

momo.com Inc. and Subsidiaries

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

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The entities that are required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the year ended December 31, 2025 are all the same as those included in the consolidated financial statements of momo.com Inc. and its subsidiaries prepared in conformity with the International Financial Reporting Standard 10 “Consolidated Financial Statements”. Relevant information that should be disclosed in the consolidated financial statements of affiliates is included in the consolidated financial statements of momo Inc. and its subsidiaries. Hence, we did not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours,

momo.com Inc.

By

DANIEL TSAI
Chairman

March 4, 2026

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
momo.com Inc.

Opinion

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission (FSC) of the Republic of China (ROC).

Basis for Opinion

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

Key Audit Matters

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

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

Risk of Revenue Recognition

The Group's primary source of revenue is generated from virtual channels, including multimedia business, E-commerce portals and catalogues. Due to the nature of the Group's core sales, the Group offers a wide range of products and services to different customers; the trading quantity is rather high while each transaction is individually low in value and is highly automated through the website and related system. As a result of the Group's business model being highly relying on IT infrastructure and the fact that the Group processes, stores and transmits large amounts of data through digital and web-based environment, the risk derived from revenue recognition depends on whether the sales amount can be transferred into the IT system and recognized appropriately.

By conducting compliance tests, we obtained an understanding of the revenue recognition process and of the design and execution for relevant controls. The major audit procedures were as follows:

1. Verify the details of invoices in the system to check if the sales amount of each invoice is consistent with its shipping notice and sales order.
2. Confirm the completeness and consistency of transmission through IT system by testing the information transferred from front-end system to general ledger system, and further perform tests on whether the Daily Sales Report in the system is consistent with journal entries of revenue each day.

Other Matter

We have also audited the parent company only financial statements of momo.com Inc. as of and for the years ended December 31, 2025 and 2024 on which we have issued an unmodified report.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

The engagement partners on the audits resulting in this independent auditors' report are Pei-De Chen and Chun-Hung Chen.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 4, 2026

Notice to Readers

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

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

momo.com Inc. AND SUBSIDIARIES
**CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)**

ASSETS	2025		2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 6 and 29)	\$ 2,241,322	8	\$ 5,059,526	17
Financial assets at fair value through other comprehensive income - current (Note 8)	114	-	162	-
Accounts receivable, net (Note 9)	199,638	1	227,884	1
Accounts receivable from related parties (Note 29)	170,509	1	179,167	1
Other receivables, net (Notes 9 and 29)	2,173,028	8	2,228,535	8
Inventories (Note 10)	4,792,378	18	4,770,500	16
Prepayments (Note 29)	80,294	-	77,253	-
Other financial assets - current (Notes 11, 29, 30 and 31)	1,192,912	4	1,481,078	5
Other current assets	23,382	-	19,105	-
Right to recover products - current (Note 21)	<u>156,725</u>	<u>1</u>	<u>159,457</u>	<u>1</u>
Total current assets	<u>11,030,302</u>	<u>41</u>	<u>14,202,667</u>	<u>49</u>
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Note 7)	303,583	1	287,500	1
Financial assets at fair value through other comprehensive income - non-current (Note 8)	504,479	2	403,097	1
Investments accounted for using equity method (Notes 13 and 29)	427,996	1	515,351	2
Property, plant and equipment (Note 14)	11,034,313	41	9,396,717	32
Right-of-use assets (Notes 15 and 29)	2,436,878	9	3,258,509	11
Other intangible assets	103,501	-	100,917	-
Deferred tax assets (Note 23)	157,414	1	145,855	1
Prepayments for equipment (Note 29)	261,559	1	279,675	1
Refundable deposits (Note 29)	500,050	2	218,134	1
Net defined benefit assets - non-current (Note 19)	6,665	-	6,099	-
Other financial assets - non-current (Notes 11, 29 and 30)	<u>282,332</u>	<u>1</u>	<u>283,075</u>	<u>1</u>
Total non-current assets	<u>16,018,770</u>	<u>59</u>	<u>14,894,929</u>	<u>51</u>
TOTAL	<u>\$ 27,049,072</u>	<u>100</u>	<u>\$ 29,097,596</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Contract liabilities - current (Note 21)	\$ 169,246	1	\$ 267,664	1
Accounts payable (Note 16)	9,593,948	35	10,475,414	36
Accounts payable to related parties (Note 29)	473,300	2	432,280	1
Other payables (Notes 17 and 29)	1,576,132	5	1,681,362	5
Current tax liabilities	197,120	1	402,525	1
Lease liabilities - current (Notes 15, 26 and 29)	716,093	3	817,943	3
Refund liabilities - current (Note 21)	163,054	1	168,331	1
Other current liabilities (Note 18)	<u>2,229,543</u>	<u>8</u>	<u>1,881,801</u>	<u>7</u>
Total current liabilities	<u>15,118,436</u>	<u>56</u>	<u>16,127,320</u>	<u>55</u>
NON-CURRENT LIABILITIES				
Provisions - non-current	29,282	-	29,683	-
Deferred tax liabilities (Note 23)	6,470	-	11,773	-
Lease liabilities - non-current (Notes 15, 26 and 29)	1,751,874	7	2,467,228	9
Guarantee deposits received	<u>353,246</u>	<u>1</u>	<u>374,918</u>	<u>1</u>
Total non-current liabilities	<u>2,140,872</u>	<u>8</u>	<u>2,883,602</u>	<u>10</u>
Total liabilities	<u>17,259,308</u>	<u>64</u>	<u>19,010,922</u>	<u>65</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 20)				
Common stock	<u>2,649,753</u>	<u>10</u>	<u>2,523,574</u>	<u>9</u>
Capital surplus	<u>1,723,579</u>	<u>7</u>	<u>1,849,758</u>	<u>6</u>
Retained earnings				
Legal reserve	2,377,691	9	2,159,102	7
Special reserve	107,300	-	126,502	1
Unappropriated earnings	<u>3,013,936</u>	<u>11</u>	<u>3,451,794</u>	<u>12</u>
Total retained earnings	<u>5,498,927</u>	<u>20</u>	<u>5,737,398</u>	<u>20</u>
Other equity	<u>(166,073)</u>	<u>(1)</u>	<u>(107,300)</u>	<u>-</u>
Total equity attributable to owners of the Company	<u>9,706,186</u>	<u>36</u>	<u>10,003,430</u>	<u>35</u>
NON-CONTROLLING INTERESTS (Note 20)	<u>83,578</u>	<u>-</u>	<u>83,244</u>	<u>-</u>
Total equity	<u>9,789,764</u>	<u>36</u>	<u>10,086,674</u>	<u>35</u>
TOTAL	<u>\$ 27,049,072</u>	<u>100</u>	<u>\$ 29,097,596</u>	<u>100</u>

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

momo.com Inc. AND SUBSIDIARIES

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

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 21, 29 and 34)	\$ 108,665,921	100	\$ 112,563,635	100
OPERATING COSTS (Notes 10, 22 and 29)	<u>98,746,526</u>	<u>91</u>	<u>102,046,245</u>	<u>91</u>
GROSS PROFIT FROM OPERATIONS	<u>9,919,395</u>	<u>9</u>	<u>10,517,390</u>	<u>9</u>
OPERATING EXPENSES (Notes 9, 22 and 29)				
Marketing expenses	3,362,381	3	3,120,129	3
Administrative expenses	2,805,626	3	2,821,471	2
Research and development expenses	492,011	-	417,507	-
Expected credit loss	<u>3,759</u>	<u>-</u>	<u>2,513</u>	<u>-</u>
Total operating expenses	<u>6,663,777</u>	<u>6</u>	<u>6,361,620</u>	<u>5</u>
NET OTHER INCOME AND EXPENSES (Note 29)	<u>96,045</u>	<u>-</u>	<u>147,035</u>	<u>-</u>
OPERATING INCOME	<u>3,351,663</u>	<u>3</u>	<u>4,302,805</u>	<u>4</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income (Note 29)	104,814	-	129,640	-
Other income	1,897	-	3,015	-
Other gains and losses, net (Notes 13 and 22)	(23,088)	-	(95,011)	-
Finance costs (Note 22)	(29,687)	-	(34,731)	-
Share of loss of associates accounted for using equity method (Note 13)	<u>(2,059)</u>	<u>-</u>	<u>(4,351)</u>	<u>-</u>
Total non-operating income and expenses	<u>51,877</u>	<u>-</u>	<u>(1,438)</u>	<u>-</u>
PROFIT BEFORE INCOME TAX	3,403,540	3	4,301,367	4
INCOME TAX EXPENSE (Note 23)	<u>403,665</u>	<u>-</u>	<u>846,568</u>	<u>1</u>
NET PROFIT FOR THE YEAR	<u>2,999,875</u>	<u>3</u>	<u>3,454,799</u>	<u>3</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 13, 19, 20 and 23)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	573	-	2,071	-
Unrealized loss on investments in equity instruments at fair value through other comprehensive income	(23,657)	-	(2,577)	-

(Continued)

momo.com Inc. AND SUBSIDIARIES

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

	2025		2024	
	Amount	%	Amount	%
Share of other comprehensive loss of associates accounted for using equity method	\$ (80)	-	\$ -	-
Income tax expense related to items that will not be reclassified subsequently to profit or loss	(115)	-	(414)	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation	(42,925)	-	20,825	-
Share of other comprehensive income of associates accounted for using equity method	<u>262</u>	-	<u>980</u>	-
Other comprehensive (loss) income, net of tax	<u>(65,942)</u>	-	<u>20,885</u>	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 2,933,933</u>	<u>3</u>	<u>\$ 3,475,684</u>	<u>3</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 2,991,326	3	\$ 3,454,035	3
Non-controlling interests	<u>8,549</u>	-	<u>764</u>	-
	<u>\$ 2,999,875</u>	<u>3</u>	<u>\$ 3,454,799</u>	<u>3</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 2,932,931	3	\$ 3,474,894	3
Non-controlling interests	<u>1,002</u>	-	<u>790</u>	-
	<u>\$ 2,933,933</u>	<u>3</u>	<u>\$ 3,475,684</u>	<u>3</u>
EARNINGS PER SHARE (Note 24)				
Basic	<u>\$ 11.29</u>		<u>\$ 13.04</u>	
Diluted	<u>\$ 11.29</u>		<u>\$ 13.03</u>	

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

(Concluded)

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

	Equity Attributable to Owners of the Company					Other Equity		Total	Non-controlling Interests	Total Equity
	Common Stock	Capital Surplus	Retained Earnings		Unappropriated Earnings	Exchange Differences on Translation	Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income			
			Legal Reserve	Special Reserve						
BALANCE AT JANUARY 1, 2024	\$ 2,403,404	\$ 1,969,928	\$ 1,804,834	\$ 210,385	\$ 3,831,533	\$ (81,917)	\$ (44,585)	\$ 10,093,582	\$ 86,387	\$ 10,179,969
Distribution of 2023 earnings										
Legal reserve	-	-	354,268	-	(354,268)	-	-	-	-	-
Cash dividends	-	-	-	-	(3,557,038)	-	-	(3,557,038)	-	(3,557,038)
Reversal of special reserve	-	-	-	(83,883)	83,883	-	-	-	-	-
Issue of stock dividends from capital surplus	120,170	(120,170)	-	-	-	-	-	-	-	-
Net profit for the year ended December 31, 2024	-	-	-	-	3,454,035	-	-	3,454,035	764	3,454,799
Other comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	1,657	21,779	(2,577)	20,859	26	20,885
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	3,455,692	21,779	(2,577)	3,474,894	790	3,475,684
Difference between consideration and carrying amount of subsidiaries acquired	-	-	-	-	(8,008)	-	-	(8,008)	(2,027)	(10,035)
Cash dividends for non-controlling interests of subsidiaries	-	-	-	-	-	-	-	-	(1,906)	(1,906)
BALANCE AT DECEMBER 31, 2024	2,523,574	1,849,758	2,159,102	126,502	3,451,794	(60,138)	(47,162)	10,003,430	83,244	10,086,674
Distribution of 2024 earnings										
Legal reserve	-	-	344,768	-	(344,768)	-	-	-	-	-
Cash dividends	-	-	(126,179)	-	(3,103,996)	-	-	(3,230,175)	-	(3,230,175)
Reversal of special reserve	-	-	-	(19,202)	19,202	-	-	-	-	-
Issue of stock dividends from capital surplus	126,179	(126,179)	-	-	-	-	-	-	-	-
Net profit for the year ended December 31, 2025	-	-	-	-	2,991,326	-	-	2,991,326	8,549	2,999,875
Other comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	378	(35,116)	(23,657)	(58,395)	(7,547)	(65,942)
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	2,991,704	(35,116)	(23,657)	2,932,931	1,002	2,933,933
Cash dividends for non-controlling interests of subsidiaries	-	-	-	-	-	-	-	-	(469)	(469)
Decrease in non-controlling interests	-	-	-	-	-	-	-	-	(199)	(199)
BALANCE AT DECEMBER 31, 2025	<u>\$ 2,649,753</u>	<u>\$ 1,723,579</u>	<u>\$ 2,377,691</u>	<u>\$ 107,300</u>	<u>\$ 3,013,936</u>	<u>\$ (95,254)</u>	<u>\$ (70,819)</u>	<u>\$ 9,706,186</u>	<u>\$ 83,578</u>	<u>\$ 9,789,764</u>

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

momo.com Inc. AND SUBSIDIARIES

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

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 3,403,540	\$ 4,301,367
Adjustments for:		
Depreciation expense	1,334,672	1,309,187
Amortization expense	56,724	34,407
Expected credit loss	3,759	2,513
Gain on financial assets at fair value through profit or loss	(16,083)	-
Finance costs	29,687	34,731
Interest income	(104,814)	(129,640)
Dividend income	-	(833)
Share of loss of associates accounted for using equity method	2,059	4,351
Loss (gain) on disposal of property, plant and equipment	614	(152)
Impairment loss on non-financial assets	70,791	99,893
Others	(33,965)	(4,009)
Changes in operating assets and liabilities		
Accounts receivable	26,219	(28,260)
Accounts receivable from related parties	8,658	212,139
Other receivables	64,867	480,138
Inventories	(21,878)	(148,686)
Prepayments	(3,041)	(8,397)
Other current assets	(3,315)	(4,525)
Other financial assets	(252,359)	(390,375)
Right to recover products	2,732	9,039
Contract liabilities	(98,418)	135,753
Accounts payable	(881,466)	342,109
Accounts payable to related parties	41,020	145,554
Other payables	11,640	13,217
Provisions	(1,927)	(2,187)
Other current liabilities	347,742	637,271
Net defined benefit plans	7	(55)
Refund liabilities	(5,277)	(11,616)
Cash generated from operations	3,982,188	7,032,934
Interest received	175	169
Income tax paid	(627,000)	(957,616)
Net cash generated from operating activities	<u>3,355,363</u>	<u>6,075,487</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	(125,000)	-
Acquisition of investment accounted for using equity method	-	(206,000)
Acquisition of property, plant and equipment	(1,991,399)	(1,282,807)
Disposal of property, plant and equipment	150	684
Increase in refundable deposits	(313,923)	(47,142)
Decrease in refundable deposits	21,513	54,119

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momo.com Inc. AND SUBSIDIARIES

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

	2025	2024
Acquisition of intangible assets	\$ (38,849)	\$ (56,186)
Increase in other financial assets	(660,115)	(1,224,168)
Decrease in other financial assets	1,200,433	327,536
Increase in prepayments for equipment	(258,050)	(423,029)
Interest received	103,915	127,906
Dividends received	-	833
Net cash outflow on acquisition of e-book business	<u>-</u>	<u>(28,400)</u>
Net cash used in investing activities	<u>(2,061,325)</u>	<u>(2,756,654)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in guarantee deposits received	24,276	39,244
Decrease in guarantee deposits received	(45,948)	(49,514)
Repayment of the principal portion of lease liabilities	(833,255)	(923,432)
Cash dividends paid (including paid to non-controlling interests)	(3,230,644)	(3,558,944)
Acquisition of additional interests in subsidiary	-	(10,035)
Interest paid	(29,603)	(34,616)
Decrease in non-controlling interests	<u>(199)</u>	<u>-</u>
Net cash used in financing activities	<u>(4,115,373)</u>	<u>(4,537,297)</u>
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>3,131</u>	<u>110</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(2,818,204)</u>	<u>(1,218,354)</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>5,059,526</u>	<u>6,277,880</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 2,241,322</u>	<u>\$ 5,059,526</u>

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

(Concluded)

momo.com Inc. AND SUBSIDIARIES

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

1. ORGANIZATION AND OPERATIONS

momo.com Inc. (“momo” or the “Company”), a ROC corporation, was incorporated on September 27, 2004. The Company’s shares were listed on the ROC Over-the-Counter Securities Exchange on February 27, 2014. On December 19, 2014, the Company’s shares were shifted to be listed on the Taiwan Stock Exchange. The Company is mainly engaged in TV and radio production, radio and TV program distribution, radio and TV commercial, video program distribution, retailing, and retail sale no storefront.

The consolidated financial statements comprise the Company and its subsidiaries (collectively, the “Group”).

The consolidated financial statements are presented in the Company’s functional currency, New Taiwan dollars (NTD).

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s Board of Directors on March 4, 2026.

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

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

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

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

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

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

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

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note 1)</u>
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027 (Note 2)
IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (including the 2025 amendments to IFRS 19)	January 1, 2027
Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”	January 1, 2027

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

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

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

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

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

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

- The Group shall use operating profit or loss as the starting point when presenting cash flows from operating activities under the indirect method.

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

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS Accounting Standards as endorsed and issued into effect by the FSC.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value, and net defined benefit assets which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

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

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- 3) Level 3 inputs are unobservable inputs for an asset or liability.

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

Current assets include:

- 1) Assets held primarily for the purpose of trading;
- 2) Assets expected to be realized within 12 months after the reporting period; and
- 3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

- 1) Liabilities held primarily for the purpose of trading;
- 2) Liabilities due to be settled within 12 months after the reporting period; and

- 3) Liabilities for which the Group does not have the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

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

d. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries). Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those of the Group. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and any investment retained in the former subsidiary at its fair value at the date when control is lost and (ii) the assets (including any goodwill) and liabilities and any non-controlling interests of the former subsidiary at their carrying amounts at the date when control is lost. The Group accounts for all amounts recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required had the Group directly disposed of the related assets or liabilities.

See Note 12, Table 5 and Table 6 for detailed information of subsidiaries (including percentages of ownership and main business).

e. Foreign currencies

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

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

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

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

For the purposes of presenting consolidated financial statements, the financial statements of the Company's foreign operations (including subsidiaries and associates in other countries) that are prepared using functional currencies which are different from the currency of the Company are translated into the presentation currency - NTD, as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the year. The resulting currency translation differences are recognized in other comprehensive income (attributed to the owners of the Company and non-controlling interests as appropriate).

On the disposal of a foreign operation, all of the exchange differences accumulated in equity in respect of that operation are reclassified to profit or loss.

f. Inventories

Inventories are measured at the lower of cost or net realizable value. Inventories write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price in the ordinary course of business less the estimated costs or selling expenses. Inventories are recorded at the weighted-average cost on the balance sheet date.

g. Investments in associates

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

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

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

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

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

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

h. Property, plant and equipment

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

Property, plant and equipment in the course of construction are measured at cost less any recognized impairment loss. Cost includes professional fees. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

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

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

i. Impairment of property, plant and equipment, right-of-use assets, and intangible assets other than goodwill

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

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

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

j. Financial instruments

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

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

1) Financial assets

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

a) Measurement categories

Financial assets are classified into the following categories: Financial assets at FVTPL, financial assets at amortized cost and investments in equity instruments at FVTOCI.

i. Financial assets at FVTPL

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

Financial assets at FVTPL are subsequently measured at fair value, and any dividends, interest earned on such financial assets are recognized in other income and interest income, respectively; any remeasurement gains or losses on such financial assets are recognized in other gains or losses. Fair value is determined in the manner described in Note 28.

ii. Financial assets at amortized cost

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

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

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

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

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

iii. Investments in equity instruments at FVTOCI

On initial recognition, the Group may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity.

Dividends on these investments in equity instruments are recognized in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

b) Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses (ECLs) on financial assets at amortized cost (including accounts receivable and other receivables).

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

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

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

- i. Internal or external information shows that the debtor is unlikely to pay its creditors.
- ii. Failure to meet the obligation associated with liabilities within the credit terms.

The impairment loss of the financial assets mentioned above is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account.

c) Derecognition of financial assets

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

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. On derecognition of an investment in an equity instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Equity instruments

Equity instruments issued by the Group are classified as equity in accordance with the substance of the contractual arrangements and the definitions of an equity instrument.

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

3) Financial liabilities

a) Subsequent measurement

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

b) Derecognition of financial liabilities

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

k. Revenue recognition

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

1) Revenue from sale of goods

The Group's primary source of revenue is generated from virtual channels. Revenue from sale of goods are recognized when the goods are transferred or delivered to the customers. Advance receipts obtained before the goods are transferred or delivered to the customers are recognized as contract liabilities.

Under customer loyalty program, the Group offers mo-coins or advance receipts from prepaid bonus to customers. The transaction price is allocated to the product, mo-coins or advance receipts from prepaid bonus on a relative stand-alone selling price basis. The stand-alone selling price per mo-coins or advance receipts from prepaid bonus is estimated on the basis of the likelihood of redemption, based on past experience. The stand-alone selling price of the product sold is estimated on the basis of the retail price. Allocated transaction price is recognized as other financial liabilities as collected and will be deducted when mo-coins or advance receipts from prepaid bonus are redeemed. mo-coins or advance receipts from prepaid bonus will be recognized as revenue when they are redeemed or expired.

2) Other revenue

The Group's other revenue include commission revenue, service revenue, advertising revenue, and revenue from the rendering of services. Commission revenue is that the Group procures goods on behalf of customers as an agent. The Group recognizes commission revenue in the net amount of consideration received or receivable when goods are transferred and the Group has no further obligation to customers. Service revenue is recognized for providing platform usage and management services to customers, with the net amount recognized after the transaction is completed and settled. Advertising revenue and revenue from the rendering of services are recognized as revenue when the services are rendered.

1. Leases

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

1) The Group as lessor

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

Lease payments from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases.

2) The Group as lessee

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

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

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

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments and variable lease payments which depend on an index or a rate. The lease payments are discounted using the lessee's incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term or a change in future lease payments resulting from a change in an index or a rate used to determine those payments, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. For a lease modification that is not accounted for as a separate lease, the Group accounts for the remeasurement of the lease liability by (a) decreasing the carrying amount of the right-of-use asset of lease modifications that decreased the scope of the lease, and recognizing in profit or loss any gain or loss on the partial or full termination of the lease; (b) making a corresponding adjustment to the right-of-use asset of all other lease modifications. Lease liabilities are presented on a separate line in the consolidated balance sheets.

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

m. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

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

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

Net defined benefit assets represent the actual surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

n. Taxation

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

1) Current tax

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

According to the Income Tax Act in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

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

2) Deferred tax

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

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

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

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

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

3) Current and deferred taxes

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income; in which case, the current and deferred taxes are also recognized in other comprehensive income.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

When developing material accounting estimates, the Group considers the possible impact on relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Material Accounting Judgements

a. Significant influence over associates

As stated in Note 13, the company is the associate of the Group although the Group holds less than 20% of the voting rights. The Group has significant influence over the company along with its ultimate parent company, jointly hold a 15% equity interest in the company, and the ultimate parent company had a seat on the company's board of directors.

b. Lease terms

In determining a lease term, the Group considers all facts and circumstances that create an economic incentive to exercise or not to exercise an option, including any expected changes in facts and circumstances from the commencement date until the exercise date of the option. Main factors considered include contractual terms and conditions for the optional periods, significant leasehold improvements undertaken over the contract term, the importance of the underlying asset to the lessee's operations, etc. The lease term is reassessed if a significant change in circumstances that are within the control of the Group occurs.

c. Principal versus agent

For contracts with customers relating to the sale of goods and providing service, the Group recognizes revenue on a net basis when it satisfies its performance obligations after taking other indicators into consideration such as not being primarily responsible, and before passing the goods and service on to customers. The Group recognizes revenue on a gross basis when it satisfies its performance obligations if the transfer of the goods and service satisfies other indicators such as its being primarily responsible.

Key Sources of Estimation Uncertainty

Impairment of investments in associates

The Group immediately recognizes impairment losses on its net investment in an associate when there is an indication that the investment may be impaired and the carrying amount may not be recoverable. The Group's management evaluates the impairment based on the estimated future cash flows expected to be generated by the associate, including assumptions on the growth rate of sales. The Group also takes into consideration market conditions and industry development when evaluating the appropriateness of the relevant assumptions.

6. CASH AND CASH EQUIVALENTS

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Cash on hand and revolving funds	\$ -	\$ 3
Cash in banks	1,567,664	1,962,932
Time deposits	<u>673,658</u>	<u>3,096,591</u>
	<u>\$ 2,241,322</u>	<u>\$ 5,059,526</u>
The market rate intervals of time deposits	0.4%-2%	0.64%-2.75%

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Non-current</u>		
Financial assets mandatorily classified as at FVTPL		
Domestic unlisted stock	\$ <u>303,583</u>	\$ <u>287,500</u>

As of December 31, 2025 and 2024, the financial assets were not pledged.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Equity Instrument Investments

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Current</u>		
Foreign listed stock	\$ <u>114</u>	\$ <u>162</u>
<u>Non-current</u>		
Domestic listed stock	\$ 105,728	\$ 118,790
Domestic unlisted stock	<u>398,751</u>	<u>284,307</u>
	\$ <u>504,479</u>	\$ <u>403,097</u>

These investments in equity instruments are held for medium to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

As of December 31, 2025 and 2024, the financial assets were not pledged.

9. ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Accounts receivable</u>		
Measured at amortized cost		
Gross carrying amount	\$ 201,709	\$ 228,442
Less: Allowance for impairment loss	<u>(2,071)</u>	<u>(558)</u>
	\$ <u>199,638</u>	\$ <u>227,884</u>

(Continued)

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Other receivables</u>		
Measured at amortized cost		
Gross carrying amount	\$ 2,178,935	\$ 2,232,982
Less: Allowance for impairment loss	<u>(5,907)</u>	<u>(4,447)</u>
	<u>\$ 2,173,028</u>	<u>\$ 2,228,535</u>
		(Concluded)

Accounts receivable and other receivables mainly include sponsorship from suppliers and amounts that customers has paid through banks and logistics companies but not yet received by the Group.

The Group measures the loss allowance for accounts receivable and other receivables at an amount equal to lifetime ECLs. The ECLs on accounts receivable and other receivables are estimated using a provision matrix approach considering the past default experience and collecting experience of each debtor, an increase in the number of delayed payments in the portfolio past the average credit period, as well as the change rates of consumer price index and economic leading indicators. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision matrix does not distinguish customer segments. As a result, the expected credit loss rate is based on the number of past due days of accounts receivable and other receivables.

The Group writes off accounts receivable and other receivables when there is evidence indicating that the counterparty is in severe financial difficulty and accounts receivable and other receivables are considered uncollectible. For accounts receivable and other receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of accounts receivable and other receivables.

December 31, 2025

	Not Past Due	1 to 120 Days Past Due	121 to 365 Days Past Due	Over 365 Days Past Due	Total
Gross carrying amount	\$2,099,888	\$ 271,538	\$ 5,447	\$ 3,771	\$2,380,644
Loss allowance (Lifetime ECLs)	<u>(25)</u>	<u>(93)</u>	<u>(4,089)</u>	<u>(3,771)</u>	<u>(7,978)</u>
Amortized cost	<u>\$2,099,863</u>	<u>\$ 271,445</u>	<u>\$ 1,358</u>	<u>\$ -</u>	<u>\$2,372,666</u>

December 31, 2024

	Not Past Due	1 to 120 Days Past Due	121 to 365 Days Past Due	Over 365 Days Past Due	Total
Gross carrying amount	\$ 2,411,868	\$ 44,445	\$ 3,810	\$ 1,301	\$ 2,461,424
Loss allowance (Lifetime ECLs)	<u>(864)</u>	<u>(1,660)</u>	<u>(1,180)</u>	<u>(1,301)</u>	<u>(5,005)</u>
Amortized cost	<u>\$ 2,411,004</u>	<u>\$ 42,785</u>	<u>\$ 2,630</u>	<u>\$ -</u>	<u>\$ 2,456,419</u>

The expected credit loss rate of each period above, excluding abnormal transactions that have been recognized 100% credit loss, were as follows:

	<u>December 31</u>	
	2025	2024
Not past due and past due within 120 days	0%-7.53%	0%-4.83%
Past due over 121 days	13.06%-100%	7.66%-100%

The movements of the loss allowance of accounts receivable and other receivables were as follows:

	<u>For the Year Ended December 31</u>	
	2025	2024
Beginning balance	\$ 5,005	\$ 4,038
Add: Provision	3,759	2,513
Less: Write-off	<u>(786)</u>	<u>(1,546)</u>
Ending balance	<u>\$ 7,978</u>	<u>\$ 5,005</u>

10. INVENTORIES

	<u>December 31</u>	
	2025	2024
Merchandise	<u>\$ 4,792,378</u>	<u>\$ 4,770,500</u>

The cost of inventories recognized as cost of goods sold for the years ended December 31, 2025 and 2024 were \$93,930,262 thousand and \$97,269,790 thousand, respectively, which included inventory write-downs of \$5,647 thousand and 3,721 thousand, respectively.

11. OTHER FINANCIAL ASSETS

	<u>December 31</u>	
	2025	2024
<u>Current</u>		
Pledged time deposits and restricted deposits	\$ 65,287	\$ 65,185
Time deposits with original maturities of more than 3 months	484,993	1,025,518
Trust account	<u>642,632</u>	<u>390,375</u>
	<u>\$ 1,192,912</u>	<u>\$ 1,481,078</u>
<u>Non-current</u>		
Pledged time deposits and restricted deposits	<u>\$ 282,332</u>	<u>\$ 283,075</u>

- a. The ranges of interest rates for time deposits with original maturities of more than 3 months were approximately 0.65%-2.55% and 0.65%-3.85% per annum as of December 31, 2025 and 2024, respectively.
- b. The Group estimates the expected credit risks of the above financial assets are not significant, and all the credit risks did not increase after initial recognition.

- c. Refer to Note 30 for information relating to other financial assets pledged as security.
- d. Refer to Note 31(d) for information relating to trust account.

12. SUBSIDIARIES

a. Subsidiaries included in the consolidated financial statements

Investor	Subsidiary	Nature of Activities	% of Ownership		Note
			December 31		
			2025	2024	
momo	Fu Sheng Travel Service Co., Ltd. (FST)	Travel agent	100.00	100.00	-
momo	Fuli Insurance Agent Co., Ltd. (FI)	Comprehensive insurance agent	100.00	100.00	-
momo	Bebe Poshe International Co., Ltd. (Bebe Poshe)	Wholesale of cosmetics	-	100.00	Note 1
momo	Fu Sheng Logistics Co., Ltd. (FSL)	Logistics industry	100.00	100.00	-
momo	MFS Co., Ltd. (MFS)	Wholesaling	100.00	100.00	-
momo	Prosperous Living Co., Ltd. (Prosperous Living)	Wholesale and retail sales	73.62	73.62	-
momo	Asian Crown International Co., Ltd. (Asian Crown (BVI))	Investment	81.99	81.99	-
Asian Crown (BVI)	Fortune Kingdom Corporation (Fortune Kingdom)	Investment	100.00	100.00	-
Fortune Kingdom	Hong Kong Fubon Multimedia Technology Co., Ltd. (HK Fubon Multimedia)	Investment	100.00	100.00	-
HK Fubon Multimedia	Fubon Gehua (Beijing) Enterprise Ltd. (FGE)	Wholesaling	93.55	93.55	Note 2
momo	Honest Development Co., Ltd. (Honest Development)	Investment	100.00	100.00	-
Honest Development	Hong Kong Yue Numerous Investment Co., Ltd. (HK Yue Numerous)	E-commerce portals and investment	100.00	100.00	-
HK Yue Numerous	Shenzhen Hbo Information Advisory Co., Ltd. (Shenzhen Hbo)	Information services and investment	100.00	100.00	-

Note 1: momo acquired equity interest of Bebe Poshe's non-controlling interests in May to October in 2024, which caused the percentage of ownership interest to increase. The Board of Directors of Bebe Poshe resolved to dissolve the company on February 26, 2025, and the liquidation was completed in July 2025.

Note 2: The liquidation was completed in December 2025 and the capital was remitted to the parent company, HK Fubon Multimedia.

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

13. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

Investments in Associates

Investee Company	December 31			
	2025		2024	
	Amount	% of Ownership	Amount	% of Ownership
Global Home Shopping Co., Ltd. (GHS)	\$ 225,228	20.00	\$ 310,504	20.00
SK Biomedical INC. (SK Biomedical)	4,661	20.00	5,570	20.00
Fubon Green Power Co., Ltd. (Fubon Green Power)	<u>198,107</u>	5.00	<u>199,277</u>	5.00
	<u>\$ 427,996</u>		<u>\$ 515,351</u>	

Please refer to the consolidated statements of comprehensive income for recognition of share of both profit (loss) and other comprehensive income (loss) of associates that are not individually material.

Refer to Tables 5 and 6 for the nature of activities, principal places of business and countries of incorporation of the associates.

a. GHS

In June 2015, momo acquired 20% equity interests of GHS through its subsidiary - Honest Development.

Due to intense market competition in China, the actual operating conditions did not perform as expected. The Group carried out the impairment test on the equity investment by comparing its recoverable amount with its carrying amount. The Group calculated its recoverable amount on the basis of the value in use of the investment and estimated its present value by using the discount rate 13.58% and 13.20% as of December 31, 2025 and 2024. Based on assessment, the Group recognized impairment loss of \$70,791 thousand and \$99,893 thousand in other gains and losses for the years ended December 31, 2025 and 2024.

b. SK Biomedical

In March 2024, momo acquired 20% equity interest of SK Biomedical for a payment of \$6,000 thousand.

c. Fubon Green Power

In June 2024, momo acquired 5% equity interest of Fubon Green Power for a payment of \$200,000 thousand. Although the shareholding ratio does not reach 20%, it is evaluated by equity method due to the significant influence that momo together with its ultimate parent company, Taiwan Mobile Co., Ltd. (“TWM”), has over Fubon Green Power.

14. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Machinery	Office Equipment	Lease Improvement	Other Equipment	Property under Construction	Total
Cost								
Balance at January 1, 2024	\$ 3,659,184	\$ 1,777,404	\$ 1,953,871	\$ 213,753	\$ 418,482	\$ 218,500	\$ 2,404,903	\$ 10,646,097
Additions	-	145,929	466,600	19,659	27,566	13,006	681,104	1,353,864
Disposals	-	-	(80,539)	(5,285)	(9,096)	(2,974)	-	(97,894)
Reclassifications	-	2,339,459	217,403	-	-	20,566	(2,339,459)	237,969
Balance at December 31, 2024	<u>\$ 3,659,184</u>	<u>\$ 4,262,792</u>	<u>\$ 2,557,335</u>	<u>\$ 228,127</u>	<u>\$ 436,952</u>	<u>\$ 249,098</u>	<u>\$ 746,548</u>	<u>\$ 12,140,036</u>
Accumulated depreciation and impairment								
Balance at January 1, 2024	\$ -	\$ 460,650	\$ 1,387,975	\$ 161,281	\$ 357,827	\$ 96,993	\$ -	\$ 2,464,726
Depreciation expenses	-	60,853	218,095	29,785	28,977	38,245	-	375,955
Disposals	-	-	(80,518)	(5,285)	(9,091)	(2,468)	-	(97,362)
Balance at December 31, 2024	<u>\$ -</u>	<u>\$ 521,503</u>	<u>\$ 1,525,552</u>	<u>\$ 185,781</u>	<u>\$ 377,713</u>	<u>\$ 132,770</u>	<u>\$ -</u>	<u>\$ 2,743,319</u>
Carrying amount at December 31, 2024	<u>\$ 3,659,184</u>	<u>\$ 3,741,289</u>	<u>\$ 1,031,783</u>	<u>\$ 42,346</u>	<u>\$ 59,239</u>	<u>\$ 116,328</u>	<u>\$ 746,548</u>	<u>\$ 9,396,717</u>
Cost								
Balance at January 1, 2025	\$ 3,659,184	\$ 4,262,792	\$ 2,557,335	\$ 228,127	\$ 436,952	\$ 249,098	\$ 746,548	\$ 12,140,036
Additions	-	23,104	164,799	6,158	8,671	20,076	1,648,928	1,871,736
Disposals	-	-	(35,862)	(9,190)	(23,557)	(1,004)	-	(69,613)
Reclassifications	-	-	220,942	-	-	39,000	-	259,942
Balance at December 31, 2025	<u>\$ 3,659,184</u>	<u>\$ 4,285,896</u>	<u>\$ 2,907,214</u>	<u>\$ 225,095</u>	<u>\$ 422,066</u>	<u>\$ 307,170</u>	<u>\$ 2,395,476</u>	<u>\$ 14,202,101</u>
Accumulated depreciation and impairment								
Balance at January 1, 2025	\$ -	\$ 521,503	\$ 1,525,552	\$ 185,781	\$ 377,713	\$ 132,770	\$ -	\$ 2,743,319
Depreciation expenses	-	154,596	252,153	24,465	21,688	40,416	-	493,318
Disposals	-	-	(35,842)	(9,139)	(22,864)	(1,004)	-	(68,849)
Balance at December 31, 2025	<u>\$ -</u>	<u>\$ 676,099</u>	<u>\$ 1,741,863</u>	<u>\$ 201,107</u>	<u>\$ 376,537</u>	<u>\$ 172,182</u>	<u>\$ -</u>	<u>\$ 3,167,788</u>
Carrying amount at December 31, 2025	<u>\$ 3,659,184</u>	<u>\$ 3,609,797</u>	<u>\$ 1,165,351</u>	<u>\$ 23,988</u>	<u>\$ 45,529</u>	<u>\$ 134,988</u>	<u>\$ 2,395,476</u>	<u>\$ 11,034,313</u>

No impairment loss or reversal of impairment loss was recognized for the years ended December 31, 2025 and 2024.

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

Buildings	5-50 years
Machinery	1-15 years
Office equipment	2-10 years
Lease improvement	1-10 years
Other equipment	1-15 years

As of December 31, 2025 and 2024, the property, plant and equipment were not pledged as collateral.

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Carrying amount</u>		
Land	\$ 162	\$ 1,620
Buildings	2,435,468	3,254,532
Transportation equipment	<u>1,248</u>	<u>2,357</u>
	<u>\$ 2,436,878</u>	<u>\$ 3,258,509</u>
	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Additions to right-of-use assets	<u>\$ 80,020</u>	<u>\$ 589,884</u>
Depreciation charge for right-of-use assets		
Land	\$ 650	\$ 1,457
Buildings	839,595	930,587
Transportation equipment	1,109	1,110
Office equipment	<u>-</u>	<u>78</u>
	<u>\$ 841,354</u>	<u>\$ 933,232</u>

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

b. Lease liabilities

	December 31	
	2025	2024
<u>Carrying amount</u>		
Current	<u>\$ 716,093</u>	<u>\$ 817,943</u>
Non-current	<u>\$ 1,751,874</u>	<u>\$ 2,467,228</u>

The ranges of discount rate for lease liabilities were 0.61%-4.06% and 0.61%-1.66% per annum as of December 31, 2025 and 2024, respectively.

c. Material leasing activities and terms

The Group leases buildings for the use of offices and warehouses with lease terms of 1 to 10.1 years. The Group does not have bargain purchase options to acquire the buildings at the end of the lease terms. In addition, the Group is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessor's consent.

d. Other lease information

	For the Year Ended December 31	
	2025	2024
Expenses relating to short-term leases	<u>\$ 35,477</u>	<u>\$ 33,552</u>
Expenses relating to low-value asset leases	<u>\$ 11,714</u>	<u>\$ 20,050</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 58,011</u>	<u>\$ 67,043</u>
Total cash outflow for leases	<u>\$ 967,799</u>	<u>\$ 1,078,693</u>

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

The amounts of primary lease commitments for short-term leases for which the recognition exemption is applied (including lease commitments for short-term leases with lease terms commencing after the balance sheet dates) were both \$22,400 thousand as of December 31, 2025 and 2024.

16. ACCOUNTS PAYABLE

	December 31	
	2025	2024
Suppliers	<u>\$ 9,593,948</u>	<u>\$ 10,475,414</u>

17. OTHER PAYABLES

	December 31	
	2025	2024
Payables for salaries and bonus	\$ 641,201	\$ 638,231
Payables for business tax	124,898	138,427
Payables for pension	38,846	38,463
Payables for equipment and construction	4,510	127,223
Others	<u>766,677</u>	<u>739,018</u>
	<u>\$ 1,576,132</u>	<u>\$ 1,681,362</u>

18. OTHER CURRENT LIABILITIES

	December 31	
	2025	2024
Collection about travelling merchandise	\$ 161,657	\$ 198,650
Funds collected on behalf of merchants	582,114	338,352
Other financial liabilities	1,230,245	1,099,298
Others	<u>255,527</u>	<u>245,501</u>
	<u>\$ 2,229,543</u>	<u>\$ 1,881,801</u>

19. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

Domestic firms of the Group adopted a pension plan under the Labor Pension Act (the "LPA"), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages. The employees of the Group's subsidiaries in mainland China are members of state-managed retirement benefit plans operated by the government of the People's Republic of China. The subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

For the years ended December 31, 2025 and 2024, the pension expenses of defined contribution plans were \$148,852 thousand and \$142,857 thousand, respectively.

b. Defined benefit plans

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

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

	December 31	
	2025	2024
Present value of defined benefit obligation	\$ 12,662	\$ 11,927
Fair value of plan assets	<u>(19,327)</u>	<u>(18,026)</u>
Net defined benefit assets	<u>\$ (6,665)</u>	<u>\$ (6,099)</u>

Movements in net defined benefit assets were as follows:

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Assets
Balance at January 1, 2024	\$ 12,374	\$ (16,347)	\$ (3,973)
Net interest expense (income)	<u>170</u>	<u>(225)</u>	<u>(55)</u>
Recognized in profit or loss	<u>170</u>	<u>(225)</u>	<u>(55)</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(1,454)	(1,454)
Actuarial gain			
Changes in financial assumptions	(192)	-	(192)
Experience adjustments	<u>(425)</u>	<u>-</u>	<u>(425)</u>
Recognized in other comprehensive income	<u>(617)</u>	<u>(1,454)</u>	<u>(2,071)</u>
Balance at December 31, 2024	<u>11,927</u>	<u>(18,026)</u>	<u>(6,099)</u>
Current service cost	98	-	98
Net interest expense (income)	<u>179</u>	<u>(270)</u>	<u>(91)</u>
Recognized in profit or loss	<u>277</u>	<u>(270)</u>	<u>7</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(1,266)	(1,266)
Actuarial loss			
Experience adjustments	<u>693</u>	<u>-</u>	<u>693</u>
Recognized in other comprehensive loss (income)	<u>693</u>	<u>(1,266)</u>	<u>(573)</u>
Benefits paid	<u>(235)</u>	<u>235</u>	<u>-</u>
Balance at December 31, 2025	<u>\$ 12,662</u>	<u>\$ (19,327)</u>	<u>\$ (6,665)</u>

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

- 1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets shall not be below the interest rate for a 2-year time deposit with local banks.
- 2) Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plans' debt investments.

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

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

	<u>December 31</u>	
	2025	2024
Discount rate	1.5%	1.5%
Expected rate of salary increase	2.5%	2.5%

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

	<u>December 31</u>	
	2025	2024
Discount rate		
0.25% increase	<u>\$ (383)</u>	<u>\$ (372)</u>
0.25% decrease	<u>\$ 399</u>	<u>\$ 388</u>
Expected rate of salary increase		
0.25% increase	<u>\$ 389</u>	<u>\$ 377</u>
0.25% decrease	<u>\$ (375)</u>	<u>\$ (364)</u>

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

	<u>December 31</u>	
	2025	2024
Average duration of the defined benefit obligation	16.2 years	15.9 years

20. EQUITY

a. Common stock

As of December 31, 2025 and 2024, momo's authorized shares were 300,000 thousand shares, and issued and paid shares were 264,975 thousand shares, and 252,357 thousand shares, respectively, at par value \$10 per share.

On June 19, 2024, the Company's shareholders resolved in the shareholders' meeting to issue 12,017 thousand common shares with a par value of \$10 from capital surplus. After the issuance, the Company's paid-in capital increased to \$2,523,574 thousand. On July 17, 2024, the above transaction was approved by the Securities and Futures Bureau, FSC, and the subscription base date was determined to be August 25, 2024 by the Board of Directors.

On May 27, 2025, the Company's shareholders resolved in the shareholders' meeting to issue 12,618 thousand common shares with a par value of \$10 from capital surplus. After the issuance, the Company's paid-in capital increased to \$2,649,753 thousand. On July 16, 2025, the above transaction was approved by the Securities and Futures Bureau, FSC, and the subscription base date was determined to be August 27, 2025 by the Board of Directors.

b. Capital surplus

	December 31	
	2025	2024
Issuance of common shares	\$ 1,598,118	\$ 1,724,297
Changes in percentage of ownership interests in subsidiaries	125,291	125,291
Expired employee share options	<u>170</u>	<u>170</u>
	<u>\$ 1,723,579</u>	<u>\$ 1,849,758</u>

Under the ROC Company Act, the capital surplus generated from the excess of the issuance price over the par value of common stock may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or stock dividends up to a certain percentage of momo's paid-in capital. Changes in percentage of ownership interests in subsidiaries and expired employee share options may be used to offset a deficit.

c. Retained earnings and dividends policy

momo's Articles of Incorporation provide that, in the event that momo, according to the financial report, earns profits in a fiscal year, such profits shall first be applied to pay the applicable taxes, recover losses, set aside legal reserve pursuant to laws and regulations until the accumulated legal reserves equal momo's paid-in capital, and set aside or reverse a special reserve in accordance with the law or to satisfy the business needs of momo. The remaining balance and any unappropriated earnings of the previous fiscal years shall be distributed to the shareholders with more than 10% as dividends in accordance with resolutions of the shareholders' meetings. For information about the accrual basis of the compensation of employees and remuneration of directors and the actual appropriations, please refer to Note 22(d).

In consideration of the current status and development stage of the company, the company intends to adopt a dividend policy that seeks to best balance the operating requirements and shareholder interests. A suitable dividend distribution plan shall be drafted upon the board meeting based on the future capital budget plan of the company to assess future fund requirement, profitability, financial structure, and earnings dilution impact. The dividend distribution plan shall be submitted to be resolved by the shareholders' meeting.

Dividends are distributed in the form of stock dividends or cash dividends, of which, cash dividends shall amount to at least to 10%, in order to sustain company operations and growth while balancing the need for dividend distribution and shareholders rights.

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

Pursuant to existing regulations, momo is required to set aside an additional special reserve equivalent to the net debit balance of other equity items, such as exchange differences on the translation and unrealized valuation gain (loss) on financial assets at FVTOCI. Subsequently, any special reserve appropriated may be reversed to the extent that the net debit balance reverses and is thereafter distributed.

The appropriations of earnings for 2024 and 2023 that had been resolved by the shareholders in their meeting on May 27, 2025 and June 19, 2024, respectively, were as follows:

	For the Year Ended December 31	
	2024	2023
Legal reserve	<u>\$ 344,768</u>	<u>\$ 354,268</u>
Special reserve	<u>\$ (19,202)</u>	<u>\$ (83,883)</u>
Cash dividends	<u>\$ 3,103,996</u>	<u>\$ 3,557,038</u>
Cash dividends per share (NT\$)	\$ 12.3	\$ 14.8

The Company's shareholders had resolved in the shareholders' meeting on May 27, 2025 to issue cash dividends of \$0.5 per share, totaling \$126,179 thousand from legal reserve, and stock dividends of \$126,179 thousand from capital surplus. The Company's shareholders had resolved in the shareholders' meeting on June 19, 2024 to issue stock dividends of \$120,170 thousand from capital surplus.

The appropriation of earnings for 2025, which were proposed by the Company's Board of Directors on March 4, 2026, were as follows:

	For the Year Ended December 31, 2025
Legal reserve	<u>\$ 299,171</u>
Special reserve	<u>\$ 58,773</u>
Cash dividends	<u>\$ 2,649,753</u>
Cash dividends per share (NT\$)	\$ 10

The appropriations of earnings for 2025 will be resolved by the shareholders in their meeting to be held.

d. Other equity items

1) Exchange differences on the translation

	For the Year Ended December 31	
	2025	2024
Beginning balance	<u>\$ (60,138)</u>	<u>\$ (81,917)</u>
Recognized for the year		
Exchange differences on the translation of the financial statements of foreign operations	(35,378)	20,799
Share from associates accounted for using equity method	<u>262</u>	<u>980</u>
Other comprehensive (loss) income recognized for the year	<u>(35,116)</u>	<u>21,779</u>
Ending balance	<u>\$ (95,254)</u>	<u>\$ (60,138)</u>

- 2) Unrealized valuation gain (loss) on financial assets at fair value through other comprehensive income

	For the Year Ended December 31	
	2025	2024
Beginning balance	\$ (47,162)	\$ (44,585)
Recognized for the year		
Unrealized loss - equity instruments	(23,666)	(2,670)
Income tax effect	<u>9</u>	<u>93</u>
Other comprehensive loss recognized for the year	<u>(23,657)</u>	<u>(2,577)</u>
Ending balance	<u>\$ (70,819)</u>	<u>\$ (47,162)</u>

- e. Non-controlling interests

	For the Year Ended December 31	
	2025	2024
Beginning balance	\$ 83,244	\$ 86,387
Share in profit for the year	8,549	764
Other comprehensive (loss) income during the year		
Exchange differences on the translation of the financial statements of foreign operations	(7,547)	26
Acquisition of non-controlling interests in subsidiaries (Note 25)	-	(2,027)
Cash dividends for non-controlling interests of subsidiaries	(469)	(1,906)
Decrease in non-controlling interests	<u>(199)</u>	<u>-</u>
Ending balance	<u>\$ 83,578</u>	<u>\$ 83,244</u>

21. OPERATING REVENUE

	For the Year Ended December 31	
	2025	2024
E-commerce division	\$ 105,633,967	\$ 108,825,431
Multimedia business division	2,959,881	3,692,607
Others	<u>72,073</u>	<u>45,597</u>
	<u>\$ 108,665,921</u>	<u>\$ 112,563,635</u>

Please refer to Note 4(k) and Note 34 for the details of revenue.

Contract Information

The Group's customary business practice allows customers to return the goods within 10 days for a full refund. The rate of return is estimated on a portfolio level using the expected value method, taking into account the Group's accumulated historical experience. The refund liabilities and the related right to recover products from customers are recorded accordingly.

Revenue in the current year that was recognized from the contract liabilities balance at the beginning of the year was summarized as follows:

	For the Year Ended December 31	
	2025	2024
Sale of goods	<u>\$ 267,062</u>	<u>\$ 131,680</u>

22. PROFIT BEFORE INCOME TAX

a. Other gains and losses

	For the Year Ended December 31	
	2025	2024
Gain on financial assets at FVTPL	\$ 16,083	\$ -
Impairment loss on investments accounted for using equity method (Note 13)	(70,791)	(99,893)
Net foreign exchange gains	30,444	5,020
(Loss) gain on disposal of property, plant and equipment	(614)	152
Others	<u>1,790</u>	<u>(290)</u>
	<u>\$ (23,088)</u>	<u>\$ (95,011)</u>

b. Finance costs

	For the Year Ended December 31	
	2025	2024
Interest on lease liabilities	\$ 29,342	\$ 34,625
Others	<u>345</u>	<u>106</u>
	<u>\$ 29,687</u>	<u>\$ 34,731</u>

c. Employee benefits expense, depreciation and amortization

Function Nature	For the Year Ended December 31, 2025			For the Year Ended December 31, 2024		
	Operating Costs	Operating Expenses	Total	Operating Costs	Operating Expenses	Total
Employee benefits expense						
Salary	\$ 1,226,885	\$ 1,809,796	\$ 3,036,681	\$ 1,234,559	\$ 1,704,270	\$ 2,938,829
Insurance expense	141,851	180,013	321,864	138,327	168,562	306,889
Pension	64,832	84,027	148,859	64,024	78,778	142,802
Other employee benefits	89,711	114,338	204,049	85,519	102,869	188,388
Depreciation expenses	1,102,869	231,803	1,334,672	1,075,880	233,307	1,309,187
Amortization expenses	3,334	53,390	56,724	7,984	26,423	34,407

d. Compensation of employees and remuneration of directors

In accordance with the amendments to the Securities and Exchange Act in August 2024, the Company's shareholders resolved the amendments to the Company's Articles in the shareholders' meeting in 2025.

According to momo's Articles, if the Company earns profits in a fiscal year, such profits shall be appropriated as follows:

- 1) A maximum of 0.3% as director remuneration.

- 2) 0.1% to 1% as employee compensation, and no less than 50% of the total amount shall be reserved for non-executive employees.

However, if the Company is operating at a loss, profits shall be retained to make up the losses of preceding years.

Compensation of employees may be distributed to, including but not limited to, employees of parents or subsidiaries of the Company meeting certain specific requirements set by the Board of Directors or its authorized persons.

The Company's estimated compensation of employees (including non-executive employees) and remuneration of directors were made by applying the rates to the aforementioned regulation. The compensation of employees and the remuneration of directors for the years ended December 31, 2025 and 2024, which were approved by the Board of Directors on March 4, 2026 and February 21, 2025, respectively, were as follows:

	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
	Cash	Cash
Compensation of employees	<u>\$ 3,393</u>	<u>\$ 4,281</u>
Remuneration of directors	<u>\$ 10,179</u>	<u>\$ 12,843</u>

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

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

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

23. INCOME TAX

- a. Income tax recognized in profit or loss

Major components of income tax expense were as follows:

	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Current tax		
In respect of the current year	\$ 649,124	\$ 875,546
Adjustments for prior years	<u>(228,491)</u>	<u>4,170</u>
	<u>420,633</u>	<u>879,716</u>
Deferred tax		
In respect of the current year	<u>(16,968)</u>	<u>(33,148)</u>
Income tax expense recognized in profit or loss	<u>\$ 403,665</u>	<u>\$ 846,568</u>

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

	For the Year Ended December 31	
	2025	2024
Profit before tax	<u>\$ 3,403,540</u>	<u>\$ 4,301,367</u>
Income tax expense calculated at the statutory rate	\$ 680,708	\$ 860,273
Adjustment items in determining taxable profit	(2,124)	30,855
Deferred tax	(16,968)	(33,148)
Investment tax credits	(29,460)	(15,582)
Adjustments for prior years' tax	<u>(228,491)</u>	<u>4,170</u>
Income tax expense recognized in profit or loss	<u>\$ 403,665</u>	<u>\$ 846,568</u>

The applicable tax rate used by entities of the Group that are subject to the Income Tax Act of the Republic of China is 20%. Tax rates used by other group entities operating in other jurisdictions are based on the tax laws in those jurisdictions.

b. Income tax recognized in other comprehensive income

	For the Year Ended December 31	
	2025	2024
Deferred tax		
Unrealized valuation gain on financial assets at FVTOCI	\$ 9	\$ 93
Remeasurement of defined benefit plans	<u>(115)</u>	<u>(414)</u>
Income tax (expense) benefit recognized in other comprehensive income	<u>\$ (106)</u>	<u>\$ (321)</u>

c. Deferred tax assets and liabilities

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

For the year ended December 31, 2025

Deferred Tax Assets	Beginning Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Ending Balance
Temporary differences				
Allowance for inventory valuation loss	\$ 6,149	\$ 831	\$ -	\$ 6,980
Unrealized valuation loss on financial assets at FVTOCI	150	-	9	159
Share of loss of accounted for using equity method - foreign	99,890	9,945	-	109,835
Other financial liabilities	29,328	236	-	29,564
Others	<u>10,338</u>	<u>538</u>	<u>-</u>	<u>10,876</u>
	<u>\$ 145,855</u>	<u>\$ 11,550</u>	<u>\$ 9</u>	<u>\$ 157,414</u>

Deferred Tax Liabilities	Beginning Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Loss	Ending Balance
Temporary differences				
Defined benefit plans	\$ 1,220	\$ (2)	\$ 115	\$ 1,333
Others	<u>10,553</u>	<u>(5,416)</u>	<u>-</u>	<u>5,137</u>
	<u>\$ 11,773</u>	<u>\$ (5,418)</u>	<u>\$ 115</u>	<u>\$ 6,470</u>

For the year ended December 31, 2024

Deferred Tax Assets	Beginning Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Ending Balance
Temporary differences				
Allowance for inventory valuation loss	\$ 7,006	\$ (857)	\$ -	\$ 6,149
Unrealized valuation loss on financial assets at FVTOCI	57	-	93	150
Share of loss of accounted for using equity method - foreign	70,197	29,693	-	99,890
Other financial liabilities	34,435	(5,107)	-	29,328
Others	<u>9,810</u>	<u>528</u>	<u>-</u>	<u>10,338</u>
	<u>\$ 121,505</u>	<u>\$ 24,257</u>	<u>\$ 93</u>	<u>\$ 145,855</u>

Deferred Tax Liabilities	Beginning Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Loss	Ending Balance
Temporary differences				
Defined benefit plans	\$ 795	\$ 11	\$ 414	\$ 1,220
Others	<u>19,455</u>	<u>(8,902)</u>	<u>-</u>	<u>10,553</u>
	<u>\$ 20,250</u>	<u>\$ (8,891)</u>	<u>\$ 414</u>	<u>\$ 11,773</u>

d. Unused loss carryforwards for which no deferred tax assets have been recognized

	December 31	
	2025	2024
Loss carryforwards	\$ <u>-</u>	\$ <u>63,392</u>

The Group did not recognize the deferred tax assets because estimated income would be not enough to use the tax in the future.

e. Income tax assessments

The Group's income tax returns which have been assessed by the tax authorities were as follows:

<u>Company</u>	<u>Year</u>
momo	2022
FST	2023
FI	2023
Bebe Poshe (liquidation completed)	2023
FSL	2023
MFS	2023
Prosperous Living	2023

24. EARNINGS PER SHARE

Unit: NT\$ Per Share

	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Basic earnings per share	<u>\$ 11.29</u>	<u>\$ 13.04</u>
Diluted earnings per share	<u>\$ 11.29</u>	<u>\$ 13.03</u>

The weighted average number of shares outstanding used for the earnings per share computation was adjusted retroactively for the issuance of bonus shares on August 27, 2025. The basic and diluted earnings per share adjusted retrospectively for the year ended December 31, 2024 were as follows:

Unit: NT\$ Per Share

	Before Retrospective Adjustment	After Retrospective Adjustment
Basic earnings per share	<u>\$ 13.69</u>	<u>\$ 13.04</u>
Diluted earnings per share	<u>\$ 13.69</u>	<u>\$ 13.03</u>

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

Net Profit for the Year

	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Earnings used in the computation of basic and diluted earnings per share	<u>\$ 2,991,326</u>	<u>\$ 3,454,035</u>

Weighted Average Number of Common Shares Outstanding (In Thousands of Shares)

	For the Year Ended December 31	
	2025	2024
Weighted average number of common shares used in the computation of basic earnings per share	264,975	264,975
Effect of potentially dilutive common shares:		
Compensation of employees	<u>18</u>	<u>14</u>
Weighted average number of common shares used in the computation of diluted earnings per share	<u>264,993</u>	<u>264,989</u>

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

25. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

In May to October 2024, the Group acquired equity interests of Bebe Poshe (liquidation completed). Please refer to Note 12.

The above transactions were accounted for as equity transactions, since the Group did not cease to have control over its subsidiary.

Bebe Poshe (liquidation completed)

	For the Year Ended December 31, 2025
Consideration paid	\$ (10,035)
The proportionate share of the carrying amount of the net assets of the subsidiary transferred to non-controlling interests	<u>2,027</u>
Differences recognized from equity transactions	<u>\$ (8,008)</u>
<u>Line items adjusted for equity transactions</u>	
Unappropriated Earnings	<u>\$ (8,008)</u>

26. CASH FLOW INFORMATION

Changes in liabilities arising from financing activities:

For the year ended December 31, 2025

	Beginning Balance	Cash Flows	Non-cash Changes		Ending Balance
			New Leases	Others	
Lease liabilities	<u>\$ 3,285,171</u>	<u>\$ (862,597)</u>	<u>\$ 79,737</u>	<u>\$ (34,344)</u>	<u>\$ 2,467,967</u>

For the year ended December 31, 2024

	Beginning Balance	Cash Flows	Non-cash Changes		Ending Balance
			New Leases	Others	
Lease liabilities	<u>\$ 3,622,751</u>	<u>\$ (958,048)</u>	<u>\$ 587,818</u>	<u>\$ 32,650</u>	<u>\$ 3,285,171</u>

27. CAPITAL RISK MANAGEMENT

The Group maintains and manages its capital to optimize the balance of liabilities and equity in order to maximize shareholders' return. By periodically reviewing and measuring relative cost, risk, and rate of return to ensure profit and to maintain adequate financial ratios, the Group may adopt various financing approaches to balance its capital structure in order to meet the demands for capital expenditures such as warehouse construction, working capital, settlements of liabilities, and dividend payments, etc. in normal course of business for the future.

28. FINANCIAL INSTRUMENTS

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

Management of the Group considers that the carrying amounts of financial assets and financial liabilities in the consolidated financial statements that are not measured at fair value approximate their fair values, or their fair values cannot be reliably measured.

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

1) Fair value hierarchy

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Unlisted stock - domestic	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 303,583</u>	<u>\$ 303,583</u>
Financial assets at FVTOCI				
Investments in equity instruments				
Listed stock - foreign	\$ 114	\$ -	\$ -	\$ 114
Listed stock - domestic	105,728	-	-	105,728
Unlisted stock - domestic	<u>-</u>	<u>-</u>	<u>398,751</u>	<u>398,751</u>
	<u>\$ 105,842</u>	<u>\$ -</u>	<u>\$ 398,751</u>	<u>\$ 504,593</u>

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Unlisted stock - domestic	\$ <u> -</u>	\$ <u> -</u>	\$ <u>287,500</u>	\$ <u>287,500</u>
Financial assets at FVTOCI				
Investments in equity instruments				
Listed stock - foreign	\$ 162	\$ -	\$ -	\$ 162
Listed stock - domestic	118,790	-	-	118,790
Unlisted stock - domestic	<u> -</u>	<u> -</u>	<u>284,307</u>	<u>284,307</u>
	<u>\$ 118,952</u>	<u>\$ -</u>	<u>\$ 284,307</u>	<u>\$ 403,259</u>

There were no transfers between the fair value measurements of Levels 1 and 2 for the years ended December 31, 2025 and 2024.

2) Valuation techniques and assumption used in fair value determination

a) The fair value of financial instruments traded in active markets is based on quoted market prices (including stocks of publicly traded companies).

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

The fair values of domestic unlisted stocks were determined using the market approach, asset approach and income approach. The evaluations were referenced to the valuation of the same type of companies, the transaction prices of recent financing activities, the information of companies or estimated free cash flows to measure its fair values.

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

a) Financial assets at FVTPL - equity instruments:

	<u>For the Year Ended December 31</u>	
	2025	2024
Beginning balance	\$ 287,500	\$ 287,500
Recognized in profit or loss (gain on financial assets at FVTPL)	<u>16,083</u>	<u> -</u>
Ending balance	<u>\$ 303,583</u>	<u>\$ 287,500</u>

b) Financial assets at FVTOCI - equity instruments:

	<u>For the Year Ended December 31</u>	
	2025	2024
Beginning balance	\$ 284,307	\$ 405,306
Purchase	125,000	-
Recognized in other comprehensive loss (unrealized valuation loss on financial assets at FVTOCI)	(10,556)	(24,184)
Transfers out of Level 3 (Note)	<u> -</u>	<u>(96,815)</u>
Ending balance	<u>\$ 398,751</u>	<u>\$ 284,307</u>

Note: Because certain equity investment's quoted price (unadjusted) in active markets became available, its fair value hierarchy was transferred from Level 3 to Level 1.

c. Categories of financial instruments

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Financial assets</u>		
Financial assets at FVTPL		
Mandatorily classified as at FVTPL	\$ 303,583	\$ 287,500
Financial assets at FVTOCI		
Investments in equity instruments	504,593	403,259
Financial assets at amortized cost (Note 1)	<u>6,759,791</u>	<u>9,677,399</u>
	<u>\$ 7,567,967</u>	<u>\$ 10,368,158</u>
<u>Financial liabilities</u>		
Financial liabilities at amortized cost (Note 2)	<u>\$ 13,226,871</u>	<u>\$ 14,063,272</u>

Note 1: The balances include financial assets at amortized cost, which comprise cash and cash equivalents, accounts receivable, other receivables, other financial assets and refundable deposits.

Note 2: The balances include financial liabilities at amortized cost, which comprise accounts payable, other payables, other financial liabilities and guarantee deposits received.

d. Financial risk management objectives and policies

1) The Group is exposed to the following risks due to usage of financial instruments:

- a) Credit risk
- b) Liquidity risk
- c) Market risk

This note presents information concerning the Group's risk exposure and the Group's targets, policies and procedures to measure and manage the risks.

2) Risk management framework

a) Decision-making mechanism:

The highest decision-making authority is the Board of Directors. The Board of Directors assesses material risks in accordance with operation strategy while monitoring the overall risks and their strategy execution steadily. In addition, the Operations and Management Committee conducts periodic reviews of each business group's operating target and performance to meet the Group's guidance and budget.

b) Risk management policies:

- i. Promote a risk-management-based business model.

- ii. Establish a risk management mechanism that can effectively recognize, evaluate, supervise and control risk.
 - iii. Create a company-wide risk management structure that can limit risk to an acceptable level.
 - iv. Introduce best risk management practices and continue to seek improvements.
- c) Monitoring mechanism:

The Internal Audit Office regularly monitors and assesses the potential risks that the Group may face and use this information as a reference for drafting its annual audit plan. The Internal Audit Office should report any discrepancy to the concerned unit chief and ensure that remediation efforts are completed.

3) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty of a financial instrument fails to meet its contractual obligations, which arises principally from the Group's receivables from customers and financial instruments. The Group deals with customers with good reputation and monitors customers' credit risk and credit ratings continuously. The Group transacts with a large number of unrelated customers and, thus, credit risk is not highly concentrated.

The Group's maximum exposure to credit risk of all kinds of financial instruments is equal to the carrying amount.

4) Liquidity risk

Liquidity risk is the risk that the Group fails to meet the obligations associated with its financial liabilities that are settled by delivering cash and cash equivalents or other financial asset. The Group's approach to manage liquidity is to ensure, as far as possible, that it always has sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable loss or damage to the Group's reputation.

The Group manages and maintains sufficient level of capital to ensure the requirements of paying estimated operating expenditures, including financial obligations on each contract. The Group also monitors its bank credit facilities to ensure that the provisions of loan contracts are all complied with properly. As of December 31, 2025 and 2024, the Group had unused bank facilities of \$1,802,896 thousand and \$30,000 thousand, respectively.

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

December 31, 2025

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Lease liabilities	\$ 46,295	\$ 133,995	\$ 561,512	\$ 1,332,395	\$ 455,628

December 31, 2024

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Lease liabilities	<u>\$ 51,967</u>	<u>\$ 147,899</u>	<u>\$ 647,173</u>	<u>\$ 1,865,073</u>	<u>\$ 658,344</u>

5) Market risk

Market risk is the risk that arises from the changes in foreign exchange rates, interest rates, and prices, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable range and to optimize the return.

The Group engages in financial instrument transactions without involving any significant risk such as exchange rate risk, interest rate risk, and other price risk; therefore, the Group's market risk is insignificant.

a) Exchange rate risk

Most of the operating revenue and expenses are measured in the Group's functional currency. Overall, exchange rate risk is not significant.

For the Group's foreign currency assets and liabilities exposed to significant exchange rate risk, please refer to Note 32(a).

Sensitivity analysis

The Group was mainly exposed to the USD and RMB.

The Group's exchange rate risk comes mainly from conversion gains and losses of accounts denominated in monetary items of foreign currencies. If the NTD, when compared with the relevant foreign currencies, had appreciated or depreciated by 5% on the reporting date, profit would have (decreased) increased as follows:

	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Appreciated 5%	<u>\$ (1,841)</u>	<u>\$ (3,727)</u>
Depreciated 5%	<u>\$ 1,841</u>	<u>\$ 3,727</u>

b) Interest rate risk

The Group was exposed to interest rate risk because entities in the Group carried cash in banks, time deposits, interest receivable, other financial assets, refundable deposits, and lease liabilities at both fixed and floating interest rates.

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

	December 31	
	2025	2024
Fair value interest rate risk		
Financial assets	\$ 1,521,149	\$ 4,440,562
Financial liabilities	2,467,967	3,285,171
Cash flow interest rate risk		
Financial assets	2,377,955	2,589,798

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for non-derivative instruments at the end of the year. For floating rate assets and liabilities, the analysis was prepared assuming the amount of the assets and liabilities outstanding at the end of the year were outstanding for the whole year. A 50 basis point increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher or lower and all other variables were held constant, the Group's profit for the years ended December 31, 2025 and 2024 would have increased or decreased by \$11,890 thousand and \$12,949 thousand, respectively.

c) Other price risk

The Group was exposed to equity price risk through its investments in equity instruments. The Group supervises the equity price risk actively and manages the risk based on fair value.

Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to equity price risks at the end of the year.

If equity prices had been 5% higher or lower, the profit for the years ended December 31, 2025 and 2024 would have increased or decreased by \$15,179 thousand and \$14,375 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL, and the other comprehensive income for the years ended December 31, 2025 and 2024 would have increased or decreased by \$25,230 thousand and \$20,163 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

29. TRANSACTIONS WITH RELATED PARTIES

momo's parent is Wealth Media Technology Co., Ltd., which both held 45.01% of common stocks of momo as of December 31, 2025 and 2024. momo's ultimate parent and ultimate controlling party is TWM.

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

a. Related party name and categories

<u>Related Party Name</u>	<u>Related Party Categories</u>
TWM	Ultimate parent entity
Wealth Media Technology Co., Ltd.	Parent entity
SK Biomedical	Associates
Fubon Green Power	Associates
Taipei New Horizon Co., Ltd.	Other related party
Taiwan Fixed Network Co., Ltd.	Other related party
Taiwan Digital Service Co., Ltd.	Other related party
TFN Media Co., Ltd.	Other related party
Win TV Broadcasting Co., Ltd.	Other related party
Taiwan Teleservices & Technologies Co., Ltd.	Other related party
Yeong Jia Leh Cable TV Co., Ltd.	Other related party
Mangrove Cable TV Co., Ltd.	Other related party
Phoenix Cable TV Co., Ltd.	Other related party
Union Cable TV Co., Ltd.	Other related party
Globalview Cable TV Co., Ltd.	Other related party
FullSynergy New Retail Co., Ltd. (FSNR)	Other related party
AppWorks Ventures Co., Ltd.	Other related party
Uospace Tech Co., Ltd.	Other related party
NADA Holdings Corp.	Other related party
Mistake Entertainment Co., Ltd.	Other related party
Tropics Entertainment Co., Ltd.	Other related party
System Corporation	Other related party
Bronci Technology Inc.	Other related party
AppWorks School Co., Ltd.	Other related party
Shoei Contents Corporation	Other related party
Mepay Co., Ltd.	Other related party
EnVision Concept Co., Ltd.	Other related party
Fansta Co., Ltd.	Other related party (not a related party since the second quarter of 2024)
Concord System Management Corporation (Concord)	Other related party
System Software & Service Corporation	Other related party
Syspower Corporation	Other related party
System Fintech Corporation	Other related party
System Solutions Corporation	Other related party
E-Service Information Corporation	Other related party
Taiwan Information Service Technology Corporation	Other related party
uniXecure Technology Corporation	Other related party
Docutek Solutions, Inc.	Other related party
Top Information Technologies Corporation	Other related party
Dawning Technology Inc.	Other related party
Palsys Digital Technology Corporation	Other related party
Caresys Information, Inc.	Other related party
WeMo Corp.	Other related party
Fubon Life Insurance Co., Ltd. (Fubon Life)	Other related party
Fubon Insurance Co., Ltd. (Fubon Ins.)	Other related party
Taipei Fubon Commercial Bank Co., Ltd. (TFCB)	Other related party
Fubon Bank (China) Co., Ltd.	Other related party
Fubon Securities Co., Ltd.	Other related party

(Continued)

Related Party Name	Related Party Categories
Fubon Asset Management Co., Ltd.	Other related party
Fubon Securities Investment Services Co., Ltd.	Other related party
Fubon Financial Holding Venture Capital Co., Ltd.	Other related party
Fubon Financial Holding Co., Ltd.	Other related party
Fubon Futures Co., Ltd.	Other related party
Fubon Sports & Entertainment Co., Ltd.	Other related party
Fubon Stadium Co., Ltd.	Other related party
Fubon Property Management Co., Ltd.	Other related party
Fubon Land Development Co., Ltd.	Other related party
Fubon Real Estate Management Co., Ltd.	Other related party
Fubon Hospitality Management Co., Ltd.	Other related party
Fubon Insurance Agency Co., Ltd.	Other related party
Fu Sheng Digital Co., Ltd.	Other related party
P. League+ Co., Ltd.	Other related party
Chung Hsing Constructions Co., Ltd.	Other related party
Ming Dong Co., Ltd.	Other related party
Harvard Health Inc.	Other related party (formerly known as Fu Yi Health Management Co., Ltd., merged and dissolved in December 2025)
Chen Yun Co., Ltd.	Other related party
Chen Feng Investment Limited	Other related party
Hung Fu Investment Co., Ltd.	Other related party
Precision Health Inc.	Other related party
Cho Pharma Inc.	Other related party
kbro Co., Ltd. (kbro)	Other related party
Daanwenshan CATV Co., Ltd.	Other related party
North Taoyuan CATV Co., Ltd.	Other related party
Yangmingshan CATV Co., Ltd.	Other related party
Hsin Taipei CATV Co., Ltd.	Other related party
Chinpingtao CATV Co., Ltd.	Other related party
Hsintangcheng CATV Co., Ltd.	Other related party
Chuanlien CATV Co., Ltd.	Other related party
Chen Tao Cable TV Co., Ltd.	Other related party
Fengmeng Cable TV Co., Ltd.	Other related party
Hsinpingtao CATV Co., Ltd.	Other related party
Kuansheng CATV Co., Ltd.	Other related party
Nantien CATV Co., Ltd.	Other related party
Taiwan Win TV Media Co., Ltd.	Other related party (not a related party since the second quarter of 2024)
Fubon Cultural & Educational Foundation	Other related party
Fubon Charity Foundation	Other related party
Fubon Art Foundation	Other related party
Taiwan Mobile Foundation	Other related party
Fubon Life Art Museum Foundation	Other related party
Taipei Fubon Bank Charity Foundation	Other related party
Taipei New Horizon Management Agency	Other related party
Everbright Biofund	Other related party
NTU Alumni Ventures Co., Ltd.	Other related party
Dawin Creative Co., Ltd.	Other related party

(Concluded)

b. Operating revenue

Line Items	Related Party Categories	For the Year Ended December 31	
		2025	2024
Sales	Ultimate parent entity	\$ 318,855	\$ 293,496
	Associates	12	-
	Other related parties	<u>28,365</u>	<u>30,761</u>
		<u>\$ 347,232</u>	<u>\$ 324,257</u>

The Group renders sales service and logistics to other related parties. The transaction terms with related parties were not significantly different from those with third parties.

c. Purchases

Related Party Categories	For the Year Ended December 31	
	2025	2024
Ultimate parent entity	\$ 3,645,412	\$ 3,234,333
Associates	234	27
Other related parties	<u>1,194,484</u>	<u>564,469</u>
	<u>\$ 4,840,130</u>	<u>\$ 3,798,829</u>

The entities mentioned above provide sales, broadcast, and other services. The transaction terms with related parties were not significantly different from those with third parties.

d. Receivables from related parties

Line Items	Related Party Categories/Name	December 31	
		2025	2024
Accounts receivable	Ultimate parent entity	\$ <u>77,503</u>	\$ <u>60,309</u>
	Other related parties		
	TFCB	72,354	93,693
	Others	<u>20,652</u>	<u>25,165</u>
		<u>93,006</u>	<u>118,858</u>
		<u>\$ 170,509</u>	<u>\$ 179,167</u>
Other receivables	Ultimate parent entity	\$ 52,204	\$ 57,486
	Other related parties	<u>201,508</u>	<u>202,280</u>
		<u>\$ 253,712</u>	<u>\$ 259,766</u>

The outstanding trade receivables from related parties are unsecured, and no impairment losses were recognized after assessment.

e. Payables to related parties

Line Items	Related Party Categories	December 31	
		2025	2024
Accounts payable	Ultimate parent entity	\$ 347,544	\$ 365,625
	Associates	-	16
	Other related parties	<u>125,756</u>	<u>66,639</u>
		<u>\$ 473,300</u>	<u>\$ 432,280</u>
Other payables	Ultimate parent entity	\$ 49,829	\$ 82,012
	Other related parties	<u>26,061</u>	<u>7,354</u>
		<u>\$ 75,890</u>	<u>\$ 89,366</u>

The outstanding trade payables to related parties are unsecured.

f. Bank deposits

Line Items	Related Party Categories/Name	December 31	
		2025	2024
Cash and cash equivalents	Other related parties		
	TFCB	<u>\$ 839,001</u>	<u>\$ 960,327</u>
Other financial assets	Other related parties		
	TFCB	<u>\$ 661,125</u>	<u>\$ 460,707</u>

g. Prepayments

Related Party Category/Name	December 31	
	2025	2024
Other related parties		
Fubon Ins.	<u>\$ 20,343</u>	<u>\$ 6,353</u>

h. Acquisition of investments accounted for using equity method

For the year ended December 31, 2024

Related Party Transaction	Shares (Thousands)	Purchase Price
Contributions to Fubon Green Power's capital increase	20,000	<u>\$ 200,000</u>

i. Lease arrangements

	Related Party Categories/Name	For the Year Ended December 31	
		2025	2024
Acquisitions of right-of-use assets	Ultimate parent entity	\$ -	\$ 22,084
	Other related parties		
	Fubon Life	<u>-</u>	<u>125,747</u>
		<u>\$ -</u>	<u>\$ 147,831</u>

Line Items	Related Party Categories/Name	December 31	
		2025	2024
Lease liabilities	Ultimate parent entity	\$ -	\$ 19,943
	Other related parties		
	Fubon Life	<u>419,658</u>	<u>621,227</u>
		<u>\$ 419,658</u>	<u>\$ 641,170</u>

The leases are conducted by referring to general market prices, and all the terms and conditions conform to normal business practices.

j. Acquisition of other assets

Line Items	Related Party Category	Purchase Price	
		For the Year Ended December 31	
		2025	2024
Prepayments for equipment	Other related parties	<u>\$ 28,378</u>	<u>\$ 23,219</u>

k. Others

1) Refundable deposits

Related Party Category/Name	December 31	
	2025	2024
Other related parties		
Fubon Life	<u>\$ 365,303</u>	<u>\$ 60,322</u>

2) Operating expenses

Related Party Categories/Name	For the Year Ended December 31	
	2025	2024
Ultimate parent entity	<u>\$ 31,307</u>	<u>\$ 32,904</u>
Other related parties		
TFCB	615,525	850,496
Others	<u>119,474</u>	<u>86,996</u>
	<u>734,999</u>	<u>937,492</u>
	<u>\$ 766,306</u>	<u>\$ 970,396</u>

3) Other income and expenses

Related Party Category/Name	For the Year Ended December 31	
	2025	2024
Other related parties TFCB	\$ <u>2,625</u>	\$ <u>47,272</u>

4) Interest income

Related Party Category/Name	For the Year Ended December 31	
	2025	2024
Other related parties TFCB	\$ <u>14,249</u>	\$ <u>24,480</u>

5) mo-coins transactions

The Group sold mo-coins to related parties amounting to \$1,646,051 thousand and \$2,112,163 thousand for the years ended December 31, 2025 and 2024, respectively.

1. Compensation of key management personnel

	For the Year Ended December 31	
	2025	2024
Short-term employee benefits	\$ 145,432	\$ 127,165
Post-employment benefits	<u>2,100</u>	<u>2,055</u>
	<u>\$ 147,532</u>	<u>\$ 129,220</u>

The compensation of directors and key executives, as determined by the remuneration committee, is based on the performance of individual and market trends.

30. ASSETS PLEDGED

The following assets were provided as collateral for performance guarantee, lawsuits and purchases:

	December 31	
	2025	2024
Other financial assets - current	\$ 65,287	\$ 65,185
Other financial assets - non-current	<u>282,332</u>	<u>283,075</u>
	<u>\$ 347,619</u>	<u>\$ 348,260</u>

31. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group on the reporting date were as follows:

- a. In accordance with the Ministry of Economic Affairs' policy, momo entered into a contract with DBS Bank (Taiwan) Ltd., which provided performance guarantee for advance receipts from prepaid bonus of \$28,303 thousand, mo-coins of \$44,295 thousand, electronic tickets of \$112,843 thousand, installment delivery of \$415 thousand, and physical tickets of \$2,227 thousand as of December 31, 2025, respectively.
- b. As of December 31, 2025 and 2024, the amounts of lease commitments commencing after the balance sheet date were \$11,779,371 thousand and \$225,687 thousand, respectively.
- c. Due to the business development needs, momo's Board of Directors resolved the logistics warehouse construction and equipment procurement in Central District in January 2023. As of December 31, 2025, contract amount not yet paid for the logistics warehouse construction and equipment were \$2,977,310 thousand and \$277,143 thousand, respectively.
- d. The Group provided collection and payment services to contracted stores guaranteed through an escrow arrangement. As of December 31, 2025 and 2024, the balance of the trust account held with financial institution were \$642,632 thousand and \$390,375 thousand, respectively.

32. OTHERS

- a. Significant assets and liabilities denominated foreign currencies

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

December 31, 2025

	Foreign Currencies	Exchange Rate	Carrying Amount
<u>Foreign currency assets</u>			
Monetary items			
RMB	\$ 5,096	4.491 (RMB:NTD)	\$ 22,885
USD	479	31.375 (USD:NTD)	<u>15,026</u>
			<u>\$ 37,911</u>
<u>Foreign currency liabilities</u>			
Monetary items			
USD	35	31.375 (USD:NTD)	<u>\$ 1,084</u>

December 31, 2024

	Foreign Currencies	Exchange Rate	Carrying Amount
<u>Foreign currency assets</u>			
Monetary items			
RMB	\$ 13,153	4.478 (RMB:NTD)	\$ 58,899
USD	478	32.725 (USD:NTD)	<u>15,640</u>
			<u>\$ 74,539</u>
Non-monetary items			
Investments accounted for using equity method			
RMB	69,340	4.478 (RMB:NTD)	<u>\$ 310,504</u>

For the years ended December 31, 2025 and 2024, realized and unrealized net foreign exchange gains were \$30,444 thousand and \$5,020 thousand, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of foreign currencies transactions and functional currencies of the entities in the Group.

- b. In accordance with the amendments to the Satellite Broadcasting Act on May 18, 2022, Paragraph 2 of Article 64 describes that a broadcasting provider without using satellite business (including TV shopping) shall complete and submit an application to the regulatory agency within three years from the date of the amendment of the Act. The Company has duly completed the application process in accordance with the aforementioned regulations.

33. SEPARATELY DISCLOSED ITEMS

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

b. Information on investees. (Table 5)

c. Information on investments in mainland China:

- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the year, repatriations of investment income, and limit on the amount of investment in the mainland China area. (Table 6)
- 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, unrealized gains or losses, and other related information which is helpful to understand the impact of investment in mainland China on financial reports. (None)

34. SEGMENT INFORMATION

The Group has two reporting segments: E-commerce division and Multimedia business division.

Other segments include FST - travel agent, FI - comprehensive insurance agent, Bebe Poshe (liquidation completed) - wholesale of cosmetics, FSL - logistics industry, MFS - wholesaling, Prosperous Living - wholesale and retail sales, Asian Crown (BVI) - investment, and Honest Development - investment; for the years ended December 31, 2025 and 2024, the above segments did not exceed the quantitative threshold for separate reporting.

The Group's reporting segments provide different goods and services and require different techniques and strategies; thus, they were reported separately.

The Group has not apportioned income tax expense (benefit) or non-regular gains and losses to reporting segments. The reported amounts are the same with those used in making operating decision.

The segments' assets and liabilities are not provided to key management as reference in making decision; thus, the segments' assets and liabilities were not disclosed in the consolidated financial statements.

a. Segment revenue and results

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

	E-commerce	Multimedia Business	Others	Adjustments and Eliminations	Total
For the year ended <u>December 31, 2025</u>					
Revenue					
Non-inter-company revenue	\$ 105,633,967	\$ 2,959,881	\$ 72,073	\$ -	\$ 108,665,921
Inter-company revenue	<u>4,475</u>	<u>985</u>	<u>1,635,807</u>	<u>(1,641,267)</u>	<u>-</u>
Total revenue	<u>\$ 105,638,442</u>	<u>\$ 2,960,866</u>	<u>\$ 1,707,880</u>	<u>\$ (1,641,267)</u>	<u>\$ 108,665,921</u>
Segment profits	<u>\$ 3,239,924</u>	<u>\$ 84,048</u>	<u>\$ 24,332</u>	<u>\$ 3,359</u>	<u>\$ 3,351,663</u>
EBITDA (Note)	<u>\$ 4,453,311</u>	<u>\$ 223,585</u>	<u>\$ 63,036</u>	<u>\$ 3,127</u>	<u>\$ 4,743,059</u>

(Continued)

	E-commerce	Multimedia Business	Others	Adjustments and Eliminations	Total
For the year ended <u>December 31, 2024</u>					
Revenue					
Non-inter-company revenue	\$ 108,825,431	\$ 3,692,607	\$ 45,597	\$ -	\$ 112,563,635
Inter-company revenue	<u>2,881</u>	<u>97</u>	<u>1,600,056</u>	<u>(1,603,034)</u>	<u>-</u>
Total revenue	<u>\$ 108,828,312</u>	<u>\$ 3,692,704</u>	<u>\$ 1,645,653</u>	<u>\$ (1,603,034)</u>	<u>\$ 112,563,635</u>
Segment profits	<u>\$ 4,018,217</u>	<u>\$ 184,151</u>	<u>\$ 97,094</u>	<u>\$ 3,343</u>	<u>\$ 4,302,805</u>
EBITDA (Note)	<u>\$ 5,186,233</u>	<u>\$ 327,928</u>	<u>\$ 129,128</u>	<u>\$ 3,110</u>	<u>\$ 5,646,399</u> (Concluded)

Note: The Group's operating segment profits are measured by EBITDA, which is calculated as operating income plus depreciation and amortization expense, and used as the basis for performance evaluation.

b. Geographical information

The Group's mainly operating place and non-current assets are generated mostly located in Taiwan.

momo.com Inc. AND SUBSIDIARIES

SIGNIFICANT MARKETABLE SECURITIES HELD

DECEMBER 31, 2025

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2025				Note
				Shares (Thousands)	Carrying Amount	% of Ownership	Fair Value	
momo	<u>Domestic listed stock</u> We Can Medicines Co., Ltd.	-	Financial assets at FVTOCI - non-current	3,073	\$ 105,728	6.82	\$ 105,728	
	<u>Domestic unlisted stock</u> LINE Bank Taiwan Limited	-	Financial assets at FVTOCI - non-current	50,000	398,751	2.50	398,751	
	Gaius Automotive Inc.	-	Financial assets at FVTPL - non-current	5,750	303,583	7.07	303,583	

Note: Refer to Table 5 and Table 6 for the information on investment in subsidiaries and associates.

momo.com Inc. AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL FOR THE YEAR ENDED DECEMBER 31, 2025

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

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
momo	TWM	Ultimate parent entity	Sale	\$ 317,525	-	Based on contract terms	\$ -	-	\$ 77,267	21	
			Purchase	3,643,227	4	Based on contract terms	-	-	(347,544)	(3)	
	FSL	Subsidiary	Purchase	1,313,509	1	Based on contract terms	-	-	(266,154)	(3)	
	MFS	Subsidiary	Purchase	202,024	-	Based on contract terms	-	-	(22,932)	-	
	FSNR	Other related party	Purchase	401,523	-	Based on contract terms	-	-	(57,675)	(1)	
	Concord	Other related party	Purchase	473,738	-	Based on contract terms	-	-	(28,702)	-	
	kbro	Other related party	Purchase	100,336	-	Based on contract terms	-	-	(36,619)	-	

momo.com Inc. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL

DECEMBER 31, 2025

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

Company Name	Related Party	Relationship	Ending Balance		Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
						Amount	Actions Taken		
momo	TWM	Ultimate parent entity	Accounts receivable	\$ 77,267	12.86	\$ -	-	\$ 76,101	\$ -
			Other receivables	52,204	-	-	-	51,849	-
	TFCB	Other related party	Accounts receivable	72,354	Note	-	-	72,354	-
			Other receivables	201,367	-	-	-	201,367	-
FSL	momo	Parent entity	Accounts receivable	266,634	4.89	-	-	266,634	-

Note: It is not applicable due to the nature of the transaction.

momo.com Inc. AND SUBSIDIARIES

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

Number	Investee Company	Counterparty	Relationship (Note)	Transaction Details			% of Consolidated Total Operating Revenue or Total Assets
				Financial Statement Accounts	Amount	Payment Terms	
0	momo	FSL	1	Accounts payable	\$ 266,154	The terms of transaction are determined in accordance with mutual agreements or general business practices	0.98
				Operating costs	1,313,509		1.21
		MFS	1	Operating costs	202,024		0.19
		Prosperous Living	1	Operating costs	37,159		0.03

Note: No. 1 represents the transactions from parent entity to subsidiary.
 No. 2 represents the transactions from subsidiary to parent entity.
 No. 3 represents the transactions from subsidiary to subsidiary.

TABLE 5**momo.com Inc. AND SUBSIDIARIES****INFORMATION ON INVESTEEES****FOR THE YEAR ENDED DECEMBER 31, 2025****(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2025	December 31, 2024	Shares (Thousands)	%	Carrying Amount			
momo	FST	Taiwan	Travel agent	\$ 6,000	\$ 6,000	3,000	100.00	\$ 55,121	\$ 11,262	\$ 11,262	Note 3 Note 4
	FI	Taiwan	Comprehensive insurance agent	8,000	8,000	1,000	100.00	16,850	1,889	1,889	
	Asian Crown (BVI)	British Virgin Islands	Investment	885,285	885,285	9,735	81.99	13,018	28,041	22,992	
	Honest Development	Samoa	Investment	770,448	670,448	25,107	100.00	337,929	(72,718)	(72,718)	
	Bebe Poshe	Taiwan	Wholesale of cosmetics	-	109,000	-	-	-	(456)	(456)	
	FSL	Taiwan	Logistics industry	250,000	250,000	25,000	100.00	318,564	32,891	32,899	
	MFS	Taiwan	Wholesaling	100,000	100,000	10,000	100.00	115,089	12,072	12,072	
	Prosperous Living	Taiwan	Wholesale and retail sales	220,850	220,850	22,085	73.62	225,225	4,538	3,340	
	SK Biomedical	Taiwan	Wholesale and retail sales	6,000	6,000	600	20.00	4,661	(4,678)	(909)	
	Fubon Green Power	Taiwan	Energy technical services	200,000	200,000	20,000	5.00	198,107	(21,802)	(1,090)	
Asian Crown (BVI)	Fortune Kingdom	Samoa	Investment	1,132,789	1,132,789	11,594	100.00	11,288	28,256	Note 2	
Fortune Kingdom	HK Fubon Multimedia	Hong Kong	Investment	1,132,789	1,132,789	11,594	100.00	11,288	28,256	Note 2	
Honest Development	HK Yue Numerous	Hong Kong	E-commerce portals and investment	770,448	670,448	42,644	100.00	337,927	(72,718)	Note 2 Note 3	

Note 1: Except for SK Biomedical and Fubon Green Power, share of profit (loss) was eliminated in consolidation.

Note 2: The income (loss) of the investee was already included in the income (loss) of the investor, and it is not presented in this table.

Note 3: In August 2025, momo increased the capital of Honest Development by \$100,000 thousand in cash. Further, through Honest Development, a cash capital increase of \$100,000 thousand was made to HK Yue Numerous.

Note 4: The Board of Directors of Bebe Poshe resolved to dissolve the company on February 26, 2025, and the liquidation was completed in July 2025.

Note 5: Please refer to Table 6 for information on investments in mainland China.

momo.com Inc. AND SUBSIDIARIES

**INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2025**

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

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2025	Net Income (Loss) of Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of December 31, 2025	Accumulated Repatriation of Investment Income as of December 31, 2025	Note
					Outward	Inward							
FGE	Wholesaling	\$ -	b.	\$ 840,148 (USD 14,000) (RMB 89,267)	\$ -	\$ -	\$ 840,148 (USD 14,000) (RMB 89,267)	\$ 1	-	\$ 1	\$ -	\$ -	Note 2
Shenzhen Hbo	Information services and investment	49,401 (RMB 11,000)	b.	-	-	-	-	(71,562)	100.00	(71,562)	227,507	-	
GHS	Wholesaling	224,550 (RMB 50,000)	b.	-	-	-	-	(31,754)	20.00	(60)	225,228	60,642 (RMB 13,503)	

Accumulated Outward Remittance for Investments in Mainland China as of December 31, 2025	Investment Amounts Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA
\$1,519,697 (USD14,000, RMB89,267 and HKD168,539)	\$1,519,697 (USD14,000, RMB89,267 and HKD168,539)	\$5,873,858

Note 1: Methods of investment are as follows:

- a. Direct investment in mainland China.
- b. Indirect investment in mainland China through a subsidiary in a third place.
 - 1) FGE is HK Fubon Multimedia's subsidiary.
 - 2) Shenzhen Hbo is HK Yue Numerous' subsidiary.
 - 3) GHS is Shenzhen Hbo's associate.
- c. Others.

Note 2: The liquidation was completed in December 2025 and the capital was remitted to the parent company, HK Fubon Multimedia.

Note 3: The exchange rates on December 31, 2025 are USD1=NT\$31.375, RMB1=NT\$4.491, and HKD1=NT\$4.032.