WORLD GYM CORPORATION (FORMERLY WORLD FITNESS SERVICES LTD.) AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND

INDEPENDENT AUDITORS' REPORT

JUNE 30, 2025 AND 2024

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

WORLD GYM CORPORATION (FORMERLY WORLD FITNESS SERVICES LTD.)

AND SUBSIDIARIES

JUNE 30, 2025 AND 2024 CONSOLIDATED FINANCIAL STATEMENTS AND

INDEPENDENT AUDITORS' REPORT

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INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

PWCR25001552

To the Board of Directors and Shareholders of World Gym Corporation

Opinion

We have audited the accompanying consolidated balance sheets of World Gym Corporation and subsidiaries (the "Group") as at June 30, 2025 and 2024, and the related consolidated statements of comprehensive income for the three-month and six-month periods then ended, as well as the statements of changes in equity and of cash flows for the six-month periods then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at June 30, 2025 and 2024, and its consolidated financial performance for the three-month and six-month periods then ended, and its consolidated cash flows for the six-month periods then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards and International Accounting Standard 34, "Interim Financial Reporting" that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagement of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with Norm of Professional Ethics for Certified Public Accountant of the Republic of China,

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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 of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's consolidated financial statements of the current period are stated as follows:

Revenue recognition of the professional coaching course services

Description

For the accounting policy of sales revenue recognition, please refer to Note 4(4). Contract liabilities of the professional coaching course services amounted to $2,041,930 thousand (including contract liabilities that have expired and not yet expired) as at June 30, 2025; revenue of the professional coaching course services amounted to $2,618,539 thousand for the six-month period then ended. Revenue is recognised for the coaching course with which contract has expired and the course has not been completed based on the evaluation report of the amortisation period of unfinished courses issued by external experts based on the past service experience.

The assumptions of the evaluation report are critical accounting estimates and the calculation of sales revenue is complex. Therefore, we included revenue recognition of the professional coaching course services (those recognised based on the evaluation report) as one of the key areas of focus for this audit.

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How our audit addressed the matter

The procedures that we have conducted in response to the above key audit matter are summarized as follows:

A. We evaluated the professional qualification, competency and independence of the independent actuaries engaged by the management.
B. We understood and sample-tested the accuracy and completeness of the data used by management in the evaluation report.
C. We compared the methodologies and significant assumptions, including the number of days and usage percentage for the completion of the course which contract has expired, with specific historical data of the Group in order to assess the reasonableness of management's judgments.
D. We obtained an understanding, evaluated, and verified the effectiveness of managements' control of revenue recognition, including reviewing contract terms and amount, confirming the period for rendering of services and selecting courses to verify the status of execution.
E. We performed testing, on a sampling basis, revenue recognised in accordance with the evaluation report for contract liabilities that have expired.

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 International Accounting Standard 34, "Interim Financial Reporting" that came into effect as endorsed by the Financial Supervisory Commission, 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,

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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 are responsible for overseeing the Group's financial reporting process.

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and 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 auditor's 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 auditor's 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 appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with 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 of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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.

Lai, Chih-Wei	Hsu, Chien-Yeh

For and on behalf of PricewaterhouseCoopers, Taiwan
August 26, 2025

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.
As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

WORLD GYM CORPORATION (FORMERLY WORLD FITNESS SERVICES LTD.) AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2025, DECEMBER 31, 2024 AND JUNE 30, 2024
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	June 30, 2025 AMOUNT	%	(adjusted) December 31, 2024 AMOUNT	%	June 30, 2024 AMOUNT	%
	Current assets							
1100	Cash and cash equivalents	6(1) and 12(2)	$ 819,706	4	$ 569,661	3	$ 1,198,613	7
1136	Current financial assets at amortised cost	6(2) and 12(2)	636,076	4	599,229	4	529,102	3
1170	Accounts receivable, net	6(3) and 12(2)	192,066	1	67,657	-	166,829	1
1197	Finance lease receivable, net	6(3)(7) and 12(2)	22,558	-	22,283	-	21,879	-
1200	Other receivables	12(2)	6,147	-	6,360	-	4,866	-
1210	Other receivables - related parties	7(2) and 12(2)	185	-	139	-	281	-
130X	Inventories		24,060	-	21,693	-	18,570	-
1410	Prepayments		123,116	1	119,440	1	127,173	1
1470	Other current assets		4,512	-	3,734	-	1,186	-
11XX	**Current Assets**		1,828,426	10	1,410,196	8	2,068,499	12
	Non-current assets							
1535	Non-current financial assets at amortised cost	6(2) and 12(2)	20,212	-	20,194	-	14,194	-
1550	Investments accounted for under equity method	6(4)	3,749	-	7,589	-	10,054	-
1600	Property, plant and equipment, net	6(5)	6,157,511	33	6,031,715	35	5,555,014	32
1755	Right-of-use assets	6(6)	9,497,261	51	8,733,562	50	9,031,200	51
1780	Intangible assets	6(8)	441,712	2	446,631	3	127,213	1
1840	Deferred income tax assets		177,298	1	149,671	1	164,080	1
1920	Guarantee deposits paid	12(2)	424,112	2	422,043	2	424,786	2
194D	Long-term finance lease receivable, net	6(3)(7) and 12(2)	110,855	1	122,186	1	133,413	1
15XX	**Non-current assets**		16,832,710	90	15,933,591	92	15,459,954	88
1XXX	**Total assets**		$ 18,661,136	100	$ 17,343,787	100	$ 17,528,453	100

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WORLD GYM CORPORATION (FORMERLY WORLD FITNESS SERVICES LTD.) AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2025, DECEMBER 31, 2024 AND JUNE 30, 2024
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	June 30, 2025 AMOUNT	%	(adjusted) December 31, 2024 AMOUNT	%	June 30, 2024 AMOUNT	%
	Current liabilities							
2100	Short-term borrowings	6(9) and 12(2)	$ 799,900	4	$ 399,900	2	$ 399,900	2
2130	Current contract liabilities	6(19)	2,336,030	12	2,170,518	13	1,995,819	12
2150	Notes payable	12(2)	1,572	-	3,177	-	4,194	-
2170	Accounts payable	12(2)	1,107	-	743	-	376	-
2200	Other payables	6(10) and 12(2)	1,232,912	7	1,278,373	7	1,121,690	7
2220	Other payables to related parties	7(2) and 12(2)	25	-	40	-	26	-
2230	Current income tax liabilities		59,456	-	24,117	-	54,003	-
2280	Current lease liabilities	6(29) and 12(2)	1,278,067	7	1,218,602	7	1,263,125	7
2320	Long-term borrowings, current portion	6(11) and 12(2)	120,000	1	60,000	-	65,000	-
2399	Other current liabilities	6(12) and 12(2)	116,558	1	120,220	1	114,411	1
21XX	**Current Liabilities**		5,945,627	32	5,275,690	30	5,018,544	29
	Non-current liabilities							
2527	Non-current contract liabilities	6(19)	594,317	3	569,087	3	525,370	3
2540	Long-term borrowings	6(11) and 12(2)	300,000	2	90,000	1	120,000	1
2550	Provisions for liabilities - non-current	6(15)	188,000	1	176,000	1	160,000	1
2570	Deferred income tax liabilities		37,598	-	36,615	-	12,800	-
2580	Non-current lease liabilities	6(29) and 12(2)	8,701,584	47	7,967,121	46	8,245,803	47
2600	Other non-current liabilities	6(12) and 12(2)	93,969	-	95,423	1	62,247	-
25XX	**Non-current liabilities**		9,915,468	53	8,934,246	52	9,126,220	52
2XXX	**Total Liabilities**		15,861,095	85	14,209,936	82	14,144,764	81
	Equity							
	Share capital	6(16)						
3110	Share capital - common stock		1,125,000	6	1,125,000	7	1,125,000	7
	Capital surplus	6(17)						
3200	Capital surplus		1,837,117	10	2,170,501	13	2,170,501	12
	Retained earnings	6(18)						
3310	Legal reserve		70,133	-	64,081	-	34,953	-
3350	Unappropriated retained earnings		129,007	1	75,167	-	228,217	1
	Other equity							
3400	Other equity interest		(17,000)	-	3,898	-	-	-
3500	Treasury shares	6(16)	(344,216)	(2)	(304,796)	(2)	(174,982)	(1)
3XXX	**Total equity**		2,800,041	15	3,133,851	18	3,383,689	19
	Significant contingent liabilities and unrecognised contract commitments	9						
3X2X	**Total liabilities and equity**		$ 18,661,136	100	$ 17,343,787	100	$ 17,528,453	100

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

WORLD GYM CORPORATION (FORMERLY WORLD FITNESS SERVICES LTD.) AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)

			Three-month periods ended June 30				Six-month periods ended June 30			
			2025		2024		2025		2024	
	Items	Notes	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(19)	$ 2,711,338	100	$ 2,464,165	100	$ 5,281,695	100	$ 4,799,771	100
5000	Operating costs	6(24)	(2,281,986)	(84)	(2,032,799)	(83)	(4,452,665)	(85)	(3,983,443)	(83)
5900	Net operating margin		429,352	16	431,366	17	829,030	15	816,328	17
	Operating expenses	6(24)								
6100	Selling expenses		(31,217)	(1)	(20,121)	(1)	(73,584)	(1)	(41,238)	(1)
6200	General and administrative expenses		(255,818)	(10)	(235,065)	(9)	(518,848)	(10)	(457,552)	(9)
6450	Reversal of impairment loss determined in accordance with IFRS 9	12(2)	282	-	-	-	282	-	-	-
6000	Total operating expenses		(286,753)	(11)	(255,186)	(10)	(592,150)	(11)	(498,790)	(10)
6900	Operating profit		142,599	5	176,180	7	236,880	4	317,538	7
	Non-operating income and expenses									
7100	Interest income	6(20)	4,978	-	10,609	-	9,499	-	15,346	-
7010	Other income	6(21) and 7(2)	16,858	1	23,630	1	37,187	1	49,188	1
7020	Other gains and losses	6(22)	(4,508)	-	12,174	1	(5,202)	-	15,374	-
7050	Finance costs	6(23)	(56,074)	(2)	(51,752)	(2)	(110,428)	(2)	(104,435)	(2)
7060	Share of loss of associates and joint ventures accounted for under equity method	6(4)	(1,873)	-	(1,974)	-	(3,840)	-	(3,926)	-
7000	Total non-operating income and expenses		(40,619)	(1)	(7,313)	-	(72,784)	(1)	(28,453)	(1)
7900	**Profit before income tax**		101,980	4	168,867	7	164,096	3	289,085	6
7950	Income tax expense	6(25)	(22,253)	(1)	(34,970)	(2)	(35,088)	(1)	(60,868)	(1)
8200	**Profit for the period**		$ 79,727	3	$ 133,897	5	$ 129,008	2	$ 228,217	5
	Components of other comprehensive income that will be reclassified to profit or loss									
8361	Financial statements translation differences of foreign operations		($ 22,949)	(1)	$ -	-	($ 20,898)	-	$ -	-
8300	**Other comprehensive loss for the period**		($ 22,949)	(1)	$ -	-	($ 20,898)	-	$ -	-
8500	**Total comprehensive income for the period**		$ 56,778	2	$ 133,897	5	$ 108,110	2	$ 228,217	5
	Earnings per share	6(26)								
9750	Basic earnings per share		$ 0.73		$ 1.21		$ 1.18		$ 2.07	
9850	Diluted earnings per share		$ 0.73		$ 1.21		$ 1.18		$ 2.07	

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

WORLD GYM CORPORATION (FORMERLY WORLD FITNESS SERVICES LTD.) AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
SIX-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent						
				Retained Earnings		Other Equity		
	Notes	Share capital - common stock	Capital surplus, additional paid-in capital	Legal reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Treasury shares	Total equity
Six-month period ended June 30, 2024								
Balance at January 1, 2024		$ 1,000,000	$ 980,458	$ -	$ 349,531	$ -	$ -	$ 2,329,989
Profit for the period		-	-	-	228,217	-	-	228,217
Total comprehensive income		-	-	-	228,217	-	-	228,217
Appropriations and distribution of 2023 earnings:								
Legal reserve		-	-	34,953	(34,953)	-	-	-
Cash dividends	6(18)	-	-	-	(314,578)	-	-	(314,578)
Cash dividends from capital surplus	6(17)	-	(335,422)	-	-	-	-	(335,422)
Treasury shares acquired	6(16)	-	-	-	-	-	(174,982)	(174,982)
Issuance of common stock	6(16)	125,000	1,525,465	-	-	-	-	1,650,465
Balance at June 30, 2024		$ 1,125,000	$ 2,170,501	$ 34,953	$ 228,217	$ -	($ 174,982)	$ 3,383,689
Six-month period ended June 30, 2025								
Balance at January 1, 2025		$ 1,125,000	$ 2,170,501	$ 64,081	$ 75,167	$ 3,898	($ 304,796)	$ 3,133,851
Profit for the period		-	-	-	129,008	-	-	129,008
Other comprehensive loss		-	-	-	-	(20,898)	-	(20,898)
Total comprehensive income (loss)		-	-	-	129,008	(20,898)	-	108,110
Appropriations and distribution of 2024 earnings:								
Legal reserve		-	-	6,052	(6,052)	-	-	-
Cash dividends	6(18)	-	-	-	(69,116)	-	-	(69,116)
Cash dividends from capital surplus	6(17)	-	(333,384)	-	-	-	-	(333,384)
Treasury shares acquired	6(16)	-	-	-	-	-	(39,420)	(39,420)
Balance at June 30, 2025		$ 1,125,000	$ 1,837,117	$ 70,133	$ 129,007	($ 17,000)	($ 344,216)	$ 2,800,041

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

WORLD GYM CORPORATION (FORMERLY WORLD FITNESS SERVICES LTD.) AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
SIX-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Six-month periods ended June 30 2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 164,096	$ 289,085
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(5)(24)	463,408	489,416
Depreciation for right-of-use assets	6(6)(24)	692,012	655,672
Amortization expense	6(8)(24)	11,138	9,478
Expected credit gain	12(2)	(282)	-
Interest expense	6(23)	14,941	12,131
Interest expense for lease liabilities	6(6)(23)	95,487	92,304
Interest income		(9,499)	(15,346)
Share of loss of associates and joint ventures accounted for under equity method	6(4)	3,840	3,926
(Gain) loss on disposal of property, plant and equipment	6(22)	(9)	1,653
Gain on lease modification	6(6)(22)	(214)	(16,014)
Impairment loss on non-financial assets		113	-
Unrealised net loss (gain) on foreign currency exchange		20	(9)
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable, net		(124,127)	(6,992)
Finance lease receivable, net		12,342	(21,151)
Other receivables		213	34
Other receivables - related parties		(46)	(184)
Inventories		(2,480)	(16,135)
Prepayments		(3,675)	(19,278)
Other current assets		(779)	1,724
Changes in operating liabilities			
Contract liabilities		190,741	(62,883)
Notes payable		(1,605)	(204)
Accounts payable, net		364	376
Other payables		63,845	(80,602)
Other payables to related parties		(15)	(7)
Other current liabilities		1,234	1,476
Cash inflow generated from operations		1,571,063	1,318,470
Interest received		4,352	10,255
Interest paid		(110,333)	(104,348)
Income tax paid		(26,393)	(137,240)
Net cash flows from operating activities		1,438,689	1,087,137

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WORLD GYM CORPORATION (FORMERLY WORLD FITNESS SERVICES LTD.) AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
SIX-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Six-month periods ended June 30 2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	6(28)	($ 692,395)	($ 500,223)
Proceeds from disposal of property, plant and equipment		20	28
(Increase) decrease in financial assets at amortised cost		(36,865)	107,627
Acquisition of intangible assets	6(8)	(24,381)	(3,695)
Increase in guarantee deposits paid		(9,296)	(18,830)
Decrease in guarantee deposits paid		8,014	13,430
Net cash flows used in investing activities		(754,903)	(401,663)
CASH FLOWS FROM FINANCING ACTIVITIES			
Decrease in short-term borrowings		-	(100)
Increase in short-term borrowings	6(29)	400,000	-
Proceeds from long-term borrowings	6(29)	300,000	-
Repayment of long-term borrowings	6(29)	(30,000)	(175,000)
Repayment of the principal portion of lease liabilities	6(29)	(653,984)	(613,273)
Increase in guarantee deposits recieved	6(29)	-	49
Cash dividends paid (distribution of cash from capital surplus)	6(28)	(408,169)	(608,532)
Capital increase	6(16)	-	1,660,845
Purchase of treasury shares	6(16)	(39,420)	(174,982)
Net cash flows (used in) from financing activities		(431,573)	89,007
Effect of exchange rate changes on cash and cash equivalents		(2,168)	9
Net increase in cash and cash equivalents		250,045	774,490
Cash and cash equivalents at beginning of period		569,661	424,123
Cash and cash equivalents at end of period		$ 819,706	$ 1,198,613

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

WORLD GYM CORPORATION AND SUBSIDIARIES
(FORMERLY WORLD FITNESS SERVICES LTD.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
SIX-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. History and Organisation

World Gym Corporation (the "Company") was originally named WORLD FITNESS SERVICES LTD., but the shareholders' meeting on May 23, 2025 passed a resolution to change the Company's name to "World Gym Corporation". The Company was incorporated in Cayman on November 21, 2013. The Company and its subsidiaries (collectively referred herein as the "Group") are primarily engaged in the physical fitness, sports and sauna business.

2. The Date of Authorisation for Issuance of the Consolidated Financial Statements and Procedures for Authorisation

These consolidated financial statements were authorized for issuance by the Board of Directors on August 26, 2025.

3. Application of New Standards, Amendments and Interpretations

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRS®") Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission ("FSC")

New standards, interpretations and amendments endorsed by the FSC and became effective from 2025 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

(2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Group

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendment to IFRS 9 and IFRS 7,'Amendments to the classification and measurement of financial instruments'	January 1, 2026
Amendment to IFRS 9 and IFRS 7,'Contracts referencing nature-dependent electricity'	January 1, 2026
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17,'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
Annual Improvements to IFRS Accounting Standards—Volume 11'	January 1, 2026

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

(3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
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 International Accounting Standards Board
IFRS 18,'Presentation and disclosure in financial statements'	January 1, 2027
IFRS 19, 'Subsidiaries without Public Accountability: Disclosures'	January 1, 2027

Except for the following, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment. The quantitative impact will be disclosed when the assessment is complete.

IFRS 18, 'Presentation and disclosure in financial statements'

IFRS 18, 'Presentation and disclosure in financial statements' replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

4. Summary of Material Accounting Policies

The principal accounting policies adopted are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 2024, except for the compliance statement, basis of preparation, basis of consolidation and additional policies as set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

A. The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Accounting Standard 34, 'Interim financial reporting' that came into effect as endorsed by the FSC.

B. These consolidated financial statements are to be read in conjunction with the consolidated financial statements for the year ended December 31, 2024.

(2) Basis of preparation

A. The consolidated financial statements have been prepared under the historical cost convention.

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

Basis for preparation of these consolidated financial statements is the same as that for the preparation of the consolidated financial statements as of and for the year ended December 31, 2024.

B. Subsidiaries included in the consolidated financial statements:

			Ownership(%)			
Name of investor	Name of subsidiary	Main business activities	June 30, 2025	December 31, 2024	June 30, 2024	Description
WORLD GYM CORPORATION	WORLD FITNESS ASIA LIMITED	Physical fitness, sports and sauna business	100	100	100	
WORLD GYM CORPORATION	WG Franchise Management Corp.	Fitness brand trademark management	100	100	0	Note 1
WORLD GYM CORPORATION	World Gym International, LLC	Trademark licensing service for fitness brands	99.9	99.9	0	Note 2
WG Franchise Management Corp.	World Gym International, LLC	Trademark licensing service for fitness brands	0.1	0.1	0	Note 2

Note 1: The company was registered in the United States on August 21, 2024, and the board of directors of the Company resolved to transfer ownership to WORLD GYM CORPORATION.

Note 2: On October 28, 2024, the Group acquired 100% of the equity of World Gym International, LLC for USD 9 million. After the acquisition, WORLD GYM CORPORATION and WG Franchise Management Corp. hold 99.9% and 0.1% respectively of the equity of World Gym International, LLC.

C. Subsidiaries not included in the consolidated financial statements:

None.

D. Adjustments for subsidiaries with different balance sheet dates:

None.

E. Significant restrictions:

None.

F. Subsidiaries that have non-controlling interests that are material to the Group:

None.

(4) Accounting policies related to key audit matters

Revenue recognition

A. Sales of goods

The Group sells a wide range of sports consumables. Sales are recognised when products are being sold to customers.

B. Workout area services

The Group provides workout area services. Revenue from providing such services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on the actual days passed relative to the total usage days. The customer pays at the time specified in the payment schedule. If the payments exceed the services rendered, a contract liability is recognised.

C. Professional coaching course services

The Group provides professional coaching course services. Revenue from providing such services is recognised in the accounting period in which the services are rendered. For fixed price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on the number of courses taken relative to the total courses. The customer makes payment upon signing the contract. If the payments exceed the services rendered, a contract liability is recognised.

Revenue is recognised based on the coaching course with which contract has expired and the course has not been completed and the evaluation report of the amortisation period of unfinished courses issued by external experts. The amortisation ratio of unfinished courses is derived from usage of coaching courses which contract has expired, and is calculated by a 30-day period as a group based on historical data of total courses and percentage of use for each group.

D. Revenue from licencing intellectual property

The Group entered into a contract with a customer to grant a licence of trademarks to the customer. Given the licence is distinct from other promised goods or services in the contract, the Group recognises the revenue from licencing when the licence transfer to a customer either at a point in time or over time based on the nature of the licence granted. The nature of the Group's promise in granting a licence is a promise to provide a right to access the Group's intellectual property if the Group undertakes activities that significantly affect the trademarks to which the customer has rights, the customer is affected by the Group's activities and those activities do not result in the transfer of a good or a service to the customer as they occur. The royalties are recognised as revenue on a straight-line basis throughout the licencing period. In case the abovementioned conditions are not met, the nature of the Group's promise in granting a licence is a promise to provide a right to use the Group's intellectual property and therefore the revenue is recognised when transferring the licence to a customer at a point in time.

E. Incremental costs of obtaining a contract

Given that the contractual period lasts less than one year, the Group recognises the incremental costs of obtaining a contract as an expense when incurred although the Group expects to recover those costs.

(5) Accounting policies applicable to the interim period

A. Income tax

a. The interim period income tax expense is recognised based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

b. If a change in tax rate is enacted or substantively enacted in an interim period, the Group recognises the effect of the change immediately in the interim period in which the change occurs. The effect of the change on items recognised outside profit or loss is recognised in other comprehensive income or equity while the effect of the change on items recognised in profit or loss is recognised in profit or loss.

5. Critical Accounting Judgements, Estimates and Key Sources of Assumption Uncertainty

There have been no significant changes as of June 30, 2025. Please refer to Note 5 in the consolidated financial statements for the year ended December 31, 2024.

6. Details of Significant Accounts

(1) Cash and cash equivalents

	June 30, 2025	December 31, 2024	June 30, 2024
Cash on hand and revolving funds	$ 9,695	$ 10,650	$ 14,039
Checking accounts and demand deposits	810,011	559,011	1,062,370
Time deposits	-	-	122,204
	$ 819,706	$ 569,661	$ 1,198,613

A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. The Group has reclassified pledged time deposits, reserved trust account, and time deposits maturing in excess of three months to 'financial assets at amortised cost'. Please refer to Note 6(2) for details.

(2) Financial assets at amortised cost

Items	June 30, 2025	December 31, 2024	June 30, 2024
Current items:			
Reserved trust account	636,076	599,229	529,102
Non-current items:			
Reserved time deposits pledged as collateral	$ 20,212	$ 20,194	$ 14,194

A. Amounts recognised in profit or loss in relation to financial assets at amortised cost are listed below:

	Three-month period ended June 30, 2025	Three-month period ended June 30, 2024
Interest income	$ 1,152	$ 1,012

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
Interest income	$ 2,192	$ 1,060

B. As of June 30, 2025, December 31, 2024 and June 30, 2024, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortised cost held by the Group was its book value.

C. Details of the Group's financial assets at amortised cost pledged to others as collateral are provided in Note 8.

D. Information relating to credit risk of financial assets at amortised cost is provided in Note 12(2).

(3) Notes and accounts receivable

	June 30, 2025	December 31, 2024	June 30, 2024
Accounts receivable	$ 192,066	$ 69,197	$ 166,829
Less: Loss allowance	-	(1,540)	-
	$ 192,066	$ 67,657	$ 166,829
Finance lease payments receivable	$ 24,815	$ 24,749	$ 24,552
Long-term finance lease payments receivable	115,815	128,222	140,630
Less: Unearned finance income of finance lease	(2,257)	(2,466)	(2,673)
Less: Unearned finance income of long-term finance lease	(4,960)	(6,036)	(7,217)
	$ 133,413	$ 144,469	$ 155,292

A. The aging analysis of accounts receivable that were past due but not impaired is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
	Accounts receivable	Accounts receivable	Accounts receivable
Not past due	$ 191,955	$ 66,472	$ 166,829
Up to 30 days	14	916	-
31 to 60 days	26	269	-
61 to 90 days	-	-	-
91-180 days	71	-	-
	$ 192,066	$ 67,657	$ 166,829

The above aging analysis was based on past due date.

B. As at June 30, 2025, December 31, 2024 and June 30, 2024, accounts receivable mainly comprised of receivables from credit card companies who collected payment for the customers' purchase of workout area services and coaching course services. And as of January 1, 2024, the balance of receivables from credit card payment amounted to $159,837.

C. As at June 30, 2025, December 31, 2024 and June 30, 2024, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes and accounts receivable was $192,066, $67,657 and $166,829, respectively.

D. Information relating to credit risk of accounts receivable and notes receivable is provided in Note 12(2).

E. Information relating to finance lease payments receivable is provided in Note 6(7).

(4) Investments accounted for under equity method

The carrying amount of the Group's interests in all individually immaterial associates and the Group's share of the operating results are summarised below:

As at June 30, 2025, December 31, 2024 and June 30, 2024, the carrying amount of the Group's individually immaterial associates amounted to $3,749, $7,589 and $10,054, respectively.

	Three-month period ended June 30, 2025	Three-month period ended June 30, 2024
Loss for the period from continuing operations	($ 1,873)	($ 1,974)
Loss for the period from discontinued operations	-	-
Other comprehensive income, net of tax	-	-
Total comprehensive loss	($ 1,873)	($ 1,974)
Dividend received from the associates	$ -	$ -
	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
Loss for the period from continuing operations	($ 3,840)	($ 3,926)
Loss for the period from discontinued operations	-	-
Other comprehensive income, net of tax	-	-
Total comprehensive loss	($ 3,840)	($ 3,926)
Dividend received from the associates	$ -	$ -

(5) Property, plant and equipment, net

	Six-month period ended June 30, 2025						
	Beginning of period	Additions	Disposals	Transfers	Reclassifications	Net exchange differences	End of period
Cost							
Building and structures	$ -	$ 7,608	$ -	$ -	$ -	$ -	$ 7,608
Fitness equipment	1,907,607	47,283	(2,919)	42,490	-	(1,263)	1,993,198
Leasehold improvements	10,698,832	397,000	(15)	94,824	-	-	11,190,641
Unfinished construction and equipment under acceptance	212,503	137,911	-	(137,314)	-	-	213,100
	$ 12,818,942	$ 589,802	($ 2,934)	$ -	$ -	($ 1,263)	$ 13,404,547
Accumulated depreciation							
Building and structures	$ -	($ 190)	$ -	$ -	$ -	$ -	($ 190)
Fitness equipment	(1,469,298)	(87,697)	2,908	-	-	676	(1,553,411)
Leasehold improvements	(5,317,929)	(375,521)	15	-	-	-	(5,693,435)
	($ 6,787,227)	($ 463,408)	$ 2,923	$ -	$ -	$ 676	($ 7,247,036)
	$ 6,031,715						$ 6,157,511

	Six-month period ended June 30, 2024					
	Beginning of period	Additions	Disposals	Transfers	Reclassifications	End of period
Cost						
Fitness equipment	$ 1,791,876	$ 29,395	($ 1,657)	$ 10,807	($ 6,267)	$ 1,824,154
Leasehold improvements	9,464,720	296,328	(4,412)	19,760	-	9,776,396
Unfinished construction and equipment under acceptance	171,931	181,331	-	(30,567)	-	322,695
	$ 11,428,527	$ 507,054	($ 6,069)	$ -	($ 6,267)	$ 11,923,245
Accumulated depreciation						
Fitness equipment	($ 1,333,604)	($ 94,911)	$ 1,657	$ -	$ 6,124	($ 1,420,734)
Leasehold improvements	(4,555,723)	(394,505)	2,731	-	-	(4,947,497)
	($ 5,889,327)	($ 489,416)	$ 4,388	$ -	$ 6,124	($ 6,368,231)
	$ 5,539,200					$ 5,555,014

A. The aforementioned property, plant and equipment are all for own use.

B. Information about the property, plant and equipment that were pledged to others as collaterals is provided in Note 8.

(6) Leasing arrangements－lessee

A. The Group leases various assets including land and buildings. Rental contracts are typically made for periods of 2 to 20 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes. In addition, according to the operating lease agreement, the Group bears dismantling, removing the asset and restoring the site obligations for certain property, plant and equipment in the future. Please refer to Note 6 (15) for the relevant decommissioning liabilities.

B. Short-term leases with a lease term of 12 months or less comprise office equipment and advertising board.

C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
	Book Value	Book Value	Book Value
Land	$ 635,161	$ 658,558	$ 678,056
Buildings	8,862,100	8,075,004	8,353,144
	$ 9,497,261	$ 8,733,562	$ 9,031,200

	Three-month period ended June 30, 2025	Three-month period ended June 30, 2024
	Depreciation expense	Depreciation expense
Land	$ 11,699	$ 11,699
Buildings	335,808	314,445
	$ 347,507	$ 326,144

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
	Depreciation expense	Depreciation expense
Land	$ 23,398	$ 23,398
Buildings	668,614	632,274
	$ 692,012	$ 655,672

D. For the three-month and six-month periods ended June 30, 2025 and 2024, the additions to right-of-use assets amounted to $765,070, $568,043, $1,466,611 and $881,449, respectively.

E. Information on profit or loss in relation to lease contracts is as follows:

	Three-month period ended June 30, 2025	Three-month period ended June 30, 2024
Items affecting profit or loss		
Interest expense on lease liabilities	$ 47,994	$ 46,324
Gain on sublease of right-of-use assets	6,195	4,548
Expense on short-term lease contracts	16,035	16,802

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
Items affecting profit or loss		
Interest expense on lease liabilities	$ 95,487	$ 92,304
Gain on sublease of right-of-use assets	12,499	11,299
Expense on short-term lease contracts	33,683	30,777

F. For the six-month periods ended June 30, 2025 and 2024, the Group's total cash outflow for leases amounted to $783,154 and $736,354, respectively.

G. For the three-month and six-month periods ended June 30, 2025 and 2024, the Group recognised the gain from changes in lease payments arising from the rent concessions amounting to gain of $214, gain of $13,854, gain of $214 and gain of $16,014 (Presented as other gains and losses).

(7) Leasing arrangements – lessor

A. The Group leases various assets including sublease of right-of-use assets to others. Rental contracts are typically made for periods of 1 to 15 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. To protect the lessor's ownership rights on the leased assets, leased assets may not be used as security for borrowing purposes, or a residual value guarantee was required.

B. The maturity analysis of the undiscounted lease payments in the finance lease is as follows:

	June 30, 2025
July 1, 2025 to December 31, 2025	$ 12,408
2026	24,815
2027	25,152
2028	25,220
2029	22,165
After 2030	30,870
	$ 140,630

	December 31, 2024
2025	$ 24,749
2026	24,815
2027	25,152
2028	25,220
2029	22,165
After 2030	30,870
	$ 152,971

	June 30, 2024
July 1, 2024 to December 31, 2024	$ 12,211
2025	24,749
2026	24,815
2027	25,152
2028	25,220
After 2029	53,035
	$ 165,182

C. Reconciliation of the undiscounted lease payments and the net investment in the finance lease is provided as follows:

	June 30, 2025		December 31, 2024		June 30, 2024	
	Current	Non-current	Current	Non-current	Current	Non-current
Undiscounted lease payments	$24,815	$ 115,815	$24,749	$ 128,222	$24,552	$ 140,630
Unearned finance income	(2,257)	(4,960)	(2,466)	(6,036)	(2,673)	(7,217)
Net investment in the lease	$22,558	$ 110,855	$22,283	$ 122,186	$21,879	$ 133,413

D. The Group has no overdue lease receivables from the lessee, and the amount of loss arising from credit risk is assessed to be insignificant.

E. Gain arising from operating lease agreements for the three-month and six-month periods ended June 30, 2025 and 2024 are as follows:

	Three-month period ended June 30, 2025	Three-month period ended June 30, 2024
Rent income	$ 5,443	$ 4,036
Rent income arising from variable lease payments	$ 752	$ 512

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
Rent income	$ 10,752	$ 10,147
Rent income arising from variable lease payments	$ 1,747	$ 1,152

F. The maturity analysis of the lease payments under the operating leases is as follows:

	June 30, 2025
July 1, 2025 to December 31, 2025	$ 12,152
2026	25,061
2027	23,628
2028	23,518
2029	18,969
After 2030	49,636
	$ 152,964

	December 31, 2024
2025	$ 22,241
2026	22,124
2027	21,622
2028	21,921
2029	17,557
After 2030	49,674
	$ 155,139

	June 30, 2024
July 1, 2024 to December 31, 2024	$ 9,619
2025	18,587
2026	18,156
2027	17,627
2028	17,754
After 2029	40,722
	$ 122,465

(8) Intangible assets

	Six-month period ended June 30, 2025				
	Beginning of period	Additions	Reclassfiications	Net exchange differences	End of period
Cost					
Goodwill	$ 39,814	$ -	$ -	$ -	$ 39,814
Software	190,231	22,123	-	-	212,354
Trademark	318,124	2,258	-	(18,162)	302,220
	$ 548,169	$ 24,381	$ -	($ 18,162)	$ 554,388
Accumulated amortisation					
Software	($ 84,186)	($ 10,700)	$ -	$ -	($ 94,886)
Trademark	(17,352)	(438)	-	-	(17,790)
	($ 101,538)	($ 11,138)	$ -	$ -	($ 112,676)
	$ 446,631				$ 441,712

	Six-month period ended June 30, 2024			
	Beginning of period	Additions	Reclassfiications	End of period
Cost				
Software	$ 171,986	$ 3,695	$ -	$ 175,681
Trademark	42,731	-	-	42,731
	$ 214,717	$ 3,695	$ -	$ 218,412
Accumulated amortisation				
Software	($ 66,408)	($ 8,459)	$ -	($ 74,867)
Trademark	(15,313)	(1,019)	-	(16,332)
	($ 81,721)	($ 9,478)	$ -	($ 91,199)
	$ 132,996			$ 127,213

A. Details of amortisation on intangible assets are as follows:

	Three-month period ended June 30, 2025	Three-month period ended June 30, 2024
Administrative expenses	$ 5,672	$ 4,779

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
Administrative expenses	$ 11,138	$ 9,478

B. Goodwill is allocated as follows to the Group's cash-generating units identified according to operating segment:

	June 30, 2025	December 31, 2024	June 30, 2024
US	$ 39,814	$ 39,814	$ -

C. The Group entered into a trademark licensing agreement on October 1, 2015. This agreement grants the Group the exclusive right and license to World Gym trademark in the People's Republic of China, Taiwan, Hong Kong and Macau for twenty-five years. The Group acquired 100% ownership of World Gym International, LLC on October 28, 2024. Since that date, the trademark rights owned have been held by the Group.

D. In Accordance with IAS 36, goodwill acquired in a business combination must be tested for impairment at least annually. The recoverable amount of goodwill calculated using the value-in-use exceeded its carrying amount as at June 30, 2025, so goodwill was not impaired. The key assumptions used for value-in-use calculations of goodwill during 2024 are as follows:
The cash flow projections used are the basis for the estimation. Key assumptions include revenue growth rate and operating expense rate. These assumptions are derived from assessments of future trends in the industry and considerations on both internal and external historical information. Management determined budgeted gross margin based on past performance and its expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rate used during 2024, 14.62%, are pre-tax and reflect specific risks relating to the relevant operating segments.

(9) Short-term borrowings

Type of borrowings	June 30, 2025	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	$ 799,900	1.67%~2.18%	None

Type of borrowings	December 31, 2024	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	$ 399,900	1.66%	None

Type of borrowings	June 30, 2024	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	$ 399,900	1.58%	None

Interest expense recognised in profit or loss amounted to $3,879, $1,550, $6,930 and $2,968 for the three-month and six-month periods ended June 30, 2025 and 2024, respectively.

(10) Other payables

	June 30, 2025	December 31, 2024	June 30, 2024
Payable for salaries and bonus	$ 488,129	$ 498,343	$ 468,403
Payable for purchase of construction and equipment	182,839	279,083	161,200
Payable for insurance	79,886	73,890	69,604
Payable for compensation for unused leave	73,317	50,283	29,575
Payable for utilities	72,703	55,854	57,465
Payable for retirement benefit	68,559	64,369	61,540
Payable for value-added tax	57,285	49,213	46,294
Payable for dividends	26,793	32,462	57,976
Payable for employees' compensation	3,349	9,095	5,900
Payable for Treasury Shares	-	4,384	-
Others	180,052	161,397	163,733
	$ 1,232,912	$ 1,278,373	$ 1,121,690

(11) Long-term borrowings

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	June 30, 2025
Long-term bank borrowings				
Unsecured borrowings	Borrowing period is from June 29, 2022 to June 29, 2027; interest payable monthly; principal is repayable monthly from July 29, 2022.	2.31%	None	$ 120,000
Unsecured borrowings	Borrowing period is from June 15, 2025 to May 14, 2030; interest payable monthly; principal is repayable quarterly from August 3, 2025.	2.55%	None	300,000
				420,000
Less: Current portion				(120,000)
				$ 300,000

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	December 31, 2024
Long-term bank borrowings				
Unsecured borrowings	Borrowing period is from June 29, 2022 to June 29, 2027; interest payable monthly; principal is repayable monthly from July 29, 2022.	2.31%	None	$ 150,000
Less: Current portion				(60,000)
				$ 90,000

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	June 30, 2024
Long-term bank borrowings				
Unsecured borrowings	Borrowing period is from June 29, 2022 to June 29, 2027; interest payable monthly; principal is repayable monthly from July 29, 2022.	2.31%	None	$ 185,000
Less: Current portion				(65,000)
				$ 120,000

(12) Payable for purchase of equipment (Listed as other current liabilities and other non-current liabilities)

	June 30, 2025	December 31, 2024	June 30, 2024
Payable for purchase of equipment	$ 134,086	$ 140,435	$ 110,057
Less: Current portion - payable for purchase of equipment	(52,414)	(57,309)	(59,506)
Long-term payable for purchase of equipment	$ 81,672	$ 83,126	$ 50,551

(13) Pensions

A. Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, World Fitness Asia Limited (H.K.) Taiwan Branch contributes monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

B. The pension costs under defined contribution pension plans of for the three-month and six-month periods ended June 30, 2025 and 2024 were $68,632, $61,565, $134,584 and $122,114, respectively.

(14) Share-based payment

A. For the three-month and six-month periods ended June 30, 2024, the Group's share-based payment arrangements were as follows:

Type of arrangement	Grant date	Quantity granted	Contract period	Vesting conditions
Cash capital increase reserved for employee preemption	2024.01.15	1,250 thousand shares	NA	Vested immediately

B. Details of the share-based payment arrangements are as follows:

Unit: thousand of shares

	2025		2024	
	No. of options	Weighted-average exercise price (in dollars)	No. of options	Weighted-average exercise price (in dollars)
Options outstanding at January 1	-	$ -	-	$ -
Options granted	-	-	1,250	132
Option exercised	-	-	(1,250)	132
Options outstanding at June 30	-	-	-	-
Options outstanding at June 30	-	-	-	-

C. The fair value of stock options is measured using the Black-Scholes option-pricing model. Relevant information is as follows:

Type of arrangement	Grant date	Stock price	Exercise price	Expected ratio volatility	Expected option life	Risk-free interest rate	Fair value of rights per share
Cash capital increase reserved for employee preemption	2024.01.15	121.92	132	28.19%	0.025 year	0.7922%	$ -

(15) Provisions

	2025	2024
At January 1	$ 176,000	$ 154,000
Additional provisions	12,000	6,000
At June 30	$ 188,000	$ 160,000

Decommissioning liabilities

According to the operating lease agreement, the Group bears dismantling, removing the asset and restoring the site obligations for certain property, plant and equipment in the future. A provision is recognised for the present value of costs to be incurred for dismantling, removing the asset and restoring the site.

(16) Share capital

As of June 30, 2025, the Company’s authorized capital was $2,000,000, consisting of 200,000 thousand shares of ordinary stock, and the paid-in capital was $1,125,000 with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

Movements in the number of the Company's ordinary shares outstanding are as follows:

Unit: thousand of shares

	2025	2024
At January 1	109,611	100,000
Cash capital increase	-	12,500
Purchase of treasury shares	(389)	(1,500)
At June 30	109,222	111,000

A. For operation considerations, the Company increased its share capital by 12,500 thousand shares with a par value of $10 (in dollars) per share, and with total amount of $1,672,065 (excluding issuance cost of $21,600). The Company has received the full amount on January 22, 2024.

B. To transfer stock to employees, the Board of Directors made a resolution for purchasing treasury stock on March 18, 2024. As of June 30, 2025, the Company has purchased 1,500 thousand units from Taiwan Stock Exchange.

C. To transfer stock to employees, the Board of Directors made a resolution for another purchase of treasury stock on August 27, 2024, expecting to purchase 2,000 thousand units. As of June 30, 2025, the Company has purchased 1,018 thousand units from Taiwan Stock Exchange.

D. To transfer stock to employees, the Board of Directors made a resolution for the third purchase of treasury stock on November 12, 2024, expecting to purchase 1,500 thousand units. As of June 30, 2025, the Company has purchased 760 thousand units from Taiwan Stock Exchange.

E. Treasury shares

(a) Reason for share reacquisition and movements in the number of the Company's treasury shares are as follows:

Unit: thousand of shares

		June 30, 2025	
Name of company holding the shares	Reason for reacquisition	Number of shares	Carrying amount
The Company	To be reissued to employees	3,278	$ 344,216

Unit: thousand of shares

		December 31, 2024	
Name of company holding the shares	Reason for reacquisition	Number of shares	Carrying amount
The Company	To be reissued to employees	2,889	$ 304,796

Unit: thousand of shares

		June 30, 2024	
Name of company holding the shares	Reason for reacquisition	Number of shares	Carrying amount
The Company	To be reissued to employees	1,500	$ 174,982

(b) Pursuant to the R.O.C. Securities and Exchange Act, the number of shares bought back as treasury share should not exceed 10% of the number of the Company's issued and outstanding shares and the amount bought back should not exceed the sum of retained earnings, paid-in capital in excess of par value and realized capital surplus.

(c) Pursuant to the R.O.C. Securities and Exchange Act, treasury shares should not be pledged as collateral and is not entitled to dividends before it is reissued.

(d) Pursuant to the R.O.C. Securities and Exchange Act, treasury shares should be reissued to the employees within five years from the reacquisition date and shares not reissued within the five-year period are to be retired. Treasury shares to enhance the Company's credit rating and the stockholders' equity should be retired within six months of acquisition.

(17) Capital surplus

A. Capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. However, capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

B. On May 24, 2024, the shareholders' meeting made a resolution for applying the sum of $335,422 ($2.98 in dollars per share) out of capital surplus, additional paid-in capital of Company to distribute cash dividends. Because the Company acquired treasury shares, the shareholders' meeting authorized the Chairman to revise the allotment of $3.02 in dollars per share based on the actual number of outstanding shares.

C. On March 23, 2025, the shareholders' meeting made a resolution to distribute cash dividends amounting to $333,384 ($3.05 in dollars per share) from capital surplus and additional paid-in capital of the Company.

(18) Retained earnings

A. In accordance with the distribution ordinance, the Company may at a general meeting apply the reserves for any purpose to which the profits of the Company may be properly applied. If there are any reserves, dividends will be distributed according to the shareholding ratio of each shareholder on the resolution date. Under the Company's Articles of Incorporation, the distribution of earnings in the form of new shares shall be proposed by the Board of Directors and shall be reported to the shareholders for the resolution. However, the distribution of earnings in the form of cash shall be resolved by the Board of Directors. Profits of the Company shall be distributed preferably by way of cash dividend and also made by way of non-cash assets of equivalent value as approved by the Board of Directors. Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by executing to the Company a deed to that effect. However, if the share has more than one person entitled to the share whether by the reason of death or bankruptcy, the deed is not effective unless it is expressed to be executed by all the holders.

B. In accordance with the amendment to the Articles of Incorporation approved at the shareholders' meeting on May 24, 2024, the appropriation of earnings or loss can be made after the end of each quarter or semi-annual fiscal year.

C. On May 24, 2024, the shareholders' meeting made a resolution for distribution of dividends of $314,578 at $2.80 (in dollars) per share. Because the Company acquired treasury shares, the shareholder's meeting authorized the Chairman to revise the allotment at $2.83 (in dollars) per share based on the actual number of outstanding shares.

D. On May 23, 2025, the shareholders' meeting made a resolution for distribution of dividends for the fourth quarter of 2024 was $69,116 at $0.63 (in dollars) per share.

E. On August 26, 2025, the Board of Directors made a resolution for distribution of dividends of $99,107 at $0.91 (in dollars) per share out of distributable earnings in half year of 2025.

(19) Operating revenue

	Three-month period ended June 30, 2025	Three-month period ended June 30, 2024
Revenue from contracts with customers	$ 2,711,338	$ 2,464,165

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
Revenue from contracts with customers	$ 5,281,695	$ 4,799,771

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time as shown below:

	Taiwan			America	
Three-month period ended June 30, 2025	Membership fees	Coaching fees	Others	Royalty income	Total
Revenue from external customer	$ 1,312,367	$ 1,353,464	$ 27,184	$ 18,323	$ 2,711,338
Timing of revenue					
At a point in time	$ -	$ -	$ 27,184	$ -	$ 27,184
Over time	1,312,367	1,353,464	-	18,323	2,684,154
	$ 1,312,367	$ 1,353,464	$ 27,184	$ 18,323	$ 2,711,338

	Taiwan			America	
Three-month period ended June 30, 2024	Membership fees	Coaching fees	Others	Royalty income	Total
Revenue from external customer	$ 1,219,433	$ 1,218,530	$ 26,202	$ -	$ 2,464,165
Timing of revenue					
At a point in time	$ -	$ -	$ 26,202	$ -	$ 26,202
Over time	1,219,433	1,218,530	-	-	2,437,963
	$ 1,219,433	$ 1,218,530	$ 26,202	$ -	$ 2,464,165

Six-month period ended June 30, 2025	Taiwan Membership fees	Taiwan Coaching fees	Taiwan Others	America Royalty income	Total
Revenue from external customer	$ 2,573,266	$ 2,618,539	$ 52,311	$ 37,579	$ 5,281,695
Timing of revenue					
At a point in time	$ -	$ -	$ 52,311	$ -	$ 52,311
Over time	2,573,266	2,618,539	-	37,579	5,229,384
	$ 2,573,266	$ 2,618,539	$ 52,311	$ 37,579	$ 5,281,695

Six-month period ended June 30, 2024	Taiwan Membership fees	Taiwan Coaching fees	Taiwan Others	America Royalty income	Total
Revenue from external customer	$ 2,408,639	$ 2,340,392	$ 50,740	$ -	$ 4,799,771
Timing of revenue					
At a point in time	$ -	$ -	$ 50,740	$ -	$ 50,740
Over time	2,408,639	2,340,392	-	-	4,749,031
	$ 2,408,639	$ 2,340,392	$ 50,740	$ -	$ 4,799,771

B. Contract liabilities

The Group has recognised the following revenue-related contract liabilities:

	June 30, 2025	December 31, 2024	June 30, 2024	January 1, 2024
Contract liabilities:				
Membership fees	$ 293,616	$ 279,873	$ 285,149	$ 304,490
Coaching fees				
Contract not due	1,445,170	1,396,109	1,113,427	1,133,248
Contract due	596,760	494,041	597,243	639,414
Royalty	484	495	-	-
Current contract liabilities	2,336,030	2,170,518	1,995,819	2,077,152
Membership fees	581,897	551,813	525,370	506,920
Royalty	12,420	17,274	-	-
Non-current contract liabilities	594,317	569,087	525,370	506,920
	$ 2,930,347	$ 2,739,605	$ 2,521,189	$ 2,584,072

Revenue recognized that was included in the contract liability balance at the beginning of the period:

	Three-month period ended June 30, 2025	Three-month period ended June 30, 2024
Membership fees		
Current contract liabilities	$ 8,643	$ 10,442
Non-current contract liabilities	28,850	28,835
Coaching fees		
Contract not due	262,953	219,203
Contract due	109,878	141,315
Royalty income	124	-
	$ 410,448	$ 399,795

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
Membership fees		
Current contract liabilities	$ 277,318	$ 278,350
Non-current contract liabilities	57,344	59,713
Coaching fees		
Contract not due	973,334	816,961
Contract due	317,009	357,494
Royalty income	248	-
	$ 1,625,253	$ 1,512,518

Unfulfilled long-term contracts

Aggregate amount of the transaction price allocated to long-term contracts that are partially or fully unsatisfied as at June 30, 2025, amounted to $7,706. Management expects that the transaction price allocated to the unsatisfied contracts as of June 30, 2025, will be recognised as revenue amounting to $484 during 2026. The remaining will be recognised annually based on the straight-line method. The amount disclosed above does not include variable consideration which is constrained.

(20) Interest income

	Three-month period ended June 30, 2025	Three-month period ended June 30, 2024
Interest income from bank deposits	$ 1,986	$ 7,590
Interest income from financial assets measured at amortised cost	1,152	1,012
Interest income from financial lease receivable	629	878
Interest income from guarantee deposits paid	1,211	1,129
	$ 4,978	$ 10,609

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
Interest income from bank deposits	$ 2,160	$ 9,195
Interest income from financial assets measured at amortised cost	2,192	1,060
Interest income from financial lease receivable	1,285	1,488
Interest income from guarantee deposits paid	3,862	3,603
	$ 9,499	$ 15,346

(21) Other income

	Three-month period ended June 30, 2025	Three-month period ended June 30, 2024
Government grants (Note)	$ 5,200	$ 11,610
Rental income	6,195	4,548
Others	5,463	7,472
	$ 16,858	$ 23,630

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
Government grants (Note)	$ 9,821	$ 24,995
Rental income	12,499	11,299
Others	14,867	12,894
	$ 37,187	$ 49,188

Note: The Group received government grants in accordance with the “Youth's Employment Ultimate Program” and the “Basic Wage Supplement Program” from Ministry of Labor and Ministry of Economic Affairs.

(22) Other gains and losses

	Three-month period ended June 30, 2025	Three-month period ended June 30, 2024
Loss on disposal of property, plant and equipment	$ -	($ 1,653)
Foreign exchange (loss) gain	(1,666)	34
Gain on lease modification	214	13,854
Other losses	(3,056)	(61)
	($ 4,508)	$ 12,174

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
Gain (loss) on disposal of property, plant and equipment	$ 9	($ 1,653)
Foreign exchange (loss) gain	(1,639)	1,075
Gain on lease modification	214	16,014
Other losses	(3,786)	(62)
	($ 5,202)	$ 15,374

(23) Finance costs

	Three-month period ended June 30, 2025	Three-month period ended June 30, 2024
Interest expense:		
Bank borrowings	$ 5,266	$ 2,934
Installment payment for equipment	2,766	2,448
Lease liability-interest expense	47,994	46,324
Other interest expense	48	46
	$ 56,074	$ 51,752

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
Interest expense:		
Bank borrowings	$ 9,155	$ 6,856
Installment payment for equipment	5,690	5,188
Lease liability-interest expense	95,487	92,304
Other interest expense	96	87
	$ 110,428	$ 104,435

(24) Expenses by nature

	Three-month period ended June 30, 2025	Three-month period ended June 30, 2024
Employee benefit expense		
Wages and salaries	$ 1,196,924	$ 1,037,755
Labour and health insurance fees	120,534	104,836
Pension costs	68,632	61,565
Other personel expenses	49,769	43,183
	$ 1,435,859	$ 1,247,339
Depreciation charges on property, plant and equipment	$ 231,523	$ 242,232
Depreciation charges on right-of-use assets	$ 347,507	$ 326,144
Amortisation charges on intangible assets	$ 5,672	$ 4,779

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
Employee benefit expense		
Wages and salaries	$ 2,356,740	$ 2,030,296
Labour and health insurance fees	236,661	207,757
Pension costs	134,584	122,114
Other personnel expenses	99,855	86,021
	$ 2,827,840	$ 2,446,188
Depreciation charges on property, plant and equipment	$ 463,408	$ 489,416
Depreciation charges on right-of-use assets	$ 692,012	$ 655,672
Amortisation charges on intangible assets	$ 11,138	$ 9,478

A. According to the Articles of Incorporation of the Company, a portion of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be lower than 2% for employees' compensation and shall not be higher than 2% for directors' remuneration.

B. For the three-month and six-month periods ended June 30, 2025 and 2024, employees' compensation was accrued at $2,081, $3,447, $3,349 and $5,900, respectively; while directors' remuneration was accrued at $0, $0, $0 and $0, respectively. The aforementioned amounts were recognized in salary expenses.

   For the six-month periods ended June 30, 2025 and 2024, the employees' compensation and directors' remuneration were estimated and accrued based on 2% and 0% of distributable profit of current year as of the end of reporting period.

   Employees' compensation and directors' remuneration for 2024 amounting to $9,095 and $0, respectively, as resolved at the meeting of Board of Directors, were in agreement with those amounted recognized in the 2024 financial statements.

   Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(25) Income tax

A. Income tax expense

Components of income tax expense:

	Three-month period ended June 30, 2025	Three-month period ended June 30, 2024
Current tax:		
Current tax on profit for the period	$ 32,808	$ 28,965
Prior year income tax underestimation (overestimation)	166	(70)
Total current tax	32,974	28,895
Deferred tax:		
Origination and reversal of temporary differences	(10,721)	6,075
Income tax expense	$ 22,253	$ 34,970

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
Current tax:		
Current tax on profit for the period	$ 61,565	$ 54,995
Prior year income tax underestimation (overestimation)	166	(70)
Total current tax	61,731	54,925
Deferred tax:		
Origination and reversal of temporary differences	(26,643)	5,943
Income tax expense	$ 35,088	$ 60,868

B. World Fitness Asia Limited (H.K.) Taiwan Branch’s income tax returns through 2023 have been assessed and approved by the Tax Authority.

(26) Earnings per share

	Three-month period ended June 30, 2025		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 79,727	109,222	$ 0.73
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	79,727	109,222	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	43	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 79,727	109,265	$ 0.73

	Three-month period ended June 30, 2024		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 133,897	111,005	$ 1.21
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	133,897	111,005	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	65	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 133,897	111,070	$ 1.21

	Six-month period ended June 30, 2025		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 129,008	109,237	$ 1.18
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	129,008	109,237	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	78	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 129,008	109,315	$ 1.18

	Six-month period ended June 30, 2024		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 228,217	110,242	$ 2.07
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	228,217	110,242	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	97	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 228,217	110,339	$ 2.07

In calculating diluted earnings per share, it is assumed that all of employees' compensation are paid in shares.

(27) Business combinations

A. On October 28, 2024, the Group acquired 100% of the share capital of World Gym International, LLC for USD 9 million and obtained the control over World Gym International, LLC, which provides fitness trademark licensing services in the US. As a result of the acquisition, the Group is part of the Group's operating strategy and expand its business locations.

B. The following table summarises the consideration paid for World Gym International, LLC and the fair values of the assets acquired and liabilities assumed at the acquisition date:

	October 28, 2024
Purchase consideration	
Cash paid	$ 288,855
Fair value of the identifiable assets acquired and liabilities assumed	
Cash	7,735
Accounts receivable	2,376
Inventories	821
Property, plant and equipment	6,925
Intangible assets-trademarks	271,634
Other current assets	5,050
Accounts payable	(594)
Other payables	(1,797)
Deferred tax liabilities for Intangible assets-trademarks	(21,952)
Other current liabilities	(21,157)
Total identifiable net assets	249,041
Goodwill	$ 39,814

C. As of June 30, 2025, the Group has obtained a report on reasonable price allocation. The Group has revised the preliminary estimated values for the price allocation period based on the fair value as of the acquisition date, and the financial statements at the acquisition date have retrospectively adjusted in accordance with IFRS 3. This adjustment resulted in a reduction of goodwill by $9,094 and a reduction of deferred tax liabilities by $9,094.

D. The operating revenue included in the consolidated statement of comprehensive income since October 28, 2024 contributed by World Gym International, LLC was $12,085. World Gym International, LLC also contributed profit before income tax of $3,227 over the same period. Had World Gym International, LLC been consolidated from January 1, 2024, the consolidated statement of comprehensive income would increase operating revenue by $70,539 and loss before income tax by $49,044.

(28) Supplemental cash flow information

A. Investing activities with partial cash payments

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
Purchase of property, plant and equipment	$ 589,802	$ 507,054
Add: Opening balance of payable on construction and equipment	279,083	120,046
Opening balance of long-term payable for purchase of equipment	140,435	144,380
Less: Ending balance of payable on construction and equipment	(182,839)	(161,200)
Ending balance of long-term payable for purchase of equipment	(134,086)	(110,057)
Cash paid during the period	$ 692,395	$ 500,223

B. Financing activities with partial cash payments

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
Dividends recognised	$ 402,500	$ 650,000
Add: Opening balance of dividends payable	32,462	16,508
Loss: Ending balance of dividends payable	(26,793)	(57,976)
Cash paid during the period	$ 408,169	$ 608,532

(29) Changes in liabilities from financing activities

	2025					
	Short-term borrowings	Long-term borrowings (including current portion)	Guarantee deposits received	Dividends payable	Lease liabilities	Liabilities from financing activities-gross
January 1, 2025	$ 399,900	$ 150,000	$ 12,297	$ 32,462	$ 9,185,723	$ 9,780,382
Changes in cash flow from financing activities	400,000	270,000	-	(408,169)	(653,984)	(392,153)
Additions	-	-	-	402,500	1,447,912	1,850,412
June 30, 2025	$ 799,900	$ 420,000	$ 12,297	$ 26,793	$ 9,979,651	$ 11,238,641

	2024					
	Short-term borrowings	Long-term borrowings (including current portion)	Guarantee deposits received	Dividends payable	Lease liabilities	Liabilities from financing activities-gross
January 1, 2024	$ 400,000	$ 360,000	$ 11,647	$ 16,508	$ 9,528,718	$10,316,873
Changes in cash flow from financing activities	(100)	(175,000)	49	(608,532)	(613,273)	(1,396,856)
Additions	-	-	-	650,000	593,483	1,243,483
June 30, 2024	$ 399,900	$ 185,000	$ 11,696	$ 57,976	$ 9,508,928	$10,163,500

7. Related Party Transactions

(1) Names of related parties and relationship

Names of related parties	Relationship with the Group
Jing Keng Health World Co., Ltd.	Associate

(2) Significant related party transactions

A. Receivables from related parties

	June 30, 2025	December 31, 2024	June 30, 2024
Other receivables			
Associates	$ 185	$ 139	$ 281

Other receivables are receivables for miscellaneous expenses.

B. Payables to related parties

	June 30, 2025	December 31, 2024	June 30, 2024
Other payables			
Associates	$ 25	$ 40	$ 26

Other payables are payables for miscellaneous expenses.

C. Other income

	Three-month period ended June 30, 2025	Three-month period ended June 30, 2024
Other income		
Associates	$ 1,572	$ 1,572

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
Other income		
Associates	$ 3,143	$ 3,143

Other income was charged with a fixed amount monthly for service provided for the development, management and operation of fitness centers.

(3) Key management compensation

	Three-month period ended June 30, 2025	Three-month period ended June 30, 2024
Short-term employee benefits	$ 22,689	$ 19,083
Post-employment benefits	503	477
	$ 23,192	$ 19,560

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
Short-term employee benefits	$ 46,542	$ 36,929
Post-employment benefits	1,004	938
	$ 47,546	$ 37,867

8. Pledged Assets

The Group's assets pledged as collateral are as follows:

	Book value			
Pledged asset	June 30, 2025	December 31, 2024	June 30, 2024	Purpose
Reserved trust account	$ 636,076	$ 599,229	$ 529,102	Collaterals for membership fees and coaching fees received in advance.
Reserved time deposits	20,212	20,194	14,194	Collaterals for lease deposit.
Fitness equipment	165,790	176,335	169,933	Collaterals for purchase of equipment by installments.
	$ 822,078	$ 795,758	$ 713,229	

9. Significant Contingent Liabilities and Unrecognized Contract Commitments

(1) Contingencies

None.

(2) Commitments

Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Property, plant and equipment	$ 257,350	$ 344,912	$ 316,807

Lease arrangement contracted for at the balance sheet date but not yet incurred is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Right-of-use assets	$ 48,012	$ 189,471	$ 394,223

10. Significant Disaster Loss

None.

11. Significant Event after the Balance Sheet Date

Please refer to Notes 6(18) 5. for the explanation of the earnings distribution proposal of half year of 2025.

12. Others

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated balance sheet plus net debt.

As at June 30, 2025, December 31, 2024 and June 30, 2024, the Group's debt ratios were as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Total liabilities	$ 15,861,095	$ 14,209,936	$ 14,144,764
Total assets	18,661,136	17,343,787	17,528,453
Debt ratio	85%	82%	81%

(2) Financial instruments

A. Financial instruments by category

	June 30, 2025	December 31, 2024	June 30, 2024
Financial assets			
Financial assets at amortised cost			
Cash and cash equivalents	$ 819,706	$ 569,661	$ 1,198,613
Financial assets at amortised cost	656,288	619,423	543,296
Accounts receivable	192,066	67,657	166,829
Financial lease receivables	133,413	144,469	155,292
Other receivables (including related parties)	6,332	6,499	5,147
Guarantee deposits paid	424,112	422,043	424,786
	$ 2,231,917	$ 1,829,752	$ 2,493,963

	June 30, 2025	December 31, 2024	June 30, 2024
Financial liabilities			
Financial liabilities at amortised cost			
Short-term borrowings	$ 799,900	$ 399,900	$ 399,900
Notes payable	1,572	3,177	4,194
Accounts payable	1,107	743	376
Other payables (including related parties)	1,232,937	1,278,413	1,121,716
Long-term borrowings (including current portion)	420,000	150,000	185,000
Long-term payables (including current portion)	134,086	140,435	110,057
Guarantee deposits received	12,297	12,297	11,696
	$ 2,601,899	$ 1,984,965	$ 1,832,939
Lease liabilities	$ 9,979,651	$ 9,185,723	$ 9,508,928

B. Financial risk management policies

(a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programmer focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial position and financial performance.

(b) Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The material financing activities are reviewed by the Board of Directors in accordance with procedures required by relevant regulations and internal control system. During the implementation of financing plans, the Board of Directors is assisted in its oversight role by the internal audit department. Internal audit undertakes both regular and exceptional reviews of risk management controls and procedures, and reports the results to the Board of Directors.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. The Group operates internationally and is exposed to foreign exchange risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities.

ii. The Group's businesses involve some non-functional currency operations. The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	June 30, 2025								
						Sensitivity analysis			
	Foreign currency amount (thousands)		Exchange rate	Book value (TWD in thousands)		Degree of variation	Effect on profit or loss		Effect on other comprehensive income
(Foreign currency: functional currency)									
Financial assets									
Monetary items									
USD：TWD	$	3,336	29.30	$	97,745	1%	$	977	$ -

	December 31, 2024								
						Sensitivity analysis			
	Foreign currency amount (thousands)		Exchange rate	Book value (TWD in thousands)		Degree of variation	Effect on profit or loss		Effect on other comprehensive income
(Foreign currency: functional currency)									
Financial assets									
Monetary items									
USD：TWD	$	787	32.79	$	25,792	1%	$	258	$ -

	June 30, 2024								
						Sensitivity analysis			
	Foreign currency amount (thousands)		Exchange rate	Book value (TWD in thousands)		Degree of variation	Effect on profit or loss		Effect on other comprehensive income
(Foreign currency: functional currency)									
Financial assets									
Monetary items									
USD：TWD	$	4,371	32.45	$	140,731	1%	$	1,407	$ -

iii. The exchange gain or loss including realized and unrealized arising from significant foreign exchange variation on the monetary items held by the Group for the three-month and six-month periods ended June 30, 2025 and 2024 amounted to loss of $1,666, gain of $34, loss of $1,639 and gain of $1,075, respectively.

Cash flow and fair value Interest rate risk

i. The Group’s main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. As at June 30, 2025, December 31, 2024 and June 30, 2024, the Group’s borrowings at variable rate were mainly denominated in New Taiwan dollars.

ii. The Group's borrowings are measured at amortised cost. The borrowings are periodically contractually repriced and to that extent are also exposed to the risk of future changes in market interest rates.

iii. If the borrowing interest rate had increased/decreased by 0.25% with all other variables held constant, profit, net of tax for the three-month and six-month periods ended June 30, 2025 and 2024, would have increased/decreased by $753, $231, $1,220 and $585, respectively. The main factor is that changes in interest expense result in floating-rate borrowings.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of financial instruments at fair value through profit or loss and at fair value through other comprehensive income.

ii. According to the Group's credit policy, only well-known financial institutions within the operating country can be accepted as transaction banks.

iii. The Group adopts the assumptions under IFRS 9, the default occurs when the contract payments are past due over 90 days.

iv. The Group adopts assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:

If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

v. For accounts receivable generated from exchanges, the Group evaluates the expected credit risk of accounts receivable using the following methods:

(i.) For each significant account receivable that has already defaulted, the expected credit loss is estimated on an individual basis.

(ii.) The Group classifies customers' notes receivable and accounts receivable in accordance with credit rating of customer. The Group applies the modified approach based on the loss rate methodology to estimate expected credit loss under the provision matrix basis.

vi. The accounts receivable of the Group mainly uses credit card payment and bank remittance methods. These receivables are mainly paid by domestic famous financial institutions, and thus there are no significant concerns regarding contract payments, and the probability of occurrence of credit risk is extremely low.

vii. The Group adjusts the loss rates based on forward-looking considerations and historical and current information for a specific period to estimate the allowance for doubtful accounts. The loss rate method as of June 30, 2025 and December 31, 2024 is as follows:

	At June 30, 2025			
	Individual	Group A	Group B	Total
Expected loss rate	0.00%	0.00%	0.00%	
Total book value	$ -	$ 111	$ 191,955	$ 192,066
Loss allowance	$ -	$ -	$ -	$ -

	At December 31, 2024			
	Individual	Group A	Group B	Total
Expected loss rate	96.36%	20.00%	0.00%	
Total book value	$ 1,153	$ 2,145	$ 65,899	$ 69,197
Loss allowance	$ 1,111	$ 429	$ -	$ 1,540

At June 30, 2024: None.

viii. The changes in the allowance for doubtful accounts of the Group under the simplified approach are as follows:

	2025
	Accounts receivable
At January 1	$ 1,540
Reversal of impairment loss	282
Write-offs	(1,215)
Effect of foreign exchange	(607)
At June 30	$ -

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group’s liquidity requirements to ensure it has sufficient cash to meet operational needs so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group’s debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable external regulatory or legal requirements.

ii. Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the Group treasury. Group treasury invests surplus cash in interest bearing current accounts and time deposits, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the abovementioned forecasts.

iii. As of June 30, 2025, December 31, 2024 and June 30, 2024, the Group's unused floating rate short-term borrowing facilities were $100, $100 and $0, respectively.

iv. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

June 30, 2025

Non-derivative financial liabilities	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Short-term borrowings	$ 403,738	$ 402,555	$ -	$ -	$ -	$ 806,293
Notes payable	1,572	-	-	-	-	1,572
Accounts payable	1,107	-	-	-	-	1,107
Other payables (including related parties)	1,050,098	182,839	-	-	-	1,232,937
Guarantee deposits received	-	-	-	-	12,297	12,297
Long-term borrowings (including current portion)	32,543	96,538	190,057	123,188	-	442,326
Long-term payable (including current portion)	17,461	43,629	45,165	44,014	-	150,269
Lease liability	376,506	1,089,471	1,420,985	3,597,737	4,521,706	11,006,405

December 31, 2024

Non-derivative financial liabilities	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Short-term borrowings	$ 1,621	$ 400,920	$ -	$ -	$ -	$ 402,541
Notes payable	3,177	-	-	-	-	3,177
Accounts payable	743	-	-	-	-	743
Other payables (including related parties)	999,330	279,083	-	-	-	1,278,413
Guarantee deposits received	-	-	-	-	12,297	12,297
Long-term borrowings (including current portion)	15,836	46,988	61,441	30,202	-	154,467
Long-term payable (including current portion)	19,159	47,142	43,909	47,515	-	157,725
Lease liability	355,751	1,027,600	1,307,702	3,360,313	4,016,502	10,067,868

June 30, 2024

Non-derivative financial liabilities	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Short-term borrowings	$ 1,577	$ 404,025	$ -	$ -	$ -	$ 405,602
Notes payable	4,194	-	-	-	-	4,194
Other payables (including related parties)	960,516	161,200	-	-	-	1,121,716
Guarantee deposits received	-	-	-	-	11,696	11,696
Long-term borrowings (including current portion)	21,364	47,507	62,132	60,749	-	191,752
Long-term payable (including current portion)	21,502	44,327	33,337	21,000	-	120,166
Lease liability	368,106	1,107,096	1,400,926	3,718,656	4,658,079	11,252,863

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

B. Financial instruments not measured at fair value

The carrying amounts of cash and cash equivalents, notes receivable, accounts receivable, finance lease payments receivable, other receivables, guarantee deposits paid, notes payable, other payables, long-term payables, borrowings and guarantee deposits received are approximate to their fair values.

C. As of June 30, 2025, December 31, 2024 and June 30, 2024, the Group did not have any financial instruments and non-financial instruments measured at fair value.

13. Supplementary Disclosures

(1) Significant transactions information

A. Loans to others: Please to refer to table 1.

B. Provision of endorsements and guarantees to others: Please to refer to table 2.

C. Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): None.

D. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: None.

E. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: None.

F. Significant inter-company transactions during the reporting periods: None.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China)：Please refer to table 3.

(3) Information on investments in Mainland China

A. Basic information: None.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: None.

14. Segment Information

(1) General information

Management has determined the reportable operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions. The business organizations are divided by subsidiary into the Group (except US) Operations Division and the US Operations Division. The reportable segments of the group are classified by operating company.

There is no material change in the basis for formation of entities and division of segments in the Group or in the measurement basis for segment information during this period.

(2) Measurement of segment information

The chief operating decision-maker evaluates the performance of the operating segments based on a measure of income or loss before tax.

(3) Information about segment profit or loss, assets and liabilities

A. The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

Three-month ended June 30, 2025	Group(except USA)	America	Write-off	Total
Revenue from external customers	$ 2,693,015	$ 18,323	$ -	$ 2,711,338
Inter-segment revenue	-	9,307	(9,307)	-
Total segment revenue	$ 2,693,015	$ 27,630	($ 9,307)	$ 2,711,338
Segment income before tax	$ 93,408	$ 8,572	$ -	$ 101,980
Segment income including:				
Interest income	$ 4,978	$ -	$ -	$ 4,978
Interest expense	$ 56,074	$ -	$ -	$ 56,074
Depreciation and amortisation	$ 584,038	$ 664	$ -	$ 584,702
Income tax expense	$ 21,341	$ 912	$ -	$ 22,253

Six-month period ended June 30, 2025	Group(except USA)	America	Write-off	Total
Revenue from external customers	$ 5,244,116	$ 37,579	$ -	$ 5,281,695
Inter-segment revenue	-	18,775	(18,775)	-
Total segment revenue	$ 5,244,116	$ 56,354	($ 18,775)	$ 5,281,695
Segment income before tax	$ 142,529	$ 21,567	$ -	$ 164,096
Segment income including:				
Interest income	$ 9,499	$ -	$ -	$ 9,499
Interest expense	$ 110,428	$ -	$ -	$ 110,428
Depreciation and amortisation	$ 1,165,168	$ 1,390	$ -	$ 1,166,558
Income tax expense	$ 33,396	$ 1,692	$ -	$ 35,088

Three-month ended June 30, 2024	Group(except USA)	America	Write-off	Total
Revenue from external customers	$ 2,464,165	$ -	$ -	$ 2,464,165
Inter-segment revenue	-	-	-	-
Total segment revenue	$ 2,464,165	$ -	$ -	$ 2,464,165
Segment income before tax	$ 168,867	$ -	$ -	$ 168,867
Segment income including:				
Interest income	$ 10,609	$ -	$ -	$ 10,609
Interest expense	$ 51,752	$ -	$ -	$ 51,752
Depreciation and amortisation	$ 584,854	$ -	$ -	$ 584,854
Income tax expense	$ 34,970	$ -	$ -	$ 34,970

Six-month period ended June 30, 2024	Group(except USA)	America	Write-off	Total
Revenue from external customers	$ 4,799,771	$ -	$ -	$ 4,799,771
Inter-segment revenue	-	-	-	-
Total segment revenue	$ 4,799,771	$ -	$ -	$ 4,799,771
Segment income before tax	$ 289,085	$ -	$ -	$ 289,085
Segment income including:				
Interest income	$ 15,346	$ -	$ -	$ 15,346
Interest expense	$ 104,435	$ -	$ -	$ 104,435
Depreciation and amortisation	$ 1,154,566	$ -	$ -	$ 1,154,566
Income tax expense	$ 60,868	$ -	$ -	$ 60,868

B. The Group's main sources of revenue are membership income, course income, and trademark royalty income

(4) Reconciliation for segment income (loss)

A. Sales between segments are carried out at arm's length. The revenue from external customers reported to the chief operating decision-maker is measured in a manner consistent with that in the statement of comprehensive income, and the segment income reported to the chief operating decision-maker is measured in a manner consistent with that of the Group's financial statements. Therefore, no adjustment is needed.

B. The amount provided to the chief operating decision-maker with respect to total assets and to total liabilities are measured in a manner consistent with that of the Group's financial statements. Therefore, no adjustment is needed.

World Gym Corporation and Subsidaries

(Formerly World Fitness Services Ltd.)

Loans to others

For the six-month period ended June 30, 2025

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the six-month period ended June 30, 2025	Balance at June 30, 2025	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Limit on loans granted to a single party (Note 3)	Ceiling on total loans granted (Note 4)	Footnote
0	WORLD GYM CORPORATION	World Fitness Asia Limited (H.K.) Taiwan Branch	Other receivable-related party	Y	$ 400,000	$ 200,000	$ -	2.00%	Note 2	$ -	Business operation	$ -	NA	$ -	$ 840,012	$ 840,012	Note 5

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:
(1) The Company is '0'.
(2) The subsidiaries are numbered in order starting from '1'.
Note 2: Need for short-term financing.
Note 3: Limit on loans granted by the Company to a single party is 30% of its net assets. While there's no such limit for subsidaries which is 100% owned by the Company. For business dealings, limit on loans should not exceed the total amount that both parties deal with each other during the past 12-month period. (The amount indicate purchase or sales, whichever is higher), and should not exceed 5% of the Company's net assets. For short-term financing, the limit is 30% of the Company's net assets.
Note 4: The total amount of funds borrowed by the company shall not exceed 30% of the company's net worth. For companies with business dealings, the total amount shall not exceed 10% of the company's net worth; if it is necessary for short-term financing, the total amount shall not exceed 30% of the Company's net worth.
Note 5: The transactions were eliminated when preparing the consolidated financial statements.

World Gym Corporation and Subsidaries

(Formerly World Fitness Services Ltd.)

Provision of endorsements and guarantees to others

For the six-month period ended June 30, 2025

Table 2

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note1)	Endorser/guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party(Note 3)	Maximum balance during the period	Outstanding balance at June 30, 2025	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsements/ guarantee amount to net worth of the endorser/guarantor company(%)	Limit on total amount of endorsements/ guarantee(Note 4)	Provision of endorsements / guarantee by parent company to subsidary	Provision of endorsements/ guarantee by subsidary to parent company	Provision of endorsements/ guarantee to party in Mainland Number Endorser/guarant or Company	Note
		Company name	Relationship with the endorser/ guarantor (Note 2)											
0	WORLD GYM CORPORATION	World Fitness Asia Limited (H.K.) Taiwan Branch	2	$ 2,800,041	$ 400,000	$ 400,000	$ 400,000	$ -	14.29%	$ 2,800,041	Y	N	N	

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:

(1) The Company is ‘0’.

(2) The subsidiaries are numbered in order starting from ‘1’.

Note 2: The following code represents the relationship with the Company :

(1) Trading partner.

(2) Majority owned subsidiary.

(3) The Company direct and indirect owns over 50% ownership of the investee company.

(4) A subsidiary jointly owned over 90% by the Company.

(5) Guaranteed by the Company according to the construction contract.

(6) An investee company. The guarantees were provided based on the Company's proportionate share in the investee company.

(7) Joint and several guaranteed by the Company according to the pre-construction contract under Consumer Protection Act.

Note 3: The limit of endorsement for any single entity is 100% of its net worth and 10% of the Company's net worth.If the Board of Directors makes a resolution for the endorsements to subsidaries which are 100% directly or indirectly owned by the Company, the limit of endorsement for any single entity should not exceed the amount of 100% of the Company's net worth.

Note 4: The total amount of transactions of endorsement shall not exceed 20% of the company's net worth. For companies which are 50% directly or indirectly owned by the Company, The total amount of transactions of endorsement should not exceed the amount of 100% of the Company's net worth.

World Gym Corporation and Subsidaries

(Formerly World Fitness Services Ltd.)

Information on investees

For the six-month period ended June 30, 2025

Table 3

Expressed in thousands of NTD/ share
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at June 30, 2025	Initial investment amount: Balance as at December 31, 2024	Shares held as at June 30, 2025: Number of shares	Shares held as at June 30, 2025: Ownership (%)	Shares held as at June 30, 2025: Book value	Net profit (loss) of the investee for the six-month period ended June 30, 2025	Investment income(loss) recognised by the Company for the six-month period ended June 30, 2025	Footnote
WORLD GYM CORPORATION	WORLD FITNESS ASIA LIMITED	Hong Kong	Fitness centers and other sports related services	$ 10,397	$ 10,397	2,482,606	100.00	$ 2,429,723	$ 127,716	$ 127,716	Note 1
WORLD GYM CORPORATION	World Gym International, LLC	America	Trademark licensing service for fitness brands	288,855	288,855	-	99.90	300,748	19,875	19,875	Note 1、Note 2
WORLD FITNESS ASIA LIMITED	Jing Keng Health World Co., Ltd.	Taiwan	Fitness centers and other sports related services	16,350	16,350	1,635,000	30.00	3,749	(12,802)	(3,840)	Note 1

Note 1: The transaction has already been written off in the consolidated financial statements.
Note 2: WG Franchise Management Corp. holds 0.1% of World Gym International, LLC. Since the final actual controlling shareholder is World Gym Corporation, all investment income is recognized in World Gym Corporation.