 %	98.57 %	Note 5
Huaciang	Dian Shui Lou Restaurant Business Co., Ltd. (Dian Shui Lou)	Multinational eateries, and the promotion and management of craft beers	100.00 %	100.00 %	100.00 %	Note 5
Huaciang	Namchow (British Virgin Island) Ltd. (Namchow BVI)	Holding of investments	93.32 %	93.32 %	93.32 %	Note 5
Namchow BVI	Shanghai Bao Lai Na Company Limited. (Bao Lai Na)	Multinational eateries, and the promotion and management of craft beers	93.32 %	93.32 %	93.32 %	Note 5
Nacia	Namchow Cayman Corp. (Namchow Cayman)	Holding of investments	100.00 %	100.00 %	100.00 %	
Shanghai Qiaohao	Shanghai Qiaohao Enterprise Management Co., Ltd. (Shanghai Qiaohao Enterprise Management)	Business management and investment consulting services	100.00 %	100.00 %	100.00 %	
Namchow Cayman and Shanghai Qiaohao	Shanghai Qiaohao Food Co., Ltd. (Shanghai Qiaohao Food)	Food packaging, selling and trading of restaurant equipment	100.00 %	100.00 %	100.00 %	
Shanghai Qiaohao	Tianjin Qiaohao Food Co., Ltd. (Tianjin Qiaohao)	Manufacturing, and selling of edible oil and related services	100.00 %	100.00 %	100.00 %	
Namchow Cayman	Shanghai Qiaohao Trading Co., Ltd. (Shanghai Qiaohao)	Holding of investments and international trade	100.00 %	100.00 %	100.00 %	
Namchow Cayman	Shanghai Qiizhi Business Consulting Co., Ltd. (Shanghai Qiizhi)	Business management and investment consulting services	100.00 %	100.00 %	100.00 %	
Namchow Cayman and Shanghai Qiizhi	Namchow Food Group (Shanghai) co., Ltd. (Namchow Food)	Food packaging, dairy product and product purchasing management and selling	82.25 %	82.25 %	82.25 %	Note 3
Namchow Cayman and Namchow Food	Shanghai Namchow Food co., Ltd. (Shanghai Namchow)	Selling, developing, manufacturing and processing of fats and frozen food.	82.25 %	82.25 %	82.25 %	Note 3
Namchow Food	Tianjin Namchow Food Co., Ltd. (Tianjin Namchow)	Manufacturing, and selling of edible fat	82.25 %	82.25 %	82.25 %	Note 3
Namchow Food	Guangzhou Namchow Food Co., Ltd. (Guangzhou Namchow)	Manufacturing, and selling of edible fat	82.25 %	82.25 %	82.25 %	Note 3
Namchow Food	Chongqing Qiaoxing Co., Ltd. (Chongqing Qiaoxing)	Food packaging, dairy product and product purchasing management and selling	82.25 %	82.25 %	82.25 %	Note 3

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

Name investor	Name of subsidiary	Main activities	Percentage of ownership			Description
			June 30, 2026	December 31, 2025	June 30, 2025	
Namchow Food	Wuhan Qiaoxing Co., Ltd. (Wuhan Qiaoxing)	The technical service of baking oil and fat product	82.25 %	82.25 %	82.25 %	Note 3
Namchow Food	Namchow Trading Singapore Pte., Ltd (Namchow Singapore)	The sales service of baking oil and fat product	82.25 %	82.25 %	82.25 %	Note 3
Namchow Food	Chongqing Namchow Food Co., Ltd. (Chongqing Namchow)	Manufacturing and processing of light cream and frozen dough	82.25 %	82.25 %	82.25 %	Note 3
Namchow Food	Namchow Trading Hong Kong Limited (Namchow Hong Kong)	The sales service of baking oil and fat product	82.25 %	82.25 %	82.25 %	Note 3
Namchow Food and Guangzhou Namchow	Namchow Food (Bangkok) Ltd. (Namchow Bangkok)	Manufacturing and selling of baking oil and fat product	82.25 %	82.25 %	82.25 %	Note 3
Tianjin Namchow	Tianjin Yoshi Yoshi Food Co., Ltd. (Tianjin Yoshi Yoshi)	Developing , manufacturing, and selling of dairy products and related services	82.25 %	82.25 %	82.25 %	Note 3
Tianjin Yoshi Yoshi	Guangzhou Yoshi Yoshi Food Co., Ltd. (Guangzhou Yoshi Yoshi)	Developing , manufacturing, and selling of dairy products and related services	82.25 %	82.25 %	82.25 %	Note 3

Note 1: A resolution to liquidation was passed during the shareholders' meeting of Mostro held on December 23, 2024. As of June 30, 2026, Mostro is still in the process of liquidation.

Note 2: The cash capital increase by issuing new shares was approved by Lucky Royal's Board of Directors on September 1, 2025, and the Company participated in the over-allotment share disposal on October 23, 2025, thus the Company decreased its shareholding of Lucky Royal from 69.51% to 60.27% .

Note 3: Namchow Food has submitted the application for A-share listing in the security market of China, thus, the Board of Directors of the Company has approved the resolution for the subsidiary to increase capital by cash injection and to award new shares of restricted stock on November 12, 2021. In addition, due to the Board of Directors resolved to issue the remaining restricted shares on October 28, 2022 and the Company repurchased and write-off the remaining restricted shares for the three months ended March 31, 2024, and the Company's ownership percentage in the subsidiary increased from 81.24% to 81.25%. On June 2024, Namchow Food repurchased its 266 thousand treasury shares from securities exchange market, thus the Company increased its ownership percentage of Namchow Food from 81.25% to 81.30%. For the three months ended September 30, 2024, the Company repurchased and write-off 1,744 thousand remaining restricted shares, and repurchased its 3,064 thousand treasury shares from securities exchange market, thus the Company increased its ownership percentage of Namchow Food from 81.30% to 82.23%. Namchow Food repurchased its 110 thousand treasury shares from securities exchange market on May 14, 2025, thus the Company increased its ownership percentage of Namchow Food from 82.23% to 82.25% .

Note 4: A resolution to liquidate Chow Ho was passed during the shareholders' meeting held on May 29, 2026. As of June 30, 2026, Chow Ho is still in the process of liquidation.

Note 5: It is a non-significant subsidiary, and its financial statements have not been reviewed.

(ii) There is no subsidiaries excluded from the consolidated financial statements.

(c) Provisions

A provision for sales returns is recognized when the related goods are sold. The provision is measured based on historical experience, industry practice, and a probability-weighted assessment of all possible outcomes.

(d) Employee benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year, adjusted for significant market fluctuations subsequent to the end of prior fiscal year and for significant curtailments, settlements, or other significant one-time events.

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(e) Income tax

The Group measured and disclosed interim period income tax expense in accordance with paragraph B12 of IAS 34, Interim Financial Reporting.

Income tax expense for the period is best estimated by multiplying pretax income of the interim reporting period with the effective annual tax rate as forecasted by the management. This should be recognized fully as tax expense or deferred income tax expense (benefit) for the current period.

Temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and their respective tax bases which were recognized directly in equity or in other comprehensive income as tax expense shall be measured based on the tax rates that have been enacted or substantively enacted at the time when the asset or liability is realized or settled.

(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty

The preparation of the consolidated financial statements in conformity with the Regulations and IAS 34, Interim Financial Reporting, as endorsed and issued into effect by the FSC requires management to make judgments and estimates about the future, including climate-related risks and opportunities, that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing the consolidated financial statements, critical accounting judgments and key sources of estimations and assumptions uncertainty used by management in the application of accounting policies are consistent with those described in note 5 of the consolidated financial statements for the year ended December 31, 2025.

(6) Explanation of significant accounts

Except as described below, the description of significant accounts in the accompanying consolidated financial statements is not materially different from those described in note 6 of the consolidated financial statements for the year ended December 31, 2025.

(a) Cash and cash equivalents

	June 30, 2026	December 31, 2025	June 30, 2025
Cash on hand	\$ 10,369	9,857	10,311
Savings and checking deposits	3,689,509	3,832,485	4,775,960
Time deposits	488,643	1,092,077	587,569
Cash equivalents	300,456	431,240	470,593
	<u><u>\$ 4,488,977</u></u>	<u><u>5,365,659</u></u>	<u><u>5,844,433</u></u>

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Within three months of expiry date on deposit satisfy the highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short term cash commitments rather than for investment or other purposes. Please refer to note 6(d) for the disclosure for the Group's time deposit with a maturity of over the three months and above one year were recorded under financial assets measured at amortized cost – current and financial assets measured at amortized cost – non-current.

Please refer to note 6(x) for the disclosure of the interest rate risks and the sensitivity analysis of the Group's financial assets and liabilities.

(b) Financial assets and liabilities measured at fair value through profit or loss – current

	<u>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
Mandatorily measured at fair value through profit or loss:			
Derivative instruments not used for hedging			
Forward contracts	\$ <u>-</u>	<u>6,220</u>	<u>9,747</u>
	<u>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
Financial liabilities held for trading:			
Derivative instruments not used for hedging			
Forward contracts	\$ <u>9,296</u>	<u>-</u>	<u>-</u>

Please refer to note 6(w) for net gains and losses from financial assets and liabilities measured at fair value through profit or loss.

The Group uses derivative financial instruments to manage the exposures due to fluctuations of foreign exchange risk from its operating activities. As of June 30, 2026, December 31 and June 30, 2025, the Group reported the following derivatives financial instruments as financial assets and liabilities measured at fair value through profit or loss without the application of hedge accounting.

	<u>June 30, 2026</u>		
	<u>Contract amount (thousand dollars)</u>	<u>Currency</u>	<u>Maturity dates</u>
Forward contracts	USD 13,300 / THB 429,576	USD/THB	2026.9.18~2026.12.23
	<u>December 31, 2025</u>		
	<u>Contract amount (thousand dollars)</u>	<u>Currency</u>	<u>Maturity dates</u>
Forward contracts	USD 14,000 / THB 446,724	USD/THB	2026.4.1~2026.6.26

(Continued)

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	June 30, 2025		
	Contract amount (thousand dollars)	Currency	Maturity dates
Forward contracts	USD 12,000 / THB 400,768	USD/THB	2025.7.7~2025.11.7

- (c) Financial assets measured at fair value through other comprehensive income — non-current

	June 30, 2026	December 31, 2025	June 30, 2025
Equity investments measured at fair value through other comprehensive income:			
Stocks listed on domestic markets	\$ <u>-</u>	<u>13,002</u>	<u>10,640</u>

- (i) Equity investments measured at fair value through other comprehensive income

The Group held equity instrument investment, not held for trading purposes, which have been designated as measured at fair value through other comprehensive income.

In January 2026 and from January to February 2025, the Group has sold its partial shares held in Capital Securities Co., Ltd. as part of its operational plan. The shares sold had a fair value of \$14,798 thousand and \$22,425 thousand and the Group realized accumulated gain of \$6,334 thousand and \$10,892 thousand, which is already included in other comprehensive income. The aforementioned accumulated gain has been transferred from other equity to retained earnings.

- (ii) For the information of market risk, please refer to note 6(x).

- (iii) As of December 31 and June 30, 2025, the aforementioned equity investment held by the Group were not pledged as collateral.

- (d) Financial assets measured at amortized cost

	June 30, 2026	December 31, 2025	June 30, 2025
Bank's time deposits	\$ <u>4,603,235</u>	<u>4,390,344</u>	<u>3,980,584</u>
Current	\$ 2,352,035	2,771,784	1,771,444
Non-current	2,251,200	1,618,560	2,209,140
	\$ <u>4,603,235</u>	<u>4,390,344</u>	<u>3,980,584</u>

The Group has assessed that these financial assets are held to maturity to collect contract cash flows, which consist solely of payments of principal and interest on principal amount outstanding. Therefore, these investments were classified as financial assets measured at amortized cost.

As of June 30, 2026, December 31 and June 30, 2025, the aforementioned financial assets measured at amortized cost held by the Group were not pledged as collateral.

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(e) Notes and accounts receivable

	June 30, 2026	December 31, 2025	June 30, 2025
Notes receivable	\$ 149,926	144,619	147,349
Accounts receivable	2,480,836	2,413,520	2,257,214
Less: allowance for impairment	20,739	26,611	23,892
	<u>\$ 2,610,023</u>	<u>2,531,528</u>	<u>2,380,671</u>

The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected credit loss provision for notes and accounts receivable. To measure the expected credit losses, notes and accounts receivable have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information. The Group's analysis of the expected credit losses on its notes and accounts receivable were determined as follows:

	June 30, 2026	
	Gross carrying amount of notes and accounts receivable	Weighted- average expected credit loss rate (%)
Not past due	\$ 2,389,557	0~50.00
Past due 1~30 days	172,340	0.22~50.00
Past due 31~60 days	45,314	0.91~95.93
Past due 61~90 days	8,380	0.00~100.00
Past due 91~180 days	4,054	1.00~100.00
Past due 181~365 days	2,013	4.84~100.00
Past due over 365 days	9,104	96.71~100.00
	<u>\$ 2,630,762</u>	<u>20,739</u>

	December 31, 2025	
	Gross carrying amount of notes and accounts receivable	Weighted- average expected credit loss rate (%)
Not past due	\$ 2,299,477	0~50.00
Past due 1~30 days	177,405	0.15~50.00
Past due 31~60 days	34,815	0.43~96.91
Past due 61~90 days	20,179	0.28~100.00
Past due 91~180 days	11,365	0.40~100.00
Past due 181~365 days	6,283	1.00~100.00
Past due over 365 days	8,615	1.00~100.00
	<u>\$ 2,558,139</u>	<u>26,611</u>

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	June 30, 2025		
	Gross carrying amount of notes and accounts receivable	Weighted- average expected credit loss rate (%)	Loss allowance for lifetime expected credit losses
Not past due	\$ 2,211,533	0~50.00	4,459
Past due 1~30 days	144,339	0.12~100.00	2,805
Past due 31~60 days	28,059	0.42~100.00	3,132
Past due 61~90 days	2,673	0.98~100.00	371
Past due 91~180 days	7,469	0.75~100.00	4,129
Past due 181~365 days	2,526	0.97~100.00	1,033
Past due over 365 days	7,964	0.97~100.00	7,963
	\$ 2,404,563		23,892

The movement in the allowance for impairment with respect to the Group's notes and accounts receivable were as follows:

	For the six months ended June 30	
	2026	2025
Balance at the beginning of the period	\$ 26,611	20,757
Impairment losses recognized (impairment losses reversed)	(2)	5,587
Amounts written off	(6,385)	(1,215)
Effect of changes in foreign currency exchange rates	515	(1,237)
Balance at the end of the period	\$ 20,739	23,892

As of June 30, 2026, December 31 and June 30, 2025, the Group had not provided its notes and accounts receivable as collateral or factored them for cash.

(f) Other receivables

	June 30, 2026	December 31, 2025	June 30, 2025
Other receivables	\$ 110,939	172,019	269,585
Less: allowance for impairment	176	2,147	2,560
	\$ 110,763	169,872	267,025

As of June 30, 2026, December 31 and June 30, 2025, the Group's other receivables have been assessed for impairment losses.

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
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The movement in the allowance for impairment with respect to the Group's other receivables were as follows:

	For the six months ended June 30	
	2026	2025
Balance at the beginning of the period	\$ 2,147	3,646
Reversal of impairment losses	(2,019)	(870)
Effect of changes in foreign currency exchange rates	48	(216)
Balance at the end of the period	<u><u>\$ 176</u></u>	<u><u>2,560</u></u>

(g) Inventories

	June 30, 2026	December 31, 2025	June 30, 2025
Merchandise	\$ 43,649	48,782	50,848
Finished goods	1,945,188	1,889,435	1,668,540
Work in progress	240,837	213,869	185,248
Raw materials	1,440,367	1,632,156	1,505,831
Supplies	315,002	331,849	299,415
Goods in transit	55,385	51,472	15,333
	<u><u>\$ 4,040,428</u></u>	<u><u>4,167,563</u></u>	<u><u>3,725,215</u></u>

The Group except for operating costs arising from the ordinary sale of inventories, other gains and losses directly recorded under operating cost were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Loss on (reversal of) decline in market value of inventory	\$ 3,671	(137)	16,904	(7,439)
Loss (gain) on physical count, net	(171)	76	(497)	204
Loss on scrap of inventory	9,155	1,232	11,379	7,282
Income from sale of scrap	(8,956)	(4,298)	(17,977)	(7,630)
	<u><u>\$ 3,699</u></u>	<u><u>(3,127)</u></u>	<u><u>9,809</u></u>	<u><u>(7,583)</u></u>

As of June 30, 2026, December 31 and June 30, 2025, the Group did not pledge its inventories as collateral.

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
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(h) Material non-controlling interests of subsidiaries

Name of the subsidiary	The main operating place / register country	The percentage of ownership interests and voting rights held by non- controlling interests		
		June 30, 2026	December 31, 2025	June 30, 2025
Namchow Food	China	17.75 %	17.75 %	17.75 %
Lucky Royal	Taiwan	39.73 %	39.73 %	30.49 %

The financial information of the aforementioned subsidiaries have been prepared in accordance with the IFRS Accounting standards endorsed by the FSC. The amounts included in this information is the fair value adjustment made during the acquisition and the relevant difference in accounting policies between the Group and its subsidiary as at the acquisition date. The amounts in the summarized financial information shall be the amounts before the inter-company eliminations.

(i) The summary of financial information of Namchow Food was listed as follows:

	December 31,			
	June 30, 2026	2025	June 30, 2025	
Current assets	\$ 8,860,873	9,937,156	8,746,464	
Non-current assets	10,560,143	9,105,476	8,214,436	
Current liabilities	(2,767,135)	(3,105,180)	(2,751,197)	
Non-current liabilities	(680,018)	(576,912)	(255,736)	
Net assets	<u>\$ 15,973,863</u>	<u>15,360,540</u>	<u>13,953,967</u>	
Carrying amounts of non-controlling interests	<u>\$ 2,694,288</u>	<u>2,591,258</u>	<u>2,353,774</u>	
	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Operating revenue	<u>\$ 3,245,720</u>	<u>3,240,812</u>	<u>6,740,017</u>	<u>6,795,128</u>
Net profit (loss) for the period	\$ (803)	29,688	13,487	157,436
Other comprehensive income (loss)	(1,102)	472	(3,919)	581
Total comprehensive income (loss)	<u>\$ (1,905)</u>	<u>30,160</u>	<u>9,568</u>	<u>158,017</u>
Net income attributable to non-controlling interests	<u>\$ (142)</u>	<u>5,269</u>	<u>2,394</u>	<u>27,970</u>
Total comprehensive income attributable to non-controlling interests	<u>\$ (338)</u>	<u>5,353</u>	<u>1,698</u>	<u>28,073</u>

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	For the six months ended June 30	
	2026	2025
Net Cash flow from operating activities	\$ 404,066	130,813
Net Cash used in investing activities	(861,003)	(1,620,920)
Net Cash used in financing activities	(76,046)	(377,489)
Effect of exchange rate changes on cash and cash equivalents	(218)	131
Decrease in cash and cash equivalents	<u><u>\$ (533,201)</u></u>	<u><u>(1,867,465)</u></u>

(ii) The summary of financial information of Lucky Royal was listed as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Current assets	\$ 1,209,698	1,259,725	1,087,497
Non-current assets	2,603,415	2,937,733	3,010,898
Current liabilities	(488,895)	(423,170)	(1,071,114)
Non-current liabilities	(131,157)	(139,022)	(232,497)
Net assets	<u><u>\$ 3,193,061</u></u>	<u><u>3,635,266</u></u>	<u><u>2,794,784</u></u>
Carrying amounts of non-controlling interests	<u><u>\$ 907,346</u></u>	<u><u>942,183</u></u>	<u><u>440,306</u></u>

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Operating revenue	<u><u>\$ 673,825</u></u>	<u><u>734,104</u></u>	<u><u>1,160,131</u></u>	<u><u>1,268,280</u></u>
Net profit for the period	\$ 67,256	99,723	216,501	285,924
Other comprehensive income (loss)	(225,602)	(305,008)	(353,906)	(410,544)
Total comprehensive income (loss)	<u><u>\$ (158,346)</u></u>	<u><u>(205,285)</u></u>	<u><u>(137,405)</u></u>	<u><u>(124,620)</u></u>
Net income attributable to non-controlling interests	<u><u>\$ 26,720</u></u>	<u><u>30,406</u></u>	<u><u>86,013</u></u>	<u><u>87,178</u></u>
Total comprehensive income attributable to non-controlling interests	<u><u>\$ (62,912)</u></u>	<u><u>(62,591)</u></u>	<u><u>(54,594)</u></u>	<u><u>(37,997)</u></u>

	For the six months ended June 30	
	2026	2025
Net Cash flow from operating activities	\$ 4,432	11,894
Net Cash flow from (used in) investing activities	14,867	(149,022)
Net Cash flow from (used in) financing activities	(315,231)	207,991
Increase (decrease) in cash and cash equivalents	<u><u>\$ (295,932)</u></u>	<u><u>70,863</u></u>

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(i) Property, plant and equipment

The cost, depreciation, and impairment of the property, plant and equipment of the Group for the six months ended June 30, 2026 and 2025 were as follows:

	Land	Buildings	Machinery	Other equipment	Construction in progress and equipment pending inspection	Total
Cost and revaluation :						
Balance as of January 1, 2026	\$ 2,654,968	7,434,437	9,631,001	5,254,217	1,699,242	26,673,865
Additions	-	27,263	77,090	65,173	817,524	987,050
Disposals	-	-	(20,345)	(30,636)	-	(50,981)
Reclassification	-	183,431	274,684	169,452	(577,911)	49,656
Effect of changes in foreign currency exchange rates	(16,386)	157,466	58,872	127,471	55,907	383,330
Balance as of June 30, 2026	<u>\$ 2,638,582</u>	<u>7,802,597</u>	<u>10,021,302</u>	<u>5,585,677</u>	<u>1,994,762</u>	<u>28,042,920</u>
Balance as of January 1, 2025	\$ 2,656,194	7,000,425	8,461,482	4,785,212	1,451,158	24,354,471
Additions	-	10,100	69,907	102,488	614,505	797,000
Disposals	-	(2,720)	(4,083)	(24,067)	(52)	(30,922)
Reclassification	17,641	225,188	624,725	96,015	(931,055)	32,514
Effect of changes in foreign currency exchange rates	(23,611)	(465,834)	(565,854)	(297,108)	(81,207)	(1,433,614)
Balance as of June 30, 2025	<u>\$ 2,650,224</u>	<u>6,767,159</u>	<u>8,586,177</u>	<u>4,662,540</u>	<u>1,053,349</u>	<u>23,719,449</u>
Depreciation and impairment loss :						
Balance as of January 1, 2026	\$ -	2,729,144	5,549,745	3,785,801	-	12,064,690
Depreciation	-	120,142	196,941	178,140	-	495,223
Disposals	-	-	(11,956)	(25,926)	-	(37,882)
Effect of changes in foreign currency exchange rates	-	60,161	48,535	93,650	-	202,346
Balance as of June 30, 2026	<u>\$ -</u>	<u>2,909,447</u>	<u>5,783,265</u>	<u>4,031,665</u>	<u>-</u>	<u>12,724,377</u>
Balance as of January 1, 2025	\$ -	2,492,201	5,132,082	3,485,386	-	11,109,669
Depreciation	-	109,733	171,407	159,124	-	440,264
Disposals	-	(2,793)	(2,726)	(22,139)	-	(27,658)
Effect of changes in foreign currency exchange rates	-	(154,493)	(318,005)	(213,752)	-	(686,250)
Balance as of June 30, 2025	<u>\$ -</u>	<u>2,444,648</u>	<u>4,982,758</u>	<u>3,408,619</u>	<u>-</u>	<u>10,836,025</u>
Carrying amounts :						
Balance as of January 1, 2026	<u>\$ 2,654,968</u>	<u>4,705,293</u>	<u>4,081,256</u>	<u>1,468,416</u>	<u>1,699,242</u>	<u>14,609,175</u>
Balance as of June 30, 2026	<u>\$ 2,638,582</u>	<u>4,893,150</u>	<u>4,238,037</u>	<u>1,554,012</u>	<u>1,994,762</u>	<u>15,318,543</u>
Balance as of January 1, 2025	<u>\$ 2,656,194</u>	<u>4,508,224</u>	<u>3,329,400</u>	<u>1,299,826</u>	<u>1,451,158</u>	<u>13,244,802</u>
Balance as of June 30, 2025	<u>\$ 2,650,224</u>	<u>4,322,511</u>	<u>3,603,419</u>	<u>1,253,921</u>	<u>1,053,349</u>	<u>12,883,424</u>

(i) Loss and gain on disposal

For the six months ended June 30, 2026 and 2025, the Group recognized gains (losses) on disposal of property, plant and equipment, please refer to note 6(w).

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
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(ii) Impairment loss

For the six months ended June 30, 2026 and 2025, the Group did not have any significant impairment or reversal on property, plant and equipment. For other relative information, please refers to note 6(j) of the consolidated financial statements for the year ended December 31, 2025.

(iii) Collateral

As of June 30, 2026, December 31 and June 30, 2025, the Group pledged its property, plant and equipment as collateral for long-term loans and lines of credit, please refer to note 8.

(j) Right-of-use assets

The Group leases its assets including its land, buildings and other equipment. Information about leases, for which the Group is the lessee, is presented below:

	<u>Land</u>	<u>Buildings</u>	<u>Other equipment</u>	<u>Total</u>
Cost :				
Balance at January 1, 2026	\$ 387,958	1,086,246	103,900	1,578,104
Additions	-	140,082	16,254	156,336
Write-off	-	(42,942)	(13,444)	(56,386)
Effect of changes in foreign currency exchange rates	16,740	35,279	254	52,273
Balance at June 30, 2026	<u>\$ 404,698</u>	<u>1,218,665</u>	<u>106,964</u>	<u>1,730,327</u>
Balance at January 1, 2025	\$ 386,405	937,233	114,557	1,438,195
Additions	-	142,408	14,063	156,471
Write-off	-	(86,538)	(20,015)	(106,553)
Reclassification	-	-	(1,278)	(1,278)
Effect of changes in foreign currency exchange rates	(33,394)	(64,653)	(1,862)	(99,909)
Balance at June 30, 2025	<u>\$ 353,011</u>	<u>928,450</u>	<u>105,465</u>	<u>1,386,926</u>
Depreciation :				
Balance at January 1, 2026	\$ 126,178	411,561	50,113	587,852
Depreciation	4,164	80,846	13,199	98,209
Write-off	-	(7,296)	(13,279)	(20,575)
Effect of changes in foreign currency exchange rates	5,518	13,644	409	19,571
Balance at June 30, 2026	<u>\$ 135,860</u>	<u>498,755</u>	<u>50,442</u>	<u>685,057</u>
Balance at January 1, 2025	\$ 117,579	500,734	56,661	674,974
Depreciation	2,386	77,288	14,731	94,405
Write-off	-	(86,392)	(18,966)	(105,358)
Reclassification	-	-	(612)	(612)
Effect of changes in foreign currency exchange rates	(10,320)	(32,735)	(1,061)	(44,116)
Balance at June 30, 2025	<u>\$ 109,645</u>	<u>458,895</u>	<u>50,753</u>	<u>619,293</u>
Carrying amounts:				
Balance at January 1, 2026	<u>\$ 261,780</u>	<u>674,685</u>	<u>53,787</u>	<u>990,252</u>
Balance at June 30, 2026	<u>\$ 268,838</u>	<u>719,910</u>	<u>56,522</u>	<u>1,045,270</u>
Balance at January 1, 2025	<u>\$ 268,826</u>	<u>436,499</u>	<u>57,896</u>	<u>763,221</u>
Balance at June 30, 2025	<u>\$ 243,366</u>	<u>469,555</u>	<u>54,712</u>	<u>767,633</u>

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(k) Investment property

The carrying amounts of the investment property for the Group's self-owned property is presented below:

	<u>Buildings</u>
Carrying amounts:	
Balance at January 1, 2026	\$ <u><u>24,165</u></u>
Balance at June 30, 2026	\$ <u><u>23,463</u></u>
Balance at January 1, 2025	\$ <u><u>27,401</u></u>
Balance at June 30, 2025	\$ <u><u>23,511</u></u>

There were no significant additions, disposal, or recognition and reversal of impairment losses of investment property by the Group for the six months ended June 30, 2026 and 2025. Information on rental income and depreciation for the period is discussed in notes 6(w) and 12. For other related information, please refer to note 6(l) of the consolidated financial statements for the year ended December 31, 2025.

The fair value of investment property was not significantly different from those disclosed in note 6(l) of the consolidated financial statements for the year ended December 31, 2025.

As of June 30, 2026, December 31 and June 30, 2025, the Group did not pledge its investment property as collateral for loans and lines of credit.

(l) Short-term borrowings, long-term borrowings and short-term commercial paper payables

The details, terms and clauses of the Group's short-term borrowings, long-term borrowings and short-term commercial paper payables were as follows:

(i) Short-term borrowings

	<u>June 30, 2026</u>			
	<u>Currency</u>	<u>Range of interest rates (%)</u>	<u>Year of maturity</u>	<u>Amount</u>
Unsecured loans	THB	2.65~2.97	2026	\$ 11,842
Unsecured loans	RMB	1.90~2.80	2026~2027	1,384,535
Unsecured loans	NTD	1.825~1.920	2026~2027	1,235,000
Unsecured loans	JPY	1.14~2.29	2026~2027	539,825
Total				<u><u>\$ 3,171,202</u></u>

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
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December 31, 2025				
	Currency	Range of interest rates (%)	Year of maturity	Amount
Unsecured loans	RMB	1.95~2.80	2026	\$ 1,474,329
Unsecured loans	NTD	1.825	2026	58,000
Unsecured loans	JPY	0.88~1.75	2026	505,413
Total				<u><u>\$ 2,037,742</u></u>

June 30, 2025				
	Currency	Range of interest rates (%)	Year of maturity	Amount
Unsecured loans	RMB	2.15~3.40	2025~2026	\$ 1,438,584
Unsecured loans	NTD	1.825~1.870	2025~2026	995,000
Unsecured loans	JPY	0.88~1.75	2025~2026	463,345
Total				<u><u>\$ 2,896,929</u></u>

As of June 30, 2026, December 31 and June 30, 2025, the unused bank's credit facilities of the Group's short-term borrowing amounted to \$15,971,952 thousand, \$17,050,994 thousand and \$15,534,464 thousand, respectively.

(ii) Short-term commercial paper payables

December 31, 2025				
	Currency	Range of interest rates (%)	Year of maturity	Amount
Commercial paper payables	NTD	1.54	2026	\$ 100,000
Discount on commercial paper payable				(106)
Total				<u><u>\$ 99,894</u></u>

June 30, 2025				
	Currency	Range of interest rates (%)	Year of maturity	Amount
Commercial paper payables	NTD	1.54~1.64	2025	\$ 177,000
Discount on commercial paper payable				(152)
Total				<u><u>\$ 176,848</u></u>

As of June 30, 2026, December 31 and June 30, 2025, the unused bank's credit facilities of the Group's short-term commercial paper payables amounted to \$560,000 thousand, \$660,000 thousand and \$1,173,000 thousand, respectively.

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iii) Long-term borrowings

June 30, 2026				
	Currency	Range of interest rates (%)	Year of maturity	Amount
Secured loans	JPY	1.35	2038~2039	\$ 471,717
Secured loans	NTD	1.85	2029	940,000
Unsecured loans	NTD	1.83~1.85	2026~2028	1,800,000
Unsecured loans	RMB	2.25~2.70	2027~2035	252,205
Total				\$ 3,463,922
Current				\$ 382,881
Non-current				3,081,041
Total				\$ 3,463,922

December 31, 2025				
	Currency	Range of interest rates (%)	Year of maturity	Amount
Secured loans	JPY	1.25	2038~2039	\$ 499,552
Secured loans	NTD	1.87	2028	1,474,000
Unsecured loans	NTD	1.84~1.99	2026~2027	2,200,000
Unsecured loans	RMB	2.25	2027	141,721
Total				\$ 4,315,273
Current				\$ 476,882
Non-current				3,838,391
Total				\$ 4,315,273

June 30, 2025				
	Currency	Range of interest rates (%)	Year of maturity	Amount
Secured loans	JPY	1.25	2038~2039	\$ 523,268
Secured loans	NTD	1.88	2028	1,850,000
Unsecured loans	NTD	1.84~1.99	2026~2027	1,780,000
Total				\$ 4,153,268
Current				\$ 134,622
Non-current				4,018,646
Total				\$ 4,153,268

As of June 30, 2026, December 31 and June 30, 2025, the unused bank's credit facilities of the Group's long-term borrowings amounted to \$5,092,618 thousand, \$3,151,847 thousand and \$2,336,097 thousand, respectively.

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iv) Collateral of bank's loans

As of June 30, 2026, December 31 and June 30, 2025, the Group's property were used as pledge for long-term borrowings, please refer to note 8.

(m) Bonds payable

(i) The information of secured bonds payable issued by the Group were as follows:

	<u>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
Total amount of secured ordinary corporate bonds—Tranche A	\$ 3,000,000	3,000,000	3,000,000
Total amount of secured ordinary corporate bonds—Tranche B	2,000,000	2,000,000	2,000,000
Less: unamortized discount on bonds payable	(24,646)	(38,183)	(51,719)
Less: current portion of bonds payable	(2,998,210)	(2,990,089)	-
Ending balance of bonds payable	<u>\$ 1,977,144</u>	<u>1,971,728</u>	<u>4,948,281</u>
	<u>For the three months ended June 30</u>	<u>For the six months ended June 30</u>	
	<u>2026</u>	<u>2025</u>	<u>2026</u>
Interest expenses	<u>\$ 12,943</u>	<u>12,943</u>	<u>25,886</u>
	<u>2025</u>	<u>2026</u>	<u>2025</u>
	<u>12,943</u>	<u>25,886</u>	<u>25,886</u>

(ii) There were no significant changes on the related information and condition of secured ordinary corporate bonds issued by the Group. Also, there were no significant issue, repurchase and repayment of bonds payable for the six months ended June 30, 2026 and 2025. For the related information, please refer to note 6(n) of the consolidated financial statements for the year ended December 31, 2025.

(n) Provisions

The information of the Group's provisions for the six months ended June 30, 2026 and 2025 were as follows:

	<u>Site restoration</u>	<u>Provision for Sales Returns</u>	<u>Total</u>
Balance at January 1, 2026	\$ 10,264	-	10,264
Provisions made during the year	-	14,129	14,129
Balance at June 30, 2026	<u>\$ 10,264</u>	<u>14,129</u>	<u>24,393</u>
Balance at January 1, 2025 (Balance at June 30, 2025)	<u>\$ 10,264</u>	<u>-</u>	<u>10,264</u>

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
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(i) Site Restoration (recognized under Provisions—Non-Current)

The Group has recognized a provision for restoration liabilities arising from obligations under lease agreements to remove, relocate, and restore leased assets used in restaurant operations to their original condition. This liability is long-term in nature, and the greatest uncertainty regarding this provision is estimated to lie in future costs; the related restoration costs are expected to be incurred gradually after the end of the leased assets' useful lives.

(ii) Provision for Sales Returns (recognized under Other Current Liabilities)

The Group assessed the Benzo[a]pyrene-contaminated oil incident involving products purchased from Fwusow Industry Co., Ltd. and recognized a provision for sales returns amounting to \$14,129 thousand as of June 30, 2026. No such provision was recognized as of December 31 and June 30, 2025.

(o) Lease liabilities

The carrying amounts of lease liabilities for the Group were as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Current	\$ <u>159,571</u>	<u>140,436</u>	<u>159,207</u>
Non-current	\$ <u>693,481</u>	<u>654,818</u>	<u>418,492</u>

For the maturity analysis, please refer to note 6(x).

The amounts recognized in profit or loss were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Interest expenses on lease liabilities	\$ <u>6,685</u>	<u>4,682</u>	<u>13,695</u>	<u>11,187</u>
Variable lease payments not included in the measurement of lease liabilities	\$ <u>10,159</u>	<u>6,554</u>	<u>24,563</u>	<u>14,733</u>
Income from sub-leasing right-of-use assets	\$ <u>-</u>	<u>(363)</u>	<u>-</u>	<u>(726)</u>
Expenses relating to short-term leases	\$ <u>15,796</u>	<u>13,271</u>	<u>31,858</u>	<u>29,365</u>
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	\$ <u>4,533</u>	<u>3,156</u>	<u>6,634</u>	<u>5,406</u>

The amounts recognized in the statement of cash flows for the Group were as follows:

	For the six months ended June 30	
	2026	2025
Total cash outflow for leases	\$ <u>164,230</u>	<u>147,631</u>

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
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(p) Employee benefits

(i) Defined benefit plans

Subsequent to December 31, 2025, there was no significant market volatility, significant curtailment, reimbursement and settlement or other significant one-time events. Therefore, the pension cost in the consolidated interim financial statements was measured and disclosed by the Group according to the pension cost valued by actuary as of December 31, 2025 and 2024.

The Group's expenses recognized in profit or loss were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Operating costs	\$ 1,494	1,689	3,029	3,740
Operating expenses	1,693	1,792	3,426	3,458
Total	<u>\$ 3,187</u>	<u>3,481</u>	<u>6,455</u>	<u>7,198</u>

(ii) Defined contribution plans

The expenses under the pension plan cost to the Bureau of Labor Insurance and the local government recognized in profit or loss for the Group were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Operating costs	\$ 27,305	23,428	51,910	46,923
Operating expenses	41,942	38,202	83,304	78,065
Total	<u>\$ 69,247</u>	<u>61,630</u>	<u>135,214</u>	<u>124,988</u>

(iii) Short-term employee benefit

	June 30, 2026	December 31, 2025	June 30, 2025
Compensated absence liabilities (recorded under other payables)	<u>\$ 15,472</u>	<u>17,282</u>	<u>8,102</u>

(q) Income taxes

- i) Income tax expense was best estimated by multiplying pretax income of the interim period by a projected annual effective tax rate as forecasted by the management.

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
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ii) Income tax expense

The Group's components of income tax expense were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Current income tax expense				
Current period	\$ 90,276	141,146	131,635	300,804
Adjustment to prior years	<u>(7,766)</u>	<u>(18,137)</u>	<u>(20,964)</u>	<u>(18,137)</u>
	82,510	123,009	110,671	282,667
Deferred income tax expense (income)	<u>(27,771)</u>	<u>(40,166)</u>	<u>(7,412)</u>	<u>(94,374)</u>
Income tax expense from continuing operations	<u>\$ 54,739</u>	<u>82,843</u>	<u>103,259</u>	<u>188,293</u>

iii) Assessments by the tax authorities

The tax authorities have completed the examination for income tax returns of the Company through 2021.

(r) Capital and other equity

Except for the following disclosure, there was no significant change for capital and other equity for the six months ended June 30, 2026 and 2025. For the related information, please refer to note 6(s) of the consolidated financial statements for the year ended December 31, 2025.

(i) Capital surplus

The balances of the Company's capital surplus were as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Paid-in capital in excess of par value	\$ 1,280	1,280	1,280
Unclaimed dividends after the expiration of the statutory period and others	17,421	14,765	14,826
Treasury stock	1,615,623	1,571,225	1,571,225
Recognize changes in equity of subsidiaries	2,576,747	2,576,747	2,236,021
Difference between actual disposing subsidiaries equity and carrying amount	<u>1,082,325</u>	<u>1,082,325</u>	<u>1,060,520</u>
	<u>\$ 5,293,396</u>	<u>5,246,342</u>	<u>4,883,872</u>

(Continued)

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
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The Company's subsidiary, Lucky Royal awarded with cash dividends from the Company for the six months ended June 30, 2026 and 2025, amounting to \$44,398 thousand and \$80,008 thousand, respectively. These amounts were recognized as capital surplus-treasury stock transactions.

(ii) Retained earnings—Distribution of retained earnings

The appropriations of 2025 and 2024 earnings have been approved by the Company's Board of Directors in its meetings held on March 10, 2026 and March 11, 2025, respectively. The relevant dividend distributions to shareholders were as follows:

	2025		2024	
	Amount per share (NTD)	Total amount	Amount per share (NTD)	Total amount
Dividends distributed to common shareholders:				
Cash	\$ 1.6	<u>470,613</u>	2.5	<u>735,332</u>

As of June 30, 2026 and 2025, the amounts of the aforementioned cash dividends that have not yet been paid by the Group were \$0 thousand and \$70,431 thousand, respectively, and have been recorded under dividends payable.

(iii) Treasury stock

The Company's subsidiary has held the Company's shares for a long period and purchased the Company's shares in previous years. The subsidiary did not dispose of the Company's shares for the six months ended June 30, 2026 and 2025. As of June 30, 2026, December 31 and June 30, 2025, the subsidiary held the Company's shares as follows:

	June 30, 2026				
	Number of shares (in thousand)	Market price per share	Acquisition cost per share	Total market value	Total treasury stock
Subsidiary name					
Lucky Royal	46,041	31.50	11.51	<u>\$ 1,450,300</u>	<u>530,114</u>

	December 31, 2025				
	Number of shares (in thousand)	Market price per share	Acquisition cost per share	Total market value	Total treasury stock
Subsidiary name					
Lucky Royal	46,041	39.20	11.51	<u>\$ 1,804,817</u>	<u>530,114</u>

	June 30, 2025				
	Number of shares (in thousand)	Market price per share	Acquisition cost per share	Total market value	Total treasury stock
Subsidiary name					
Lucky Royal	46,041	40.85	11.51	<u>\$ 1,880,785</u>	<u>530,114</u>

(Continued)

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

In accordance with the Business Mergers and Acquisitions Act, the treasury stock held by the Company shall not be pledged nor be entitled to any distribution of dividends or voting rights.

(iv) Other equity, net of tax

	Foreign exchange differences arising from foreign operations	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total
Balance at January 1, 2026	\$ (36,466)	4,781	(31,685)
Foreign exchange differences arising from foreign operations	385,773	-	385,773
Unrealized gains (losses) on financial assets measured at fair value through comprehensive income	-	1,553	1,553
Disposal of investments in equity instruments measured at fair value through other comprehensive income	-	(6,334)	(6,334)
Balance at June 30, 2026	<u>\$ 349,307</u>	<u>-</u>	<u>349,307</u>
Balance at January 1, 2025	\$ (230,250)	14,054	(216,196)
Foreign exchange differences arising from foreign operations	(1,428,600)	-	(1,428,600)
Unrealized gains (losses) on financial assets measured at fair value through comprehensive income	-	(293)	(293)
Disposal of investments in equity instruments measured at fair value through other comprehensive income	-	(10,892)	(10,892)
Balance at June 30, 2025	<u>\$ (1,658,850)</u>	<u>2,869</u>	<u>(1,655,981)</u>

(Continued)

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(v) Non-controlling interests, net of tax

	For the six months ended June 30	
	2026	2025
Balance at the beginning of the period	\$ 3,535,838	3,043,053
Equity attributable to non-controlling interests:		
Net profit for the period	88,138	115,220
Foreign exchange differences arising from foreign operations	115,781	(232,801)
Cash dividends paid by the subsidiaries	(131,602)	(122,477)
Changes in non-controlling interests	-	(2,734)
Unrealized gains (losses) on financial assets measured at fair value through comprehensive income	243	(237)
Balance at the end of the period	<u><u>\$ 3,608,398</u></u>	<u><u>2,800,024</u></u>

(s) Share-based payment

Except for the following disclosure, the description of the Group's share-based payment were not materially different from those disclosed in the consolidated financial statements for the year ended December 31, 2025. For the related information, please refer to note 6(t) of the consolidated financial statements for the year ended December 31, 2025.

(t) Earnings per share (EPS)

The calculation of the Company's basic earnings per share and diluted earnings per share for the six months ended June 30, 2026 and 2025, were as follows:

(i) Basic EPS

	For the three months ended June 30		Unit: thousand shares For the six months ended June 30	
	2026	2025	2026	2025
Net profit attributable to common shareholders of the Parent	<u>\$ 29,690</u>	<u>43,377</u>	<u>60,279</u>	<u>172,827</u>
Weighted-average number of common shares outstanding	<u>248,092</u>	<u>248,092</u>	<u>248,092</u>	<u>248,092</u>
Basic EPS (in New Taiwan dollars)	<u>\$ 0.12</u>	<u>0.17</u>	<u>0.24</u>	<u>0.70</u>

(Continued)

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

ii) Diluted EPS

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Net profit attributable to common shareholders of the Parent	<u>\$ 29,690</u>	<u>43,377</u>	<u>60,279</u>	<u>172,827</u>
Weighted-average number of common shares outstanding - basic	248,092	248,092	248,092	248,092
Influence of potentially dilutive shares				
– Remuneration to employees	<u>11</u>	<u>56</u>	<u>73</u>	<u>144</u>
Weighted-average number of shares outstanding – diluted	<u>248,103</u>	<u>248,148</u>	<u>248,165</u>	<u>248,236</u>
Diluted EPS (in New Taiwan dollars)	<u>\$ 0.12</u>	<u>0.17</u>	<u>0.24</u>	<u>0.70</u>

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(u) Revenue from contracts with customers

(i) Disaggregation of revenue

For the three months ended June 30, 2026								
Area of distribution:	Edible and non- edible oil products	Detergent products	Frozen dough	Ice cream products	Foods	Catering	Management, rental revenue and others	Total
China	\$ 2,561,185	-	643,213	-	79,751	112,290	15,625	3,412,064
Taiwan	275,991	116,390	156,817	514,417	145,820	118,334	3,321	1,331,090
Thailand	-	-	-	-	83,587	-	-	83,587
New Zealand and Australia	-	-	-	-	279,146	-	-	279,146
United States	-	-	-	-	223,367	-	-	223,367
Europe	-	-	-	-	275,415	-	-	275,415
Others	34,984	-	-	-	73,194	2,983	-	111,161
	<u>\$ 2,872,160</u>	<u>116,390</u>	<u>800,030</u>	<u>514,417</u>	<u>1,160,280</u>	<u>233,607</u>	<u>18,946</u>	<u>5,715,830</u>

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

For the three months ended June 30, 2025								
Area of distribution:	Edible and non- edible oil products	Detergent products	Frozen dough	Ice cream products	Foods	Catering	Management, rental revenue and others	Total
China	\$ 2,663,045	-	572,597	-	78,662	108,854	6,531	3,429,689
Taiwan	248,738	110,896	169,741	595,090	135,871	113,489	14,865	1,388,690
Thailand	-	-	-	-	80,521	-	-	80,521
New Zealand and Australia	-	-	-	-	307,898	-	-	307,898
United States	-	-	-	-	222,396	-	-	222,396
Europe	-	-	-	-	286,407	-	-	286,407
Others	28,194	-	-	-	20,312	3,876	-	52,382
	<u>\$ 2,939,977</u>	<u>110,896</u>	<u>742,338</u>	<u>595,090</u>	<u>1,132,067</u>	<u>226,219</u>	<u>21,396</u>	<u>5,767,983</u>
For the six months ended June 30, 2026								
Area of distribution:	Edible and non- edible oil products	Detergent products	Frozen dough	Ice cream products	Foods	Catering	Management, rental revenue and others	Total
China	\$ 5,486,561	-	1,174,000	-	141,323	179,742	41,310	7,022,936
Taiwan	551,284	231,107	331,156	838,075	298,681	252,156	7,656	2,510,115
Thailand	-	-	-	-	167,938	-	-	167,938
New Zealand and Australia	-	-	-	-	580,815	-	-	580,815
United States	-	-	-	-	441,631	-	-	441,631
Europe	-	-	-	-	564,192	-	-	564,192
Others	67,177	-	-	-	169,750	6,639	-	243,566
	<u>\$ 6,105,022</u>	<u>231,107</u>	<u>1,505,156</u>	<u>838,075</u>	<u>2,364,330</u>	<u>438,537</u>	<u>48,966</u>	<u>11,531,193</u>

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

For the six months ended June 30, 2025								
Area of distribution:	Edible and non- edible oil products	Detergent products	Frozen dough	Ice cream products	Foods	Catering	Management, rental revenue and others	Total
China	\$ 5,669,819	-	1,127,086	-	143,184	175,383	14,850	7,130,322
Taiwan	505,806	224,684	353,035	979,030	283,567	254,349	27,561	2,628,032
Thailand	-	-	-	-	161,633	-	-	161,633
New Zealand and Australia	-	-	-	-	620,677	-	-	620,677
United States	-	-	-	-	415,355	-	-	415,355
Europe	-	-	-	-	570,657	-	-	570,657
Others	44,217	-	-	-	48,036	7,620	-	99,873
	<u>\$ 6,219,842</u>	<u>224,684</u>	<u>1,480,121</u>	<u>979,030</u>	<u>2,243,109</u>	<u>437,352</u>	<u>42,411</u>	<u>11,626,549</u>

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Contract balances

	June 30, 2026	December 31, 2025	June 30, 2025
Notes receivable	\$ 149,926	144,619	147,349
Accounts receivable	2,480,836	2,413,520	2,257,214
Less: allowance for impairment	20,739	26,611	23,892
	<u>\$ 2,610,023</u>	<u>2,531,528</u>	<u>2,380,671</u>
Contract liabilities	<u>\$ 315,590</u>	<u>324,490</u>	<u>262,171</u>

For the details of disclosure on notes and accounts receivable and allowance impairment, please refer to note 6(e).

The amounts of revenue recognized for the six months ended June 30, 2026 and 2025, that previously included in the contract liabilities balances at the beginning of the years were \$70,623 thousand and \$235,402 thousand, respectively.

(v) Remuneration to employees and directors

On June 3, 2025, the Company resolved at the annual shareholders' meeting to amend its Articles of Incorporation. In accordance with the amended Articles, if the Company has profit in a given fiscal year, the profit shall be used to offset against any accumulated losses incurred by the Company. The remainder, if any, 1% shall be allocated as employee remuneration (including a minimum of 30% to those base-level employees) and a maximum of 5% as remunerations for directors and supervisors. The recipients of the aforementioned employee remuneration, whether in the form of shares or cash, may include employees of the subsidiaries who meet certain specific requirements.

Prior to the amendment, the Articles of Incorporation stipulated that, if the Company has profit in a given fiscal year, the profit shall be used to offset against any accumulated losses incurred by the Company. The remainder, if any, 1% should be allocated as employee remuneration and no more than 5% as remunerations for directors and supervisors. The recipients of the aforementioned employee remuneration, whether in the form of shares or cash, could include employees of the subsidiaries who met certain specific requirements.

For the three months and six months ended June 30, 2026 and 2025, the estimated amounts of employees' compensation were \$335 thousand, \$688 thousand, \$1,005 thousand and \$2,289 thousand, respectively, and the estimated amounts of directors' remuneration were \$1,338 thousand, \$3,098 thousand, \$4,018 thousand and \$10,301 thousand, respectively. The estimated amounts mentioned above are based on the net profit before income tax, excluding employee compensation and directors' remuneration, of each respective ending period, multiplied by the percentage of the employee compensation, and the directors' remuneration, as specified in the Company's article. The estimations are recorded under operating expenses for each period. The differences between the actual distributed amounts as determined by the board of directors and those recognized in the financial statements, if any, shall be accounted for as changes in accounting estimates and recognized in profit or loss in the following year.

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024, the remunerations to employees amounted to \$3,917 thousand and \$11,553 thousand, respectively, and the remunerations to directors amounted to \$15,667 thousand and \$51,988 thousand, respectively. The amounts, as stated in the consolidated statements, are identical to those of the actual distributions. The related information can be accessed from Market Observation Post System website.

(w) Non-operating income and expenses

(i) Interest income

The details of the Group's interest income were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Interest income from bank deposits	\$ <u>39,836</u>	<u>48,834</u>	<u>80,059</u>	<u>102,065</u>

(ii) Other income

The details of the Group's other income were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Rental income	\$ 2,975	2,537	5,711	6,517
Dividend income	-	814	29,268	35,909
Other income — other				
Government grants	15,068	7,372	40,526	25,560
Others	<u>28,617</u>	<u>11,726</u>	<u>55,335</u>	<u>32,577</u>
Total other income — other	<u>43,685</u>	<u>19,098</u>	<u>95,861</u>	<u>58,137</u>
Total other income	\$ <u>46,660</u>	<u>22,449</u>	<u>130,840</u>	<u>100,563</u>

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iii) Other gains and losses

The details of the Group's other gains and losses were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Gains on disposal of property, plant and equipment, net	\$ 944	914	4,131	745
Gains on lease modification, net	455	6	284	11
Foreign exchange gains (losses), net	(7,891)	(7,866)	6,986	(5,076)
(Losses) gains on financial assets (liabilities) at fair value through profit or loss	10,630	7,287	(2,030)	10,252
Other gains and losses	(5,909)	(718)	(9,288)	(1,117)
Other gains and losses, net	<u>\$ (1,771)</u>	<u>(377)</u>	<u>83</u>	<u>4,815</u>

(iv) Finance costs

The details of the Group's finance costs were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Interest expenses				
Interest expenses on bank's loans	\$ 33,258	32,118	68,081	61,543
Interest expenses on bonds payable	12,943	12,943	25,886	25,886
Interest expenses on lease liabilities	6,685	4,682	13,695	11,187
Finance costs, net	<u>\$ 52,886</u>	<u>49,743</u>	<u>107,662</u>	<u>98,616</u>

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(x) Financial instruments

Except for the contention mentioned below, there was no significant change in the fair value of the Group's financial instruments and in the degree of exposure to credit risk and market risk – interest rate risk and other market risk arising from financial instruments. For the related information, please refer to note 6(y) of the consolidated financial statements for the year ended December 31, 2025.

(i) Liquidity risk

The following are the contractual maturities of financial liabilities, including estimated interest payments.

	Carrying amount	Contractual cash flows	Within 1 year	1-2 years	2-5 years	Over 5 years
June 30, 2026						
Non-derivative financial liabilities						
Secured loans	\$ 1,411,717	1,503,228	57,187	57,187	1,073,493	315,361
Unsecured loans	5,223,407	5,328,928	3,579,189	447,791	1,249,096	52,852
Notes payable	142,363	142,363	142,363	-	-	-
Accounts payable	1,454,772	1,454,772	1,454,772	-	-	-
Other payables	1,361,861	1,361,861	1,361,861	-	-	-
Bonds payable (including current portion)	4,975,354	5,000,000	3,000,000	2,000,000	-	-
Lease liabilities	853,052	943,550	183,439	184,964	443,919	131,228
Guarantee deposits received	10	10	-	-	-	10
Other non-current liabilities	10,453	10,453	-	10,453	-	-
Derivative financial liabilities						
Hedging forward exchange contracts :						
Outflow	9,296	9,296	9,296	-	-	-
	<u>\$ 15,442,285</u>	<u>15,754,461</u>	<u>9,788,107</u>	<u>2,700,395</u>	<u>2,766,508</u>	<u>499,451</u>
As of December 31, 2025						
Non-derivative financial liabilities						
Secured loans	\$ 1,973,552	2,079,468	68,006	68,006	1,602,726	340,730
Unsecured loans	4,379,463	4,465,919	2,542,607	1,923,312	-	-
Short-term commercial paper payable	99,894	100,000	100,000	-	-	-
Accounts payable	1,551,095	1,551,095	1,551,095	-	-	-
Other payables	1,510,598	1,510,598	1,510,598	-	-	-
Bonds payable (including current portion)	4,961,817	5,000,000	3,000,000	-	2,000,000	-
Lease liabilities	795,254	885,307	162,218	182,489	402,505	138,095
Guarantee deposits received	60	60	60	-	-	-
Other non-current liabilities	16,006	16,006	-	10,580	5,426	-
	<u>\$ 15,287,739</u>	<u>15,608,453</u>	<u>8,934,584</u>	<u>2,184,387</u>	<u>4,010,657</u>	<u>478,825</u>
June 30, 2025						
Non-derivative financial liabilities						
Secured loans	\$ 2,373,268	2,586,444	75,746	75,746	2,069,328	365,624
Unsecured loans	4,676,929	4,797,610	3,052,051	1,118,068	627,491	-
Short-term commercial paper payable	176,848	177,000	177,000	-	-	-
Accounts payable	1,704,911	1,704,911	1,704,911	-	-	-
Dividends payable	70,431	70,431	70,431	-	-	-
Other payables	1,473,041	1,473,041	1,473,041	-	-	-
Bonds payable (including current portion)	4,948,281	5,000,000	-	3,000,000	2,000,000	-
Lease liabilities	577,699	625,258	176,859	173,543	267,532	7,324
Guarantee deposits received	60	60	60	-	-	-
Other non-current liabilities	21,059	20,159	-	10,106	10,053	-
	<u>\$ 16,022,527</u>	<u>16,454,914</u>	<u>6,730,099</u>	<u>4,377,463</u>	<u>4,974,404</u>	<u>372,948</u>

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The Group does not expect that the cash flows including in the maturity analysis to occur significantly earlier or at significantly different amounts.

(ii) Market risk—currency risk

	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>NTD</u>
June 30, 2026			
Financial assets:			
Monetary items:			
USD	\$ 22,148	31.850	705,427
Financial liabilities:			
Monetary items:			
USD	\$ 2,069	31.850	65,909
EUR	8,104	36.29	294,087
As of December 31, 2025			
Financial assets:			
Monetary items:			
USD	\$ 23,811	31.430	748,365
Financial liabilities:			
Monetary items:			
USD	\$ 4,106	31.430	129,047
EUR	11,500	36.90	424,336
June 30, 2025			
Financial assets:			
Monetary items:			
USD	\$ 26,177	29.3	766,994
THB	12,450	0.9069	11,291
Financial liabilities:			
Monetary items:			
USD	\$ 7,315	29.3	214,341
EUR	13,455	34.35	462,195

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts receivable, other receivables, loans, accounts payable and other payables that are denominated in foreign currency. A weakening of strengthening 1% appreciation or depreciation of the NTD against the USD, THB and EUR as of June 30, 2026 and 2025, with all other variables held constant, the profit before income tax for the six months ended June 30, 2026 would have increased or decreased by \$3,454 thousand, and for the six months ended June 30, 2025 would have decreased or increased by \$1,017 thousand.

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Since the Group has many kinds of functional currency, the information on foreign exchange gain (loss) on monetary items is disclosed by total amount. For the three months and six months ended June 30, 2026 and 2025, the foreign exchange gains (losses) (including realized and unrealized portions) amounted to \$(7,891) thousand, \$(7,866) thousand, \$6,986 thousand and \$(5,076) thousand, respectively.

(iii) Interest rate analysis

Please refer to the note on liquidity risk management for the interest rate exposure of the Group's financial assets and liabilities.

The following sensitivity analysis is based on the exposure to the interest rate risk of derivative and non-derivative financial instruments on the reporting date. Regarding liabilities with variable interest rates, the analysis is based on the assumption that the amount of liabilities outstanding at the reporting date was outstanding throughout the year. The rate of change is expressed as the interest rate which increases or decreases by 1% when reporting to the internal management, which also represents the Group management's assessment of the reasonably possible interest rate change.

If the interest rate increases or decreases by 1%, with all other variable factors remaining constant, the Group's profit before income tax would have decreased or increased by \$12,234 thousand and \$12,938 thousand for the six months ended June 30, 2026 and 2025, respectively. This is mainly due to the Group's floating-rates loans, financial assets measured at amortized cost and time deposits.

(iv) Other market price risk

There is no significant impact on the Group's other comprehensive income with the changes in the securities price at the reporting date for the six months ended June 30, 2025.

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(v) Fair value information

1) Categories and fair values of financial instruments

The Group's financial assets measured at fair value through other comprehensive income is measured on a recurring basis. The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs whose carrying amount is reasonably close to the fair value, including cash and cash equivalents, financial assets measured at amortized cost, notes and accounts receivable, other receivables, short-term borrowings, short-term commercial paper payables, long-term borrowings (included current portion), accounts payable, bonds payable (included current portion), lease liabilities and other non-current liabilities, disclosure of fair value information is not required:

June 30, 2026					
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial liabilities at fair value through profit or loss					
Derivative financial liabilities	\$ 9,296	-	9,296	-	9,296
December 31, 2025					
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit or loss					
Derivative financial assets for hedging	\$ 6,220	-	6,220	-	6,220
Financial assets measured at fair value through other comprehensive income					
Stocks listed on domestic markets	13,002	13,002	-	-	13,002
Total	\$ 19,222	13,002	6,220	-	19,222

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
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	June 30, 2025				
	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets measured at fair value through profit or loss					
Derivative financial assets for hedging	\$ 9,747	-	9,747	-	9,747
Financial assets measured at fair value through other comprehensive income					
Stocks listed on domestic markets	10,640	10,640	-	-	10,640
Total	\$ 20,387	10,640	9,747	-	20,387

2) Valuation techniques and assumptions used in fair value determination

a) Non-derivative financial instruments

Financial instruments traded in active markets are based on quoted market prices. The quoted price of a financial instrument obtained from main exchanges and on-the-run bonds from Taipei Exchange can be used as a basis to determine the fair value of the listed companies' equity instrument and debt instrument of the quoted price in an active market.

The stocks of publicly traded companies are financial assets which are traded in active markets under standard terms and conditions. The fair value of the abovementioned stocks is based on quoted market prices.

b) Derivative financial instruments

Measurement of the fair value of derivative instruments is based on the valuation techniques generally accepted by market participants. Fair value of forward currency is usually determined by the forward currency exchange rate.

3) Fair value hierarchy

The Group determines fair value based on assumptions that market participants would use in pricing an asset or a liability in the principal market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

a) Level 1 inputs: Unadjusted quoted prices for identical assets or liabilities in active markets.

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
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- b) Level 2 inputs: Other than quoted prices included within Level 1, inputs are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- c) Level 3 inputs: For the asset or liability that are not based on observable market data (unobservable inputs).

There was no such situation that the Group reclassified the financial instruments from one level to another as of the reporting date.

4) Transfers between Level 1 and Level 2

For the six months ended June 30, 2026 and 2025, there were no transfers between Level 1 and Level 2 by the Group.

(y) Financial risk management

There were no significant change in the objectives and policies concerning the financial risk that the Group was exposed to. For the related information, please refer to note 6(z) of the consolidated financial statements for the year ended December 31, 2025.

(z) Capital management

The objectives, policies and procedures of the Group's capital management have been applied consistently with those described in the consolidated financial statements for the year ended December 31, 2025. Also, there was no significant change in the Group's capital management information as disclosed for the year ended December 31, 2025. Refer to note 6(aa) of the consolidated financial statements for the year ended December 31, 2025 for the relevant information.

(aa) Investing and financing activities not affecting the current cash flow

The Group's investing and financing activities which did not affect the current cash flow for the six months ended June 30, 2026 and 2025, were as follows:

- (i) For the acquisition of right-of-use assets, please refer to note 6(j).
- (ii) Reconciliation of liabilities arising from financing activities were as follows:

	January 1, 2026	Cash flows	Non-cash changes			June 30, 2026
			Acquisition of right-of- use assets	Foreign exchange movement	Others	
Short-term borrowings	\$ 2,037,742	1,084,458	-	49,002	-	3,171,202
Short-term commercial paper payables	99,894	(99,894)	-	-	-	-
Bonds payable	4,961,817	-	-	-	13,537	4,975,354
Long-term borrowings (included current portion)	4,315,273	(848,390)	-	(2,961)	-	3,463,922
Lease liabilities	795,254	(87,480)	156,336	25,037	(36,095)	853,052
Other non-current liabilities	107,241	11,931	-	-	(5,553)	113,619
Total liabilities from financing activities	<u>\$ 12,317,221</u>	<u>60,625</u>	<u>156,336</u>	<u>71,078</u>	<u>(28,111)</u>	<u>12,577,149</u>

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	January 1, 2025	Cash flows	Non-cash changes			June 30, 2025
			Acquisition of right-of- use assets	Foreign exchange movement	Others	
Short-term borrowings	\$ 3,170,235	(120,238)	-	(153,068)	-	2,896,929
Short-term commercial paper payables	324,672	(148,000)	-	-	176	176,848
Bonds payable	4,934,745	-	-	-	13,536	4,948,281
Long-term borrowings (included current portion)	2,723,666	1,445,920	-	(16,318)	-	4,153,268
Lease liabilities	549,056	(87,666)	156,471	(38,956)	(1,206)	577,699
Other non-current liabilities	108,079	(12,882)	-	-	-	95,197
Total liabilities from financing activities	<u>\$ 11,810,453</u>	<u>1,077,134</u>	<u>156,471</u>	<u>(208,342)</u>	<u>12,506</u>	<u>12,848,222</u>

(7) Related-party transactions

(a) Names and relationship with the Group

The followings are related parties that have had transactions with the Group during the periods covered in the consolidated financial statements.

Name of related party	Relationship with the Group
Hwa Zhin Co., Ltd	The chairman of the board of Hwa Zhin Co., Ltd is same as the chairman of the Company
Chen Fei Lung	Key management personnel (The individual has ceased to be a related party as of February 21, 2026.)
Chen Chang Li	Other related parties
Key management personnel	Key management personnel

(b) Significant related-party transactions

(i) Leases

The Group entered into a two-year lease agreement with its key management personnel for a building on Huaining street. For the three months and six months ended June 30, 2026 and 2025, the Group recognized the amount of \$142 thousand, \$182 thousand, \$295 thousand and \$373 thousand as interest expense resulting from the aforementioned lease transactions, respectively. As of June 30, 2026, December 31 and June 30, 2025, the ending balance of lease liabilities amounted to \$29,998 thousand, \$34,499 thousand and \$38,634 thousand resulting from the aforementioned lease transactions, respectively.

For the lease transactions between the Group and the aforementioned related parties, the rental payments were determined with reference to prevailing market rental rates for office spaces in nearby areas, and lease agreements were executed accordingly. Rental payments are made on a monthly basis.

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(c) Key management personnel compensation

Key management personnel compensation comprised the following:

	For the three months ended June 30		For the six months ended June 30	
	2026	2025	2026	2025
Short-term employee benefits	\$ 61,128	73,432	117,497	159,178
Post-employments benefits	534	519	1,141	1,113
	<u>\$ 61,662</u>	<u>73,951</u>	<u>118,638</u>	<u>160,291</u>

(8) Pledged assets

The Group's carrying amounts of pledged assets were as follows:

Pledged assets	Pledged to secure	June 30, 2026	December 31, 2025	June 30, 2025
Property, plant and equipment:				
Land	Long-term borrowings	\$ 1,584,729	1,596,199	1,602,826
Buildings	Long-term borrowings	575,394	591,810	607,455
		<u>\$ 2,160,123</u>	<u>2,188,009</u>	<u>2,210,281</u>

(9) Significant contingent liabilities and unrecognized commitments

(a) Significant unrecognized commitments:

(i) The Group's unrecognized contractual commitments were as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Acquisition of property, plant and equipment	\$ <u>691,741</u>	<u>1,065,886</u>	<u>874,767</u>

(ii) The Group's unused letters of credit for purchases of materials:

	June 30, 2026	December 31, 2025	June 30, 2025
Unused letters of credit for purchases of materials	\$ <u>184,143</u>	<u>299,057</u>	<u>469,296</u>

(iii) The Group's letters of credit guarantee bill for purchasing merchandise and credit facilities:

	June 30, 2026	December 31, 2025	June 30, 2025
Guarantee bill	\$ <u>16,125,042</u>	<u>16,057,042</u>	<u>17,451,265</u>

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
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- (b) Lucky Royal, Namchow BVI and Paulaner Brauhaus Consult GmbH (PBCG) have entered into a contract for the use of the PBCG brand name and beer brewing techniques. In accordance with the contract, PBCG has to provide the right to use its brand name and its management consultation service for restaurant management, information service. The contract lasts for 10 years, starting from October 1, 2019 to September 30, 2029, with the option of extending it for an additional of 10 years, and there will be an automatic renewal for five years after the first renewal.

	<u>June 30, 2026</u>	<u>June 30, 2025</u>
One year	\$ 871	824
Less than five years	<u>2,032</u>	<u>2,748</u>
	<u>\$ 2,903</u>	<u>3,572</u>

- (c) Dian Shui Lou entered into an agreement with several malls, it is agreed to take a certain percentage according to the turnover of each store.
- (d) Dian Shui Lou, Shanghai Qiaohao and Shanghai Qiaohao Food have negotiated a line of credit with different banks for their operational needs. According to the banks' requirements, the Group must issue a letter of support and commit to exercising its shareholders' rights over the borrowers to ensure they fulfill their financial obligations.

(10) Losses Due to Major Disasters: None.

(11) Subsequent Events

In relation to the Benzo[a]pyrene-contaminated oil incident involving products purchased from its supplier, Fwusow Industry Co., Ltd., the Group recognized the related expenses, provisions, and inventory valuation losses as of the end of the reporting period for regulatory penalties, returns of affected products previously sold, and related inventories. The aggregate amount recognized was approximately \$23,583 thousand.

(12) Other

- (a) A summary of personnel expenses, depreciation and amortization, by function, is as follows:

By function	For the three months ended June 30, 2026			For the three months ended June 30, 2025		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
By item						
Personnel expenses						
Salaries	334,683	426,942	761,625	298,043	400,048	698,091
Labor and health insurance	111,963	54,727	166,690	109,752	50,675	160,427
Pension	28,799	43,635	72,434	25,117	39,994	65,111
Remuneration of directors	-	2,798	2,798	-	4,974	4,974
Others	29,677	30,745	60,422	25,060	26,970	52,030
Depreciation (note 1)	182,806	118,751	301,557	158,150	107,896	266,046
Amortization	-	-	-	-	-	-

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By function By item	For the six months ended June 30, 2026			For the six months ended June 30, 2025		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Personnel expenses						
Salaries	639,437	922,175	1,561,612	606,677	867,610	1,474,287
Labor and health insurance	216,173	113,162	329,335	215,177	104,523	319,700
Pension	54,939	86,730	141,669	50,663	81,523	132,186
Remuneration of directors	-	7,293	7,293	-	14,122	14,122
Others	56,845	63,289	120,134	51,530	61,208	112,738
Depreciation (Note 1)	354,682	238,750	593,432	316,661	218,008	534,669
Amortization	-	-	-	-	-	-

Note 1: For the three months and six months ended June 30, 2026 and 2025, the Group's depreciation expenses for investment property recognized under non-operating income and expenses amounting to \$865 thousand, \$791 thousand, \$1,715 thousand and \$1,631 thousand, respectively.

(b) Seasonality or cyclically of interim operations

The ice cream department of the Group's operation is affected by the weather conditions and the impact of seasonal fluctuations. In which ice cream sales at the main areas are easily adversely impacted due to the winter weather conditions from November to the following February each year. The Group's attempts satisfy supply needs by inventory management during this period to reduce the seasonal effects. Generally, revenue and operating profit in the first quarter of ice cream department is relatively low.

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES

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(13) Other disclosures

(a) Information on significant transactions:

The following is the information on the Group's significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the six months ended June 30, 2026:

(i) Loans to other parties:

Unit: thousand dollars

No.	Name of lender	Name of borrower	Financial statement account	Related party	Highest balance of financing to other parties during the period	Ending balance	Amount actually drawn	Range of interest rates	Purposes of fund financing for the borrowers	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Financing limit for each borrowing company	Maximum financing limit for the lender
													Item	Value		
1	Namchow Food Co.	Tianjin Namchow Co.	Other receivables — related parties	Yes	428,762	216,575	216,575 (Note 1)	-	Short term financing	-	Capital for operation	-	-	-	6,389,545 (Note 2)	6,389,545 (Note 2)
1	Namchow Food Co.	Guangzhou Namchow Co.	Other receivables — related parties	Yes	1,180,354	596,216	596,216 (Note 1)	-	Short term financing	-	Capital for operation	-	-	-	6,389,545 (Note 2)	6,389,545 (Note 2)
1	Namchow Food Co.	Shanghai Namchow Co.	Other receivables — related parties	Yes	120,100	60,664	60,664 (Note 1)	-	Short term financing	-	Capital for operation	-	-	-	6,389,545 (Note 2)	6,389,545 (Note 2)
1	Namchow Food Co.	Chongqing Namchow Co.	Other receivables — related parties	Yes	60,082	30,348	30,348 (Note 1)	-	Short term financing	-	Capital for operation	-	-	-	6,389,545 (Note 2)	6,389,545 (Note 2)

Note 1: The transactions within the Group were eliminated in the consolidated financial statements.

Note 2: Base on the Namchow Food's guidelines, the allowable aggregate amount of financing provided to others and the maximum financing provided to an individual company shall not exceed 40% of the Namchow Food's stockholder's equity.

(ii) Guarantees and endorsements for other parties:

Unit: thousand dollars

No.	Name of company	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for one party (Note 2)	Highest balance for guarantees and endorsements during the period	Ending balance of guarantees and endorsements	Amount actually drawn	Property pledged on guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum allowable amount for guarantees and endorsements (Note 2)	Parent company endorsement / guarantees to third parties on behalf of subsidiary	Subsidiary endorsement / guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties on behalf of company in Mainland China
		Name	Relationship with the Company (Note 1)										
0	The Company	Nankyo Japan Co.	2	12,014,605	969,690	946,660	539,825	-	7.88 %	12,014,605	Y	N	N

Note 1: The guarantee's relationship with the guarantor is as follows:

- (1) A company that has business transaction with another company.
- (2) A public company which, directly or indirectly, holds more than 50 percent of the voting shares.
- (3) A company that, directly or indirectly, holds more than 50 percent of the voting shares in the public company.
- (4) A public company which, directly or indirectly, holds 90% or more of the voting shares.
- (5) A company that fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project.
- (6) A company wherein all its capital contributing shareholders can make endorsements/ guarantees for their jointly invested company in proportion to their shareholding percentages.
- (7) Companies within the same industry that provide joint and several security among themselves for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act.

Note 2: According to the Company's guarantee and endorsement policies, the total guarantee and endorsement not exceed 100% of the Company's net worth, while the total guarantees and endorsements for an individual party not exceed 100% of the Company's net worth.

(iii) Material securities held as of June 30, 2026 (excluding investment in subsidiaries, associates and joint ventures):

Unit: thousand dollars/thousand shares

Name of holder	Nature and name of security	Relationship with the security issuer	Account name	Ending balance				Remarks
				Number of shares	Book value	Holding percentage	Market value	
Lucky Royal	Stock: The Company	The Company's subsidiary	Financial assets measured at fair value through comprehensive income — non-current	46,041	1,450,300	15.65 %	1,450,300	Note

Note: The Company's subsidiary holds shares of the parent company and the related information please refer to note 6(r).

(iv) Related-party transactions for purchases and sales with amounts exceeding the lower of NT\$100 million or 20% of the capital stock:

Unit: thousand dollars

Name of company	Counter-party	Relationship	Transaction details				Status and reason for deviation from arm's-length transaction		Accounts / notes receivable (payable)		Remarks
			Purchase / Sale	Amount	Percentage of total purchases / sales	Credit period	Unit price	Credit period	Balance	Percentage of total accounts / notes receivable (payable)	
Shanghai Qiaohao Trade Co.,Ltd	Shanghai Qiaohao Food Co.	Subsidiaries of the same group	Purchase	107,058	98 %	Note	-		-	- %	Eliminated

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Name of company	Counter-party	Relationship	Transaction details				Status and reason for deviation from arm's-length transaction		Accounts / notes receivable (payable)		Remarks
			Purchase / Sale	Amount	Percentage of total purchases / sales	Credit period	Unit price	Credit period	Balance	Percentage of total accounts / notes receivable (payable)	
Shanghai Qiaohao Food Co.	Shanghai Qiaohao Trade Co.,Ltd	Subsidiaries of the same group	(Sales)	(107,058)	(91) %	Note	-		-	- %	Eliminated
Tianjin Yoshi Yoshi Co.	Tianjin Namchow Co.	Subsidiaries of the same group	Purchase	160,951	64 %	Note	-	-	(15,732)	(35) %	Eliminated
Tianjin Namchow Co.	Tianjin Yoshi Yoshi Co.	Subsidiaries of the same group	(Sales)	(160,951)	(13) %	Note	-	-	15,732	7 %	Eliminated
Namchow Food Co.	Tianjin Namchow Co.	Subsidiaries of the same group	Purchase	849,311	19 %	Note	-	-	(151,357)	(20) %	Eliminated
Tianjin Namchow Co.	Namchow Food Co.	Subsidiaries of the same group	(Sales)	(849,311)	(67) %	Note	-	-	151,357	63 %	Eliminated
Namchow Food Co.	Guangzhou Namchow Co.	Subsidiaries of the same group	Purchase	817,191	18 %	Note	-	-	(157,239)	(21) %	Eliminated
Guangzhou Namchow Co.	Namchow Food Co.	Subsidiaries of the same group	(Sales)	(817,191)	(50) %	Note	-	-	157,239	49 %	Eliminated
Namchow Food Co.	Tianjin Yoshi Yoshi Co.	Subsidiaries of the same group	Purchase	223,561	5 %	Note	-	-	(36,222)	(5) %	Eliminated
Tianjin Yoshi Yoshi Co.	Namchow Food Co.	Subsidiaries of the same group	(Sales)	(223,561)	(63) %	Note	-	-	36,222	57 %	Eliminated
Namchow Food Co.	Shanghai Namchow Co.	Subsidiaries of the same group	Purchase	1,235,253	27 %	Note	-	-	-	- %	Eliminated
Shanghai Namchow Co.	Namchow Food Co.	Subsidiaries of the same group	(Sales)	(1,235,253)	(79) %	Note	-	-	-	- %	Eliminated
Chongqing Qiaoxing Co.	Tianjin Namchow Co.	Subsidiaries of the same group	Purchase	177,129	7 %	Note	-	-	(36,490)	(5) %	Eliminated
Tianjin Namchow Co.	Chongqing Qiaoxing Co.	Subsidiaries of the same group	(Sales)	(177,129)	(14) %	Note	-	-	36,490	15 %	Eliminated
Chongqing Qiaoxing Co.	Tianjin Yoshi Yoshi Co.	Subsidiaries of the same group	Purchase	113,829	4 %	Note	-	-	(24,307)	(4) %	Eliminated
Tianjin Yoshi Yoshi Co.	Chongqing Qiaoxing Co.	Subsidiaries of the same group	(Sales)	(113,829)	(32) %	Note	-	-	24,307	38 %	Eliminated
Chongqing Qiaoxing Co.	Shanghai Namchow Co.	Subsidiaries of the same group	Purchase	306,413	12 %	Note	-	-	(53,170)	(8) %	Eliminated
Shanghai Namchow Co.	Chongqing Qiaoxing Co.	Subsidiaries of the same group	(Sales)	(306,413)	(20) %	Note	-	-	53,170	88 %	Eliminated
Chongqing Qiaoxing Co.	Guangzhou Namchow Co.	Subsidiaries of the same group	Purchase	434,103	17 %	Note	-	-	(60,536)	(9) %	Eliminated
Guangzhou Namchow Co.	Chongqing Qiaoxing Co.	Subsidiaries of the same group	(Sales)	(434,103)	(27) %	Note	-	-	60,536	19 %	Eliminated
Guangzhou Yoshi Yoshi Co.	Guangzhou Namchow Co.	Subsidiaries of the same group	Purchase	335,384	78 %	Note	-	-	(84,620)	(69) %	Eliminated
Guangzhou Namchow Co.	Guangzhou Yoshi Yoshi Co.	Subsidiaries of the same group	(Sales)	(335,384)	(21) %	Note	-	-	84,620	26 %	Eliminated
Namchow Food Co.	Guangzhou Yoshi Yoshi Co.	Subsidiaries of the same group	Purchase	401,256	9 %	Note	-	-	(77,735)	(10) %	Eliminated
Guangzhou Yoshi Yoshi Co.	Namchow Food Co.	Subsidiaries of the same group	(Sales)	(401,256)	(65) %	Note	-	-	77,735	67 %	Eliminated
Chongqing Qiaoxing Co.	Guangzhou Yoshi Yoshi Co.	Subsidiaries of the same group	Purchase	215,109	8 %	Note	-	-	(37,312)	(5) %	Eliminated
Guangzhou Yoshi Yoshi Co.	Chongqing Qiaoxing Co.	Subsidiaries of the same group	(Sales)	(215,109)	(35) %	Note	-	-	37,312	32 %	Eliminated
Namchow Food Co.	Chongqing Qiaoxing Co.	Subsidiaries of the same group	Purchase	1,043,518	23 %	Note	-	-	(171,023)	(23) %	Eliminated
Chongqing Qiaoxing Co.	Namchow Food Co.	Subsidiaries of the same group	(Sales)	(1,043,518)	(39) %	Note	-	-	171,023	40 %	Eliminated

Note: Depending on capital movement motor adjustment.

- (v) Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20% of the capital stock:

Unit: thousand dollars

Name of related party	Counter-party	Relationship	Balance of receivables from related party (Note 1)	Turnover rate	Overdue amount		Amounts received in subsequent period	Allowances for bad debts
					Amount	Action taken		
Guangzhou Namchow Co.	Namchow Food Co.	Subsidiaries of the same group	157,239	12.54	-		46,900 (As of August 13, 2026)	-

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Name of related party	Counter-party	Relationship	Balance of receivables from related party (Note 1)	Turnover rate	Overdue amount		Amounts received in subsequent period	Allowances for bad debts
					Amount	Action taken		
Tianjin Namchow Co.	Namchow Food Co.	Subsidiaries of the same group	151,357	10.24	-		70,350 (As of August 13, 2026)	-
Chongqing Qiaoxing Co.	Namchow Food Co.	Subsidiaries of the same group	171,023	7.22	-		171,023 (As of August 13, 2026)	-
Namchow Food Co.	Tianjin Namchow Co.	Subsidiaries of the same group	216,575 (Note 2)	-	-		- (As of August 13, 2026)	-
Namchow Food Co.	Guangzhou Namchow Co.	Subsidiaries of the same group	596,216 (Note 2)	-	-		- (As of August 13, 2026)	-

Note 1: The transactions within the Group were eliminated in the consolidated financial statements.

Note 2: Loan to the subsidiaries.

(vi) Business relationships and significant intercompany transactions:

Unit: thousand dollars

No.	Name of company	Name of counter-party	Nature of relationship	Inter company transaction for the six months ended June 30, 2026			
				Account name	Amount (Notes 3 and 4)	Trading terms	Percentage of the total consolidated revenue or total assets
1	Tianjin Namchow	Tianjin Yoshi Yoshi	3	Sales revenue	160,951	No significant differences	1.40 %
1	Tianjin Namchow	Namchow Food	3	Sales revenue	849,311	No significant differences	7.37 %
1	Tianjin Namchow	Namchow Food	3	Accounts receivable	151,357	No significant differences	0.45 %
1	Tianjin Namchow	Chongqing Qiaoxing	3	Sales revenue	177,129	No significant differences	1.54 %
2	Guangzhou Namchow	Namchow Food	3	Sales revenue	817,191	No significant differences	7.09 %
2	Guangzhou Namchow	Namchow Food	3	Accounts receivable	157,239	No significant differences	0.47 %
2	Guangzhou Namchow	Chongqing Qiaoxing	3	Sales revenue	434,103	No significant differences	3.76 %
2	Guangzhou Namchow	Chongqing Qiaoxing	3	Accounts receivable	60,536	No significant differences	0.18 %
2	Guangzhou Namchow	Guangzhou Yoshi Yoshi	3	Sales revenue	335,384	No significant differences	2.91 %
2	Guangzhou Namchow	Guangzhou Yoshi Yoshi	3	Accounts receivable	84,620	No significant differences	0.25 %
3	Tianjin Yoshi Yoshi	Namchow Food	3	Sales revenue	223,561	No significant differences	1.94 %
3	Tianjin Yoshi Yoshi	Chongqing Qiaoxing	3	Sales revenue	113,829	No significant differences	0.99 %
4	Shanghai Namchow	Namchow Food	3	Sales revenue	1,235,253	No significant differences	10.71 %
4	Shanghai Namchow	Namchow Food	3	Advance sales receipts	150,573	No significant differences	0.45 %
4	Shanghai Namchow	Chongqing Qiaoxing	3	Sales revenue	306,413	No significant differences	2.66 %
4	Shanghai Namchow	Chongqing Qiaoxing	3	Accounts receivable	53,170	No significant differences	0.16 %
5	Guangzhou Yoshi Yoshi	Namchow Food	3	Sales revenue	401,256	No significant differences	3.48 %
5	Guangzhou Yoshi Yoshi	Namchow Food	3	Accounts receivable	77,735	No significant differences	0.23 %

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No.	Name of company	Name of counter-party	Nature of relationship	Inter company transaction for the six months ended June 30, 2026			
				Account name	Amount (Notes 3 and 4)	Trading terms	Percentage of the total consolidated revenue or total assets
5	Guangzhou Yoshi Yoshi	Chongqing Qiaoxing	3	Sales revenue	215,109	No significant differences	1.87 %
6	Chongqing Qiaoxing	Namchow Food	3	Sales revenue	1,043,518	No significant differences	9.05 %
6	Chongqing Qiaoxing	Namchow Food	3	Accounts receivable	171,023	No significant differences	0.51 %
7	Namchow Oil and Fat	Huaciang	3	Sales revenue	75,150	No significant differences	0.65 %
8	Namchow Food	Tianjin Namchow	3	Other receivables-related parties	216,575	Determined capital demand	0.64 %
8	Namchow Food	Guangzhou Namchow	3	Other receivables-related parties	596,216	Determined capital demand	1.78 %
8	Namchow Food	Shanghai Namchow	3	Other receivables-related parties	60,664	Determined capital demand	0.18 %
9	Shanghai Qiaohao Food	Shanghai Qiaohao Trading	3	Sales revenue	107,058	No significant differences	0.93 %

- Note 1: Company numbering is as follows:
- (1) Parent company - 0.
 - (2) Subsidiary starts from 1.
- Note 2: The number of the relationship with the transaction counterparty represents the following:
- (1) 1 represents downstream transactions.
 - (2) 2 represents upstream transactions.
 - (3) 3 represents sidestream transactions.
- Note 3: Disclose that the individual amount record under the assets and liabilities are greater than \$50,000 thousand; profit and loss are greater than \$50,000 thousand.
- Note 4: The transactions within the Group were eliminated in the consolidated financial statements.

(b) Information on investees:

The following is the information on investees for the six months ended June 30, 2026 (excluding information on investees in Mainland China):

Name of investor	Name of investee	Address	Scope of business	Original cost		Ending balance			Net income (losses) of investee	Investment income (losses)	Remarks
				June 30, 2026	December 31, 2025	Shares	Percentage of ownership	Book value			
The Company	Namchow Thailand	Bangkok, Thailand	Manufacturing and selling instant noodles and rice cracker	1,027,405	1,027,405	9,245	100.00 %	4,075,489	221,697	221,697	Eliminated
The Company	Mostro	Bangkok, Thailand	Manufacturing and selling food	10,201	10,201	100	100.00 %	-	-	-	Eliminated (Note 3)
The Company	Nacia	Tortola, British Virgin Islands	Holding of investments	343,443	343,443	1	100.00 %	13,861,428	(25,816)	(25,816)	Eliminated
The Company	Chow Ho	Taipei, Taiwan	Catering services, food and beverage retailing, and frozen food manufacturing	156,500	156,500	2,900	100.00 %	-	(4,314)	(4,387)	Eliminated (Note 4)
The Company	Lucky Royal	Taipei, Taiwan	Manufacturing, selling and processing various food and beverage products	482,172	482,172	48,217	60.27 %	797,981	216,501	86,057	Eliminated (Note 5)
The Company	NBP	Taipei, Taiwan	Publishing, distributing and selling printed publications	6,792	6,792	690	98.57 %	1,762	(1,030)	(1,015)	Eliminated
The Company	Nankyo Japan	Tokyo, Japan	Catering services, Bistro and wine-selling	900,269	900,269	- (Note 2)	100.00 %	81,608	(39,495)	(39,495)	Eliminated
The Company	Namchow Consulting	Taipei, Taiwan	Catering services, food and beverage retailing and other consulting	21,200	21,200	1,700	100.00 %	6,551	(2,248)	(2,248)	Eliminated
The Company	Namchow Oil and Fat	Taipei, Taiwan	Manufacturing, processing and selling of edible oil and frozen dough	411,731	411,731	41,173	100.00 %	592,011	36,752	36,548	Eliminated
The Company	Huaciang	Taipei, Taiwan	Manufacturing, processing and selling of dish and laundry liquid detergent as well as frozen food	792,341	792,341	70,000	100.00 %	638,716	(21,616)	(21,769)	Eliminated
Huaciang	Dian Shui Lou	Taipei, Taiwan	Liquor importing and retailing	20,135	20,135	13,100	100.00 %	31,710	(4,091)	(4,108)	Eliminated
Huaciang	Namchow BVI	Tortola, British Virgin Islands	Holding of investments	72,270	72,270	6,705	93.32 %	94,120	(3,811)	(3,556)	Eliminated
Nacia	Namchow Cayman	Gayman Islands British West Indies	Holding of investments	2,522,207	2,522,207	35,378	100.00 %	13,833,956	(26,687)	(26,687)	Eliminated
Namchow Food	Namchow Singapore Pte.	Singapore	The sales service of baking oil and fat product	30,517	30,517	-	82.25 %	23,150	826	679	Eliminated
Namchow Food	Namchow Hong Kong	Hong Kong	The sales service of baking oil and fat product	31,408	31,408	-	82.25 %	17,524	(3,498)	(2,877)	Eliminated
Namchow Food	Namchow Bangkok	Bangkok, Thailand	Manufacturing and selling of baking oil and fat product	95,366	95,366	-	81.43 %	3,904	(32,435)	(26,411)	Eliminated
Guangzhou Namchow	Namchow Bangkok	Bangkok, Thailand	Manufacturing and selling of baking oil and fat product	964	964	-	0.82 %	40	(32,435)	(267)	Eliminated

Note 1: Its investment gain and loss are also recognized by parent company.
Note 2: The Company holds the shares in subsidiaries Nankyo Japan Co. totaling 8 shares.
Note 3: A resolution to liquidate Mostro was passed during the shareholders' meeting held on December 23, 2024. As of June 30, 2026, Mostro is still in the process of liquidation.

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Note 4: A resolution to liquidate Chow Ho was passed during the shareholders' meeting held on May 29, 2026. As of June 30, 2026, Chow Ho is still in the process of liquidation.
Note 5: It contained \$130,488 thousand from share of profit of subsidiaries accounted for using equity method , \$(44,398) thousand from capital surplus treasury stock transactions and others (33) thousand.

- (c) Information on investment in mainland China:
- (i) The names of investees in Mainland China, the main businesses and products, and other information:

Unit: thousand dollars												
Name of investee in Mainland China	Scope of business	Issued capital	Method of investment (Note 1)	Cumulative investment (amount) from Taiwan as of January 1, 2026	Investment flow during current period		Cumulative investment (amount) from Taiwan as of June 30, 2026	Net income (losses) of investee	Direct / indirect investment holding percentage	Investment income (loss) (notes 2 and 3)	Book value as of June 30, 2026 (Note 3)	Accumulated remittance of earnings in current period
					Remittance amount	Repatriation amount						
Shanghai Qiaohao Co.	Holding of investments and international trade	1,422,178	(3)	-	-	-	-	(23,371)	100.00 %	(23,371) ((2)b.)	390,551	-
Shanghai Qiaohao Enterprise Management Co.	Business management and investment consulting	961	(3)	-	-	-	-	-	100.00 %	- ((2)b.)	938	-
Shanghai Qiaohao Food Co.	Food packaging, selling and trading of restaurant equipment and trading	925,111	(3)	-	-	-	-	(37,632)	100.00 %	(37,632) ((2)b.)	253,126	-
Tianjin Qiaohao Food Co.	Food packaging, selling and trading of restaurant equipment and trading	90,836	(3)	-	-	-	-	(216)	100.00 %	(216) ((2)b.)	9,817	-
Namchow Food Co.	Food packaging, dairy product and product purchasing management and selling	1,134,770	(3)	-	-	-	-	13,487	82.25 %	11,093 ((2)a.)	13,279,614	1,535,626
Tianjin Namchow Co.	Manufacturing and selling of edible fat	936,498	(3)	372,813	-	-	372,813	35,725	82.25 %	29,384 ((2)a.)	2,971,483	45,974
Tianjin Yoshi Yoshi Co.	Developing , manufacturing, and selling of dairy products and related services	136,840	(3)	-	-	-	-	20,362	82.25 %	16,748 ((2)a.)	1,269,209	-
Guangzhou Yoshi Yoshi Co.	Developing , manufacturing, and selling of dairy products and related services	452,150	(3)	-	-	-	-	42,934	82.25 %	35,314 ((2)a.)	905,399	-
Guangzhou Namchow Co.	Manufacturing and selling of edible fat	644,246	(3)	-	-	-	-	49,665	82.25 %	40,850 ((2)a.)	2,162,592	279,529
Shanghai Namchow Co.	Selling, developing, manufacturing and processing of fats and frozen food	1,107,453	(3)	-	-	-	-	13,418	82.25 %	11,036 ((2)a.)	1,655,676	-
Chongqing Qiaoxing Co.	Food packaging dairy product and product purchasing management and selling	94,200	(3)	-	-	-	-	111,892	82.25 %	92,032 ((2)a.)	1,007,808	-
Wuhan Qianxing CO.	The technical service of baking oil and fat product	215,250	(3)	-	-	-	-	1,539	82.25 %	1,266 ((2)a.)	195,403	-
Chongqing Namchow Co.	Manufacturing and processing of light cream and frozen dough	1,579,107	(3)	-	-	-	-	765	82.25 %	629 ((2)a.)	1,429,865	-
Shanghai Qizhi Co.	Business management and investment consulting service	4,541	(3)	-	-	-	-	(43)	100.00 %	(43) ((2)b.)	9,315	-
Bao Lai Na Co.	Multinational eateries, and the promotion, and management of self-made beers	112,018	(3)	226,649	-	-	226,649	(3,396)	93.32 %	(3,169) ((2)c.)	90,055	35,967

Note 1: The method of investment is divided into the following four categories:
(1) Remittance from third-region companies to invest in Mainland China.
(2) Through the establishment of third-region companies then investing in Mainland China.
(3) Through transferring the investment to third-region existing companies then investing in Mainland China.
(4) Other methods: EX: delegated investments.

Note 2: Amount of investment income (loss) was recognized base on:
(1) There is no investment income for the preparatory case.
(2) Investment gains and losses were based on three basic:
a. The financial statements were reviewed by an international accounting from that has a cooperative relationship with accounting firms of the Republic of China.
b. The financial statements were reviewed by the auditors of the parent company and were recognized as investment income (loss) under the equity method.
c. Others: the financial statements were not reviewed by the auditors of the parent company and were recognized as investment income (loss) under the equity method.

Note 3: The transactions within the Group were eliminated in the consolidated financial statements.

- (ii) Limitation on investment in Mainland China:

Company name	Accumulated investment amount in Mainland China as of June 30, 2026	Investment (amount) approved by Investment Commission, Ministry of Economic Affairs	Maximum investment amount set by Investment Commission, Ministry of Economic Affairs
The Company	372,813	3,783,667	7,208,763
Huaciang	72,270	72,270	381,638
Lucky Royal	154,379	194,406	1,915,837

Note: Huaciang's Board of Directors approved to acquire 93.32% shares in Namchow BVI from Lucky Royal on February 29, 2024. The acquisition price of above transaction amounted to \$ 72,270 thousand. The original investment amount which was approved by the Department of Investment Review, Ministry of Economic Affairs, R.O.C. will be cancelled upon being submitted to Department of Investment Review, Ministry of Economic Affairs, R.O.C., for reference.

- (iii) Significant transactions with investees in Mainland China: None.

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(14) Segment information

There are seven service departments of the Group which should be reported: Edible and non-edible oil department, frozen dough department, detergent department, ice cream department, food department, catering department and management and rental revenue department and other departments. The Edible and non-edible oil department provides manufacturing and selling of edible oil; frozen dough department provides manufacturing and selling of frozen dough; detergent department provides manufacturing and selling of detergent; ice cream department provides manufacturing and selling of variant ice cream; food department provides manufacturing and selling of instant noodles and rice cracker; catering department provides liquor importing and retailing and management and rental revenue department and other department provides business management and investment consulting services.

A reportable department by the Group is a strategic business unit providing different products and services. Because each strategic business unit requires different kinds of techniques and marketing tactics, it should be separately managed.

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NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES
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Information on reportable segments and reconciliation for the Group is as follows:

	<u>Edible and non-edible oil products</u>	<u>Detergent products</u>	<u>Frozen dough</u>	<u>Ice cream products</u>	<u>Foods</u>	<u>Catering</u>	<u>Management, rental revenue and others</u>	<u>Adjustments elimination</u>	<u>Total</u>
Three months ended June 30, 2026									
Revenue:									
Revenue from external customers	\$ 2,872,160	116,390	800,030	514,417	1,160,280	233,607	18,946	-	5,715,830
Inter-segment revenues	63,058	4,541	761	131	6,568	4,755	36,614	(116,428)	-
Total revenue	\$ 2,935,218	120,931	800,791	514,548	1,166,848	238,362	55,560	(116,428)	5,715,830
Reportable segment profit or loss	\$ (53,657)	(7,067)	3,576	55,517	119,360	(10,163)	(30,916)	3,424	80,074
Interest income and other income									86,496
Other gains and losses									(1,771)
Finance costs									(52,886)
Net income before tax									\$ 111,913
	<u>Edible and non-edible oil products</u>	<u>Detergent products</u>	<u>Frozen dough</u>	<u>Ice cream products</u>	<u>Foods</u>	<u>Catering</u>	<u>Management, rental revenue and others</u>	<u>Adjustments or elimination</u>	<u>Total</u>
Three months ended June 30, 2025									
Revenue:									
Revenue from external customers	\$ 2,939,977	110,896	742,338	595,090	1,132,067	226,219	21,396	-	5,767,983
Inter-segment revenues	57,330	1,329	422	299	3,287	3,832	35,862	(102,361)	-
Total revenue	\$ 2,997,307	112,225	742,760	595,389	1,135,354	230,051	57,258	(102,361)	5,767,983
Reportable segment profit or loss	\$ (72,253)	(7,461)	63,159	93,900	125,792	(9,299)	(47,339)	(4,705)	141,794
Interest income and other income									71,283
Other gains and losses									(377)
Finance costs									(49,743)
Net income before tax									\$ 162,957

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	Edible and non-edible oil products	Detergent products	Frozen dough	Ice cream products	Foods	Catering	Management, rental revenue and others	Adjustments or elimination	Total
Six months ended June 30, 2026									
Revenue:									
Revenue from external customers	\$ 6,105,022	231,107	1,505,156	838,075	2,364,330	438,537	48,966	-	11,531,193
Inter-segment revenues	<u>114,367</u>	<u>6,962</u>	<u>1,431</u>	<u>383</u>	<u>15,432</u>	<u>9,290</u>	<u>69,674</u>	<u>(217,539)</u>	<u>-</u>
Total revenue	\$ <u>6,219,389</u>	<u>238,069</u>	<u>1,506,587</u>	<u>838,458</u>	<u>2,379,762</u>	<u>447,827</u>	<u>118,640</u>	<u>(217,539)</u>	<u>11,531,193</u>
Reportable segment profit or loss	<u>\$ (90,512)</u>	<u>(15,380)</u>	<u>29,475</u>	<u>64,799</u>	<u>254,233</u>	<u>(46,290)</u>	<u>(51,694)</u>	<u>3,725</u>	148,356
Interest income and other income									210,899
Other gains and losses									83
Finance costs									(107,662)
Profit before income tax									<u><u>\$ 251,676</u></u>
	Edible and non-edible oil products	Detergent products	Frozen dough	Ice cream products	Foods	Catering	Management, rental revenue and others	Adjustments or elimination	Total
Six months ended June 30, 2025									
Revenue:									
Revenue from external customers	\$ 6,219,842	224,684	1,480,121	979,030	2,243,109	437,352	42,411	-	11,626,549
Inter-segment revenues	<u>113,894</u>	<u>5,356</u>	<u>1,090</u>	<u>577</u>	<u>3,287</u>	<u>7,725</u>	<u>68,890</u>	<u>(200,819)</u>	<u>-</u>
Total revenue	\$ <u>6,333,736</u>	<u>230,040</u>	<u>1,481,211</u>	<u>979,607</u>	<u>2,246,396</u>	<u>445,077</u>	<u>111,301</u>	<u>(200,819)</u>	<u>11,626,549</u>
Reportable segment profit or loss	<u>\$ 23,942</u>	<u>(15,365)</u>	<u>96,452</u>	<u>149,373</u>	<u>260,609</u>	<u>(39,538)</u>	<u>(100,800)</u>	<u>(7,160)</u>	367,513
Interest income and other income									202,628
Other gains and losses									4,815
Finance costs									(98,616)
Profit before income tax									<u><u>\$ 476,340</u></u>

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- (a) For the three months and six months ended June 30, 2026 and 2025, inter-segment revenues amounted to \$116,428 thousand, \$102,361 thousand, \$217,539 thousand and \$200,819 thousand, respectively, should be eliminated from total revenue.
- (b) For the three months and six months ended June 30, 2026 and 2025, share of associate income (loss) under equity method amounted to \$3,424 thousand, \$(4,705) thousand, \$3,725 thousand and \$(7,160) thousand, respectively, should be eliminated.