

GOURMET MASTER CO. LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2021 (Reviewed)		December 31, 2020 (Audited)		September 30, 2020 (Reviewed)	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 5,322,784	26	\$ 4,481,694	20	\$ 4,036,955	18
Financial assets at fair value through profit or loss - current (Notes 7 and 29)	229,104	1	171,566	1	155,387	1
Financial assets at amortized cost - current (Notes 8 and 31)	1,336,727	7	1,772,223	8	1,822,179	8
Notes receivable	1,253	-	2,630	-	2,182	-
Trade receivables (Notes 9, 22 and 30)	356,637	2	268,235	1	399,505	2
Finance lease receivables (Note 10)	46,643	-	62,105	-	65,664	-
Other receivables (Note 30)	162,379	1	133,516	1	114,224	1
Current tax assets	94,530	-	78,267	1	92,277	-
Inventories (Note 11)	753,837	4	706,264	3	740,102	3
Prepayments	249,224	1	232,755	1	231,971	1
Other current assets	8,916	-	6,311	-	14,254	-
Total current assets	<u>8,562,034</u>	<u>42</u>	<u>7,915,566</u>	<u>36</u>	<u>7,674,700</u>	<u>34</u>
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current (Notes 7 and 29)	1,005	-	1,028	-	1,047	-
Financial assets at amortized cost - non-current (Note 8)	75,219	-	1,210,295	5	1,181,766	5
Investments accounted for using equity method (Note 13)	89,059	1	107,398	1	96,239	1
Property, plant and equipment (Notes 14 and 31)	5,786,245	28	6,228,618	28	6,325,235	28
Right-of-use assets (Note 15)	4,691,142	23	5,534,724	25	5,975,758	27
Investment properties (Notes 16 and 31)	191,815	1	195,188	1	195,434	1
Intangible assets	50,315	-	50,312	-	50,224	-
Deferred tax assets	200,918	1	202,461	1	175,336	1
Prepaid equipment	406,463	2	224,623	1	138,732	1
Refundable deposits	416,525	2	450,131	2	422,385	2
Finance lease receivables - non-current (Note 10)	3,133	-	55,335	-	54,057	-
Other non-current assets	1,730	-	1,584	-	1,588	-
Total non-current assets	<u>11,913,569</u>	<u>58</u>	<u>14,261,697</u>	<u>64</u>	<u>14,617,801</u>	<u>66</u>
TOTAL	<u>\$ 20,475,603</u>	<u>100</u>	<u>\$ 22,177,263</u>	<u>100</u>	<u>\$ 22,292,501</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowing (Notes 17 and 31)	\$ 338,336	2	\$ 859,903	4	\$ 989,928	4
Contract liabilities - current (Note 22)	1,400,411	7	1,428,298	6	1,544,194	7
Notes payable	899	-	899	-	1,201	-
Trade payables (Note 18)	1,363,792	7	1,424,472	6	1,435,812	6
Other payables (Notes 19 and 30)	1,268,980	6	1,299,244	6	1,319,755	6
Current tax liabilities	77,707	1	168,291	1	141,795	1
Lease liabilities - current (Note 15)	1,301,448	6	1,933,745	9	1,899,363	9
Deferred revenue - current (Note 26)	2,785	-	3,926	-	1,873	-
Other current liabilities	64,239	-	43,452	-	49,039	-
Total current liabilities	<u>5,818,597</u>	<u>29</u>	<u>7,162,230</u>	<u>32</u>	<u>7,382,960</u>	<u>33</u>
NON-CURRENT LIABILITIES						
Long-term borrowings (Notes 17 and 30)	-	-	148,509	1	151,176	1
Decommission, restoration and rehabilitation provisions	89,271	-	94,783	1	95,750	-
Deferred tax liabilities	117,560	1	90,031	-	71,160	-
Lease liabilities - non-current (Note 15)	3,526,999	17	3,816,863	17	4,193,536	19
Deferred revenue - non-current (Notes 26)	5,508	-	7,041	-	7,336	-
Guarantee deposits received	189,109	1	186,792	1	178,826	1
Total non-current liabilities	<u>3,928,447</u>	<u>19</u>	<u>4,344,019</u>	<u>20</u>	<u>4,697,784</u>	<u>21</u>
Total liabilities	<u>9,747,044</u>	<u>48</u>	<u>11,506,249</u>	<u>52</u>	<u>12,080,744</u>	<u>54</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 21)						
Capital						
Share capital	1,800,000	9	1,800,000	8	1,800,000	8
Capital surplus						
Additional paid-in capital	2,376,605	11	2,376,605	11	2,376,605	11
Retained earnings						
Legal Reserve	1,340,270	7	1,238,739	5	1,238,739	5
Special reserve	575,871	3	594,986	3	594,986	3
Unappropriated earnings	5,392,376	26	5,279,796	24	4,931,518	22
Total retained earnings	<u>7,308,517</u>	<u>36</u>	<u>7,113,521</u>	<u>32</u>	<u>6,765,243</u>	<u>30</u>
Other equity	(713,136)	(4)	(575,871)	(3)	(705,200)	(3)
Total equity attributable to owners of the Company	10,771,986	52	10,714,255	48	10,236,648	46
NON-CONTROLLING INTERESTS	<u>(43,427)</u>	<u>-</u>	<u>(43,241)</u>	<u>-</u>	<u>(24,891)</u>	<u>-</u>
Total equity	<u>10,728,559</u>	<u>52</u>	<u>10,671,014</u>	<u>48</u>	<u>10,211,757</u>	<u>46</u>
TOTAL	<u>\$ 20,475,603</u>	<u>100</u>	<u>\$ 22,177,263</u>	<u>100</u>	<u>\$ 22,292,501</u>	<u>100</u>

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

GOURMET MASTER CO. LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share) (Reviewed, Not Audited)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2021		2020		2021		2020	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Notes 22 and 36)	\$ 5,083,522	100	\$ 5,313,382	100	\$ 14,836,110	100	\$ 14,435,754	100
OPERATING COSTS (Notes 11 and 23)	<u>(2,079,348)</u>	<u>(41)</u>	<u>(2,115,940)</u>	<u>(40)</u>	<u>(6,035,803)</u>	<u>(41)</u>	<u>(5,860,213)</u>	<u>(41)</u>
GROSS PROFIT	<u>3,004,174</u>	<u>59</u>	<u>3,197,442</u>	<u>60</u>	<u>8,800,307</u>	<u>59</u>	<u>8,575,541</u>	<u>59</u>
OPERATING EXPENSES (Note 23)								
Selling and marketing expenses	(2,379,374)	(47)	(2,348,971)	(44)	(6,953,725)	(47)	(6,835,029)	(47)
General and administrative expenses	(249,671)	(5)	(247,841)	(5)	(724,013)	(5)	(686,972)	(5)
Research and development expenses	(8,880)	-	(7,654)	-	(29,181)	-	(23,535)	-
Expected credit loss (Note 9 and 10)	<u>(115)</u>	<u>-</u>	<u>(2,246)</u>	<u>-</u>	<u>922</u>	<u>-</u>	<u>(11,868)</u>	<u>-</u>
Total operating expenses	<u>(2,638,040)</u>	<u>(52)</u>	<u>(2,606,712)</u>	<u>(49)</u>	<u>(7,705,997)</u>	<u>(52)</u>	<u>(7,557,404)</u>	<u>(52)</u>
PROFIT FROM OPERATIONS	<u>366,134</u>	<u>7</u>	<u>590,730</u>	<u>11</u>	<u>1,094,310</u>	<u>7</u>	<u>1,018,137</u>	<u>7</u>
NON-OPERATING INCOME AND EXPENSES (Notes 23, 26 and 30)								
Interest income	33,726	-	31,937	1	107,433	1	105,369	1
Other income	35,292	1	29,529	1	277,117	2	107,691	1
Other gains and losses	(13,928)	-	(39,559)	(1)	(78,089)	(1)	(135,785)	(1)
Finance costs	(43,703)	(1)	(59,112)	(1)	(143,164)	(1)	(186,191)	(1)
Share of profit of associates and joint ventures	<u>(2,317)</u>	<u>-</u>	<u>5,195</u>	<u>-</u>	<u>(3,616)</u>	<u>-</u>	<u>9,556</u>	<u>-</u>
Total non-operating income and expenses	<u>9,070</u>	<u>-</u>	<u>(32,010)</u>	<u>-</u>	<u>159,681</u>	<u>1</u>	<u>(99,360)</u>	<u>-</u>
PROFIT BEFORE INCOME TAX	375,204	7	558,720	11	1,253,991	8	918,777	7
INCOME TAX EXPENSE (Note 24)	<u>(110,939)</u>	<u>(2)</u>	<u>(159,049)</u>	<u>(3)</u>	<u>(338,082)</u>	<u>(2)</u>	<u>(256,267)</u>	<u>(2)</u>
NET PROFIT FOR THE PERIOD	<u>264,265</u>	<u>5</u>	<u>399,671</u>	<u>8</u>	<u>915,909</u>	<u>6</u>	<u>662,510</u>	<u>5</u>
OTHER COMPREHENSIVE INCOME (LOSS)								
Items that will not be reclassified subsequently to profit or loss:								
Exchange differences arising on translation to the presentation currency	(9,258)	-	180,718	3	(180,901)	(1)	(90,383)	(1)
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating the financial statements of foreign operations	<u>16,665</u>	<u>-</u>	<u>(102,934)</u>	<u>(2)</u>	<u>50,547</u>	<u>-</u>	<u>(19,717)</u>	<u>-</u>

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GOURMET MASTER CO. LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share) (Reviewed, Not Audited)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2021		2020		2021		2020	
	Amount	%	Amount	%	Amount	%	Amount	%
Other comprehensive income (loss) for the period, net of income tax	<u>7,407</u>	<u>-</u>	<u>77,784</u>	<u>1</u>	<u>(130,354)</u>	<u>(1)</u>	<u>(110,100)</u>	<u>(1)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 271,672</u>	<u>5</u>	<u>\$ 477,455</u>	<u>9</u>	<u>\$ 785,555</u>	<u>5</u>	<u>\$ 552,410</u>	<u>4</u>
NET PROFIT (LOSS) ATTRIBUTABLE TO:								
Owners of the Company	\$ 267,318	5	\$ 393,475	8	\$ 914,996	6	\$ 667,036	5
Non-controlling interests	<u>(3,053)</u>	<u>-</u>	<u>6,196</u>	<u>-</u>	<u>913</u>	<u>-</u>	<u>(4,526)</u>	<u>-</u>
	<u>\$ 264,265</u>	<u>5</u>	<u>\$ 399,671</u>	<u>8</u>	<u>\$ 915,909</u>	<u>6</u>	<u>\$ 662,510</u>	<u>5</u>
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:								
Owners of the Company	\$ 271,011	5	\$ 471,533	9	\$ 777,731	5	\$ 556,822	4
Non-controlling interests	<u>661</u>	<u>-</u>	<u>5,922</u>	<u>-</u>	<u>7,824</u>	<u>-</u>	<u>(4,412)</u>	<u>-</u>
	<u>\$ 271,672</u>	<u>5</u>	<u>\$ 477,455</u>	<u>9</u>	<u>\$ 785,555</u>	<u>5</u>	<u>\$ 552,410</u>	<u>4</u>
EARNINGS PER SHARE (Note 25)								
Basic	<u>\$ 1.49</u>		<u>\$ 2.19</u>		<u>\$ 5.08</u>		<u>\$ 3.71</u>	

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

(Concluded)

GOURMET MASTER CO. LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	Equity Attributable to Owners of the Company							Total	Non-controlling Interests	Total Equity
	Shares (Thousand)	Share Capital	Capital Surplus	Retained Earnings		Unappropriated Earnings	Other Equity Exchange Differences on Translating Foreign Operations			
				Legal Reserve	Special Reserve					
BALANCE AT JANUARY 1, 2020	180,000	\$ 1,800,000	\$ 2,376,605	\$ 1,145,453	\$ 317,687	\$ 5,175,067	\$ (594,986)	\$ 10,219,826	\$ (3,510)	\$ 10,216,316
Appropriation of 2019 earning										
Legal reserve	-	-	-	93,286	-	(93,286)	-	-	-	-
Special reserve	-	-	-	-	277,299	(277,299)	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(540,000)	-	(540,000)	-	(540,000)
Cash dividends distributed by non-controlling	-	-	-	-	-	-	-	-	(16,969)	(16,969)
Net profit for the nine months ended September 30, 2020	-	-	-	-	-	667,036	-	667,036	(4,526)	662,510
Other comprehensive income (loss) for the nine months ended September 30, 2020, net of income tax	-	-	-	-	-	-	(110,214)	(110,214)	114	(110,100)
Total comprehensive income for the nine months ended September 30, 2020	-	-	-	-	-	667,036	(110,214)	556,822	(4,412)	552,410
BALANCE AT SEPTEMBER 30, 2020	180,000	\$ 1,800,000	\$ 2,376,605	\$ 1,238,739	\$ 594,986	\$ 4,931,518	\$ (705,200)	\$ 10,236,648	\$ (24,891)	\$ 10,211,757
BALANCE AT JANUARY 1, 2021	180,000	\$ 1,800,000	\$ 2,376,605	\$ 1,238,739	\$ 594,986	\$ 5,279,796	\$ (575,871)	\$ 10,714,255	\$ (43,241)	\$ 10,671,014
Appropriation of 2020 earning										
Legal Reserve	-	-	-	101,531	-	(101,531)	-	-	-	-
Special reserve	-	-	-	-	(19,115)	19,115	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(720,000)	-	(720,000)	-	(720,000)
Cash dividends distributed by non-controlling	-	-	-	-	-	-	-	-	(8,010)	(8,010)
Net profit for the nine months ended September 30, 2021	-	-	-	-	-	914,996	-	914,996	913	915,909
Other comprehensive income (loss) for the nine months ended September 30, 2021, net of income tax	-	-	-	-	-	-	(137,265)	(137,265)	6,911	(130,354)
Total comprehensive income for the nine months ended September 30, 2021	-	-	-	-	-	914,996	(137,265)	777,731	7,824	785,555
BALANCE AT SEPTEMBER 30, 2021	180,000	\$ 1,800,000	\$ 2,376,605	\$ 1,340,270	\$ 575,871	\$ 5,392,376	\$ (713,136)	\$ 10,771,986	\$ (43,427)	\$ 10,728,559

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

GOURMET MASTER CO. LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Nine Months Ended September 30	
	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 1,253,991	\$ 918,777
Adjustments for:		
Depreciation expenses	2,090,503	2,386,127
Amortization expenses	11,736	14,229
Expected credit loss (reversed) recognized on trade receivables	(922)	11,868
Net loss (gain) on fair value change of financial assets at fair value through profit or loss	(57,538)	2,166
Finance Costs	143,164	186,191
Interest income	(107,433)	(105,369)
Dividend income	(7,920)	(7,263)
Share of profit of associates and joint ventures	3,616	(9,556)
Loss on disposal of property, plant and equipment	88,277	59,583
Impairment loss of non-financial assets	8,048	14,135
Government grants	(1,533)	(1,635)
Deduction on lease expense	-	(71,812)
Changes in operating assets and liabilities		
Notes receivable	1,377	1,316
Trade receivables	(81,739)	(111,373)
Other receivables	(6,338)	6,338
Inventories	(47,290)	28,600
Prepayments	(16,469)	(17,777)
Other current assets	(2,605)	(4,287)
Other operating assets	(146)	(540)
Contract liabilities	(27,887)	40,842
Notes payable	-	589
Trade payables	(60,680)	(112,288)
Other payables	(29,969)	(93,791)
Provisions	(5,512)	(2,305)
Other current liabilities	<u>19,646</u>	<u>11,986</u>
Cash generated from operations	3,166,377	3,144,751
Interest paid	(143,255)	(186,165)
Income taxes paid	<u>(415,857)</u>	<u>(395,890)</u>
Net cash generated from operating activities	<u>2,607,265</u>	<u>2,562,696</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of financial assets at fair value through profit or loss	-	472,024
Financial assets at amortized cost	-	(487,841)
Proceeds from sale of financial assets at amortized cost	1,570,572	-

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GOURMET MASTER CO. LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Nine Months Ended September 30	
	2021	2020
Purchase of long-term investments accounted for using the equity method	-	(299)
Payments for property, plant and equipment	(502,053)	(1,074,664)
Proceeds from disposal of property, plant and equipment	10,267	3,667
Decrease in refundable deposits	33,606	26,277
Payments for intangible assets	(12,628)	(25,037)
Decrease in finance lease receivables	60,301	66,619
Increase in prepayments for equipment	(181,840)	-
Interest received	82,219	82,831
Dividends received from associates	14,723	8,815
Dividend received from others	<u>7,920</u>	<u>7,263</u>
Net cash generated from (used in) investing activities	<u>1,083,087</u>	<u>(920,345)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	-	593,204
Repayments of short-term borrowings	(521,567)	-
Repayments of long-term borrowings	(148,509)	-
Proceeds from guarantee deposits received	2,317	6,414
Repayment of the principal portion of lease liabilities	(1,507,784)	(1,441,226)
Dividends paid to owners of the Company	(720,000)	(540,000)
Dividends paid to non-controlling interests	<u>(8,010)</u>	<u>(16,969)</u>
Net cash used in financing activities	<u>(2,903,553)</u>	<u>(1,398,577)</u>
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES		
	<u>54,291</u>	<u>(36,107)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	841,090	207,667
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		
	<u>4,481,694</u>	<u>3,829,288</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 5,322,784</u>	<u>\$ 4,036,955</u>

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

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