EirGenix Inc. and Subsidiaries

Consolidated Financial Statements and Independent Auditors' Review Report

Three Months Ended March 31, 2025 and 2024

For the convenience of readers and for information purpose only, the auditors' review 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.

EirGenix Inc. and Subsidiaries
Consolidated Financial Statements and Independent Auditors' Review Report
Three Months Ended March 31, 2025 and 2024

TABLE OF CONTENTS

INDEPENDENT AUDITORS' REVIEW REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of EirGenix Inc.

Introduction

We have reviewed the accompanying consolidated balance sheets of EirGenix Inc. and subsidiaries (the "Group") as at March 31, 2025 and 2024, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the three months then ended, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of these 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. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of review

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

Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of EirGenix Inc. and subsidiaries as at March 31, 2025 and 2024, and of its consolidated financial performance and its consolidated cash flows for the three months then ended 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.

Yu, Shu-Fen   Yen, Yu-Fang

For and on behalf of PricewaterhouseCoopers, Taiwan

May 13, 2024

EIRGENIX INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2025, DECEMBER 31, AND MARCH 31, 2024
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	March 31, 2025 Amount	%	December 31, 2024 Amount	%	March 31, 2024 Amount	%
	Current assets							
1100	Cash and cash equivalents	6(1)	$ 3,792,791	35	$ 4,097,584	38	$ 4,847,881	44
1136	Financial assets at amortised cost - current	6(3)	-	-	500,000	5	900,000	8
1140	Contract assets - current	6(19) and 7	302,105	3	385,940	4	261,078	2
1150	Notes receivable, net	6(4)	173	-	50	-	46	-
1170	Accounts receivable, net	6(4)	234,080	2	110,596	1	131,044	1
1180	Accounts receivable, net - related parties	7	226	-	3,100	-	189	-
1200	Other receivables		37,153	1	34,266	-	21,634	-
1220	Current tax assets		29,734	-	26,863	-	21,105	-
130X	Inventories	6(5)	587,661	6	552,088	5	661,369	6
1410	Prepayments	6(6)	243,611	2	241,515	2	71,993	1
11XX	**Total current assets**		5,227,534	49	5,952,002	55	6,916,339	62
	Non-current assets							
1510	Financial assets at fair value through profit or loss - non-current	6(2) and 7	116,210	1	102,142	1	97,713	1
1517	Financial assets at fair value through other comprehensive income - non-current	6(7)	249,593	2	263,125	2	322,099	3
1535	Financial assets at amortised cost - non-current	6(3) and 8	163,529	2	129,326	1	40,588	-
1600	Property, plant and equipment	6(8) and 8	4,233,993	39	3,906,086	36	3,376,450	30
1755	Right-of-use assets	6(9)	525,762	5	319,084	3	336,014	3
1780	Intangible assets	6(10)	19,316	-	21,115	-	27,307	-
1900	Other non-current assets	6(8)(11) and 8	231,921	2	183,536	2	63,081	1
15XX	**Total non-current assets**		5,540,324	51	4,924,414	45	4,263,252	38
1XXX	**Total assets**		$ 10,767,858	100	$ 10,876,416	100	$ 11,179,591	100

(Continued)

EIRGENIX INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2025, DECEMBER 31, AND MARCH 31, 2024
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	March 31, 2025 Amount	%	December 31, 2024 Amount	%	March 31, 2024 Amount	%
	Current liabilities							
2130	Contract liabilities - current	6(19) and 7	$ 140,148	2	$ 46,176	1	$ 37,413	-
2170	Accounts payable		96,216	1	87,287	1	63,447	1
2180	Accounts payable - related parties	7	215	-	-	-	-	-
2200	Other payables	6(12)	427,737	4	568,428	5	274,163	3
2220	Other payables - related parties	7	10,555	-	7,619	-	9,473	-
2230	Current tax liabilities		657	-	709	-	1,210	-
2280	Lease liabilities – current		23,246	-	27,905	-	29,795	-
2320	Long-term liabilities, current portion	6(13) and 8	-	-	205,629	2	20,563	-
2399	Other current liabilities - others		3,981	-	3,617	-	5,709	-
21XX	**Total current liabilities**		702,755	7	947,370	9	441,773	4
	Non-current liabilities							
2540	Long-term borrowings	6(13) and 8	690,804	6	359,768	3	472,947	4
2570	Deferred tax liabilities		2,134	-	1,892	-	1,488	-
2580	Lease liabilities - non-current		519,791	5	307,998	3	321,918	3
2640	Net defined benefit liability - non-current		1,179	-	1,131	-	-	-
2670	Other non-current liabilities - others		420	-	-	-	6	-
25XX	**Total non-current liabilities**		1,214,328	11	670,789	6	796,359	7
2XXX	**Total liabilities**		1,917,083	18	1,618,159	15	1,238,132	11
	Equity							
	Capital	6(16)						
3110	Ordinary share		3,062,162	28	3,062,162	28	3,061,611	27
3140	Advance receipts for ordinary share		1,219	-	330	-	-	-
	Capital reserve	6(17)						
3200	Capital reserve		6,959,252	65	6,954,889	64	7,850,705	70
	Retained earnings	6(18)						
3350	Accumulated deficit		(855,438)	(8)	(698,344)	(6)	(1,019,223)	(9)
	Other equity interest							
3400	Other equity interest		(10,955)	-	230	-	48,366	1
3500	Treasury shares	6(16)	(305,465)	(3)	(61,010)	(1)	-	-
3XXX	**Total equity**		8,850,775	82	9,258,257	85	9,941,459	89
	Significant contingent liabilities and unrecognised contract commitments	9						
3X2X	**Total liabilities and equity**		$ 10,767,858	100	$ 10,876,416	100	$ 11,179,591	100

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

EIRGENIX INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS ENDED MARCH 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except for loss per share amount)

	Items	Notes	January 1 to March 31, 2025 Amount	%	January 1 to March 31, 2024 Amount	%
4000	Operating revenue	6(19) and 7	$ 181,923	100	$ 219,693	100
5000	Operating costs	6(5)(10) (24) and 7	(164,763)	(90)	(201,802)	(92)
5900	Gross profit		17,160	10	17,891	8
	Operating expenses	6(10)(24) and 7				
6100	Sales and marketing expenses		(15,896)	(9)	(14,992)	(7)
6200	General and administrative expenses		(57,854)	(32)	(62,749)	(28)
6300	Research and development expenses		(179,647)	(99)	(154,178)	(70)
6450	Expected credit impairment gain	12(2)	13,417	8	-	-
6000	Total operating expenses		(239,980)	(132)	(231,919)	(105)
6900	Operating loss		(222,820)	(122)	(214,028)	(97)
	Non-operating Income and Expenses					
7100	Interest income	6(3)(4) (20)	31,600	17	34,400	16
7010	Other income	6(21)	449	-	618	-
7020	Other gains and losses	6(2)(9) (22)	35,869	20	77,138	35
7050	Finance costs	6(8)(9) (23)	(1,835)	(1)	(1,703)	(1)
7000	Total non-operating income and expenses		66,083	36	110,453	50
7900	**Loss before tax**		(156,737)	(86)	(103,575)	(47)
7950	Tax expenses	6(25)	(357)	(1)	(440)	-
8200	**Net loss**		($ 157,094)	(87)	($ 104,015)	(47)
	Other comprehensive income, net					
	Components of other comprehensive income that will not be reclassified subsequently to profit or loss					
8316	Unrealised losses from investments in equity instruments measured at fair value through other compehensive income	6(7)	($ 13,532)	(7)	($ 3,788)	(2)
8310	Other comprehensive loss that will not be reclassified to profit or loss		(13,532)	(7)	(3,788)	(2)
	Items that may be reclassified subsequently to profit or loss					
8361	Exchange differences on translation of foreign financial statements		565	-	59	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(25)	(113)	-	(23)	-
8360	Other comprehensive income that will be reclassified to profit or loss		452	-	36	-
8300	**Other comprehensive income, net**		($ 13,080)	(7)	($ 3,752)	(2)
8500	**Total comprehensive income**		($ 170,174)	(94)	($ 107,767)	(49)
	Loss per share	6(26)				
9750	Basic and diluted loss per share		($ 0.52)		($ 0.34)	

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

EIRGENIX INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
THREE MONTHS ENDED MARCH 31, 2025 AND 2024

Unit: Thousands of NTD

		Equity attributable to owners of the parent										
			Capital surplus					Other equity interest				
	Notes	Common stock	Additional paid-in capital	Employee stock options	Restricted stocks for employees	Capital surplus, others	Accumulated deficit	Exchange differences on translation of foreign financial statements	Unrealized gain (loss) on financial assets at fair value through other comprehensive income	Unearned compensation	Treasury shares	Total
2024												
Balance on January 1, 2024		$ 3,060,516	$ 7,515,052	$ 167,500	$ 145,854	$ 1,810	($ 915,208)	$ 162	$ 110,861	($ 69,084)	$ -	$ 10,017,463
Loss for the period		-	-	-	-	-	(104,015)	-	-	-	-	(104,015)
Other comprehensive income (loss) for the period	6(7)	-	-	-	-	-	-	36	(3,788)	-	-	(3,752)
Total comprehensive income (loss) for the period		-	-	-	-	-	(104,015)	36	(3,788)	-	-	(107,767)
Compensation costs of share-based payments	6(15)	-	-	17,920	-	-	-	-	-	10,179	-	28,099
Employee stock options exercised	6(15)(16)	1,095	4,312	(1,743)	-	-	-	-	-	-	-	3,664
Employee stock options expired	6(15)	-	-	(1,267)	-	1,267	-	-	-	-	-	-
Restricted stocks issued to employees with vesting conditions		-	581	-	(581)	-	-	-	-	-	-	-
Balance on March 31, 2024		$ 3,061,611	$ 7,519,945	$ 182,410	$ 145,273	$ 3,077	($ 1,019,223)	$ 198	$ 107,073	($ 58,905)	$ -	$ 9,941,459
2025												
Balance on January 1, 2025		$ 3,062,492	$ 6,685,974	$ 208,340	$ 52,127	$ 8,448	($ 698,344)	$ 162	$ 18,099	($ 18,031)	($ 61,010)	$ 9,258,257
Loss for the period		-	-	-	-	-	(157,094)	-	-	-	-	(157,094)
Other comprehensive income (loss) for the period	6(7)	-	-	-	-	-	-	452	(13,532)	-	-	(13,080)
Total comprehensive income (loss) for the period		-	-	-	-	-	(157,094)	452	(13,532)	-	-	(170,174)
Compensation costs of share-based payments	6(15)	-	-	1,989	-	-	-	-	-	1,895	-	3,884
Employee stock options exercised	6(15)(16)	889	3,928	(1,554)	-	-	-	-	-	-	-	3,263
Employee stock options expired	6(15)	-	-	(5,227)	-	5,227	-	-	-	-	-	-
Restricted stocks issued to employees with vesting conditions		-	1,293	-	(1,293)	-	-	-	-	-	-	-
Repurchase of treasury stock	6(16)	-	-	-	-	-	-	-	-	-	(244,455)	(244,455)
Balance on March 31, 2025		$ 3,063,381	$ 6,691,195	$ 203,548	$ 50,834	$ 13,675	($ 855,438)	$ 614	$ 4,567	($ 16,136)	($ 305,465)	$ 8,850,775

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

EIRGENIX INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	January 1 to March 31 2025	January 1 to March 31 2024
Cash flows from operating activities			
Loss before tax		($ 156,737)	($ 103,575)
Adjustments			
Reconcile profit item			
Depreciation expense	6(8)(9)(24)	58,012	70,880
Amortisation	6(10)(24)	2,039	2,155
Net loss (gain) on financial assets at fair value through profit or loss	6(2)(22)	932	(2,415)
Interest expense	6(23)	1,835	1,703
Interest income	6(20)	(31,600)	(34,400)
Compensation costs of share-based payments	6(15)(24)	3,884	28,099
Expected credit reversal of impairment loss recognised in profit or loss	12(2)	(13,417)	-
Gains on disposals of property, plant and equipment	6(22)	-	(1)
Changes in operating assets and liabilities			
Changes in operating assets			
Contract assets		84,309	32,616
Notes receivable, net		(123)	(27)
Accounts receivable, net		(110,541)	122,346
Accounts receivable, net - related parties		2,874	2,447
Other receivables		183	(1,110)
Inventories		(35,573)	19,268
Prepayments		(2,096)	21,809
Changes in operating liabilities			
Contract liabilities		93,972	(19,353)
Accounts payable		8,929	(16,109)
Accounts payable to related parties		215	-
Other payables		(42,717)	(56,090)
Other payables - related parties		2,936	1,480
Other current liabilities		784	2,772
Net defined benefit liability, non-current		48	-
Cash inflows (outflow) from operations		(131,852)	72,945
Interest received		28,668	34,505
Interest paid		(5,388)	(1,568)
Income tax paid		(3,182)	(3,609)
Net cash flows from (used in) operating activities		(111,754)	101,823

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EIRGENIX INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	January 1 to March 31 2025	2024
Cash flows from investing activities			
Acquisition of financial assets at fair value through profit or loss	6(2) and 7	($ 15,000)	$ -
Acquisition of financial assets at amortised cost		(34,341)	(400,000)
Proceeds from disposal of financial assets at amortised cost		500,000	-
Acquisition of property, plant and equipment	6(8)(27)	(416,289)	(283,404)
Proceeds from disposal of property, plant and equipment		-	15
Acquisition of intangible assets	6(10)(27)	(3,409)	(3,916)
Decrease (increase) in guarantee deposits paid (shown as other non-current assets)		(17,316)	40
Decrease (increase) in prepayments for investments (shown as other non-current assets)		(33,080)	31,270
Increase in prepayments for business facilities (shown as other non-current assets)	6(8)	(51,594)	(20,090)
Decrease (increase) in other non-current assets		(2)	7
Net cash flows used in investing activities		(71,031)	(676,078)
Cash flows from financing activities			
Proceeds from long-term debt	6(28)	145,970	373,050
Repayments of long-term borrowings	6(28)	(20,563)	-
Repayments of lease principal	6(28)	(7,387)	(7,940)
Employee stock options exercised		3,263	3,664
Repurchase of treasury stock		(244,455)	-
Net cash flows from financing activities		(123,172)	368,774
Effect of exchange rate		1,164	179
Net decrease in cash and cash equivalents		(304,793)	(205,302)
Cash and cash equivalents at beginning of period		4,097,584	5,053,183
Cash and cash equivalents at end of period		$ 3,792,791	$ 4,847,881

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

EIRGENIX INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
THREE MONTHS ENDED MARCH 31,2025 AND 2024

Unit: Thousands of NTD
(Unless otherwise specified)

1. History and Organization

(1). EirGenix Inc. (hereinafter referred to as "the Company") was as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.) in December 2012. In April 2013, the Company obtained all key technologies from the biopharmaceutical pilot plant originally owned by the Development Center for Biotechnology, covering its complete core competencies. The Company and its subsidiaries (hereinafter collectively referred to as "the Group") are primarily engaged in the research and development of biosimilar and new drug, as well as biopharmaceutical contract development and manufacturing services, which included cell line construction platforms, process development platforms, analytical science and protein identification. Additionally, the Group has two PIC/S GMP facilities certified by the Taiwan Food and Drug Administration (TFDA), one for mammalian cells and one for microbial, to provide clinical trial drug and commercial drug production.

(2). The shares of the Company have been listed on the Taipei Exchange since June 28, 2019.

2. Authorisation Date and Procedures for Issuance of Financial Statements

The consolidated financial statements were authorised for issuance by the Board of Directors on May 13, 2025.

3. Application of New, Amended and Revised Standards 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”)

The table below lists the new standards, interpretations, and amendments issued by the FSC that are applicable in 2025 and have been approved and come into effect for the IFRS.

New Standards, Amendments and Interpretations	Effective Date by IASB
Amendment 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 that have not yet been endorsed by the FSC.

The table below lists the new standards, interpretations, and amendments issued by the FSC applicable in 2025 for the IFRS Accounting Standards:

New Standards, Amendments and Interpretations	Effective Date by IASB
IFRS 9 and IFRS 7 amendments "Amendment to Classification and Measurement of Financial Instruments" partial amendment content	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). International Accounting Standards Board ("IASB") has issued but not yet approved by the FSC the impact of IFRS Accounting Standards.

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, Amendments and Interpretations	Effective Date by IASB
IFRS 9 and IFRS 7 amendments 'Amendment to Classification and Measurement of Financial Instruments' partial amendment content	January 1, 2026
Amendment to IFRS 9 and IFRS 7 'Contracts Referencing Nature-dependent Electricity'	January 1, 2026
Amendments to IFRS 10 and IAS 28 'Sales or Contributions of Assets between an Investor and its Associates or Joint Ventures'	To be determined by IASB
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
IFRS 18 'Presentation and Disclosure in Financial Statements'	January 1, 2027
Amendments to IFRS 19 'Disclosure of Non-publicly Accountable Subsidiaries: Disclosures'	January 1, 2027
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

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.

i. Amendments to IFRS 9 and IFRS 7 'Amendment to Classification and Measurement of Financial Instruments' partial amendment content.

Update the designation of financial assets at fair value through other comprehensive income fair value through other comprehensive income (FVOCI) by requiring the disclosure of fair value for each category, without the need to disclose fair value information for each individual asset. In addition, the amendments require the entity to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss related to investments derecognised during the reporting period and the fair value gain or loss related to investments held at the end of the reporting period; and any transfers of the cumulative gain or loss within equity during the reporting period related to the investments derecognised during that reporting period.

ii. IFRS 18 ‘Presentation and Disclosure in Financial Statements’

IFRS 18 ‘Presentation and Disclosure in Financial Statements’ replaces IAS 1 and updates the framework of the statement of comprehensive income, introduces disclosure of management performance measures, and strengthens the principles of aggregation and disaggregation used in the main financial statements and notes.

4. Summary of Key Accounting Policies

The key accounting policies, except for the compliance statement, basis of preparation, and basis of consolidation, are as follows, and the rest are the same as those in Note 4 of the 2024 Notes on Consolidated Financial Statements. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1). Compliance statement

i. This consolidated financial statements of the Group is prepared in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and the FSC approved and effective International Accounting Standards No. 34 "Interim Financial Reporting".

ii. These consolidated financial statements should be read in conjunction with the consolidated financial statements for the year of 2024.

(2). Basis of preparation

i. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:

(i). Financial assets (including derivative instruments) at fair value through profit or loss.

(ii). Financial assets are at fair value through other comprehensive income.

(iii). Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.

ii. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3). Basis of consolidation

i. The principles for the preparation of these consolidated financial statements are the same as those for the consolidated financial statements for the year of 2024.

ii. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership(%) March 31, 2025	Ownership(%) December 31, 2024	Ownership(%) March 31, 2024
The Company	EirGenix Europe GmbH	Biopharmaceutical research and development as well as business development	100	100	100
The Company	EirGenix USA Inc.	Biopharmaceutical commissioned development, manufacturing services and consulting	100	100	100

iii. Subsidiaries not included in the consolidated financial statements: None.

iv. Adjustments for subsidiaries with different balance sheet dates: None.

v. Significant restrictions: None.

vi. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4). Employee benefits

The pension cost for the interim period is calculated based on the pension cost rate determined by actuarial assessment at the end of the previous financial year, from the beginning of the year to the end of the period. If there are vital market changes and major reductions, settlements, or other essential one-off events after the end date, adjustments shall be made, and relevant information shall be disclosed in accordance with the aforementioned policies.

(5). Income tax

i. The tax expense for the interim period is calculated by applying the estimated annual average effective tax rate to the pre-tax profit or loss for the interim period, and relevant information is disclosed in accordance with the aforementioned policies.

ii. When there is a change in the tax rate during the interim period, the Group will recognise the impact of the change in the same period it occurs. For items related to income tax and those recognised outside of profit or loss, the impact will be recorded in other comprehensive income or equity items. If the change affects items recognised in profit or loss, the impact will be recorded in profit or loss.

5. Material Accounting Judgments and Key Sources of Estimation Uncertainty

Reasons and Effects of Changes in Accounting Estimates

The Group reviews the estimated useful lives of property, plant and equipment on each balance sheet date. To accurately reflect the actual usage of major assets and to provide a true representation of the company's financial condition, operating performance, and changes in financial status, the Group will extend the useful life of certain factories from 20 years to 50 years starting January 1, 2025. This change in accounting estimate is expected to impact the depreciation expense for the fiscal year 2025 and future years as follows:

	January 1 to March 31, 2025	2025	2026	Future years
Increase (decrease) in depreciation expense	($ 5,469)	($ 21,876)	($ 21,876)	$ 43,752

Except for the changes in the above accounting estimates, there are no significant changes for this period. Please refer to Note 5 of the 2024 Notes on Consolidated Financial Statements.

6. Details of Significant Accounts

(1). Cash and cash equivalents

	March 31, 2025	December 31, 2024	March 31, 2024
Cash on hand and petty cash	$ 61	$ 61	$ 61
Demand deposits	220,518	389,413	547,340
Time deposits	3,572,212	3,708,110	4,300,480
	$ 3,792,791	$ 4,097,584	$ 4,847,881

i. 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.

ii. The Group has no cash and cash equivalents pledged to others.

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

Items	March 31, 2025	December 31, 2024	March 31, 2024
Non-current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Profit-sharing investment in new drug development	$ 58,390	$ 58,390	$ 58,390
Limited partnership venture capital	50,000	35,000	35,000
	108,390	93,390	93,390
Valuation adjustment	7,820	8,752	4,323
	$ 116,210	$ 102,142	$ 97,713

i. The Group recognised net gains (losses) of ($932) and $2,415 for financial assets at fair value through profit or loss for the three months ended March 31, 2025 and 2024, respectively.

ii. On April 18, 2022, the Group entered into a new drug development profit-sharing agreement for TSY-0110 (EG12043) (the "Product") with FORMOSA PHARMACEUTICALS, INC. (hereinafter referred to as "FORMOSA PHARMACEUTICALS, INC.") to replace the original development and manufacturing related cooperation agreement. Raw materials for the product development stage were provided by the Group at a reasonable market price, and FORMOSA PHARMACEUTICALS, INC. was responsible for the research and development of the product, as well as the implementation of the production and manufacturing of the product after completing the development of the product. Either party may commercialise the product in the global market, and each party is entitled to receive 50% licensing interest in any future revenue or interest derived from the development and commercialisation of the product. Under the agreement, the Group committed to a total payment of US$30,000 thousand for the licensing interest. This amount will be paid according to the terms of the agreement and the development schedule. As of March 31, 2025, the Group has paid USD 2,000 thousand.

iii. The Company paid an investment amount of $15,000 to Forward BioT Venture Capital on December 11, 2023, and transferred from current prepayments for investments (shown as other non-current assets) to financial assets measured at fair value through profit or loss in February 2024.

iv. The Company made a payment of $15,000 to Forward BioT Venture Capital on January 15, 2025, recorded under financial assets at fair value through profit or loss as per fair value.

(3). Financial assets at amortised cost

Items	March 31, 2025	December 31, 2024	March 31, 2024
Current items:			
Time deposits (Note)	-	$ 500,000	$ 900,000
Non-current items:			
Government bonds	$ 31,267	$ 31,399	$ 31,798
Pledged time deposits	9,221	9,221	8,790
Corporate bonds	6,824	6,744	-
Private placement corporate bonds	116,217	81,962	-
	$ 163,529	$ 129,326	$ 40,588

Note: The time deposits have a maturity ranging from three months to one year.

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

	Three months ended March 31	
	2025	2024
Interest income	$ 1,736	$ 2,033

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

iii. Information relating to credit risk of financial assets at amortised cost can be found in Note 12(2). The counterparties of the Group’s investments in certificates of deposits, government bonds and corporate bonds are financial institutions and governments with high credit quality. The issuers and the guarantors of the private placement corporate bonds are international financial groups with optimal credit ratings. Thus, the Group considers the risk of counterparty default to be minimal.

(4). Notes and accounts receivable

	March 31, 2025	December 31, 2024	March 31, 2024
Notes receivable	$ 173	$ 50	$ 46
Accounts receivable	$ 294,320	$ 183,779	$ 131,044
Less: loss allowance	(60,240)	(73,183)	-
	$ 234,080	$ 110,596	$ 131,044

i. The aging analysis of notes and accounts receivable is as follows:

	March 31, 2025		December 31, 2024		March 31, 2024	
	Notes receivable	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable	Accounts receivable
Not past due	$ 173	$ 221,866	$ 50	$ 111,088	$ 46	$ 123,106
Up to 30 days past due	-	-	-	-	-	2,828
31 to 90 days past due	-	8,457	-	750	-	5,110
91 to 180 days past due	-	-	-	52,242	-	-
Over 181 days past due	-	63,997	-	19,699	-	-
	$ 173	$ 294,320	$ 50	$ 183,779	$ 46	$ 131,044

The above aging analysis was based on past due date.

ii. As of March 31, 2025, December 31, 2024, and March 31, 2024, the balances of notes receivable and accounts receivable (including related parties) were generated from customer contracts. Additionally, as of January 1, 2024, the receivable balance from customer contracts was $256,045.

iii. The interest revenue recognised in profit or loss for the periods from January 1 to March 31, 2024, and for 2025 amounted to $297 and $81, respectively.

iv. Without considering the collateral or other credit enhancements held, the maximum exposure to credit risk of the Group’s notes receivable and accounts receivable (including related parties) as of March 31, 2025, December 31, 2024, and March 31, 2024, were $234,479, $113,746, and $131,279, respectively.

v. The Group did not hold any collateral.

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

(5). Inventories

	March 31, 2025		
	Cost	Loss allowance	Book value
Raw materials	$ 470,119	($ 99,737)	$ 370,382
Work in progress	73,795	-	73,795
Finished goods	143,737	(1,337)	142,400
Merchandise inventory	1,166	(82)	1,084
	$ 688,817	($ 101,156)	$ 587,661

	December 31, 2024		
	Cost	Loss allowance	Book value
Raw materials	$ 418,364	($ 82,925)	$ 335,439
Finished goods	216,794	(1,133)	215,661
Merchandise inventory	1,028	(40)	988
	$ 636,186	($ 84,098)	$ 552,088

	March 31, 2024		
	Cost	Loss allowance	Book value
Raw materials	$ 414,972	($ 58,789)	$ 356,183
Work in progress	127,733	-	127,733
Finished goods	177,641	(320)	177,321
Merchandise inventory	132	-	132
	$ 720,478	($ 59,109)	$ 661,369

The cost of inventory is recognised as expense for the year:

	Three months ended March 31	
	2025	2024
Cost of goods used	$ 30,691	$ 54,687
Cost of goods sold	42,082	31,219
Loss on decline in market value	17,058	7,461
	$ 89,831	$ 93,367

(6). Prepayments

	March 31, 2025	December 31, 2024	March 31, 2024
Prepayments for contracted research expense	$ 181,489	$ 186,169	$ -
Excess business tax paid	21,742	13,879	19,148
Prepayments to suppliers	8,825	13,660	23,146
Other prepaid expenses	31,555	27,807	29,699
	$ 243,611	$ 241,515	$ 71,993

(7). Financial assets at fair value through other comprehensive income

Items	March 31, 2025	December 31, 2024	March 31, 2024
Non-current items:			
Equity instruments			
OTC and non-listed shares	$ 245,026	$ 245,026	$ 215,026
Valuation adjustment	4,567	18,099	107,073
	$ 249,593	$ 263,125	$ 322,099

i. The Group has elected to classify its strategic investments in equities as financial assets measured at fair value through other comprehensive income, with the fair values of these investments as of March 31, 2025, December 31, 2024, and March 31, 2024, amounting to $249,593, $263,125, and $322,099, respectively.

ii. Amounts recognised in other comprehensive income in relation to financial assets measured at fair value are listed below in the total profit or loss:

	Three months ended March 31	
	2025	2024
Equity instruments at fair value through other comprehensive income		
Fair value change recognised in other comprehensive (loss) income	($ 13,532)	($ 3,788)

(8). Property, plant and equipment and prepayments for business facilities

	2025							
	Machinery and equipment	Office equipment	Buildings and structures	Leasehold improvements	Other equipment	Unfinished construction and equipment under acceptance	Total	Prepayments for business facilities (shown as other non-current assets)
January 1								
Cost	$ 1,684,447	$ 81,550	$ 1,988,723	$ 54,890	$ 38,273	$ 1,081,670	$ 4,929,553	$ 134,509
Accumulated depreciation	(521,217)	(47,150)	(414,868)	(20,385)	(19,847)	-	(1,023,467)	-
	$ 1,163,230	$ 34,400	$ 1,573,855	$ 34,505	$ 18,426	$ 1,081,670	$ 3,906,086	$ 134,509
January 1	$ 1,163,230	$ 34,400	$ 1,573,855	$ 34,505	$ 18,426	$ 1,081,670	$ 3,906,086	$ 134,509
Additions	8,725	913	126	-	279	311,875	321,918	51,594
Reclassifications	660	63	-	-	2,009	(2,732)	-	-
Transfers from other non-current assets	1,543	-	-	-	-	55,232	56,775	(56,775)
Depreciation expense	(30,942)	(2,495)	(14,826)	(1,356)	(1,187)	-	(50,806)	-
Net exchange differences	-	20	-	-	-	-	20	-
March 31	$ 1,143,216	$ 32,901	$ 1,559,155	$ 33,149	$ 19,527	$ 1,446,045	$ 4,233,993	$ 129,328
March 31								
Cost	$ 1,657,972	$ 72,650	$ 1,988,849	$ 54,800	$ 37,870	$ 1,446,045	$ 5,258,186	$ 129,328
Accumulated depreciation	(514,756)	(39,749)	(429,694)	(21,651)	(18,343)	-	(1,024,193)	-
	$ 1,143,216	$ 32,901	$ 1,559,155	$ 33,149	$ 19,527	$ 1,446,045	$ 4,233,993	$ 129,328

	2024							
	Machinery and equipment	Office equipment	Buildings and structures	Leasehold improvements	Other equipment	Unfinished construction and equipment under acceptance	Total	Prepayments for business facilities (shown as other non-current assets)
January 1								
Cost	$ 1,301,038	$ 80,678	$ 1,978,099	$ 47,320	$ 37,142	$ 681,732	$ 4,126,009	$ 14,489
Accumulated depreciation	(410,365)	(38,372)	(307,474)	(16,951)	(15,162)	-	(788,324)	-
	$ 890,673	$ 42,306	$ 1,670,625	$ 30,369	$ 21,980	$ 681,732	$ 3,337,685	$ 14,489
January 1	$ 890,673	$ 42,306	$ 1,670,625	$ 30,369	$ 21,980	$ 681,732	$ 3,337,685	$ 14,489
Additions	17,116	814	-	2,149	631	63,058	83,768	20,090
Reclassifications	48,297	-	3,439	5,374	-	(57,110)	-	-
Transfers from other non-current assets	5,893	-	-	-	-	12,480	18,373	(18,373)
Sales for the current period	-	(14)	-	-	-	-	(14)	-
Depreciation expense	(31,329)	(2,514)	(26,776)	(1,302)	(1,450)	-	(63,371)	-
Net exchange differences	-	9	-	-	-	-	9	-
March 31	$ 930,650	$ 40,601	$ 1,647,288	$ 36,590	$ 21,161	$ 700,160	$ 3,376,450	$ 16,206
March 31								
Cost	$ 1,372,344	$ 81,289	$ 1,981,538	$ 52,924	$ 37,542	$ 700,160	$ 4,225,797	$ 16,206
Accumulated depreciation	(441,694)	(40,688)	(334,250)	(16,334)	(16,381)	-	(849,347)	-
	$ 930,650	$ 40,601	$ 1,647,288	$ 36,590	$ 21,161	$ 700,160	$ 3,376,450	$ 16,206

i. Amount of borrowing costs capitalised as part of property, plant and equipment and the range of the interest rates for such capitalisation are as follows:

	Three months ended March 31	
	2025	2024
Amount capitalised	$ 3,358	$ 702
Range of the interest rates for capitalisation	1.72%~2.22%	1.850%~2.075%

ii. Details of the amount of depreciation charge of right-of-use assets and interest expense on lease liabilities capitalised as property, plant and equipment are provided in Note 6(9).

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

iv. On March 12, 2025, the Company's Board of Directors approved a change in the estimated useful life of certain buildings. Specifically, the useful life of certain factory buildings was extended from 20 years to 50 years. As a result of this change, depreciation expense for the period from January 1, 2025, to March 31, 2025 was reduced by $5,469. Please refer to Note 5 for details.

(9). Leasing arrangements - lessee

i. The Group leases various assets including land, buildings, machinery and equipment, multifunction printers and business vehicles. Rental contracts are typically made for periods of 1 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.

ii. The Group leases certain offices, staff quarters, business vehicles, and storage units under short-term leases, as the lease terms do not exceed 12 months. The Group also leases low-value assets, which include multifunction printers.

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

	March 31, 2025	December 31, 2024	March 31, 2024
	Carrying amount	Carrying amount	Carrying amount
Land	$ 399,916	$ 189,225	$ 195,902
Buildings	61,230	63,672	71,314
Machinery and equipment	60,425	61,585	64,764
Transportation equipment (Business vehicles)	1,530	1,752	617
Office equipment (Multifunction printers)	2,661	2,850	3,417
	$ 525,762	$ 319,084	$ 336,014

	Three months ended March 31	
	2025	2024
	Depreciation expense	Depreciation expense
Land	$ 3,830	$ 3,234
Buildings	2,440	2,579
Machinery and equipment	1,162	1,157
Transportation equipment (Business vehicles)	222	350
Office equipment (Multifunction printers)	189	189
	7,843	7,509
Less: Capitalisation of depreciation charges	(637)	-
	$ 7,206	$ 7,509

iv. During the period from January 1 to March 31, 2025, and in 2024, the additions to the right-of-use assets of the Group amounted to $214,521 and $14,946, respectively.

v. The information on profit and loss accounts relating to lease contracts is as follows:

	Three months ended March 31	
	2025	2024
Items affecting profit or loss		
Interest expense on lease liabilities	$ 2,038	$ 1,924
Expense on short-term lease contracts	2,856	2,823
Expense on leases of low-value assets	2	-
Capitalisation of depreciation charges on right-of-use assets	637	659
Capitalisation of interest expense on lease liabilities	296	221

vi. The total cash outflow for leases of the Group for the periods ended March 31, 2025 and 2024, amounted to $12,283 and $12,687, respectively.

vii. Options to extend the lease and options to terminate the lease

As of March 31, 2025, the Group, based on the assessment of exercising the extension option, increased the right-of-use assets and lease liabilities by $214,521, with no such situation on December 31, 2024, and March 31.

(10). Intangible assets

	Software	Professional expertise	Total
January 1, 2025			
Cost	$ 50,071	$ 116,626	$ 166,697
Accumulated amortisation	(36,369)	(109,213)	(145,582)
	$ 13,702	$ 7,413	$ 21,115
January 1, 2025	$ 13,702	$ 7,413	$ 21,115
Additions	240	-	240
Amortisation for the current period	(1,791)	(248)	(2,039)
March 31, 2025	$ 12,151	$ 7,165	$ 19,316
March 31, 2025			
Cost	$ 50,311	$ 116,626	$ 166,937
Accumulated amortisation	(38,160)	(109,461)	(147,621)
	$ 12,151	$ 7,165	$ 19,316

	Software	Professional expertise	Total
January 1, 2024			
Cost	$ 49,190	$ 116,112	$ 165,302
Accumulated amortisation	(28,807)	(108,226)	(137,033)
	$ 20,383	$ 7,886	$ 28,269
January 1, 2024	$ 20,383	$ 7,886	$ 28,269
Additions	881	312	1,193
Amortisation for the current period	(1,912)	(243)	(2,155)
March 31, 2024	$ 19,352	$ 7,955	$ 27,307
March 31, 2024			
Cost	$ 50,071	$ 116,424	$ 166,495
Accumulated amortisation	(30,719)	(108,469)	(139,188)
	$ 19,352	$ 7,955	$ 27,307

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

	Three months ended March 31	
	2025	2024
Operating Costs	$ 797	$ 1,237
General and administrative expenses	237	286
Research and development expenses	978	605
Sales and marketing expenses	27	27
	$ 2,039	$ 2,155

ii. The basic information of the professional expertise that is material to the Group is as follows:

(i). In April 2013, the Group acquired professional expertise from the Development Center for Biotechnology cGMP biopharmaceutical pilot plant, including cell line development, process development, process optimization, analytical method development and validation, product qualification, GMP manufacturing and stability testing, etc., amounting to $92,483.

(ii). In July 2013, the Group acquired technology related to Herceptin from FORMOSA PHARMACEUTICALS, INC. for a total consideration of $7,143.

(iii). In July 2013, the Group acquired commercial authorisation of recombinant protein cell line from Life Technologies Corporation, amounting to total price of $7,485.

(iv). In September 2023, the Group obtained an authorisation from American Type Culture Collection for the detection of cancer cell lines, which can be applied on the commercial implementation of the marketing and manufacturing of subsequent cancer drug products, with a total price of $8,159.

(11). Other non-current assets

	March 31, 2025	December 31, 2024	March 31, 2024
Current prepayments for investments	$ 33,080	$ -	$ -
Long-term prepayments to suppliers	-	-	30,000
Prepayments for business facilities	129,328	134,509	16,206
Guarantee deposits paid	56,414	39,098	8,755
Prepayments for intangible assets	12,956	9,787	7,932
Other assets	143	142	188
	$ 231,921	$ 183,536	$ 63,081

(12). Other payables

	March 31, 2025	December 31, 2024	March 31, 2024
Payable on construction and equipment	$ 205,784	$ 304,446	$ 84,742
Salary and bonus payable	74,579	92,498	61,449
Service expense payable	54,202	58,583	47,807
Payables for materials consumed	10,281	10,120	18,218
Accounts payable for repairs and maintenance expense	35,295	33,570	27,551
Others	47,596	69,211	34,396
	$ 427,737	$ 568,428	$ 274,163

(13). Long-term borrowings

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	March 31, 2025
Long-term bank borrowings				
Credit borrowings	Interest will be paid monthly from February 15, 2022, to February 15, 2029, and principal will be repaid on the 15th of each month starting from April 2027.	1.9750%～2.2200%	None	$ 37,912
"	Interest will be paid monthly from June 30, 2022, to February 15, 2029, and principal will be repaid on the 15th of each month starting from April 2027.	1.9750%～2.0750%	"	77,529
"	Interest will be paid monthly from March 25, 2024, to February 15, 2029, and principal will be repaid on the 15th of each month starting from April 2027.	1.9750%～2.0750%	"	357,506
Secured borrowings	Interest will be paid monthly from July 15, 2024, to July 15, 2034, and principal will be repaid on the 15th of each month starting from August 2027.	1.7200%	Buildings and structures	71,937
"	Interest will be paid monthly from January 15, 2025, to July 15, 2034, and principal will be repaid monthly on the 15th of each month starting from August 2027.	1.7200%	"	145,920
				$ 690,804

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	December 31, 2024
Long-term bank borrowings				
Credit borrowings	Interest will be paid monthly from February 15, 2022, to February 15, 2027, and principal will be repaid on the 15th of each month starting from March 2025.	1.8500%～2.0750%	None	$ 39,560
"	Interest will be paid monthly from June 30, 2022, to February 15, 2027, and principal will be repaid on the 15th of each month starting from March 2025.	1.8500%～2.0750%	"	80,900
"	Interest will be paid monthly from March 25, 2024, to February 15, 2027, and principal will be repaid on the 15th of each month starting from March 2025.	1.8500%～2.0750%	"	373,050
Secured borrowings	Interest will be paid monthly from July 15, 2024, to July 15, 2034, and principal will be repaid on the 15th of each month starting from August 2027.	1.7200%	Buildings and structures	71,887
				565,397
Less: long-term borrowings due within one year or one operating cycle				(205,629)
				$ 359,768

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	March 31, 2024
Long-term bank borrowings				
Credit borrowings	Interest will be paid monthly from February 15, 2022, to February 15, 2027, and principal will be repaid on the 15th of each month starting from March 2025.	1.8500%～2.0750%	None	$ 39,560
"	Interest will be paid monthly from June 30, 2022, to February 15, 2027, and principal will be repaid on the 15th of each month starting from March 2025.	1.8500%～2.0750%	"	80,900
"	Interest will be paid monthly from March 25, 2024, to February 15, 2027, and principal will be repaid on the 15th of each month starting from March 2025.	1.8500%～2.0750%	"	373,050
				493,510
Less: long-term borrowings due within one year or one operating cycle				(20,563)
				$ 472,947

i. Information on the Group’s undrawn borrowing facilities is provided in Note 12(2) iii.

ii. The Company entered into a credit agreement with Hua Nan Commercial Bank Ltd. on December 23, 2021, applying for a total credit limit of $714,000, and in conjunction with the "Action Plan for Accelerated Investment by Domestic Corporations", the government subsidized the bank's 0.5% handling fee.

iii. The Company entered into a credit agreement with Taiwan Cooperative Bank on June 27, 2024, applying for a total credit limit of $1,974,000, and in accordance with the "Action Plan for Accelerated Investment by Domestic Corporations", the government subsidizes the bank's 0.5% handling fee.

iv. The Company entered into a supplemental agreement with Hua Nan Commercial Bank Ltd. in March 2025 to extend the credit borrowings amounting to $472,947, with principal repayments commencing in April 2027.

v. Information about the collateral for the Group's long-term borrowings is provided in Note 8.

(14). Pensions

i. (i) The Company has established a defined benefit retirement plan in accordance with the Labor Standards Act. This plan applies to foreign employees who are not covered by the Labor Pension Act and continue to be subject to the Labor Standards Act. For employees who meet the retirement criteria, the pension payments are calculated based on years of service and the average salary of the last six months prior to retirement. For years of service within (and including) 15 years, two units are granted for each completed year, while for years of service exceeding 15 years, one unit is granted for each completed year, with a maximum accumulation limit of 45 units. The Company contributes 2% of the total salary on a monthly basis to the pension fund, which is stored in a dedicated account at Bank of Taiwan in the name of the Labor Retirement Fund Supervisory Commission. Furthermore, the Company estimates the balance of the labor retirement reserve account before the end of each fiscal year. If the balance is insufficient to cover the estimated pension amounts for laborers who meet retirement conditions in the following year as calculated above, the Company will make a one-time contribution of the shortfall before the end of March of the following year.

(ii) For the three months ended March 31, 2025, and January 1 to March 31, 2024, the pension costs recognised by the Group in accordance with the aforementioned pension plan amounted to $96 and $0, respectively.

(iii) The Group expects to contribute $0 to the retirement plans for the year ending December 31, 2025.

ii. (i) The Company has established defined contribution pension schemes in accordance with the Labor Pension Act, applicable to employees of local nationality. The Company contributes to the labor pension system established under the "Labor Pension Act" for employees who choose to apply, by paying no less than 6% of their salary monthly into the individual accounts of employees at the Labor Insurance Bureau. The payment of employee pensions is based on the amount accumulated in the individual pension accounts and can be received as monthly pensions or a lump-sum payment.

(ii) EirGenix Europe GmbH contributed pension under local regulations.

(iii) For the three months ended March 31, 2025 and 2024, the pension costs recognised by the Group in accordance with the aforementioned pension scheme amounted to $5,386 and $5,250, respectively.

(15). Share-based payment

i. The Group's share-based payment arrangements for the period from January 1 to March 31, 2024 and 2025 are as follows:

Type of arrangement	Grant date	Quantity granted (shares in thousands)	Contract period	Vesting conditions
Employee stock options - B	2015.07.01	1,270	10 years	1 to 4 years' service
"	2015.07.01	130	"	"
"	2015.07.06	250	"	"
"	2016.01.01	270	"	"
Employee stock options - C	2016.05.05	100	10 years	2 to 4 years' service
Employee stock options - D	2016.10.12	515	10 years	2 to 4 years' service
"	2016.12.29	85	"	"
Employee stock options - E	2017.12.27	570	10 years	2 to 4 years' service
"	2018.03.23	175	"	"
Employee stock options - F	2019.01.25	520	10 years	2 to 4 years' service
"	2019.05.13	285	"	"
Employee restricted stock plan - A	2016.11.18	1,660	N/A	Conditions of service years and performance
"	2017.08.08	257	"	"
Employee stock options - G	2019.11.12	960	10 years	2 to 4 years' service
"	2020.04.15	775	"	"
"	2020.08.12	205	"	"
Employee restricted stock plan - B	2020.05.13	455	N/A	0.25 to 3 years' service
"	2020.12.10	144	"	"
Employee restricted stock plan - D	2020.08.14	905	N/A	Performance conditions
"	2020.12.10	94	"	"
Employee stock options - H	2020.12.23	830	10 years	2 to 4 years' service
"	2021.05.12	315	"	"
"	2021.08.12	505	"	"
"	2021.10.01	1,185	"	"
Employee restricted stock plan - E	2021.10.15	613	N/A	Performance conditions
"	2022.01.10	184	"	"
"	2022.09.08	190	"	"
Employee restricted stock plan - F	2021.10.15	340	N/A	Performance conditions
Employee stock options - I	2022.03.22	160	10 years	2 to 4 years' service
"	2022.05.12	225	"	"
"	2022.08.11	685	"	"
"	2022.09.08	510	"	"
Employee restricted stock plan - G	2022.09.08	63	N/A	Performance conditions
"	2022.11.08	195	"	"
"	2023.03.10	6	"	"
"	2023.11.09	325	"	"
Employee stock options - J	2022.11.08	615	10 years	2 to 4 years' service
"	2023.03.10	1,105	"	"
"	2023.05.10	255	"	"
"	2023.08.08	225	"	"
"	2023.12.22	270	"	"
"	2024.05.09	225	"	"

Employee restricted stock plan - H	2023.11.09	826	N/A	Performance conditions
Employee restricted stock plan - I	2023.12.22	26	N/A	Performance conditions
Employee restricted stock plan - J	2024.11.12	402	N/A	Performance conditions

(i). The restricted stocks issued by the Group cannot be transferred during the vesting period. However, voting right and dividend right are not restricted on these stocks. If employees resign during the vesting period, they are considered not meeting the vesting condition from the date of resignation. The Group will redeem and retire those stocks at the initial issuance price, but employees are not required to return the dividends received.

(ii). The aforementioned share-based payment arrangements are equity-settled.

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

(i) Employee stock options

	2025		2024	
	No. of options (shares in thousands)	Weighted-average exercise price (in dollars)	No. of options (shares in thousands)	Weighted-average exercise price (in dollars)
Options outstanding at January 1	4,686	$15~146.4	5,900	$15~146.4
Options expired	(215)	71.6~117.5	(250)	42.1~118.5
Options exercised	(89)	15~71.6	(180)	15~51.2
Options expired	(90)	71.6~117.5	(18)	117.5
Options outstanding at March 31	4,292	15~146.4	5,452	15~146.4
Options exercisable at March 31	2,340		1,472	

(ii) Employee restricted stock plan

	2025 (shares in thousands)	2024 (thousand shares)
Outstanding shares at January 1	1,314	2,393
Number of shares vested	(28)	(22)
Options outstanding at March 31	1,286	2,371

iii. The weighted average stock prices on the exercise dates for the stock options exercisable from January 1 to March 31, 2024, and in 2025 were NTD 76.7 and NTD 95.5, respectively.

iv. The expiry date and exercise price of stock options outstanding at the balance sheet dates are as follows:

Type of arrangement	Issue date approved	Expiry date	March 31, 2025 No.of shares (shares in thousands)	March 31, 2025 Exercise price (in dollars)	December 31, 2024 No.of shares (shares in thousands)	December 31, 2024 Exercise price (in dollars)
Employee stock options - B	2015.07.01	2025.06.30	36	$ 15	48	$ 15
"	2015.07.01	2025.06.30	-	-	5	20
"	2015.07.06	2025.07.05	-	-	10	20
"	2016.01.01	2025.12.31	25	20	25	20
Employee stock options - C	2016.05.05	2026.05.04	10	29.2	10	29.2
Employee stock options - D	2016.10.12	2026.10.11	150	29.2	150	29.2
"	2016.12.29	2026.12.28	-	-	15	37.5
Employee stock options - E	2017.12.27	2027.12.26	37	25	37	25
"	2018.03.23	2028.03.22	8	23.5	8	23.5
Employee stock options - F	2019.01.25	2029.01.24	19	28.7	19	28.7
"	2019.05.13	2029.05.12	80	34.3	80	34.3
Employee stock options - G	2019.11.12	2029.11.11	80	25.2	84	25.2
"	2020.04.15	2030.04.14	26	28.8	26	28.8
"	2020.08.12	2030.08.11	28	51.2	28	51.2
Employee stock options - H	2020.12.23	2030.12.22	145	42.1	178	42.1
"	2021.05.12	2031.05.11	200	146.4	200	146.4
"	2021.08.12	2031.08.11	250	128.4	250	128.4
"	2021.10.01	2031.09.30	605	117.5	645	117.5
Employee stock options - I	2022.03.22	2032.03.21	55	93.5	55	93.5
"	2022.05.12	2032.05.11	78	71.6	113	71.6
"	2022.08.11	2032.08.10	350	85.9	405	85.9
"	2022.09.08	2032.09.07	295	118.5	295	118.5
Employee stock options - J	2022.11.08	2032.11.07	405	103.5	405	103.5
"	2023.03.10	2033.03.09	660	111.5	845	111.5
"	2023.05.10	2033.05.09	205	120	205	120
"	2023.08.08	2033.08.07	190	101.5	190	101.5
"	2023.12.22	2033.12.21	215	100.5	215	100.5
"	2024.05.09	2034.05.08	140	80	140	80

Type of arrangement	Issue date approved	Expiry date	March 31, 2024 No.of shares (shares in thousands)	Exercise price (in dollars)
Employee stock options - B	2015.07.01	2025.06.30	48	$ 15
"	2015.07.01	2025.06.30	5	20
"	2015.07.06	2025.07.05	10	20
"	2016.01.01	2025.12.31	25	20
Employee stock options - C	2016.05.05	2026.05.04	10	29.2
Employee stock options - D	2016.10.12	2026.10.11	150	29.2
"	2016.12.29	2026.12.28	15	37.5
Employee stock options - E	2017.12.27	2027.12.26	59	25
"	2018.03.23	2028.03.22	48	23.5
Employee stock options - F	2019.01.25	2029.01.24	28	28.7
"	2019.05.13	2029.05.12	94	34.3
Employee stock options - G	2019.11.12	2029.11.11	162	25.2
"	2020.04.15	2030.04.14	84	28.8
"	2020.08.12	2030.08.11	70	51.2
Employee stock options - H	2020.12.23	2030.12.22	244	42.1
"	2021.05.12	2031.05.11	215	146.4
"	2021.08.12	2031.08.11	250	128.4
"	2021.10.01	2031.09.30	800	117.5
Employee stock options - I	2022.03.22	2032.03.21	80	93.5
"	2022.05.12	2032.05.11	180	71.6
"	2022.08.11	2032.08.10	440	85.9
"	2022.09.08	2032.09.07	315	118.5
Employee stock options - J	2022.11.08	2032.11.07	460	103.5
"	2023.03.10	2033.03.09	935	111.5
"	2023.05.10	2033.05.09	255	120
"	2023.08.08	2033.08.07	225	101.5
"	2023.12.22	2023.12.21	245	100.5

v. The Group uses the Black-Scholes option pricing model to estimate the fair value of stock options granted under the employee stock option plan and the restricted stock award plan as part of share-based payments transactions. The related information is as follows:

Type of arrangement	Grant date	Grant Quantity (shares in thousands)	Stock price (NTD)	Exercise price (NTD)	Expected volatility	Expected duration	Risk-free interest rate	Per unit Fair value (HKD)
Employee stock options - B	2015.07.01	1,270	$ 14.88	$ 15	36.58~ 37.13%	5.5 ~ 7 years	1.15~ 1.35%	$5.22~ 6.01
"	2015.07.01	130	14.88	20	36.58~ 37.13%	5.5 ~ 7 years	1.15~ 1.35%	3.83~ 4.69
"	2015.07.06	250	14.60	20	37.09~ 37.64%	5.5 ~ 7 years	1.15~ 1.35%	3.75~ 4.60
"	2016.01.01	270	16.03	20	40.11~ 40.30%	5.5 ~ 7 years	0.79~ 0.90%	4.91~ 5.76
Employee stock options - C	2016.05.05	100	13.27	29.2	40.75~ 40.91%	6 ~ 7 years	0.70~ 0.77%	1.86~ 2.30
Employee stock options - D	2016.10.12	515	21.42	29.2	39.82~ 39.91%	6 ~ 7 years	0.71~ 0.75%	5.19~ 5.93
"	2016.12.29	85	20.40	37.5	39.39~ 39.48%	6 ~ 7 years	1.16~ 1.20%	3.49~ 4.18
Employee stock options - E	2017.12.27	570	18.07	25	36.97~ 37.23%	6 ~ 7 years	0.74~ 0.80%	3.81~ 4.41
"	2018.03.23	175	19.16	23.5	36.87~ 37.17%	6 ~ 7 years	0.79~ 0.84%	4.71~ 5.38
Employee stock options - F	2019.01.25	520	21.96	28.7	36.03~ 36.90%	6 ~ 7 years	0.72~ 0.78%	4.85~ 5.74
"	2019.05.13	285	25.75	34.3	35.50~ 36.35%	6 ~ 7 years	0.64~ 0.67%	5.39~ 6.40

Type of arrangement	Grant date	Grant Quantity (shares in thousands)	Stock price (NTD)	Exercise price (NTD)	Expected volatility	Expected duration	Risk-free interest rate	Per unit Fair value (HKD)
Employee restricted stock plan - A	2016.11.18	1,660	$ 22.88	-	-	-	-	22.88
"	2017.08.08	257	19.61	-	-	-	-	19.61
Employee stock options - G	2019.11.12	960	29.05	$ 25.2	26.38%	6 ~ 7 years	0.63~ 0.66%	7.77~ 8.42
"	2020.04.15	775	33.10	28.8	50.33%	6 ~ 7 years	0.47~ 0.49%	15.56~ 16.65
"	2020.08.12	205	57.80	51.2	64.08%	6 ~ 7 years	0.36~ 0.38%	33.07~ 35.18
Employee restricted stock plan - B	2020.05.13	455	46.85	-	-	-	-	$46.85
"	2020.12.10	144	48.6	-	-	-	-	48.6
Employee restricted stock plan - D	2020.08.14	905	55.7	-	-	-	-	55.7
"	2020.12.10	94	48.6	-	-	-	-	48.6
Employee stock options - H	2020.12.23	830	47.55	42.1	61.28%	6 ~ 7 years	0.22~ 0.26%	26.15~ 27.88
"	2021.05.12	315	154.5	146.4	65.02%	6 ~ 7 years	0.31~ 0.35%	89.32~ 95.02
"	2021.08.12	505	135.5	128.4	67.02%	6 ~ 7 years	0.32~ 0.34%	80.24~ 85.25
"	2021.10.01	1,185	124.0	117.5	65.78%	6 ~ 7 years	0.34~ 0.38%	72.39~ 76.99
Employee restricted stock plan - E	2021.10.15	613	106.5	-	-	-	-	106.5
"	2022.01.10	184	108.5	-	-	-	-	108.5
"	2022.09.08	190	118.5	-	-	-	-	118.5
Employee restricted stock plan - F	2021.10.15	340	106.5	-	-	-	-	106.5
Employee stock options - I	2022.03.22	160	93.5	93.5	62.20%	6 ~ 7 years	0.86~ 0.87%	52.85~ 56.27
"	2022.05.12	225	71.6	71.6	61.32%	6 ~ 7 years	1.22~ 1.27%	40.37~ 43.04
"	2022.08.11	685	85.9	85.9	60.04%	6 ~ 7 years	1.10~ 1.14%	47.51~ 50.67
"	2022.09.08	510	118.5	118.5	60.29%	6 ~ 7 years	1.19~ 1.23%	65.9~ 70.28

Type of arrangement	Grant date	Grant Quantity (shares in thousands)	Stock price (NTD)	Exercise price (NTD)	Expected volatility	Expected duration	Risk-free interest rate	Per unit Fair value (HKD)
Employee restricted stock plan - G	2022.09.08	63	$ 118.5	-	-	-	-	118.5
"	2022.11.08	195	103.5	-	-	-	-	103.5
"	2023.03.10	6	111.5	-	-	-	-	111.5
"	2023.11.09	325	103.0	-	-	-	-	103.0
Employee stock options - J	2022.11.08	615	103.5	$ 103.5	60.00%	6 ~ 7 years	1.63~ 1.70%	$57.97~ 61.88
"	2023.03.10	1,105	111.5	111.5	59.15%	6 ~ 7 years	1.12~ 1.14%	60.98~ 65.04
"	2023.05.10	255	120.0	120.0	58.70%	6 ~ 7 years	1.07~ 1.09%	65.15~ 69.50
"	2023.08.08	225	101.5	101.5	57.40%	6 ~ 7 years	1.10~ 1.12%	54.18~ 57.84
"	2023.12.22	270	100.5	100.5	55.38%	6 ~ 7 years	1.18~ 1.19%	52.26~ 55.82
"	2024.05.09	225	80.0	80.0	53.68%	6 ~ 7 years	1.58~ 1.61%	41.06~ 43.93
Employee restricted stock plan - H	2023.11.09	826	103.0	-	-	-	-	103.0
Employee restricted stock plan - I	2023.12.22	26	100.5	-	-	-	-	100.5
Employee restricted stock plan - J	2024.11.12	402	89.4	-	-	-	-	89.4

vi. Expenses incurred on share-based payment transactions are shown below:

	Three months ended March 31	
	2025	2024
Employee stock options	$ 1,989	$ 17,920
Restricted stocks for employees	1,895	10,179
	$ 3,884	$ 28,099

(16). Capital

i. As of March 31, 2025, the Company’s authorised capital was $4,000,000, consisting of 400,000 thousand shares of ordinary share (including employee stock option certificates, preferred shares with warrants, or convertible bonds with warrants totalling 12,000 thousand shares), and the paid-in capital was $3,063,381 (including options exercised but not yet registered amounting to $1,219), consisting of 306,338 thousand shares (including options exercised but not yet registered of 122 thousand shares) 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: shares in thousands):

	2025	2024
January 1	306,249	306,052
Employee stock options exercised	89	109
March 31	306,338	306,161

ii. In the aforementioned paid-in capital, due to the exercise of employee stock options by the Company, the relevant information regarding the changes that have not yet been registered as of March 31 for the years 2025 and 2024 is as follows:

	Three months ended March 31			
	2025		2024	
	No. of shares (shares in thousands)	Amount	No. of shares (shares in thousands)	Amount
Capital recognised:				
Employee Stock Options	122	$ 1,219	-	$ -

The situation regarding the exercise of employee stock options of the Company for the period from January 1 to March 31, 2025 and 2024, please refer to Note 6 (15).

iii. The shareholders during their meeting on August 3, 2021 resolved to issue 55,000 thousand ordinary shares through the private placement. The Board of Directors of the Company resolved the issuance price of $91.5 (in dollars) and the total consideration of issuing common stock was $5,032,500 on October 1, 2021, and the effective date was set on October 15, 2021. The registration has been completed on December 13, 2021. Pursuant to the Securities and Exchange Act, the ordinary shares raised through the private placement are subject to certain transfer restrictions and cannot be listed on the stock exchange until three years after they have been issued and have been offered publicly. Other than these restrictions, the rights and obligations of the ordinary shares raised through the private placement are the same as other issued ordinary shares.

iv. The shareholders during their meeting on May 31, 2023 adopted a resolution to raise cash capital through private placement. The maximum number of shares to be issued through the private placement is 30,000 thousand shares and the private placement may be made in three installments as authorised by the shareholders during their meeting. The private placement was in accordance with the Securities and Exchange Act and the Directions for Public Companies Conducting Private Placements of

Securities. The Company's Board of Directors resolved not to execute the private placement on March 8, 2024.

v. The shareholders during their meeting on May 30, 2024 resolved to issue the 1st restricted stocks to employees amounting to 1,400 thousand shares with no subscription price in 2024. The issuance of restricted stocks to employees is in accordance with the terms of restricted stocks to employees. As of November 12, 2024, the Board of Directors during its meeting resolved to issue the 1st restricted stocks to employees amounting to 402 thousand shares, and the effective date for the capital increase was set on November 12, 2024.

vi. The Company on May 30, 2024, during the shareholders' meeting, resolved to raise cash capital through private placement by issuing ordinary shares not exceeding 30,000 thousand shares, and may carry out this private placement in three installments as authorised by the shareholders during their meeting. This private placement was conducted in accordance with the Securities and Exchange Act and the Directions for Public Companies Conducting Private Placements of Securities. The Company on March 12, 2025, the board of directors resolved not to execute.

vii. The Company resolved through the Board of Directors on March 12, 2025, to issue 520 thousand shares of the first restricted stocks to employees for the year 2025 at no subscription price. Nonetheless, as of May 13, 2025, it has not yet been resolved by the shareholders' meeting resolution.

viii. The Company resolved during a board meeting on March 12, 2025, to raise cash capital through private placement by issuing ordinary shares not exceeding 30,000 thousand shares, and may carry out this private placement in three installments as authorised by the shareholders. However, as of May 13, 2025, it has not yet been resolved by the shareholders' meeting resolution.

ix. Treasury shares

(i). On December 16, 2024, the Company’s Board of Directors during its special meeting resolved to repurchase the Company’s shares, with an estimated 4,000 thousand ordinary shares, during the estimated period from December 17, 2024 to February 16, 2025. The aforementioned repurchased shares will be fully transferred to employees. The above-mentioned share repurchase plan was completed by the Company on February 11, 2025, with a total of 4,000 thousand shares repurchased, and the total price of the repurchase amounted to $305,465.

(ii). The Company held the following details of The Company shares as of March 31, 2025, and December 31, 2024:

Company name of shares held	Reason for reacquisition	March 31, 2025 No. of shares (shares in thousands)	Book value
The Company	To be reissued to employees	4,000	$ 305,465

Company name of shares held	Reason for reacquisition	December 31, 2024 No. of shares (shares in thousands)	Book value
The Company	To be reissued to employees	841	$ 61,010

March 31, 2024: None.

(iii). 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 realised capital surplus.

(iv). 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.

(v). 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

Pursuant to the R.O.C. Company Act, 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. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. However, capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

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(18). Accumulated deficit

i. Under the Company's Articles of Incorporation, any earnings for the current year shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve. After the provision or reversal of special reserve in accordance with laws or regulations, the appropriation of the remaining earnings along with the unappropriated earnings of prior years shall be proposed by the Board of Directors and resolved at shareholders’ meetings.

ii. The Company’s dividend policy is summarized below: The Board of Directors would consider the earnings situation of current year, capital and financial structure, future operating needs, retained earnings and legal reserve, as well as the market competition to propose the appropriation of earnings to the shareholders during their meetings for resolution, and cash dividends shall account for at least 10% of the total dividends distributed.

iii. On May 30, 2024, the shareholders at their meeting resolved the deficit compensation for the year ended December 31, 2023. The Company offset the accumulated deficit by capital surplus of $915,208. Refer to the website of “Market Observation Post System” for information about earnings appropriation to offset deficit as proposed by the Board of Directors and resolved by the shareholders.

iv. On March 12, 2025, the Board of Directors proposed the deficit compensation for the year ended December 31, 2024. The Company offset the accumulated deficit against the capital surplus of $698,344. As of May 13, 2025, it has not yet been resolved by the shareholders' meeting resolution. Information regarding the proposed situation approved by the Board of Directors can be queried at the Market Observation Post System of the Taiwan Stock Exchange.

v. The Company had no distributable earnings as of March 31, 2025 and 2024.

(19). Operating Revenue

	Three months ended March 31	
	2025	2024
Revenue from contracts with customers	$ 181,923	$ 219,693

i. Disaggregation of revenue

The Group derives revenue from the transfer of services and authorisation over time and goods at a point in time in the following major categories:

	Three months ended March 31, 2025			
	Sales of services	Sales of authorisation and cooperative development	Sales of goods	Total
Timing of revenue recognition				
At a point in time	$ -	$ -	$ 1,753	$ 1,753
Over time	77,218	94	102,858	180,170
	$ 77,218	$ 94	$ 104,611	$ 181,923

	Three months ended March 31, 2024			
	Sales of services	Sales of authorisation and cooperative development	Sales of goods	Total
Timing of revenue recognition				
At a point in time	$ -	$ -	$ 3,023	$ 3,023
Over time	157,541	729	58,400	216,670
	$ 157,541	$ 729	$ 61,423	$ 219,693

ii. Contract assets and liabilities

(i) The Group has recognised the following revenue-related contract assets and liabilities:

	March 31, 2025	December 31, 2024	March 31, 2024	January 1, 2024
Current contract assets:				
Services	$ 198,805	$ 274,085	$ 224,473	$ 240,564
Sales	117,577	126,606	36,605	53,130
Less: Allowance for losses	(14,277)	(14,751)	-	-
	$ 302,105	$ 385,940	$ 261,078	$ 293,694
Current contract liabilities				
Services	$ 133,884	$ 37,924	$ 22,242	$ 41,739
Authorisation and cooperative development	6,264	8,252	14,298	15,027
Sales	-	-	873	-
	$ 140,148	$ 46,176	$ 37,413	$ 56,766

(ii) Revenue recognised that was included in the contract liability balance at the beginning of the year

Revenue recognised that was included in the contract liability balance at the beginning of the period	Three months ended March 31, 2025	Three months ended March 31, 2024
Services	$ 6,699	$ 27,424
Authorisation and cooperative development	94	729
	$ 6,793	$ 28,153

(iii) Unfulfilled long-term contracts

Aggregate amount of the transaction price allocated to long-term technology service contracts, authorisation and cooperative development contracts that are partially or fully unsatisfied, and all of the milestone payment as at March 31, 2025 amounted to $1,378,861. The management expects to recognise the amount in the future.

(iv) Information relating to credit risk of contract assets is provided in Note 12(2).

iii. Details on authorisation and cooperative development revenue arising from providing drug development, commercialisation service and authorising intellectual property rights of pharmaceutical products to the pharmaceutical factory are as follows:

(i) In April 2019, the Group entered into an authorisation and cooperative development contract of EG12014 with Sandoz AG. The contract includes up-front payment, milestone payment at each stage and profit-sharing royalty on sales of products in the authorised markets in proportion to the ratios specified in the contract. The contract is mainly for providing the biosimilars development and commercialisation services and authorising intellectual property rights to the customer in the authorised regions. As of December 31, 2025, the Group has received the aforementioned up-front payment and part of the milestone payment in accordance with the contract terms. The revenue of up-front payment and milestone payment achieved is recognised based on the satisfaction percentage during research and development period. If the drug was successfully launched, the supply price based on the supply terms and quantities, and the profit-sharing royalty calculated based on sales could also be collected. For the years ended March 31, 2025 and 2024, the Group recognised the revenue from authorisation and cooperative development contract amounting to $94 and $729, respectively.

(ii) The US Food and Drug Administration accepted the Sandoz AG's application for marketing review in February 2022 and June 2024. Sandoz AG received a complete response letter from the US Food and Drug Administration in December 2022 and December 2024, respectively. Within the complete response letter (CRL):

A. There were no clinical or safety or biosimilarity deficiencies cited in the CRL.

B. The CRL cites certain drug product deficiencies related to the manufacturing facility identified by the agency during a pre-license inspection of the site by third-party suppliers.

(iii) In January 2023, the Company received an EIR (Establishment Inspection Report) from the US Food and Drug Administration, which indicated that the Company's Zhubei plant had passed the US FDA's pre-marketing drug inspection. Sandoz AG re-submitted a drug license application for review to the US FDA in June 2024, and the application was accepted.

iv. In April 2023, the Company received a letter from the Taiwan Food and Drug Administration (TFDA) to which indicated that the Company had obtained the domestic active pharmaceutical ingredients "EG12014 Trastuzumab" license and a drug master file number. Subsequently, the Company received an approval letter issued by the Ministry of Health and Welfare with respect to its biosimilar "EIRGASUN vial 150 mg" in May 2023. In September 2023, the Company received the approval with respect to its enrollment in the reimbursement system which became effective from October 1, 2023.

v. On November 16, 2023, Sandoz AG received the marketing authorisation from Committee for Medicinal Products for Human Use (CHMP) for the trastuzumab biosimilar, EG12014, which was licensed by the Company for sale.

(20). Interest income

	Three months ended March 31	
	2025	2024
Interest income from bank deposits	$ 29,567	$ 32,286
Interest income from financial assets measured at amortized cost	1,736	2,033
Other interest income	297	81
	$ 31,600	$ 34,400

(21). Other income

	Three months ended March 31	
	2025	2024
Grant revenues	$ 110	$ 261
Other income, others	339	357
	$ 449	$ 618

(22). Other gains and losses

	Three months ended March 31	
	2025	2024
Foreign exchange gains	$ 36,801	$ 74,722
Gains (losses) on financial assets at fair value through profit or loss	(932)	2,415
Losses on disposals of property, plant and equipment	-	1
	$ 35,869	$ 77,138

(23). Finance costs

	Three months ended March 31	
	2025	2024
Interest expense on lease liabilities	$ 2,038	$ 1,924
Interest expense on bank borrowings	3,451	702
	5,489	2,626
Less: Capitalisation of interest expense	(3,654)	(923)
Interest expense	$ 1,835	$ 1,703

(24). Employee benefits, depreciation and amortisation expenses

Function / Nature	Three months ended March 31, 2025			Three months ended March 31, 2024		
	Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Employee benefit expense						
Wages and salaries	$ 32,792	$ 83,906	$116,698	$ 36,324	$ 72,720	$109,044
Share-based payment	1,324	2,560	3,884	12,881	15,218	28,099
Labor and health insurance fees	3,219	7,246	10,465	4,099	5,448	9,547
Pension costs	2,144	3,338	5,482	2,871	2,379	5,250
Director’s remuneration	-	1,075	1,075	-	1,005	1,005
Other personnel expenses	1,317	2,985	4,302	1,542	2,080	3,622
Depreciation expense	26,655	31,357	58,012	45,049	25,831	70,880
Amortisation expense	797	1,242	2,039	1,237	918	2,155

i. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation shall be between 1% and 5% of the distributable profit, while directors' remuneration shall not exceed 3%.

ii. The Company has accumulated losses from January 1 to March 31, 2025 and 2024. Therefore, there is no need to accrue employee compensation and directors' remuneration.

iii. The information regarding employee remuneration and directors' remuneration approved by the Company's board of directors and the shareholders' meeting can be found at the Market Observation Post System.

(25). Income tax

i. Income tax expense

(i) Components of income tax expense:

	Three months ended March 31	
	2025	2024
Current income tax:		
Current tax on profits for the year	$ 228	$ 238
Prior year income tax under estimation	-	116
Total current tax	228	354
Deferred income tax:		
Origination and reversal of temporary differences	129	86
Total deferred income tax	129	86
Income tax	$ 357	$ 440

(ii) The income tax charge relating to components of other comprehensive income is as follows:

	Three months ended March 31	
	2025	2024
Exchange differences on translation of foreign operations	$ 113	$ 23

ii. The Company has had its income tax assessed and approved by the tax authorities up to the year 2023.

(26). Loss per share

	Three months ended March 31, 2025		
	Amount after tax	Weighted-average number of ordinary shares outstanding (shares in thousands)	Loss per share (in dollars)
Basic loss per share			
Loss for the period	($ 157,094)	302,804	($ 0.52)

	Three months ended March 31, 2024		
	Amount after tax	Weighted-average number of ordinary shares outstanding (shares in thousands)	Loss per share (in dollars)
Basic loss per share			
Loss for the period	($ 104,015)	306,135	($ 0.34)

For the periods of January 1 to March 31, 2025 and 2024, there is a net loss for the period; thus, diluted loss per share is not calculated.

(27). Supplemental cash flow information

i Investing activities with partial cash payments:

	Three months ended March 31	
	2025	2024
Purchase of property, plant and equipment	$ 321,918	$ 83,768
Add: Opening balance of other payables	304,446	285,960
Less: Ending balance of other payables	(205,784)	(84,742)
Capitalisation of depreciation charges on right-of-use assets	(637)	(659)
Capitalisation of interest expense	(3,654)	(923)
Cash paid during the period	$ 416,289	$ 283,404

	Three months ended March 31	
	2025	2024
Purchase of intangible assets	$ 240	$ 1,193
Add: Ending balance of prepayment intangible assets (Note)	12,956	7,932
Less: Opening balance of prepayment for intangible assets intangible assets (Note)	(9,787)	(5,209)
Cash paid during the period	$ 3,409	$ 3,916

Note: Shown as “other non-current assets”.

ii Investing activities with no cash flow effects:

	Three months ended March 31	
	2025	2024
Current prepayments for investments (Note) transferred to financial assets at fair value through profit or loss	$ -	$ 15,000

Note: Shown as “other non-current assets”.

(28). Changes in liabilities from financing activities

	2025		
	Long-term borrowings (including current portion)	Lease liabilities	Liabilities from financing activities-gross
January 1	$ 565,397	$ 335,903	$ 901,720
Changes in cash flows from financing activities	125,407	(7,387)	118,020
Changes in right-of-use assets	-	214,521	214,521
March 31	$ 690,804	$ 543,037	$ 1,234,261

	2024		
	Long-term borrowings (including current portion)	Lease liabilities	Liabilities from financing activities-gross
January 1	$ 120,460	$ 344,707	$ 465,173
Changes in cash flows from financing activities	373,050	(7,940)	365,110
Changes in right-of-use assets	-	14,946	14,946
March 31	$ 493,510	$ 351,713	$ 845,229

7. Related Party Transactions

(1). Parent and ultimate controlling party

The Group has no ultimate parent company and ultimate controlling party.

(2). Names of related parties and relationship

Names of related parties	Relationship with the Group
FORMOSA LABORATORIES, INC.(FORMOSA LABORATORIES)	Other related party
FORMOSA PHARMACEUTICALS, INC.(FORMOSA PHARMACEUTICALS)	”
TFBS Bioscience Inc.(TFBS Bioscience)	”
Forward BioT Venture Capital(Forward BioT)	”

(3). Significant related party transactions

i. Operating revenue

	Three months ended March 31	
	2025	2024
Sales of goods:		
Other related party	$ 351	$ 2,111
Sales of services:		
Other related party	309	648
	$ 660	$ 2,759

(i) No similar transaction can be compared with for the sales of services. Prices and terms are determined based on mutual agreements.

(ii) The Group recognised the following revenue-related contract assets and liabilities as of March 31, 2025, December 31, 2024, and March 31, 2024: contract assets amounted to $337, $457, and $477, respectively; contract liabilities amounted to $492, $586, and $263, respectively.

ii. Purchases

	Three months ended March 31	
	2025	2024
Purchases of goods:		
Other related party	$ 205	$ -

Goods purchased from other related parties are based on normal commercial terms and conditions.

iii. Service expense (shown as ‘research and development expenses’)

	Three months ended March 31	
	2025	2024
Other related party	$ 3,676	$ 4,885

The main service expense is for commissioned biopharmaceutical research and development, with prices and terms agreed upon by both parties.

iv. Testing expense (shown as ‘operating costs’)

	Three months ended March 31	
	2025	2024
Other related party- TFBS Bioscience Inc.	$ 4,942	$ 3,589
Other related party	200	40
	$ 5,142	$ 3,629

v. Receivables from related parties

	March 31, 2025	December 31, 2024	March 31, 2024
Accounts receivable:			
Other related party	$ 226	$ 3,100	$ 189

vi. Payables to related parties

	March 31, 2025	December 31, 2024	March 31, 2024
Accounts payable:			
Other related party	$ 215	$ -	$ -
Other payables:			
Other related party	$ 10,555	$ 7,619	$ 9,473

vii. Property transactions

Acquisition of financial assets:

		Three months ended March 31	
		2025	2024
	Account item	Acquisition of proceeds	Acquisition of proceeds
Other related party - Forward BioT	Financial assets at fair value through profit or loss	$ 15,000	$ -

The Group acquired assets from related parties as per the Transaction Details; please refer to the explanation in Note 6(2) iii.

(4). Information on key management compensation

	Three months ended March 31	
	2025	2024
Salaries and other short-term employee benefits	$ 9,905	$ 7,947
Post-employment benefits	159	126
Share-based payment	49	7,570
	$ 10,113	$ 15,643

8. Pledged Assets

The Group's assets pledged as collateral are detailed below:

	Book value			
Assets item	March 31, 2025	December 31, 2024	March 31, 2024	Purpose
Pledged time deposits (shown as non-current financial assets at amortised cost)	$ 9,221	$ 9,221	$ 8,790	Note 1
Guarantee deposits paid (shown as other non-current assets)	$ 56,414	$ 39,098	$ 8,755	Note 2
Property, plant and equipment	$ 1,456,879	$ 1,468,209	$ 1,531,531	Note 3
Pledged government bonds (shown as non-current financial assets at amortised cost)	$ 31,267	$ 31,399	$ 31,798	Note 4

Note 1: This refers to the land lease guarantee deposit and the customs deferred tax collateral time deposit.

Note 2: This refers to the deposits for contracted research agreements, equipment deposits, office deposits, gas meter guarantee deposits, performance guarantee deposits, and customs deferred tax collateral time deposits.

Note 3: This refers to the long-term borrowings limit.

Note 4: This is the investment guarantee deposit for the science park.

9. Significant Contingent Liabilities and Unrecognised Contract Commitments

(1). Contingencies

None.

(2). Commitments

i. As of March 31, 2025, December 31, 2024, and March 31, 2024, the amounts to be paid in the future under the commissioned research contracts signed by the Group were $808,412, $786,332, and $66,238, respectively.

ii. As of March 31, 2025, December 31, 2024, and March 31, 2024, the Group has entered into contracts for the purchase of equipment and plant design, with amounts payable in the future amounting to $1,161,308, $1,541,597, and $2,036,093, respectively.

iii. On March 31, 2025, December 31, 2024, and March 31, 2024, the Group entered into a long-term consignment contract with a supplier to ensure the future supply of goods and paid a guarantee amounting to $30,000. The aforementioned amount was shown as other non-current assets.

10. Significant Disaster Losses

None.

11. Significant Events After the Balance Sheet Date

None.

12. Others

(1). Capital management

The Group's primary objectives in managing capital are to ensure the Group's continued operation as a going concern, delivering 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.

(2). Financial instruments

i. Financial instruments by category

	March 31, 2025	December 31, 2024	March 31, 2024
Financial assets			
Financial assets at fair value through profit or loss			
Financial assets mandatorily measured at fair value through profit or loss	$ 116,210	$ 102,142	$ 97,713
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	$ 249,593	$ 263,125	$ 322,099
Financial assets at amortised cost			
Cash and cash equivalents	$ 3,792,791	$ 4,097,584	$ 4,847,881
Financial assets at amortised cost	163,529	629,326	940,588
Notes receivable	173	50	46
Accounts receivable	234,080	110,596	131,044
Accounts receivable, net - related parties	226	3,100	189
Other receivables	37,153	34,266	21,634
Guarantee deposits paid (shown as other non-current assets)	56,414	39,098	8,755
	$ 4,284,366	$ 4,914,020	$ 5,950,137

	March 31, 2025	December 31, 2024	March 31, 2024
Financial liabilities			
Financial liabilities at amortised cost			
Accounts payable	$ 96,216	$ 87,287	$ 63,447
Accounts payable - related parties	215	-	-
Other payables	427,737	568,428	274,163
Other payables - related parties	10,555	7,619	9,473
Long-term borrowings (including current portion)	690,804	565,397	493,510
Guarantee deposits received (shown as other current and non-current liabilities, others)	420	420	6
	$ 1,225,947	$ 1,229,151	$ 840,599
Lease liabilities	$ 543,037	$ 335,903	$ 351,713

ii. Risk management policies

There were no significant changes during this period. Please refer to the Note 12 of consolidated financial statements for the year 2024.

iii. Significant financial risks and degrees of financial risks

(i) Market risk

A. Exchange rate risk

(A). The Group operates internationally and is exposed to exchange risk arising from various currency exposures, primarily with respect to the USD, EUR, GBP and JPY. Foreign exchange rate risk arises from future commercial transactions and recognised assets and liabilities.

(B). Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Group treasury.

(C). The Group's businesses involve some non-functional currency operations (the Company's functional currency: NTD; subsidiaries' functional currency: EUR and USD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	March 31, 2025		
	Foreign currency (thousand)	Exchange rate	Book value (NTD)
Financial assets			
Monetary items			
USD:NTD	$ 61,430	33.21	$ 2,040,090
EUR:NTD	424	35.97	15,251
GBP:NTD	79	43.05	3,401
JPY:NTD	16,986	0.22	3,736
Financial liabilities			
Monetary items			
USD:NTD	$ 173	33.21	$ 5,745
EUR:NTD	1,141	35.97	41,042
GBP:NTD	46	43.05	1,980

	December 31, 2024		
	Foreign currency (thousand)	Exchange rate	Book value (NTD)
Financial assets			
Monetary items			
USD:NTD	$ 54,826	32.79	$ 1,797,745
EUR:NTD	933	34.14	31,853
GBP:NTD	98	41.19	4,037
JPY:NTD	18,938	0.21	3,977
Financial liabilities			
Monetary items			
USD:NTD	$ 653	32.79	$ 21,412
EUR:NTD	962	34.14	32,843

	March 31, 2024		
	Foreign currency (thousand)	Exchange rate	Book value (NTD)
Financial assets			
Monetary items			
USD:NTD	$ 55,389	32.00	$ 1,772,448
EUR:NTD	1,212	34.46	41,766
GBP:NTD	254	40.39	10,259
Financial liabilities			
Monetary items			
USD:NTD	$ 1,021	32.00	$ 32,672

(D). Analysis of foreign currency market risk arising from significant foreign exchange variation:

	Three months ended March 31, 2025		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
Financial assets			
Monetary items			
USD:NTD	1%	$ 20,401	$ -
EUR:NTD	1%	86	67
GBP:NTD	1%	34	-
JPY:NTD	1%	37	-
Financial liabilities			
Monetary items			
USD:NTD	1%	$ 57	$ -
EUR:NTD	1%	410	-
GBP:NTD	1%	20	-

	Three months ended March 31, 2024		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
Financial assets			
Monetary items			
USD:NTD	1%	$ 17,724	$ -
EUR:NTD	1%	354	64
GBP:NTD	1%	103	-
Financial liabilities			
Monetary items			
USD:NTD	1%	$ 327	$ -

(E). The Group's monetary items were considerably impacted by exchange rate fluctuations, with the total foreign exchange gains (including realised and unrealised) recognised for the periods from January 1 to March 31, 2025 and 2024, amounting to $36,801 and $74,722, respectively.

B. Price risk

(A). The Group’s equity securities, which are exposed to price risk, are the held financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

(B). The Group’s investments in equity securities comprise shares issued by the domestic companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity instruments increase or decrease by 1%, with all other factors remaining constant, the profit after tax for the periods from January 1 to March 31, 2025 and 2024, would increase or decrease by $498 and $337, respectively, due to gains or losses from equity instruments measured at fair value through profit or loss. Similarly, other comprehensive income would increase or decrease by $2,496 and $3,221, respectively, due to changes in the fair value of equity investments classified as measured through other comprehensive income.

C. Cash flow and fair value interest rate risk

(A). The Group’s main interest rate risk arises from long-term borrowings with variable rates. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. From January 1 to March 31, 2025 and 2024, the Group's borrowings issued at variable rates were primarily denominated in New Taiwan Dollars.

(B). For the periods from January 1 to March 31, 2025 and 2024, if the borrowing interest rate changes by 1%, with all other factors held constant, the profit, net of tax for the periods from January 1 to March 31, 2025 and 2024 would have increased or decreased by $5,526 and $3,948, respectively. The main factor is that decreases or increases in interest expense result from floating rate borrowings.

(ii) Credit risk

A. 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.

B. The Group manages its credit risk taking into consideration the entire group’s concern. According to the Group’s credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. The limits for individual risks are established by the Board depending on internal or external ratings and are regularly monitored for the use of credit limits.

C. The Group adopts the assumptions under IFRS 9 that if the contract payments are past due over 90 days based on the terms, it is considered a default.

D. The Group adopts the following assumption under IFRS 9 to assess whether there has been a substantial 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.

E. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:

(A). It becomes probable that the issuer will enter bankruptcy or other financial reorganization due to their financial difficulties;

(B). The disappearance of an active market for that financial asset because of financial difficulties;

(C). Default or delinquency in interest or principal repayments;

(D). Adverse changes in national or regional economic conditions that are expected to cause a default.

F. The Group classifies customers' accounts receivable and contract assets in accordance with customer types. The Group applies the modified approach using individual provision to estimate expected credit loss.

G. The Group's notes and accounts receivable (including related parties) and contract assets were generated from the customers who have optimal credit rating, and the expected credit loss rate is 0.3% after using the forecast ability of future boom. As of March 31, 2025, December 31, 2024, and March 31, 2024, the total carrying amount of the Group's notes receivable and accounts receivable (including related parties) was $234,479, $113,746, and $131,279, respectively. While certain accounts receivable were overdue by more than 90 days, the associated credit risk was assessed to be not significant. Therefore, the allowance for losses was $0. As of March 31, 2025, December 31, 2024, and March 31, 2024, the Group's contract assets amounted to $302,105, $385,940, and $261,078, respectively, with an allowance for losses of $0.

H. The Group calculated expected credit loss using individual assessment for customers who have higher credit risk. As of March 31, 2025, December 31, 2024, and March 31, 2024, the total carrying amounts of the Group's notes receivable and accounts receivable (including related parties) were $60,240, $73,183, and $0, respectively, with allowance for credit losses of $60,240, $73,183, and $0. As of March 31, 2025, December 31, 2024, and March 31, 2024, the contract assets related to these customers amounted to $14,277, $14,751, and $0, respectively, with corresponding allowance for losses of $14,277, $14,751, and $0.

I. The Group adopts a simplified approach for the notes receivable, accounts receivable, and contract assets impairment loss changes as follows:

	Three months ended March 31, 2025			
	Notes receivable	Accounts receivable	Contract assets	Total
January 1	$ -	$ 73,183	$ 14,751	$ 87,934
Provision for impairment	-	(12,943)	(474)	(13,417)
March 31	$ -	$ 60,240	$ 14,277	$ 74,517

	Three months ended March 31, 2024			
	Notes receivable	Accounts receivable	Contract assets	Total
January 1	$ -	$ 297	$ -	$ 297
Write-offs	-	(297)	-	(297)
March 31	$ -	$ -	$ -	$ -

J. The counterparties of the Group's investments in debt instrument measured at amortised cost have good credit quality so the loss allowance measured based on 12 months expected credit losses is minimal.

(iii) Liquidity risk

A. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs.

B. 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 aforementioned forecasts.

C. The Group has the following undrawn borrowing facilities:

	March 31, 2025	December 31, 2024	March 31, 2024
Floating rate:			
Expiring within one year	$ 1,650,000	$ 1,350,000	$ 1,150,000
Expiring beyond one year	1,754,290	2,120,700	220,490
	$ 3,404,290	$ 3,470,700	$ 1,370,490

D. The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

March 31, 2025	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
Non-derivative financial liabilities				
Accounts payable	$ 96,216	$ -	$ -	$ 96,216
Accounts payable-related parties	215	-	-	215
Other payables	427,737	-	-	427,737
Other payables - related parties	10,555	-	-	10,555
Lease liabilities	33,748	120,237	600,911	754,896
Long-term borrowings	10,845	594,093	142,679	747,617
Guarantee deposit received (shown as other non-current liabilities)	420	-	-	420

December 31, 2024	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
Non-derivative financial liabilities				
Accounts payable	$ 87,287	$ -	$ -	$ 87,287
Other payables	568,428	-	-	568,428
Other payables - related parties	7,619	-	-	7,619
Lease liabilities	34,506	121,145	224,979	380,630
Long-term borrowings (including current portion)	215,522	322,309	50,818	588,649
Guarantee deposit received (shown as other non-current liabilities)	420	-	-	420

March 31, 2024	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
Non-derivative financial liabilities				
Accounts payable	$ 63,447	$ -	$ -	$ 63,447
Other payables	274,163	-	-	274,163
Other payables - related parties	9,473	-	-	9,473
Lease liabilities	37,108	122,272	244,576	403,956
Long-term borrowings (including current portion)	30,382	482,648	-	513,030
Guarantee deposit received (shown as other non-current liabilities)	6	-	-	6

E. The Group does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(3). Fair value information

i. 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 on the measurement date. An active market refers to a market in which transactions for an asset or liability occur frequently and in sufficient volume to provide ongoing pricing information.

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. The Group's investments in equity instruments that are not actively traded all belong to this category.

ii. Financial instruments not measured at fair value

Except for financial assets at fair value through profit or loss and financial assets measured at fair value through other comprehensive income, the carrying amounts of cash and cash equivalents, financial assets at amortised cost, notes receivable, accounts receivable (including related parties), other receivables, guarantee deposits paid (shown as other non-current assets), accounts payable (covering related parties), other payables (including related parties), long-term borrowings (containing current portion), guarantee deposits received (shown as other current and non-current liabilities) and lease liabilities are approximate to their fair values.

iii. The related information on financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities are as follows:

(i) The related information on the nature of the assets and liabilities is as follows:

	March 31, 2025			
	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Profit-sharing investment in new drug development	$ -	$ -	$ 66,410	$ 66,410
Limited partnership venture capital	-	-	49,800	49,800
Financial assets at fair value through other comprehensive income				
Equity securities	-	-	249,593	249,593
Total	$ -	$ -	$ 365,803	$ 365,803

	December 31, 2024			
	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Profit-sharing investment in new drug development	$ -	$ -	$ 65,570	$ 65,570
Limited partnership venture capital	-	-	36,572	36,572
Financial assets at fair value through other comprehensive income				
Equity securities	-	-	263,125	263,125
Total	$ -	$ -	$ 365,267	$ 365,267

	March 31, 2024			
	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Profit-sharing investment in new drug development	$ -	$ -	$ 64,000	$ 64,000
Limited partnership venture capital	-	-	33,713	33,713
Financial assets at fair value through other comprehensive income				
Equity securities	-	-	322,099	322,099
Total	$ -	$ -	$ 419,812	$ 419,812

(ii) The fair value obtained through valuation techniques can refer to the current fair value of other financial instruments with similar conditions and characteristics, the discounted cash flow method, or other valuation techniques.

iv. The table below shows the changes in Level 3 for the three months ended March 31, 2025 and 2024:

	2025			
	Equity instruments	Profit-sharing investment in new drug development	Limited partnership venture capital	Total
January 1	$ 263,125	$ 65,570	$ 36,572	$ 365,267
Current additions	-	-	15,000	15,000
Gains or losses recognised in profit or loss				
Gains (losses) on valuation	-	840	(1,772)	(932)
Gains and losses recognised in other comprehensive income				
Gains (losses) on valuation	(13,532)	-	-	(13,532)
March 31	$ 249,593	$ 66,410	$ 49,800	$ 365,803

	2024			
	Equity instruments	Profit-sharing investment in new drug development	Limited partnership venture capital	Total
January 1	$ 325,887	$ 61,420	$ 18,888	$ 406,195
Current additions	-	-	15,000	15,000
Gains or losses recognised in profit or loss				
Gains (losses) on valuation	-	2,590	(175)	2,415
Gains and losses recognised in other comprehensive income				
Gains (losses) on valuation	(3,788)	-	-	(3,788)
March 31	$ 322,099	$ 64,010	$ 33,713	$ 419,822

v. There were no transfers in or out from Level 3 during the period from January 1 to March 31, 2025 and 2024.

vi. Appointed external appraiser is in charge of valuation procedures for fair value measurements being categorized within Level 3, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value to ensure the valuation results are reasonable.

vii. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at March 31, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
OTC and unlisted (shelf) shares	$ 8,714	Price-to-book ratio	Price-to-book ratio	2.61 (2.61)	The higher the multiple, the higher the fair value.
			liquidity discount	30% (30%)	The higher the discount for lack of market liquidity, the lower the fair value
OTC and unlisted (shelf) shares	215,689	Price-to-book ratio	Price-to-book ratio	1.40 (1.40)	The higher the multiple, the higher the fair value.
			liquidity discount	11.05% (11.05%)	The higher the discount for lack of market liquidity, the lower the fair value
Profit-sharing investment in new drug development	66,410	Royalty savings method under the income approach	Discount rate	26.03%	The higher the discount rate, the lower the fair value
			Market share	2.0%~5.9%	The higher the market share, the higher the fair value
Limited partnership venture capital	49,800	Net asset value	N/A	N/A	N/A
OTC and unlisted (shelf) shares	25,190	Price-to-book ratio	Price-to-book ratio	3.77 (3.77)	The higher the multiple, the higher the fair value.
			liquidity discount	30.00% (30.00%)	The higher the discount for lack of market liquidity, the lower the fair value

	Fair value at December 31, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
OTC and unlisted (shelf) shares	8,271	Price-to-book ratio	Price-to-book ratio	2.61 (2.61)	The higher the multiple, the higher the fair value.
			liquidity discount	30% (30%)	The higher the discount for lack of market liquidity, the lower the fair value
OTC and unlisted (shelf) shares	227,699	Price-to-book ratio	Price-to-book ratio	1.45 (1.45)	The higher the multiple, the higher the fair value.
			liquidity discount	10.35% (10.35%)	The higher the discount for lack of market liquidity, the lower the fair value
Profit-sharing investment in new drug development	65,570	Royalty savings method under the income approach	Discount rate	26.03%	The higher the discount rate, the lower the fair value
			Market share	2.0%~5.9%	The higher the market share, the higher the fair value
Limited partnership venture capital	36,572	Net asset value	N/A	N/A	N/A
OTC and unlisted (shelf) shares	27,155	Price-to-book ratio method	Price-to-book ratio	3.87 (3.87)	The higher the multiple, the higher the fair value.
			liquidity discount	30.00% (30.00%)	The higher the discount for lack of market liquidity, the lower the fair value

	Fair value at March 31, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
OTC and unlisted (shelf) shares	$ 8,352	Price-to-book ratio method	Price-to-book ratio	3.67 (3.67)	The higher the multiple, the higher the fair value.
			liquidity discount	30% (30%)	The higher the discount for lack of market liquidity, the lower the fair value
OTC and unlisted (shelf) shares	313,747	Price-to-book ratio method	Price-to-book ratio	1.95 (1.95)	The higher the multiple, the higher the fair value.
			liquidity discount	10.00% (10.00%)	The higher the discount for lack of market liquidity, the lower the fair value
Profit-sharing investment in new drug development	64,000	Royalty savings method under	Discount rate	24.69%	The higher the discount rate, the lower the fair value

		the income approach	Market share	2.0%~5.9%	The higher the market share, the higher the fair value
Limited partnership venture capital	33,713	Net asset value	N/A	N/A	N/A

viii. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect on profit or loss or on other comprehensive income from financial assets and liabilities categorised within Level 3 if the inputs used to valuation models have changed:

			March 31, 2025			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input value	Degree of variation	Favourable changes	Adverse changes	Favourable changes	Adverse changes
Financial assets						
Profit-sharing investments in new drug development	Discount Rate Market Share	±5%	$ 3,321	($ 3,321)	$ -	$ -
Limited partnership venture capital	N/A	±5%	2,490	(2,490)	-	-
OTC and non-listed (OTC) shares	Price-to-book ratio	±5%	-	-	12,480	($ 12,480)
	Lack of marketability	±5%	-	-	12,480	(12,480)
Total			$ 5,811	($ 5,811)	$ 24,960	($ 24,960)

			December 31, 2024			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input value	Degree of variation	Favourable changes	Adverse changes	Favourable changes	Adverse changes
Financial assets						
Profit-sharing investments in new drug development	Discount Rate Market Share	±5%	$ 3,279	($ 3,279)	$ -	$ -
Limited partnership venture capital	N/A	±5%	1,829	(1,829)	-	-
OTC and non-listed (OTC) shares	Price-to-book ratio	±5%	-	-	13,156	(13,156)
	Lack of marketability	±5%	-	-	13,156	(13,156)
Total			$ 5,108	($ 5,108)	$ 26,312	($ 26,312)

			March 31, 2024			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input value	Degree of variation	Favourable changes	Adverse changes	Favourable changes	Adverse changes
Financial assets						
Profit-sharing investments in new drug development	Discount Rate Market Share	±5%	$ 3,200	($ 3,200)	$ -	$ -
Limited partnership venture capital	N/A	±5%	1,686	(1,686)	-	-
OTC and non-listed (OTC) shares	Price-to-book ratio	±5%	-	-	16,105	(16,105)
	Lack of marketability	±5%	-	-	16,105	(16,105)
Total			$ 4,886	($ 4,886)	$ 32,210	($ 32,210)

13. Supplementary Disclosures

(1) Significant transactions information

i. Loans to others: None.

ii. Provision of endorsements and guarantees to others: None.

iii. End-of-period holdings of significant marketable securities (excluding investment in subsidiaries, associates, and joint ventures): Please refer to Table 1.

iv. Total Purchases from or Sales to Related Parties Amounting to at Least NT$100 million or 20% of Paid-in Capital: None.

v. Receivables from Related Parties Amounting to at Least NT$100 Million or 20% of Paid-in Capital: None.

vi. Material Intercompany Transactions and Amounts: Please refer to Table 2.

(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

None.

14. Segment Information

(1) General information

The Group is primarily engaged in the biosimilar and new drug research and development, along with biopharmaceutical contract development and manufacturing services. This includes cell line construction platforms, process development platforms, analytical science and protein characterisation, as well as PIC/S GMP facilities to provide clinical trial drug and listed drug production, etc. The Group operates business merely in a single industry. The Chief Operating Decision-maker who allocates resources and assesses performance of the Group as a whole, has identified that the Group has only one reportable operating segment.

(2) Segment Information

The accounting policies of the operating segments are in agreement with the Summary of Key Accounting Policies described in Note 4 of the consolidated financial statements for the year 2024. The Group's segment profit (loss) is measured with the loss before tax, which is used as a basis for the Group in assessing the performance of the operating segments.

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

The Group has only one reportable operating segment; thus, the reportable information is in agreement with those in the 2024 Consolidated Financial Statements.

(4) Information on segment profit or loss adjustments

The amounts provided to the Chief Operating Decision-maker with respect to segment assets, liabilities and loss before tax from continuing operations are measured in a manner consistent with that in the financial statements. Thus, no reconciliation is needed.

EirGenix Inc. and Subsidiaries

Significant securities held at end of the period (excluding investment in subsidiaries, associates, and joint ventures)

March 31, 2025

Table 1

Unit: Thousands of NTD

(Unless otherwise specified)

				End of the period				
Holder	Type and Name of Securities	Relationship	Account Name	No. of shares	Book value	Ownership	Fair value	Note
EirGenix Inc.	TFBS Bioscience Inc. common stock	the Company's other related party	Non-current financial assets at fair value through other comprehensive income	4,942,455	$ 215,689	14.15%	$ 215,689	
"	Forward BioT Venture Capital equity	"	Non-current financial assets at fair value through profit or loss	-	49,800	5.60%	49,800	
"	93 Central Government Bonds A6 Government bonds	None	Non-current financial assets at amortised cost	-	31,267	-	-	
"	Nomura International Funding Pte Ltd 7% Ann 09/12/31(Nc09/12/25)	"	"	-	49,807	-	-	
"	Nomura International Funding Pte Ltd 6.5% Ann 10/07/31 (Nc10/07/25 ,10/07/26 Rst3.25%)	"	"	-	33,205	-	-	
"	Credit Agricole Corporate & 6.5% ANN 03/28/32 (Nc03/28/26,Rst3.2%)	"	"	-	33,205	-	-	

Note: Individual amounts less than $30,000 are not disclosed.

EirGenix Inc. and Subsidiaries

Business relationships and significant transaction details between the parent and its subsidiary companies.

Three months ended March 31, 2025

Table 2

Unit: Thousands of NTD
(Unless otherwise specified)

				Transaction Details			
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Account name	Amount	Transaction terms	Percentage of consolidated operating revenue or total assets (Note 3)
0	EirGenix Inc.	EirGenix Europe GmbH	(1)	Operating Expenses	$ 14,900	Note 4	8.19%
0	EirGenix Inc.	EirGenix Europe GmbH	(1)	Other payables	14,290	〃	0.13%

Note 1: The business transaction information between the parent company and subsidiaries should be specified separately in the numbered column, and the method for filling in the numbers is as follows:

(1). Parent company is ‘0’.

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

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. Transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):

(1). Parent company to subsidiary.

(2). Subsidiary to parent company.

(3). Subsidiary to subsidiary.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

Note 4: Prices and terms for services are based on the mutual agreement and payments are collected quarterly in advance.

Note 5: Transactions between the parent company and subsidiaries are eliminated.

Note 6: Individual amounts less than $10,000 are not disclosed.

EirGenix Inc. and Subsidiaries

Investee, location and other relevant information (excluding investment in Mainland China)

Three months ended March 31, 2025

Table 3

Unit: Thousands of NTD
(Unless otherwise specified)

				Initial investment amount		End-of-period holdings					
Investor	Investee	Location	Main business activities	End of the period	End of Last Year	Number of shares	Ownership	Book value	Net Income (Loss) of Investee	Investment Income (Loss) Recognised for the Period	Note
EirGenix Inc.	EirGenix Europe GmbH	Germany	Biopharmaceutical research and development as well as business development	$ 845	$ 845	-	100.00%	$ 11,143	$ 476	$ 476	None
EirGenix Inc.	EirGenix USA Inc.	USA	Biopharmaceutical commissioned development, manufacturing services and consulting	3	3	10,000,000	100.00%	374	169	169	None