

**BORA PHARMACEUTICALS CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**WITH INDEPENDENT AUDITORS' REVIEW REPORT**  
**FOR THE THREE MONTHS ENDED**  
**March 31, 2025 AND 2024**

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The reader is advised that these financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

## Independent Auditors' Review Report

To the Board of Directors and Shareholders  
Bora Pharmaceuticals Co., Ltd.

### Introduction

We have reviewed the accompanying consolidated balance sheets of Bora Pharmaceuticals Co., Ltd. (the “Company”) and its subsidiaries (collectively, the “Group”) as of March 31, 2025 and 2024, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 2025 and 2024, and notes to the consolidated financial statements, including the summary of significant accounting policies (collectively referred to as the “consolidated financial statements”). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standards 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

### Scope of Review

We conducted our reviews in accordance with the Standard on Review Engagement of the Republic of China 2410, “Review of Financial Information Performed by the Independent Auditor of the Entity”. 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 and the review reports of other independent auditors (please refer to the Other Matter paragraph of our report), nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Company as of March 31, 2025 and 2024, its consolidated financial performance for the three months ended March 31, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standards 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

## **Other Matter—Making Reference to the Reviews of Other Independent Auditors**

We did not review the financial statements of certain associates and joint ventures accounted for under the equity method. Our review, insofar as it relates to investments accounted for using equity method balances of NT\$4,875,754 thousands, which represented 10.42% of consolidated total assets as of March 31, 2025, the related shares of (loss) from the associates and joint ventures accounted for using the equity method in the amount of NT\$(118,468) thousands, which represented (7.07)% of the consolidated net income before income tax for the three months ended March 31, 2025, and the related shares of other comprehensive income (loss) from the associates and joint ventures in the amount of NT\$12,408 thousands, which represented 6.15% of the consolidated total comprehensive income (loss) for the three month ended March 31, 2025, are based on Solely on the reports of other independent auditors.

Hu, Tzu Ren

Yao, Shih Chieh

Ernst & Young, Taiwan

May 14, 2025

### Notice to Readers

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

Accordingly, the accompanying consolidated financial statements and report of independent auditors are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice. As the consolidated financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

BORA PHARMACEUTICALS CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

Unit: Thousands of New Taiwan Dollars

ASSETS	Notes	March 31, 2025		December 31, 2024		March 31, 2024	
		Amount	%	Amount	%	Amount	%
Current assets							
Cash and cash equivalents	IV&VI.1	\$5,125,635	11	\$5,829,197	13	\$8,065,514	26
Financial assets measured at fair value through profit or loss, current	IV&VI.2	22,832	-	24,477	-	20,275	-
Financial assets at amortized cost, current	IV&VI.4&VIII	39,104	-	67,862	-	328,200	1
Contract assets, current	IV&VI.23	606,952	1	239,991	-	15,443	-
Notes receivable, net	IV&VI.5.24	4,851	-	19,884	-	48,485	-
Accounts receivable, net	IV&VI.6.24&VII	9,384,557	20	10,221,933	22	3,974,785	13
Other receivables	IV&VII	827,577	2	772,039	2	103,147	-
Inventories, net	IV&VI.7	4,102,685	9	5,502,342	12	2,382,933	8
Prepayments		654,131	2	591,004	2	787,734	3
Disposal groups classified as held for sale, net	IV&VI.8	1,031,315	2	-	-	-	-
Other current assets		134,813	-	114,427	-	124,969	-
Total current assets		21,934,452	47	23,383,156	51	15,851,485	51
Non-current assets							
Financial assets measured at fair value through profit or loss, non-current	IV&VI.2	98,695	-	99,165	-	-	-
Financial assets measured at fair value through other comprehensive income, non-current	IV&VI.3	229,836	-	221,456	-	27,758	-
Financial assets measured at amortized cost, non-current	IV&VI.4&VIII	13,200	-	13,500	-	13,500	-
Investments accounted for using equity method	IV&VI.9	4,876,257	10	1,370	-	1,392	-
Property, plant and equipment	IV&VI.10&VIII	10,604,733	23	11,684,248	26	6,673,379	22
Right-of-use assets	IV&VI.25	668,925	2	825,505	2	817,860	3
Investment properties, net	IV&VI.11&VIII	16,258	-	16,410	-	16,866	-
Intangible assets	IV&VI.12.13	6,518,223	14	7,533,165	17	5,608,029	18
Deferred tax assets	IV&VI.29	1,191,290	3	1,190,246	3	1,198,262	4
Other non-current assets		606,784	1	542,041	1	533,181	2
Total non-current assets		24,824,201	53	22,127,106	49	14,890,227	49
Total assets		\$46,758,653	100	\$45,510,262	100	\$30,741,712	100

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese  
BORA PHARMACEUTICALS CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS

Unit: Thousands of New Taiwan Dollars

LIABILITIES AND EQUITY	Notes	March 31, 2025		December 31, 2024		March 31, 2024	
		Amount	%	Amount	%	Amount	%
Current liabilities							
Short-term loans	IV&VI.14	\$2,018,949	5	\$2,597,850	6	\$3,646,523	12
Financial liabilities measured at fair value through profit or loss, current	IV&VI.15	493,490	1	806,650	2	1,473,818	5
Contract liabilities, current	IV&VI.23	238,016	1	245,598	-	250,103	1
Notes payable		13,086	-	5,861	-	17,673	-
Accounts payable		842,363	2	786,480	2	339,653	1
Other payables	VII	3,139,406	7	3,276,666	7	1,397,333	5
Dividends payable		1,499,366	3	-	-	1,252,930	4
Income tax payable	IV&VI.29	693,465	1	484,332	1	1,310,995	4
Provisions, current	IV&VI.19	210,805	-	248,120	-	147,184	-
Liabilities related to disposal groups classified as held for sale	IV&VI.8	161,724	-	-	-	-	-
Lease liabilities, current	IV&VI.25	103,895	-	116,600	-	106,814	-
Current portion of long-term loans	VI.17	1,434,218	3	1,189,023	3	965,392	3
Refund liabilities	IV&VI.23	4,428,274	10	3,908,335	9	2,163,620	7
Other current liabilities		164,929	-	143,082	-	10,942	-
Total current liabilities		15,441,986	33	13,808,597	30	13,082,980	42
Non-current liabilities							
Financial liabilities measured at fair value through profit or loss, non-current	IV&VI.15	270,175	1	257,263	1	553,792	2
Contract liabilities, non-current	IV&VI.23	33,313	-	-	-	-	-
Bonds payable	IV&VI.16	7,697,505	17	7,758,905	17	1,546,719	5
Long-term loans	VI.17	6,091,915	13	6,564,987	14	2,039,165	7
Provisions, non-current	IV&VI.19	107,710	-	129,036	-	191,501	1
Deferred tax liabilities	IV&VI.29	1,329,099	3	1,255,861	3	828,979	3
Lease liabilities, non-current	IV&VI.25	600,395	1	745,962	2	739,315	2
Other non-current liabilities		31,537	-	66,322	-	301,705	1
Total non-current liabilities		16,161,649	35	16,778,336	37	6,201,176	21
Total liabilities		31,603,635	68	30,586,933	67	19,284,156	63
Equity attributable to the parent company	VI.21						
Capital							
Common stock		1,034,572	2	1,030,852	2	1,014,128	3
Advance receipts for ordinary share		2,602	-	2,267	-	1,373	-
Capital surplus		4,570,291	10	4,408,236	10	3,357,710	11
Retained earnings							
Legal reserve		658,515	1	658,515	1	355,501	1
Unappropriated earnings		6,313,389	14	6,361,911	14	3,874,455	13
Subtotal		6,971,904	15	7,020,426	15	4,229,956	14
Other equity		562,353	1	360,566	1	137,859	-
Treasury stock		(42,651)	-	(43,181)	-	(49,729)	-
Equity attributable to shareholders of the parent		13,099,071	28	12,779,166	28	8,691,297	28
Non-controlling interests	VI.21	2,055,947	4	2,144,163	5	2,766,259	9
Total equity		15,155,018	32	14,923,329	33	11,457,556	37
Total liabilities and equity		\$46,758,653	100	\$45,510,262	100	\$30,741,712	100

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese  
BORA PHARMACEUTICALS CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Unit: Thousands of New Taiwan Dollars

Items	Notes	For the three month ended March 31, 2025		For the three month ended March 31, 2024	
		Amount	%	Amount	%
Operating revenue	IV&VI.23&VII	\$4,479,585	100	\$2,857,493	100
Operating costs	VI.7.18.25.26&VII	(2,590,088)	(58)	(1,351,503)	(47)
Gross profit		1,889,497	42	1,505,990	53
Unrealized (profits) on sales		(51)	-	-	-
Realized profit on from sale		40	-	-	-
Net gross profit		1,889,486	42	1,505,990	53
Operating expenses	VI.18.22.24.25.26&VII				
Sales and marketing expenses		(374,439)	(8)	(200,508)	(7)
General and administrative expenses		(645,773)	(15)	(319,912)	(11)
Research and development expenses		(187,902)	(4)	(93,527)	(4)
Total operating expenses		(1,208,114)	(27)	(613,947)	(22)
Operating income		681,372	15	892,043	31
Non-operating income and expenses	VI.27				
Other revenue		16,014	-	7,153	-
Other gains		2,559,151	58	116,594	4
Financial costs		(120,781)	(3)	(32,250)	(1)
Share of (loss) of associates and joint ventures accounted for using the equity method		(118,356)	(3)	-	-
Total non-operating income and (expenses)		2,336,028	52	91,497	3
Net income before income tax		3,017,400	67	983,540	34
Income tax expense	IV&VI.29	(266,692)	(5)	(239,879)	(8)
Net income from continuing operations		2,750,708	62	743,661	26
Total loss from discontinued operations	IV&VI.8	(1,341,923)	(30)	-	-
Net income		1,408,785	32	743,661	26
Other comprehensive income	IV&VI.28				
Components of other comprehensive income that will not be reclassified to profit or loss					
Unrealized gains or (losses) from equity instruments investments measured at fair value through other comprehensive income		6,290	-	-	-
Income tax related to components of other comprehensive income that will not be reclassified to profit or loss		(1,258)	-	-	-
To be reclassified to profit or (loss) in subsequent periods					
Exchange differences resulting from translation foreign operations		245,994	6	80,125	3
Income tax related to items to be reclassified subsequently to profit or loss		(49,180)	(1)	(16,003)	(1)
Total other comprehensive income, net of tax		201,846	5	64,122	2
Total comprehensive income		\$1,610,631	37	\$807,783	28
Net income attributable to:					
Stockholders of the parent		\$1,399,273		\$716,137	
Non-controlling interests		\$9,512		\$27,524	
Comprehensive income attributable to:					
Stockholders of the parent		\$1,601,060		\$780,189	
Non-controlling interests		\$9,571		\$27,594	
Earnings per share (NTD)	IV&VI.30				
Profit from continuing operations		\$26.54		\$7.07	
Loss from discontinued operations		(12.99)		-	
Earnings per share-basic		\$13.55		\$7.07	
Profit from continuing operations		\$24.60		\$6.88	
Loss from discontinued operations		(11.86)		-	
Earnings per share-diluted		\$12.74		\$6.88	

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

English Translation of Financial Statements Originally Issued in Chinese  
BORA PHARMACEUTICALS CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Unit: Thousands of New Taiwan Dollars

Items	Capital		Capital surplus	Retained earnings		Other equity			Treasury stock	Total	Non-controlling interests	Equity Total
	Common stock	Advance receipts for capital stock		Legal reserve	Unappropriated earnings	Exchange differences resulting from translating the financial statements of foreign operations	Unrealized gain (Loss) on financial assets at fair value through other comprehensive income	Remeasurements of the net defined benefit plan				
Balance as of January 1, 2024	\$1,014,128	\$853	\$3,318,350	\$355,501	\$4,373,116	\$76,395	\$(4,900)	\$2,312	\$(50,968)	\$9,084,787	\$2,681,024	\$11,765,811
Appropriation and distribution of 2023 retained earning												
Cash dividends	-	-	-	-	(1,214,798)	-	-	-	-	(1,214,798)	-	(1,214,798)
Net income for the three month ended March 31, 2024	-	-	-	-	716,137	-	-	-	-	716,137	27,524	743,661
Other comprehensive income for the three month ended March 31, 2024	-	-	-	-	-	64,052	-	-	-	64,052	70	64,122
Total comprehensive income	-	-	-	-	716,137	64,052	-	-	-	780,189	27,594	807,783
Adjustment to share of changes in equities of subsidiaries	-	-	(5,602)	-	-	-	-	-	-	(5,602)	88,538	82,936
Share-based payment transactions-exercise of stock option	-	520	5,033	-	-	-	-	-	-	5,553	-	5,553
Share-based payment transactions-stock based compensation	-	-	36,520	-	-	-	-	-	-	36,520	7,235	43,755
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(38,132)	(38,132)
Other-treasury shares sold to employees	-	-	3,409	-	-	-	-	-	1,239	4,648	-	4,648
Balance as of March 31, 2024	\$1,014,128	\$1,373	\$3,357,710	\$355,501	\$3,874,455	\$140,447	\$(4,900)	\$2,312	\$(49,729)	\$8,691,297	\$2,766,259	\$11,457,556
Balance as of January 1, 2025	\$1,030,852	\$2,267	\$4,408,236	\$658,515	\$6,448,405	\$342,338	\$17,793	\$2,177	\$(43,181)	\$12,867,402	\$2,144,163	\$15,011,565
Effects of retrospective application and retrospective restatement	-	-	-	-	(86,494)	(1,742)	-	-	-	(88,236)	-	(88,236)
Equity at beginning of period after adjustments	\$1,030,852	\$2,267	\$4,408,236	\$658,515	\$6,361,911	\$340,596	\$17,793	\$2,177	\$(43,181)	\$12,779,166	\$2,144,163	\$14,923,329
Appropriation and distribution of 2024 retained earning												
Cash dividends	-	-	-	-	(1,447,795)	-	-	-	-	(1,447,795)	-	(1,447,795)
Changes in equity of associates and joint ventures accounted for using equity method	-	-	330	-	-	-	-	-	-	330	-	330
Net income for the three month ended March 31, 2025	-	-	-	-	1,399,273	-	-	-	-	1,399,273	9,512	1,408,785
Other comprehensive income for the three month ended March 31, 2025	-	-	-	-	-	196,755	5,032	-	-	201,787	59	201,846
Total comprehensive income	-	-	-	-	1,399,273	196,755	5,032	-	-	1,601,060	9,571	1,610,631
Conversion of convertible bonds	-	2,047	120,722	-	-	-	-	-	-	122,769	-	122,769
Conversion of convertible bonds-from advance receipts of capital stock	230	(230)	-	-	-	-	-	-	-	-	-	-
Disposal of subsidiaries	-	-	-	-	-	-	-	-	-	-	(45,293)	(45,293)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	(8,567)	-	-	-	-	-	-	(8,567)	(919)	(9,486)
Share-based payment transactions-exercise of stock option	1,453	555	38,379	-	-	-	-	-	-	40,387	-	40,387
Share-based payment transactions-stock based compensation	-	-	9,070	-	-	-	-	-	-	9,070	4	9,074
Share-based payment transactions-conversion of stock option	2,037	(2,037)	-	-	-	-	-	-	-	-	-	-
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(51,579)	(51,579)
Other-treasury shares sold to employees	-	-	2,121	-	-	-	-	-	530	2,651	-	2,651
Balance as of March 31, 2025	\$1,034,572	\$2,602	\$4,570,291	\$658,515	\$6,313,389	\$537,351	\$22,825	\$2,177	\$(42,651)	\$13,099,071	\$2,055,947	\$15,155,018

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

English Translation of Financial Statements Originally Issued in Chinese  
BORA PHARMACEUTICALS CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS

Unit: Thousands of New Taiwan Dollars

Items	For the three month ended March 31, 2025	For the three month ended March 31, 2024	Items	For the three month ended March 31, 2025	For the three month ended March 31, 2024
Cash flows from operating activities:			Cash flows from investing activities:		
Net income from continuing operations	\$3,017,400	\$983,540	Acquisition of financial assets measured at fair value through other comprehensive income	-	(20,000)
Total loss from discontinued operations	(1,341,923)	-	Acquisition of financial assets measured at amortized cost	(688)	(263,298)
Net income	1,675,477	983,540	Proceeds from disposal of financial assets at amortised cost	25,000	280,951
Adjustments for:			Acquisition of financial assets measured at fair value through profit or loss	-	(20,275)
Income and expense adjustments:			Acquisition of investments accounted for using equity method	-	(1,392)
Depreciation	196,505	113,964	Acquisition of subsidiary (net of cash acquired)	(169,606)	-
Amortization	96,679	77,386	Acquisition of property, plant and equipment	(72,257)	(70,664)
Net gain or loss on financial assets or liabilities measured at fair value through profit or loss	21,387	(2,218)	Proceeds from disposal of property, plant and equipment	6	-
Interest expense	120,781	32,250	Increase in refundable deposits	-	(121,322)
Interest income	(6,020)	(5,491)	Decrease in refundable deposits	3,694	-
Share-based payment expenses	9,074	43,755	Acquisition of intangible assets	(5,539)	(130,679)
Share of profit of associates and joint ventures accounted for using the equity method	118,356	-	Increase in other non-current assets	(22,463)	(139,535)
Loss on disposal of property, plant and equipment	309	112	Increase in prepayment for equipments	(50,622)	-
Property, plant and equipment transferred to expenses	169	-	Decrease in prepayment for equipments	-	5,512
Loss on disposal of investments accounted for using equity method	(2,590,654)	-	Other investing activities-loss control of subsidiaries	(1,004,262)	-
Impairment loss on non-financial assets	287,249	-	Net cash (used in) investing activities	(1,296,737)	(480,702)
Unrealized profits on sales	51	-			
Realized profit on from sale	(40)	-	Cash flows from financing activities:		
Other	3,654	2,464	Increase in short-term loans	-	2,879,015
Total income and expense adjustments:	(1,742,500)	262,222	Decrease in short-term loans	(583,101)	-
Changes in operating assets and liabilities:			Proceeds from long-term loans	-	1,600,000
Contract assets	(380,258)	(332)	Repayment of long-term loans	(231,532)	(416,404)
Notes receivable, net	15,033	5,838	Repayment of the principal of lease liabilities	(28,429)	(23,953)
Accounts receivables, net	793,363	(15,911)	Increase in other non-current liabilities	-	282
Other receivables	(80,957)	(20,533)	Decrease in other non-current liabilities	(1,283)	-
Inventories, net	663,974	(225,480)	Employee stock options exercised	40,387	5,553
Prepayments	11,381	13,691	Treasury stock sold to employees	2,651	4,648
Other current assets	(23,908)	13,657	Interest paid	(66,458)	(22,664)
Contract liabilities	51,537	25,506	Net change of non-controlling interests	(8)	83,006
Notes payable	7,225	(1,172)	Net cash (used in) generated by financing activities	(867,773)	4,109,483
Accounts payable	59,276	(21,952)			
Other payables	(73,549)	(16,603)	Effect of exchange rate changes on cash and cash equivalents	115,991	146,641
Refund liabilities	519,939	296,719			
Provisions	(60,340)	(28,569)	Net increase (decrease) in cash and cash equivalents	(703,562)	5,012,220
Other current liabilities	(11,338)	1,424	Cash and cash equivalents at beginning of period	5,829,197	3,053,294
Other operating liabilities	748	-	Cash and cash equivalents at end of period	\$5,125,635	\$8,065,514
Cash generated from operations	1,425,103	1,272,045			
Interest received	6,020	5,491			
Income tax paid	(86,166)	(40,738)			
Net cash generated by operating activities	1,344,957	1,236,798			

(The accompanying notes are an integral part of the parent company only financial statements.)



English Translation of Consolidated Financial Statements Originally Issued in Chinese

BORA PHARMACEUTICALS CO., LTD. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Three Months Ended March 31, 2025 and 2024

(Amounts are expressed in Thousands of New Taiwan Dollars, unless Otherwise Specified)

I. History and Organization

Bora Pharmaceuticals Co., Ltd. (“the Company”) was incorporated in the Republic of China (“R.O.C.”) on June 12, 2007, initially as ‘Bora International Co., LTD.’ until it was renamed in June 2013. The Company’s initial registered office and principal place of business was of 6F., No. 2, Aly. 36, Ln. 26, Ruiguang Rd., Neihu District, Taipei City, Republic of China (R.O.C.). The main activities of the Company focus on manufacturing and selling generic, brand, and over-the-counter (OTC) drugs, contract development and manufacturing (CDMO). The Company’s common shares were publicly listed on the Taiwan Stock Exchange (TWSE) on December 19, 2023.

II. The Authorization of Consolidated Financial Statements

The consolidated financial statements of the Company and its subsidiaries (collectively, the “Group”) for the three months ended March 31, 2025 and 2024 were authorized for issue by the Board of Directors on May 14, 2025.

III. Application of New and Revised International Financial Reporting Standards

- (1) Changes in accounting policies resulting from applying for the first-time certain standards and amendments

The Group applied for the first time International Financial Reporting Standards, International Accounting Standards, and Interpretations issued, revised or amended which are recognized by Financial Supervisory Commission (“FSC”) and become effective for annual periods beginning on or after January 1, 2025. The adoption of these new standards and amendments had no material impact on the Group.

- (2) The Q&A related to the early application of certain amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" issued by the FSC, which has not yet been adopted by the Group as at the date when the Group’s financial statements were authorized for issue.

In the Q&A, only Section 4.1 (Classification of Financial Assets) of the application guidance is allowed to early adopt from January 1, 2025. Additionally, entities must also comply with the requirements of paragraphs 20B, 20C and 20D of IFRS 7 and disclose the fact of early adoption of these amendments in the financial statements.

- (3) Standards or interpretations issued, revised or amended, by International Accounting Standards Board (“IASB”) which have not been endorsed by FSC, and not yet adopted by the Group as at the date when the Group’s financial statements were authorized for issue, are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
a	IFRS 10 “ <i>Consolidated Financial Statements</i> ” and IAS 28 “ <i>Investments in Associates and Joint Ventures</i> ” — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined by IASB
b	IFRS 17 “ <i>Insurance Contracts</i> ”	January 1, 2023
c	IFRS 18 “ <i>Presentation and Disclosure in Financial Statements</i> ”	January 1, 2027
d	Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)	January 1, 2027
e	Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	January 1, 2026
f	Annual Improvements to IFRS Accounting Standards – Volume 11	January 1, 2026
g	Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	January 1, 2026

- (a) IFRS 10 “*Consolidated Financial Statements*” and IAS 28 “*Investments in Associates and Joint Ventures*” — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures

The amendments address the inconsistency between the requirements in IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures*, in dealing with the loss of control of a subsidiary that is contributed to an associate or a joint venture. IAS 28 restricts gains and losses arising from contributions of non-monetary assets to an associate or a joint venture to the extent of the interest attributable to the other equity holders in the associate or joint ventures. IFRS 10 requires full profit or loss recognition on the loss of control of the subsidiary. IAS 28 was amended so that the gain or loss resulting from the sale or contribution of assets that constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized in full.

IFRS 10 was also amended so that the gains or loss resulting from the sale or contribution of a subsidiary that does not constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized only to the extent of the unrelated investors’ interests in the associate or joint venture.

(b) IFRS 17 “*Insurance Contracts*”

IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects (including recognition, measurement, presentation and disclosure requirements). The core of IFRS 17 is the General (building block) Model, under this model, on initial recognition, an entity shall measure a group of insurance contracts at the total of the fulfilment cash flows and the contractual service margin. The carrying amount of a group of insurance contracts at the end of each reporting period shall be the sum of the liability for remaining coverage and the liability for incurred claims.

Other than the General Model, the standard also provides a specific adaptation for contracts with direct participation features (the Variable Fee Approach) and a simplified approach (Premium Allocation Approach) mainly for short-duration contracts.

IFRS 17 was issued in May 2017 and it was amended in 2020 and 2021. The amendments include deferral of the date of initial application of IFRS 17 by two years to annual beginning on or after January 1, 2023 (from the original effective date of January 1, 2021); provide additional transition reliefs; simplify some requirements to reduce the costs of applying IFRS 17 and revise some requirements to make the results easier to explain. IFRS 17 replaces an interim Standard – IFRS 4 Insurance Contracts – from annual reporting periods beginning on or after January 1, 2023.

(c) IFRS 18 “*Presentation and Disclosure in Financial Statements*”

IFRS 18 replaces IAS 1 *Presentation of Financial Statements*. The main changes are as below:

(1) Improved comparability in the statement of profit or loss (income statement)

IFRS 18 requires entities to classify all income and expenses within their statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. The first three categories are new, to improve the structure of the income statement, and requires all entities to provide new defined subtotals, including operating profit or loss. The improved structure and new subtotals will give investors a consistent starting point for analyzing entities’ performance and make it easier to compare entities.

(2) Enhanced transparency of management-defined performance measures

IFRS 18 requires entities to disclose explanations of those entity-specific measures that are related to the income statement, referred to as management-defined performance measures.

(3) Useful grouping of information in the financial statements

IFRS 18 sets out enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes. The changes are expected to provide more detailed and useful information. IFRS 18 also requires entities to provide more transparency about operating expenses, helping investors to find and understand the information they need.

(d) Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)

This standard permits subsidiaries without public accountability to provide reduced disclosures when applying IFRS Accounting Standards in their financial statements. IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it.

(e) Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

The amendments include:

- (1) Clarify that a financial liability is derecognised on the settlement date and describe the accounting treatment for settlement of financial liabilities using an electronic payment system before the settlement date.
- (2) Clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features.
- (3) Clarify the treatment of non-recourse assets and contractually linked instruments.
- (4) Require additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

(f) Annual Improvements to IFRS Accounting Standards – Volume 11

- (1) Amendments to IFRS 1
- (2) Amendments to IFRS 7
- (3) Amendments to Guidance on implementing IFRS 7
- (4) Amendments to IFRS 9
- (5) Amendments to IFRS 10
- (6) Amendments to IAS 7

(g) Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

The amendments include:

- (1) Clarify the application of the ‘own-use’ requirements.
- (2) Permit hedge accounting if these contracts are used as hedging instruments.
- (3) Add new disclosure requirements to enable investors to understand the effect of these contracts on a company’s financial performance and cash flows.

The abovementioned standards and interpretations issued by IASB have not yet endorsed by FSC at the date when the Group’s financial statements were authorized for issue, the local effective dates are to be determined by FSC. As the Group is still currently determining the potential impact of the new or amended standards and interpretations listed (a)-(g), it is not practicable to estimate their impact on the Group at this point in time. The remaining new or amended standards and interpretations have no material impact on the Group.

#### 4. Summary of material accounting policies

##### 1. Statement of compliance

The consolidated financial statements of the Group for the three months ended March 31, 2025 and 2024 have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (“the Regulations”) and IAS 34 *Interim Financial Reporting* as endorsed and became effective by the FSC.

##### 2. Basis of preparation

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments that have been measured at fair value. The consolidated financial statements are expressed in thousands of New Taiwan Dollars (“NT\$”) unless otherwise stated.

##### 3. Basis of consolidation

###### Preparation principle of consolidated financial statements

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- a. activities of the investee;
- b. exposure, or rights, to variable returns from its involvement with the investee; and
- c. the ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- a. the contractual arrangement with the other vote holders of the investee;
- b. rights arising from other contractual arrangement;
- c. the Group’s voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Subsidiaries are fully consolidated from the acquisition date, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent Group, using uniform accounting policies. All intra-group balances, income and expenses, unrealized gains and losses and dividends resulting from intra-group transactions are eliminated in full.

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction.

Total comprehensive income of the subsidiaries is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

If the Group loses control of a subsidiary, it:

- a. derecognizes the assets (including goodwill) and liabilities of the subsidiary;
- b. derecognizes the carrying amount of any non-controlling interest;
- c. recognizes the fair value of the consideration received;
- d. recognizes the fair value of any investment retained;
- e. recognizes any surplus or deficit in profit or loss; and
- f. reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss.

The consolidated entities are as follows:

Investor	Subsidiary	Major business	Percentage of Ownership (%)			Note
			March 31, 2025	December 31, 2024	March 31, 2024	
Bora Pharmaceuticals Co., Ltd.	Bora Pharmaceutical Laboratories Inc.	Pharmaceutical contract development and manufacturing	100	100	100	
Bora Pharmaceuticals Co., Ltd.	Bora Pharmaceuticals USA Inc.	Pharmaceutical wholesale	100	100	100	
Bora Pharmaceuticals Co., Ltd.	Bora Pharmaceutical Services Inc.	Pharmaceutical contract development and manufacturing	50	50	50	
Bora Pharmaceuticals Co., Ltd.	Bora Management Consulting Co., Ltd.	Management and consulting	100	100	100	
Bora Pharmaceuticals Co., Ltd.	Bora Biologics Co., Ltd.	Biotechnical services, research and development services and pharmaceutical manufacturing	-	98.14	62.6	Note 1 Note 2 Note 3
Bora Pharmaceuticals Co., Ltd.	Bora Pharmaceutical and Consumer Health Inc.	Biotechnical research and management and consulting	100	100	100	
Bora Pharmaceuticals Co., Ltd.	TWi Pharmaceuticals, Inc.	Pharmaceutical manufacturing and wholesale	100	100	100	Note 4
Bora Pharmaceuticals Co., Ltd.	Sunway Biotech Co., Ltd.	Healthcare product research and manufacturing and sales	35.79	35.79	35.79	Note 5
Bora Pharmaceutical Laboratories Inc.	Bora Pharmaceutical Services Inc.	Pharmaceutical contract development and manufacturing	50	50	50	
Bora Pharmaceutical Laboratories Inc.	Bora Pharmaceuticals Ophthalmic Inc.	Pharmaceutical contract development and manufacturing	100	99	98.85	Note 6 Note 7
TWi Pharmaceuticals, Inc.	TWi Pharmaceuticals USA, Inc.	Pharmaceutical wholesale	100	100	100	
Sunway Biotech Co., Ltd.	Sunway Group Holding Limited	Investment holding	100	100	100	
Sunway Biotech Co., Ltd.	Chen Run Marketing Co., Ltd	Healthcare product wholesale	51	51	51	

Investor	Subsidiary	Major business	Percentage of Ownership (%)			Note
			March 31, 2025	December 31, 2024	March 31, 2024	
Sunway Biotech Co., Ltd.	Bora Health Inc.	Pharmaceutical and Healthcare product wholesale	100	100	100	
Sunway Group Holding Limited	Sunway Investment (H.K.) Limited	Investment holding	100	100	100	
Sunway Investment (H.K.) Limited	Sunway (Dongguan) Biotech Co., Ltd.	Healthcare product wholesale and sales	100	100	100	
Bora Health Inc.	Union Chemical & Pharmaceutical Co., Ltd.	Pharmaceutical manufacturing and wholesale	100	100	100	
Bora Pharmaceuticals USA Inc.	Bora Pharmaceutical Holdings, Inc.	Investment holding	100	100	100	Note 8
Bora Pharmaceuticals USA Inc.	Bora Pharmaceuticals Injectables Inc.	Pharmaceutical contract development and manufacturing	100	100	-	Note 9
Bora Pharmaceuticals USA Inc.	Bora Pharmaceuticals Inc.	Pharmaceutical contract development and manufacturing	100	100	-	Note 10
Bora Pharmaceutical Holdings, Inc.	Pyros Pharmaceuticals Inc.	Pharmaceutical wholesale	100	100	-	Note 11
Bora Pharmaceutical Holdings, Inc.	Upsher-Smith Holdings Inc.	Investment holding	100	100	-	Note 12 Note 13
Bora Pharmaceutical Holdings, Inc.	Upsher-Smith America LLC	Investment holding	20	20	-	Note 12 Note 13
Upsher-Smith Holdings Inc.	Upsher-Smith America LLC	Investment holding	80	80	-	Note 12 Note 13
Upsher-Smith America LLC	Upsher-Smith Laboratories, LLC	Pharmaceutical manufacturing and wholesale	100	100	-	Note 12

Note 1: On July 26, 2024, the company issued 1,658 thousand common shares in exchange for the common shares held by other shareholders (other than the Company) of Bora Biologics Co., Ltd.. As a result, the Company's ownership increased from 65.70% to 100%.

Note 2: In August 2024, Bora Biologics Co., Ltd. issued 9,512 thousand shares, a portion of which was issued to employee which resulted the Company's ownership decreased from 100% to 98.14%.

Note 3: On January 20, 2025, the Company exchanged all its shares of Bora Biologics Co., Ltd. for the new shares issued by Tanvex Biopharma, Inc. Upon the completion of share exchange, the Company lost the control over Bora Biologics Co., Ltd. on January 20, 2025.

Note 4: TWi Pharmaceuticals, Inc., changed its Chinese company name and completed the registration of the name change in May 2024.

Note 5: The Company holds less than 50% of the voting rights of SunWay Biotech Co., LTD. but still has control over it because the Company is the single largest shareholder of SunWay Biotech Co., LTD. since the acquisition date while the other shareholders are relatively dispersed. As the Company has the ability to dominate major relevant activities of SunWay Biotech Co., LTD., SunWay Biotech Co., LTD. becomes one of the Company's subsidiary accordingly.

- Note 6: In December 2024, Bora Pharmaceuticals Ophthalmic Inc. issued 10,000 thousand new shares, all of which were subscribed by Bora Pharmaceutical Laboratories Inc which resulted in an increase of the ownership from 98.85% to 99%.
- Note 7: In March 2025, Bora Pharmaceutical Laboratories Inc. acquired the common shares held by other shareholders in cash to obtain 100% ownership of Bora Pharmaceuticals Ophthalmic Inc..
- Note 8: The Group registered and established a wholly-owned subsidiary, Bora Pharmaceutical Holdings, Inc., in the USA in January 2024 with capital injections amounted to US\$246,251 thousand remitted in March, May, September and October 2024, respectively.
- Note 9: The Group registered and established a wholly-owned subsidiary, Bora Pharmaceuticals Injectables Inc., in the USA in May 2024 with capital injections amounted to US\$70,000 thousand remitted in August and November 2024, respectively.
- Note 10: The Group registered and established a wholly-owned subsidiary, Bora Pharmaceuticals Inc. in the United States of America in May 2024. As of Mar 31, 2025, the capital injection has not yet been remitted.
- Note 11: On October 25, 2024, the Group's Board of Directors resolved to acquire 100% equity interests of Pyros Pharmaceuticals Inc. The acquirees has been included in the consolidated financial statements since October 25, 2024.
- Note 12: On January 16, 2024, the Group's Board of Directors resolved to acquire 100% equity interests of Sawai America Holdings Inc. and its subsidiaries, Sawai America LLC and Upsher-Smith Laboratories, LLC. As of April 2, 2024 (April 1, 2024, US Eastern Time), the Group had obtained the control over Sawai America Holdings Inc. and its subsidiaries and the entities have been included in the consolidated financial statements.
- Note 13: Upsher-Smith Holdings Inc. and Upsher-Smith America LLC, formerly Sawai American Holdings Inc. and Sawai America LLC, respectively, changed their company names and completed registrations for the name change in May 2024.
4. Except for the accounting policies listed below, the same accounting policies have been followed in the consolidated financial statements for the three months ended March 31, 2025 and 2024 as were applied in the preparation of the Group's consolidated financial statements for the year ended December 31, 2024. For the summary of other significant accounting policies, please refer to the consolidated financial statements for the year ended December 31, 2024.



(1) Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered through a sale transaction that is highly probable within one year from the date of classification and the asset or disposal group is available for immediate sale in its present condition. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

In the consolidated statement of comprehensive income of the reporting period, and of the comparable period of the previous year, income and expenses from discontinued operations are reported separately from income and expenses from continuing operations, down to the level of profit after taxes, even when the Company retains a non-controlling interest in the subsidiary after the sale. The resulting profit or loss (after taxes) is reported separately in the statement of comprehensive income.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

(2) Post-employment benefits

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

(3) Income taxes

Interim period income tax expense is accrued using the tax rate that would be applicable to expected total annual earnings, that is, the estimated average annual effective income tax rate applied to the pre-tax income of the interim period. The average annual effective income tax rate is estimated by current income tax expenses only. Deferred income tax is recognized and measured according to IAS 12 “*Income Tax*” and follows the same accounting policies of the Company’s annual consolidated financial statements. When income tax rate changes occur in interim period, the effect on deferred income tax is recognized in profit or loss, other comprehensive income or equity at once.

V. Significant Accounting Judgements, Estimates and Assumptions

The same significant accounting judgments, estimates and assumptions have been applied in the consolidated financial statements for the three months ended March 31, 2025 and 2024 as were applied in the preparation of the Group’s consolidated financial statements for the year ended December 31, 2024. For significant accounting judgments, estimates and assumptions, please refer to the consolidated financial statements for the year ended December 31, 2024.

## VI. Details of Significant Accounts

### 1. Cash and cash equivalents

	March 31, 2025	December 31, 2024	March 31, 2024
Cash on hand	\$1,104	\$1,347	\$1,057
Checking accounts and demand deposits	4,918,506	5,637,850	7,914,457
Time deposits	206,025	190,000	150,000
Total	<u>\$5,125,635</u>	<u>\$5,829,197</u>	<u>\$8,065,514</u>

### 2. Financial assets measured at fair value through profit or loss

	March 31, 2025	December 31, 2024	March 31, 2024
Mandatorily measured at fair value through profit or loss:			
Stocks	\$20,275	\$20,275	\$20,275
Cash surrender value of life insurance (Note)	98,695	99,165	-
Embedded derivative – Right of redemption of convertible bonds	2,557	4,202	-
Total	<u>\$121,527</u>	<u>\$123,642</u>	<u>\$20,275</u>
Current	<u>\$22,832</u>	<u>\$24,477</u>	<u>\$20,275</u>
Non-current	<u>\$98,695</u>	<u>\$99,165</u>	<u>\$-</u>

Note: Cash surrender value of life insurance is an insurance that employees were insured, and the employer is the beneficiary of the insurance term. The insurance payment is the part of cash surrender value that was a deduction of current insurance expense and becomes an addition of carrying value of the surrender value of life insurance. The carrying value will be deducted when the insurance expires or is terminated.

The Group has no financial assets measured at fair value through profit or loss, pledged to others.

### 3. Financial assets at fair value through other comprehensive income

	March 31, 2025	December 31, 2024	March 31, 2024
Equity instrument investments measured at fair value through other comprehensive income – non-current:			
Stocks – emerging stock market	\$52,940	\$46,650	\$-
Stocks – non-listed entities	176,896	174,806	27,758
Total	<u>\$229,836</u>	<u>\$221,456</u>	<u>\$27,758</u>

The Group has no financial assets measured at fair value through other comprehensive income, pledged to others.

#### 4. Financial assets at amortized cost

	March 31, 2025	December 31, 2024	March 31, 2024
Time deposits	\$30,803	\$59,666	\$320,200
Restricted deposits	21,501	21,696	21,500
Total	<u>\$52,304</u>	<u>\$81,362</u>	<u>\$341,700</u>
Current	<u>\$39,104</u>	<u>\$67,862</u>	<u>\$328,200</u>
Non-current	<u>\$13,200</u>	<u>\$13,500</u>	<u>\$13,500</u>

Please refer to Note VIII for more details on financial assets measured at amortized cost under pledge.

The Group follows the requirement of IFRS 9 to assess the impairment. Please refer to Note VI.24 for more details on loss allowance and Note XII for more details on credit risk management.

#### 5. Notes receivable, net

	March 31, 2025	December 31, 2024	March 31, 2024
Notes receivable from operation, gross	\$4,851	\$19,884	\$48,485
Less: loss allowance	-	-	-
Total	<u>\$4,851</u>	<u>\$19,884</u>	<u>\$48,485</u>

Notes receivable were not overdue and not pledged.

The Group follows the requirement of IFRS 9 to assess the impairment. Please refer to Note VI.24 for more details on credit loss and Note XII for details on credit risk management.

#### 6. Accounts receivable

	March 31, 2025	December 31, 2024	March 31, 2024
Accounts receivables, gross	\$9,368,154	\$10,194,017	\$3,927,052
Less: loss allowance	(16,319)	(25,980)	(23,560)
Subtotal	<u>9,351,835</u>	<u>10,168,037</u>	<u>3,903,492</u>
Accounts receivable from related parties, gross	32,722	53,896	71,293
Less: loss allowance	-	-	-
Subtotal	<u>32,722</u>	<u>53,896</u>	<u>71,293</u>
Total	<u>\$9,384,557</u>	<u>\$10,221,933</u>	<u>\$3,974,785</u>

Accounts receivable were not pledged.

The terms of accounts receivable are generally from 30 to 180 days. Please refer to Note VI.24 for more details on credit loss of accounts receivable for the three months ended March 31, 2025 and 2024. Please refer to Note XII for more details on credit risk management.

## 7. Inventories, net

(1) Details on net inventories are as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Raw materials	\$1,578,030	\$2,309,889	\$962,458
Supplies and spares parts	254,800	237,541	114,146
Work in progress	105,430	97,525	84,094
Semi-finished goods	501,663	890,303	367,636
Finished goods	1,501,028	1,832,807	749,261
Merchandise	161,734	134,277	105,338
Total	<u>\$4,102,685</u>	<u>\$5,502,342</u>	<u>\$2,382,933</u>

(2) Details on operating costs recognized as expense are as follows :

The cost of inventories recognized in operating costs amounted to NT\$2,590,088 thousand and NT\$1,351,503 thousand for the three months ended March 31, 2025 and 2024, respectively, including the write-down of inventories loss to the net realizable value of NT\$286,803 thousand and NT\$78,861 thousand.

(3) No inventories were pledged.

## 8. Disposal groups held for sale

(1) Discontinued operations

On January 20, 2025, the board of director of Upsher-Smith Laboratories, LLC, a wholly owned subsidiary of the Group, approved a plan for the closure of Plymouth area. The closure met the criteria of IFRS 5 “Non-current Assets Held for Sale and Discontinued Operations”. Therefore, the disposal of the assets and liabilities of Plymouth area was classified as a disposal group held for sale, which was presented as income (loss) from discontinued operations. To present the discontinued operations of consolidated income statement for the three months ended March 31, 2025, the Group reclassified the income (loss) of discontinued operations for the three months ended March 31, 2024, in order to make the comparative period information of consolidated income statement more relevant.

The details of profit (loss) from discontinued operations and the related cash flow information are as follows:

	Three Months Ended March 31	
	2025	2024
Loss from discontinued operations :		
Operating revenue	\$321,868	\$-
Operating costs	(1,311,604)	-
Gross profit	(989,736)	-
Sales and marketing expenses	(26,452)	-
General and administrative expenses	(31,251)	-
Research and development expenses	(5,977)	-
Operating (loss)	(1,053,416)	-
Other (losses)	(288,507)	-
Net (loss) before income tax	(1,341,923)	-
Income tax expense	-	-
Total comprehensive loss	<u><u>\$(1,341,923)</u></u>	<u><u>\$-</u></u>
	Three Months Ended March 31	
	2025	2024
Net cash (used in) operating activities	\$(197,755)	\$-
Effect of exchange rate changes on cash and cash equivalents	1,512	-
Net (decrease) in cash and cash equivalents	<u><u>\$(196,243)</u></u>	<u><u>\$-</u></u>

(2) Disposal groups held for sale

	March 31, 2025
	<u><u>\$1,031,315</u></u>
Assets of disposal groups held for sale	
Liabilities directly associated with disposal groups held for sale	<u><u>\$161,724</u></u>
	March 31, 2025
	<u><u>\$1,031,315</u></u>
Assets of disposal groups held for sale	
Inventories, net	\$694,962
Property, plant and equipment	336,353
Total	<u><u>\$1,031,315</u></u>
Liabilities directly associated with disposal groups held for sale	
Other payables	<u><u>\$161,724</u></u>

The estimated disposal proceeds from the sales of property, plant and equipment and intangible assets related to the discontinued operation are expected to be lower than the carrying amount of the associated net book value. As a result, when classifying these assets as a group held for sale, an impairment loss of NT\$287,249 thousand has been recognized for the three months ended March 31, 2025.

## 9. Investments accounted for using the equity method

(1) The following table lists the investments accounted for using the equity method of the Group :

	March 31, 2025		December 31, 2024		March 31, 2024		Note
	Carrying amount	Percentage of ownership (%)	Carrying amount	Percentage of ownership (%)	Carrying amount	Percentage of ownership (%)	
Investees							
Investments in associates:							
Tanvex Biopharma, Inc.	\$4,874,754	30.47	\$-	-	\$-	-	Note 1
GTSW BIOTECH SDN. BHD.	1,503	40.00	1,370	40.00	1,392	40.00	
Total	<u>\$4,876,257</u>		<u>\$1,370</u>		<u>\$1,392</u>		

Note1 : On January 20, 2025, the group exchanged all its shares of Bora Biologics Co., Ltd. for shares of Tanvex Biopharma, Inc. (the “Tanex”). The group has significant influence over Tanvex Biopharma, Inc., thus considers it as an affiliated corporation.

### (2) Investments in associates

Information on the material associate of the Group:

Company name : Tanvex Biopharma, Inc.

Nature of the relationship: The Tanvex is engaged in the manufacturing or sales of products related to the Group's industry chain, and the purpose for the investment is based on considerations of upstream and downstream integration of the Group.

Principal place of business (country of incorporation) : Cayman Islands

Judgment of significant influence only: Although the Group is the largest shareholder of the Tanvex, upon comprehensive assessment, the Group does not possess majority voting rights as other shareholders can prevent the Group from dominating the relevant activities of the Tanvex through the cooperation few shared holders. Therefore, the Group does not have control over the aforementioned associate and only possesses significant influence.

Fair value of the investment in the associate when there is a quoted market price for the investment: Tanvex Biopharma, Inc. is a listed entity on the Taiwan Stock Exchange (TWSE). The fair value of the investment in Tanvex Biopharma, Inc. was NT\$4,580,591 thousand as of March 31, 2025.

Reconciliation of the associate's summarized financial information presented to the carrying amount of the Group's interest in the associate:

	March 31, 2025
Current assets	\$1,500,093
Non-current assets	6,153,971
Current liabilities	(518,561)
Non-current liabilities	(1,586,272)
Equity	5,549,231
Proportion of the Group's ownership	30.47%
Subtotal	1,690,851
Goodwill(Provisional)	3,183,903
Carrying amount of the investment	<u>\$4,874,754</u>

The Group has engaged an independent 3rd party professional for the valuation of the identified net assets. As of March 31, 2025, the Group reported the difference between the cost of the investment and the fair value of the identified assets and liabilities at provisional amounts as the appraisal report was not completed as of the approval date for the Group's consolidated financial statements for the three months ended March 31, 2025.

	Three months ended March 31, 2025
Operating revenue	\$49,862
Profit from continuing operations	(465,744)
Other comprehensive income, net	37,230
Total comprehensive income	<u>\$(428,514)</u>

- (3) The company investments accounted for using equity method was NT\$4,875,754 thousands at March 31, 2025, the related shares of loss from the associates and joint ventures was NT\$(118,468) thousands for the three months ended March 31, 2025, and the related shares of other comprehensive income (loss) from the associates and joint ventures in the amount of NT\$12,408 thousands are solely based on the reports of other independent auditors.
- (4) The investment in the affiliated corporation had no contingent liabilities or capital commitments as of March 31, 2025, December 31, 2024, and March 31, 2024, nor were there any guarantees provided.

# 10. Property, plant and equipment

	Land	Buildings	Machinery equipment	Other equipment	Construction in progress	Total
Cost:						
January 1, 2025	\$3,823,922	\$7,962,904	\$5,388,004	\$725,174	\$527,375	\$18,427,379
Additions	-	-	7,447	1,755	63,055	72,257
Disposals	-	-	(1,152)	(60)	-	(1,212)
Reclassification	-	998	18,393	1,248	(21,479)	(840)
Property, plan and equipment recognized as expenses	-	-	-	-	(169)	(169)
Reclassified to disposal group held for sale	(57,566)	(277,960)	-	-	-	(335,526)
Disposal of subsidiary	-	-	(422,089)	(202,371)	-	(624,460)
Exchange differences	22,030	83,005	45,885	3,534	6,563	161,017
March 31, 2025	<u>\$3,788,386</u>	<u>\$7,768,947</u>	<u>\$5,036,488</u>	<u>\$529,280</u>	<u>\$575,345</u>	<u>\$17,698,446</u>
January 1, 2024	\$3,424,023	\$1,944,518	\$2,417,025	\$396,860	\$115,838	\$8,298,264
Additions	-	3,846	36,348	271	30,199	70,664
Disposals	-	-	(2,142)	(450)	-	(2,592)
Reclassification	-	2,966	5,767	-	(8,771)	(38)
Exchange differences	21,251	11,648	10,322	364	1,584	45,169
March 31, 2024	<u>\$3,445,274</u>	<u>\$1,962,978</u>	<u>\$2,467,320</u>	<u>\$397,045</u>	<u>\$138,850</u>	<u>\$8,411,467</u>



	Land	Buildings	Machinery equipment	Other equipment	Construction in progress	Total
Depreciation and impairment:						
January 1, 2025	\$-	\$3,854,786	\$2,579,972	\$308,373	\$-	\$6,743,131
Depreciation	-	43,734	108,781	14,299	-	166,814
Disposals	-	-	(849)	(48)	-	(897)
Impairment	-	-	234,304	5,101	30,267	269,672
Reclassified to disposal group held for sale	-	(2,316)	-	-	-	(2,316)
Disposal of subsidiary	-	-	(121,104)	(30,843)	-	(151,947)
Exchange differences	-	42,987	23,975	2,008	286	69,256
March 31, 2025	<u>\$-</u>	<u>\$3,939,191</u>	<u>\$2,825,079</u>	<u>\$298,890</u>	<u>\$30,553</u>	<u>\$7,093,713</u>
January 1, 2024	\$-	\$457,461	\$1,053,512	\$135,943	\$-	\$1,646,916
Depreciation	-	20,802	60,434	7,213	-	88,449
Disposals	-	-	(2,142)	(338)	-	(2,480)
Exchange differences	-	1,072	3,934	197	-	5,203
March 31, 2024	<u>\$-</u>	<u>\$479,335</u>	<u>\$1,115,738</u>	<u>\$143,015</u>	<u>\$-</u>	<u>\$1,738,088</u>
Net carrying amount as of:						
March 31, 2025	<u>\$3,788,386</u>	<u>\$3,829,756</u>	<u>\$2,211,409</u>	<u>\$230,390</u>	<u>\$544,792</u>	<u>\$10,604,733</u>
December 31, 2024	<u>\$3,823,922</u>	<u>\$4,108,118</u>	<u>\$2,808,032</u>	<u>\$416,801</u>	<u>\$527,375</u>	<u>\$11,684,248</u>
March 31, 2024	<u>\$3,445,274</u>	<u>\$1,483,643</u>	<u>\$1,351,582</u>	<u>\$254,030</u>	<u>\$138,850</u>	<u>\$6,673,379</u>

- (1) Buildings primarily include building structure, relevant constructions (such as air conditioning units and electrical machinery), which are depreciated over 20 to 50 years and 8 to 10 years, respectively.
- (2) Interests were not capitalized for the three months ended March 31, 2025 and 2024.
- (3) Please refer to Note VIII for more details on pledges of property, plant, and equipment.
- (4) Please refer to Note VI.11 for the investment properties disclosure for the building acquired by the Company in 2019 for business operation and a portion of which was held for lease and the remaining portion was owner-occupied. The leased portion was recognized as investment properties.

## 11. Investment properties

Investment properties represent the Group's owns investment properties. The Group has entered into several commercial property leases on its own investment properties with lease terms approximately 3 years. These leases include a clause for annual rate adjustment to reflect the change in market conditions.

	Buildings
Cost:	
January 1, 2025	\$19,449
Additions	-
March 31, 2025	\$19,449
January 1, 2024	\$19,449
Additions	-
March 31, 2024	\$19,449
Depreciation and impairment:	
January 1, 2025	\$3,039
Depreciation	152
March 31, 2025	\$3,191
January 1, 2024	\$2,431
Depreciation	152
March 31, 2024	\$2,583
Net carrying amount as of:	
March 31, 2025	\$16,258
December 31, 2024	\$16,410
March 31, 2024	\$16,866
	Three Months Ended March 31
	2025      2024
Net income from investment properties	\$1,298      \$1,426

Please refer to Note VIII for more details on investment properties under pledge.

Investment properties held by the Group are not measured at fair value but for which the fair value is disclosed. The fair value measurements of the investment properties are categorized within Level 3. The fair value of investment properties amounted to NT\$51,783 thousand, NT\$51,783 thousand and NT\$53,094 thousand as of March 31, 2025, December 31, 2024 and March 31, 2024, respectively. The fair value has been determined based on valuations performed by an independent appraiser. The valuation methods applied are the income approach and comparison approach, and the related inputs are as follows:

### Income approach:

	March 31, 2025	December 31, 2024	March 31, 2024
Net income margin	\$115,463	\$115,463	\$110,741
Capitalization rate	2.09%	2.09%	2.11%

### Comparison approach:

	March 31, 2025	December 31, 2024	March 31, 2024
Regional factors	98%-100%	98%-100%	98%-100%
Individual factors	89%-91%	89%-91%	89%-91%

## 12. Intangible assets

	Patent	Product/ distribution rights	Goodwill	Software	Drug license	Customers relationship	Others	Total
Cost:								
January 1, 2025	\$206,643	\$12,198,176	\$3,663,751	\$505,238	\$3,246,459	\$241,000	\$3,435,544	\$23,496,811
Additions	-	-	-	5,259	-	-	280	5,539
Reclassification	-	-	-	840	-	-	-	840
Disposal of subsidiary	-	-	(928,881)	(8,614)	-	-	(31,679)	(969,174)
Exchange differences	-	155,492	8,371	6,111	12,710	-	42,947	225,631
March 31, 2025	\$206,643	\$12,353,668	\$2,743,241	\$508,834	\$3,259,169	\$241,000	\$3,447,092	\$22,759,647
January 1, 2024	\$206,564	\$224,444	\$3,010,317	\$249,194	\$2,254,352	\$241,000	\$77,059	\$6,262,930
Additions	79	-	-	2,732	-	-	6,054	8,865
Reclassification	-	-	-	38	-	-	-	38
Exchange differences	-	-	-	3,852	-	-	-	3,852
March 31, 2024	\$206,643	\$224,444	\$3,010,317	\$255,816	\$2,254,352	\$241,000	\$83,113	\$6,275,685
Amortization and impairment:								
January 1, 2025	\$50,243	\$11,751,332	\$-	\$401,549	\$325,718	\$23,430	3,411,374	\$15,963,646
Amortization	4,431	10,420	-	14,738	60,719	5,021	1,350	96,679
Impairment	-	-	-	17,577	-	-	-	17,577
Disposal of subsidiary	-	-	-	(2,966)	-	-	(31,679)	(34,645)
Exchange differences	-	149,868	-	5,193	265	-	42,841	198,167
March 31, 2025	\$54,674	\$11,911,620	\$-	\$436,091	\$386,702	\$28,451	\$3,423,886	\$16,241,424
January 1, 2024	\$33,665	\$224,238	\$-	\$145,888	\$128,102	\$4,458	\$51,565	\$587,916
Amortization	6,152	7	-	11,327	46,774	6,688	6,438	77,386
Exchange differences	-	-	-	2,354	-	-	-	2,354
March 31, 2024	\$39,817	\$224,245	\$-	\$159,569	\$174,876	\$11,146	\$58,003	\$667,656
Net carrying amount as of:								
March 31, 2025	\$151,969	\$442,048	\$2,743,241	\$72,743	\$2,872,467	\$212,549	\$23,206	\$6,518,223
December 31, 2024	\$156,400	\$446,844	\$3,663,751	\$103,689	\$2,920,741	\$217,570	\$24,170	\$7,533,165
March 31, 2024	\$166,826	\$199	\$3,010,317	\$96,247	\$2,079,476	\$229,854	\$25,110	\$5,608,029

Please refer to Note VI.26 for the amortization expense of intangible assets for the three months ended March 31, 2025 and 2024.

### 13. Impairment testing of goodwill and intangible assets with indefinite lives

The Company assesses impairment of the recoverable amount of goodwill at the end of each annual financial reporting date. This recoverable amount has been determined based on the fair value less costs of disposal. The fair value is the valuation result of the equity value calculated based on various valuation multipliers, the transaction price of similar comparable targets in the region or the use of various assets and liabilities under the cost approach.

### 14. Short-term loans

	March 31, 2025	December 31, 2024	March 31, 2024
Unsecured bank loans	\$2,018,949	\$2,597,850	\$3,146,523
Secured bank loans	-	-	500,000
Total	<u>\$2,018,949</u>	<u>\$2,597,850</u>	<u>\$3,646,523</u>
Interest rate	<u>1.98%~5.72%</u>	<u>1.98%~5.76%</u>	<u>1.00%~2.45%</u>

Please refer to Note VIII for more detail on assets pledged as collateral for the Group's short-term loans.

### 15. Financial liabilities measured at fair value through profit or loss

	March 31, 2025	December 31, 2024	March 31, 2024
Held for trading:			
Contingent consideration from business combination	\$762,157	\$1,063,913	\$2,018,261
Embedded derivatives —			
Put option on convertible bonds	1,508	-	9,349
Total	<u>\$763,665</u>	<u>\$1,063,913</u>	<u>\$2,027,610</u>
Current	<u>\$493,490</u>	<u>\$806,650</u>	<u>\$1,473,818</u>
Non-current	<u>\$270,175</u>	<u>\$257,263</u>	<u>\$553,792</u>

### 16. Convertible Bonds payable

	March 31, 2025	December 31, 2024	March 31, 2024
Liability component:			
Domestic unsecured convertible bonds	\$1,371,300	\$1,495,800	\$1,699,800
Overseas unsecured convertible bond	7,327,783	7,327,783	-
(Discounts) premium on convertible bonds payable	(1,001,578)	(1,064,678)	(153,081)
Subtotal	<u>7,697,505</u>	<u>7,758,905</u>	<u>1,546,719</u>
Less: current portion	-	-	-
Net	<u>\$7,697,505</u>	<u>\$7,758,905</u>	<u>\$1,546,719</u>

Please refer to Note VI.27 for more details on the evaluation of gain and loss of embedded derivatives and the interest expenses of the convertible bonds payable.

On August 4, 2023, the Company issued 3rd zero coupon unsecured convertible bonds. The terms of the convertible bonds were evaluated to include a liability component, embedded derivatives (a call option and a put option) and an equity component (an option for conversion into issuer's ordinary shares). The terms of the bonds are as follows:

Issue amount: NT\$1,700,000 thousand

Period: August 4, 2023 ~ August 4, 2028

Important redemption clauses:

- a. If the closing price of the Company's common shares on the Taiwan Stock Exchange (TWSE) for a period of 30 consecutive trading days is above the conversion price by 30%, the Company may redeem the bonds at the price of the bond's part value within 30 consecutive trading days during the period from the date after three months of the bonds issue to 40 days before the maturity date.
- b. The Company may redeem the bonds at the price of the bond's part value within 30 days during the period from the date after three months of the bonds issue to 40 days before the maturity date if the outstanding balance of the bonds is less than 10% of total initial issued principal amount.
- c. Bondholders have the right to require the Company to redeem all or any portion of the bonds at the principal amount of the bonds with an interest (at 100.7519% of principal amount) after August 4, 2026.

Terms of Exchange:

- a. Underlying Securities: Common shares of the Company
- b. Exchange Period: The bonds are exchangeable at any time on or after November 5, 2023 and prior to August 4, 2028 into common shares of the Company.
- c. Exchange Price and Adjustment: The exchange price was originally NT\$808 per share. The exchange price will be subject to adjustments upon the occurrence of certain events set out in the indenture.
- d. Redemption on the Maturity Date: On the maturity date, the Company will redeem the bonds that remain outstanding at the principal amount.

As of March 31, 2025, the bonds of NT\$308,700 thousand were converted into 533 thousands common shares, of which 205 thousands shares were recognized as advance receipts for capital stock.

On September 5, 2024, the Company issued 1st zero coupon overseas unsecured convertible bonds on the Singapore Stock Exchange. The convertible bonds includes a liability component, embedded derivatives (a call option and a put option) and an equity component (an option for conversion into issuer's ordinary shares). The terms of the bonds are as follows:

Issue amount: US\$200,000 thousand

Period: September 5, 2024 ~ September 5, 2029

#### Important redemption clauses:

- a. If the closing price (based on the exchange rate at that time ) of the Company's common shares on the Taiwan Stock Exchange (TWSE) for a period of 20 out of 30 consecutive trading days (in the event of a stock split or dividend distribution, the closing price used between the ex-rights or ex-dividend trading date and the ex-rights or ex-dividend record date shall first be adjusted to the price prior to the stock split or dividend distribution.) achieve the early redemption amount (as defined below), multiplied by the conversion price at that time (converted to USD using the fixed exchange rate agreed upon on the pricing date), then divided by the face value, with the resulting total amount multiplied by 130%, the Company may, redeem in whole or in part of the bonds at plus a yield of 2.75% per annum (calculated semi-annually) (hereinafter referred to as the 'early redemption amount') ,on or at any time after September 19, 2027 and on or prior to September 5, 2029.
- b. The Company may redeem all, rather than part, of the remaining outstanding bonds at the early redemption amount, if more than 90% in principal amount of the bonds originally issued has been redeemed, repurchased and canceled, or converted.
- c. In the event of changes in the tax laws of the Republic of China that result in an increase in the issuing company's tax burden or the need to pay additional interest or incur higher costs due to the bonds after the issuance date, the Company may redeem all, rather than part, of the bonds at the early redemption amount. Bondholders may choose not to have their bonds redeemed early by the issuing company; however, bondholders who make this choice shall not be entitled to request the issuing company to bear any additional taxes or costs.

#### Important Repurchase clauses:

Except in the following circumstances, bondholders may not request the issuing company to redeem all or part of their bonds before the maturity date

- a. If the common shares of the issuing company are delisted from the TWSE or suspended from trading for a period equal to or exceeding 30 consecutive trading days, bondholders may request the issuing company to redeem all or part of their bonds at the face value plus interest compensation calculated at an annual rate of 2.75% (calculated semi-annually) (hereinafter referred to as the 'early put price').
- b. If the Company experiences a change of control as defined in the bond trust agreement (hereinafter referred to as the ' Offering Circular '), bondholders may request the issuing company to redeem all or part of their bonds at the early put price.
- c. Unless already redeemed, repurchased, and cancelled, or converted by the bondholders, bondholders may, on the third anniversary of the issuance of the bonds, request the issuing company to redeem all or part of the bonds at the early put price.
- d. Bondholders exercising the aforementioned put option, and the issuing company accepting the bondholders' put requests, shall proceed in accordance with the put procedures set forth in the Offering Circular. The Company shall redeem the bonds in cash on the payment date specified in the Offering Circular

Terms of Exchange:

- a. Underlying Securities: Common shares of the Company
- b. Exchange Period: The bonds are exchangeable at any time on or after December 5, 2024 and prior to August 26, 2029 into common shares of the Company.
- c. Exchange Price and Adjustment: The exchange price was originally NT\$964.6 per share. The exchange price will be subject to adjustments upon the occurrence of certain events set out in the indenture.
- d. Redemption on the Maturity Date: On the maturity date, the Company will redeem the bonds that remain outstanding at the principal amount plus an annual yield of 2.75% (calculated semi-annually).

As of March 31, 2025, none of the bonds have been converted into common shares.

17. Long-term loans

	March 31, 2025	December 31, 2024	March 31, 2024
Unsecured bank loans	\$7,004,000	\$7,196,000	\$1,652,000
Secured bank loans	551,243	590,774	1,390,754
Less: unamortized issuance cost	(29,110)	(32,764)	(38,197)
Less: current portion	(1,434,218)	(1,189,023)	(965,392)
Total	\$6,091,915	\$6,564,987	\$2,039,165
Interest rate	1.98%~2.88%	1.98%~2.88%	1.90%~6.51%
Maturity date	Due prior to December 2034	Due prior to December 2034	Due prior to December 2034

(1) Please refer to Note VIII for more details on pledges for the loan.

(2) Some of the long-term loan agreements require the Company to maintain certain financial covenants during the borrowing period, including the current ratio, debt ratio, and the ratio of the Company's annual debt to earnings before interest, taxes, depreciation, and amortization (EBITDA) not to exceed a certain multiple.

18. Post-employment benefits

Defined contribution plan

Expenses from continuing operations under the defined contribution plan for the three months ended March 31, 2025 and 2024 are NT\$60,762 thousand and NT\$32,027 thousand, respectively.

Defined benefits plan

Expenses from continuing operations under the defined benefits plan for the three months ended March 31, 2025 and 2024 are NT\$230 thousand and NT\$78 thousand, respectively.

## 19. Provisions

	Onerous contracts	Decommissioning, restoration and rehabilitation costs	Employee benefits	Total
January 1, 2025	\$111,196	\$4,290	\$261,670	\$377,156
Reversal during the period	-	-	(4,296)	(4,296)
Utilized	(33,083)	-	(22,959)	(56,042)
Disposal of subsidiary	-	-	(2,705)	(2,705)
Exchange differences	1,329	-	3,073	4,402
March 31, 2025	<u>\$79,442</u>	<u>\$4,290</u>	<u>\$234,783</u>	<u>\$318,515</u>
January 1, 2024	\$210,107	\$5,000	\$146,221	\$361,328
Arising during the period	-	-	2,135	2,135
Utilized	(27,317)	-	(3,387)	(30,704)
Exchange differences	3,464	-	2,462	5,926
March 31, 2024	<u>\$186,254</u>	<u>\$5,000</u>	<u>\$147,431</u>	<u>\$338,685</u>
March 31, 2025, current	<u>\$79,442</u>	<u>\$4,290</u>	<u>\$127,073</u>	<u>\$210,805</u>
March 31, 2025, non-current	<u>\$-</u>	<u>\$-</u>	<u>\$107,710</u>	<u>\$107,710</u>
December 31, 2024, current	<u>\$111,196</u>	<u>\$4,290</u>	<u>\$132,634</u>	<u>\$248,120</u>
December 31, 2024, non-current	<u>\$-</u>	<u>\$-</u>	<u>\$129,036</u>	<u>\$129,036</u>
March 31, 2024, current	<u>\$110,627</u>	<u>\$5,000</u>	<u>\$31,557</u>	<u>\$147,184</u>
March 31, 2024, non-current	<u>\$75,627</u>	<u>\$-</u>	<u>\$115,874</u>	<u>\$191,501</u>

### Onerous contracts

Provisions are recognized for onerous contracts, based on historical experience and other known factors.

### Provision for decommissioning, restoration and rehabilitation costs

The provision for decommissioning, restoration and rehabilitation costs arose from the costs incurring after the decommissioning of a facility in accordance with the term of the contract.

### Employee benefits

Provisions for employee benefits are recognized for employees' cumulative and unused benefits obligations at the reporting date.

The long-term incentive plan mainly awards performance units and time units to key employees of a U.S. subsidiary every year. During the period of the incentive plan, the performance unit will grant cash rewards to employees periodically based on the degree of performance achievement, and will be paid at the end of the incentive plan period. The time unit is awarded to key employees according to the conditions of the long-term incentive plan and based on the employee's employment status.



## 20. Deferred compensation plan

The unrestricted deferred compensation plan provides some key employees of a U.S. subsidiary with a benefit plan in compliance with Section 409A of the U.S. Internal Revenue Code. In addition to the employer's contribution granted to employees equally over a five year period, employees can defer up to 70% of their basic salary and up to 95% of their performance-related compensation.

	March 31, 2025	December 31, 2024	March 31, 2024
Recognized as other current liabilities	<u>\$150,405</u>	<u>\$116,155</u>	<u>\$-</u>
Recognized as other non-current liabilities	<u>\$23,943</u>	<u>\$57,445</u>	<u>\$-</u>

## 21. Equity

### (1) Common stock

	March 31, 2025	December 31, 2024	March 31, 2024
Authorized shares (in thousands)	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>
Authorized capital	<u>\$2,000,000</u>	<u>\$2,000,000</u>	<u>\$2,000,000</u>
Issued and paid shares (in thousands)	<u>103,457</u>	<u>103,085</u>	<u>101,413</u>
Capital stock	<u>\$1,034,572</u>	<u>\$1,030,852</u>	<u>\$1,014,128</u>

- ① Ordinary stock with par value at NT\$10 per share. Each share has one voting right and is entitled to receive dividends.
- ② On April 12, 2024, the Board of Directors of the Company approved to issue 1,658 shares of ordinary stock with an amount of NT\$16,577 thousand. In exchange for common shares held by shareholders of Bora Biologics Co., Ltd other than the company and the amendment registration was completed.
- ③ On August 13, 2024, the Board of Directors of the Company approved to restrict 519 shares of treasury stock with an amount of NT\$5,190 thousand. The cancellation of shares have completed the registration process.
- ④ For the year ended December 31, 2024, the Company's 3rd convertible bond in the amount of NT\$204,000 thousand were converted to 328 ordinary shares with an amount of NT\$3,284 thousand. All the converted shares have completed the registration process.
- ⑤ For the year ended December 31, 2024, the Company's employee stock option holders have converted 347 thousand shares at the exercise price from NT\$105.3 to NT\$290.7 per share to an amount of NT\$3,467 thousand. All the converted shares have completed the registration process.
- ⑥ For the three months ended March 31, 2025, the Company's 3rd convertible bond in the amount of NT\$124,500 thousand were converted to 205 ordinary shares with an amount of NT\$2,047 thousand. All the converted shares have not completed the registration process and are recognized as capital – advance receipts for ordinary share at March 31, 2025.

- ⑦ For the three months ended March 31, 2025, the Company's employee stock option holders have converted 201 thousand shares at the exercise price from NT\$105.3 to NT\$290.7 per share to an amount of NT\$2,008 thousand, of which 145 thousand shares with an amount of NT\$1,453 thousand have completed the registration process. The residual converted shares have not completed the registration process and were recognized as capital – advance receipts for ordinary share as at March 31, 2025.

(2) Capital surplus

	March 31, 2025	December 31, 2024	March 31, 2024
Additional paid-in capital	\$2,512,757	\$2,454,021	\$945,403
Conversion premium from convertible bonds	1,300,063	1,150,628	908,017
Employee stock option	201,347	212,634	151,865
Treasury stock	23,232	21,111	44,092
Difference between consideration given/ received and carrying amount of interests in subsidiaries acquired/disposed of	160,081	168,648	874,793
Increase through changes in ownership interests in subsidiaries	56,225	56,225	41,523
Changes in equity of associates and joint ventures accounted for using equity method	330	-	-
Equity component of convertible bonds issued	316,256	344,969	392,017
Total	<u>\$4,570,291</u>	<u>\$4,408,236</u>	<u>\$3,357,710</u>

According to the R.O.C Company Act, the capital surplus shall not be used except for making good the deficit of the company. When a company incurs no loss, it may distribute the capital surplus related to the income derived from the issuance of new shares at a premium or income from endowments received by the company. The distribution could be made in cash or in the form of dividend shares to its shareholders in proportion to the number of shares being held by each of them.

(3) Treasury stock

Changes in treasury stock are as follows:

	Three Months Ended March 31			
	2025		2024	
	Number of shares (in thousand shares)	Amount	Number of shares (in thousand shares)	Amount
Beginning balance	244	\$43,181	288	\$50,968
Transfer to employees	(3)	(530)	(7)	(1,239)
Ending balance	<u>241</u>	<u>\$42,651</u>	<u>281</u>	<u>\$49,729</u>

#### (4) Retained earnings and dividend policies

According to the R.O.C Company's Articles of Incorporation, current year's earnings, if any, shall be distributed in the following order and the earnings distributions may be made on a semiannually basis:

- a. Payment of all taxes and dues;
- b. Offset prior years' operation losses;
- c. Set aside 10% of the remaining amount after deducting items (a) and (b) as legal reserve;
- d. Set aside or reverse special reserve in accordance with law and regulations; and
- e. The distribution of the remaining portion, if any, is prepared by the Board of Directors and resolved in the shareholders' meeting.

The policy of dividend distribution should reflect factors such as the current and future investment environment, fund requirements, domestic and international competition and capital budgets; as well as the interest of the shareholders, share bonus equilibrium and long-term financial planning etc. The Board of Directors shall make the distribution proposal semi-annually and present it at the shareholders' meeting for approval. Generally, at least 10% of the dividends must be paid in the form of cash.

According to the Company Act in R.O.C, the Company needs to set aside amount to legal reserve unless where such legal reserve amounts to the total paid-in capital. The legal reserve can be used to offset the deficit of the Company. When the Company incurs no loss, it may distribute the portion of legal reserve which exceeds 25% of the paid-in capital as dividend in stock or in cash in proportion to their share ownership permitted.

When the Company distributes distributable earnings, it shall set aside additional special reserve equivalent to the net debit balance of the component of "shareholders" equity for the current fiscal year, provided that if the company has already set aside special reserve according to the requirements for the adoption of IFRS, it shall set aside supplemental special reserve based on the difference between the amount already set aside and other net deductions from shareholders' equity. For any subsequent decrease in the deductions amount to shareholders' equity, the amount may be reversed from the special reserve. The reversed amount could be included in the distributable earnings.

The FSC on March 31, 2021 issued Order No. Financial-Supervisory-Securities-Corporate-1090150022, which sets out the following provisions for compliance: When a public company adopts for the first-time the IFRS, for any unrealized revaluation increment or cumulative translation adjustment (profit) accounted for under shareholders' equity, if it is transferred to retained earnings because the Company chooses to apply an exemption under IFRS 1, the Company shall allocate the same amount respectively in special reserve. When there is subsequently any use, disposal, or reclassification of the relevant assets, the company may reverse and book for earnings distribution the corresponding proportion originally allocated to special reserve.

Details of the 2024 and 2023 earnings distribution and dividends per share approved and resolved by the board of directors' meeting on March 5, 2025 and shareholders' meeting on May 27, 2024, respectively, are as follows:

	Appropriation of earnings		Dividend per share (NT\$)	
	2024	2023	2024	2023
Legal reserve	\$361,111	\$303,014	\$-	\$-
Common stock— cash dividend	1,447,795	1,232,804 (Note)	14	12
Common stock— stock dividend	206,828	-	2	-

Note: Cash dividend and payout ratio of the plan of appropriation of earnings had been adjusted as a result of the conversion of employee stock option and convertible bonds into ordinary shares.

Please refer to Note VI.26 for details on employees' compensation and remuneration to directors.

#### (5) Non-controlling interests

	Three Months Ended March 31	
	2025	2024
Beginning balance	\$2,144,163	\$2,681,024
Profit attributable to non-controlling interests	9,512	27,524
Translation differences of foreign operations	59	70
Acquisition of new shares in a subsidiary not in proportionate to ownership interest	-	88,538
Difference between consideration given/ received and carrying amount of interests in subsidiaries acquired/disposed of	(919)	-
Disposal of subsidiary	(45,293)	-
Issuance of employee stock option by subsidiaries	4	7,235
Distribution of cash dividend by subsidiaries	(51,571)	(38,132)
Others	(8)	-
Ending balance	<u>\$2,055,947</u>	<u>\$2,766,259</u>

## 22. Share-based payment plans

Certain employees of the Group are entitled to share-based payment as part of their remunerations; services are provided by the employees in return for the equity instruments granted. These plans are accounted for as equity-settled share-based payment transactions.

### (1) Share-based payment plan of the parent company

On November 4, 2020, January 10, 2022, May 17, 2023, and December 26, 2024 the Company was authorized by the Securities and Futures Bureau of the FSC, Executive Yuan, to issue employee share options with a total number of 1,000, 1,000,000, 1,000,000 and 1,000,000 units, respectively. Each unit entitles an optionee to subscribe for 1,000, 1, 1 and 1 shares of the Company's common shares. The exercise price of the option was

set at the closing price of the Company's common share on the grant date. Only the employees of the Company and the Company's domestic and overseas subsidiaries, for which the company holds over 50% of shares with voting right on them, are eligible for the plan. The options are given to full-time employee that the optionee may exercise the options in accordance with certain schedules as prescribed by the plan starting 2 years from the grant date. Settlement upon the exercise of the options will be made through the issuance of new shares by the Company.

The contractual terms of each option granted are four and five years. There are no cash settlement alternatives.

The relevant details of the aforementioned share-based payment plan are as follows:

Date of grant	Total number of options granted (in thousand shares)	Exercise price per share (NT\$) (Note)
December 29, 2020	275	\$105.3
August 13, 2021	598	\$148.3
May 11, 2022	477	\$107.7
August 31, 2022	160	\$254.4
December 8, 2022	345	\$290.7
September 19, 2023	535	\$636.7
November 14, 2023	10	\$599.2
March 11, 2024	264	\$616.0
May 14, 2024	187	\$699.7
November 19, 2024	4	\$750.0
March 11, 2025	120	\$784.0

Note: Except for various securities issued by the parent company with conversion rights or options to exchange for common stock or issuing new shares for employees' bonus, when there is a change in the common stock of the parent company (including private placement, issuance of common stock for cash, stock dividends, capital surplus reserve to capital increase, combination, company split, transfer of shares of other companies, stock split and issuance of common stock for cash to participate in the issuance of overseas depositary receipts, etc.), the exercise price shall be adjusted in accordance with the parent company's plan.

The following table lists the inputs to the model used for the aforementioned share-based payment plan:

	2021	2020
Dividend yield (%)	-	-
Expected volatility (%)	48.05%	44.36%
Risk-free interest rate (%)	0.292% ~ 0.310%	0.176% ~ 0.201%
Expected option life (Years)	3.5 ~ 4.5	3.5 ~ 4.5
Weighted average share price (\$)	\$277	\$197
Option pricing model	Black-Scholes option pricing model	Black-Scholes option pricing model

	2022		
Dividend yield (%)	-	-	-
Expected volatility (%)	50.80% ~ 51.80%	48.02% ~ 48.84%	45.29% ~ 46.42%
Risk-free interest rate (%)	1.112% ~ 1.122%	0.992% ~ 1.027%	0.995% ~ 1.038%
Expected option life (Years)	3.0 ~ 3.5	3.0 ~ 3.5	3.0 ~ 3.5
Weighted average share price (\$)	\$388	\$339	\$161
Option pricing model	Black-Scholes option pricing model	Black-Scholes option pricing model	Black-Scholes option pricing model
	2023		
Dividend yield (%)	-	-	-
Expected volatility (%)	48.72% ~ 49.56%	48.72% ~ 49.56%	48.72% ~ 49.56%
Risk-free interest rate (%)	1.081% ~ 1.123%	1.081% ~ 1.123%	1.081% ~ 1.123%
Expected option life (Years)	3.5 ~ 4.5	3.5 ~ 4.5	3.5 ~ 4.5
Weighted average share price (\$)	\$646	\$608	\$608
Option pricing model	Black-Scholes option pricing model	Black-Scholes option pricing model	Black-Scholes option pricing model
	2024		
Dividend yield (%)	-	-	-
Expected volatility (%)	47.99% ~ 50.03%	48.24% ~ 49.59%	48.24% ~ 49.59%
Risk-free interest rate (%)	1.146% ~ 1.176%	1.431% ~ 1.476%	1.431% ~ 1.476%
Expected option life (Years)	3.5 ~ 4.5	3.5 ~ 4.5	3.5 ~ 4.5
Weighted average share price (\$)	\$625	\$710	\$750
Option pricing model	Black-Scholes option pricing model	Black-Scholes option pricing model	Black-Scholes option pricing model
	2025		
Dividend yield (%)	-	-	-
Expected volatility (%)	40%	40%	40%
Risk-free interest rate (%)	1.497% ~ 1.596%	1.497% ~ 1.596%	1.497% ~ 1.596%
Expected option life (Years)	3.5 ~ 4.5	3.5 ~ 4.5	3.5 ~ 4.5
Weighted average share price (\$)	\$784	\$784	\$784
Option pricing model	Black-Scholes option pricing model	Black-Scholes option pricing model	Black-Scholes option pricing model

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

The following table contains further details on the aforementioned share-based payment plan:

	Three Months Ended March 31			
	2025		2024	
	Number of options outstanding (in thousand shares)	Weighted average exercise price per share (NT\$)	Number of options outstanding (in thousand shares)	Weighted average exercise price per share (NT\$)
Outstanding, beginning	2,082	\$390.7	2,035	\$300.4
Granted	120	784.0	264	625.0
Forfeited	(12)	677.1	(15)	258.1
Exercised	(201)	201.1	(52)	106.8
Expired	-	-	-	-
Outstanding, ending	1,989	\$429.7	2,232	\$343.58
Exercisable, ending	325	-	38	-

The information on the outstanding stock options as of March 31, 2025 and 2024, is as follows:

	Range of exercise price per share	Weighted average remaining contractual life (Years)
As of March 31, 2025		
share options outstanding	\$105.3~\$784.0	0.37~3.99
As of March 31, 2024		
share options outstanding	\$106.8~\$646.0	1.02~3.99

(2) Share-based payment plan of Bora Biologics Co., Ltd.

The following table contains further details on the aforementioned share-based payment plan:

	Three Months Ended March 31			
	2025		2024	
	Number of options outstanding (in thousand shares)	Weighted average exercise price per share (NT\$)	Number of options outstanding (in thousand shares)	Weighted average exercise price per share (NT\$)
Outstanding, beginning	1,651	\$28	4,886	\$28
Granted	-	-	-	-
Forfeited	(1,651)	28	(228)	28
Exercised	-	-	(2,962)	28
Expired	-	-	-	-
Outstanding, ending	-	\$-	1,696	\$28
Exercisable, ending	-	-	401	-

The information on the outstanding stock options as of March 31, 2025 and 2024, is as follows:

	Range of exercise price per share	Weighted average remaining contractual life (Years)
As of March 31, 2025		
share options outstanding	\$-	-
As of March 31, 2024		
share options outstanding	\$28	2.09

(3) Share-based payment plan of Twi Pharmaceuticals, Inc.

On December 20, 2022, TWi Pharmaceuticals, Inc. (the “TWi”) was authorized by the board of director’s meeting to issue employee share options with a total number of 3,000 unit. Each unit entitles an optionee to subscribe for 1,000 shares of TWi’s common shares. The exercise price of the option was set at NT\$104 of TWi’s common share on the grant date. Only full-time employees of TWi and its controlling and affiliated companies are eligible for the plan. The options are given to full-time employee that the optionee may exercise the options in accordance with certain schedules as prescribed by the plan starting 2 years from the grant date. Settlement upon the exercise of the options will be made through the issuance of new shares by TWi. The fair value of the stock options is estimated at the grant date using Market Approach and Income Approach, taking into account the terms and conditions upon which the share options were granted.

The contractual terms of each option granted are four years. There are no cash settlement alternatives.

The relevant details of the aforementioned share-based payment plan are as follows:

Date of grant	Total number of options granted (in thousand shares)	Exercise price per share (NT\$) (Note)
January 1, 2023	1,309	\$17.3
February 1, 2023	565	\$17.3

Note: Except for various securities issued by TWi with conversion rights or options to exchange for common stock or issuing new shares for employees’ bonus, when there is a change in the common stock of TWi (including private placement, issuance of common stock for cash, stock dividends, capital surplus reserve to capital increase, combination, company split, transfer of shares of other companies, stock split and issuance of common stock for cash to participate in the issuance of overseas depositary receipts, etc.), the exercise price shall be adjusted in accordance with TWi’s plan.



The following table lists the inputs to the model used for the aforementioned share-based payment plan:

	2023	
Dividend yield (%)	-	-
Expected volatility (%)	33.06%~32.76%	33.06%~32.76%
Risk-free interest rate (%)	1.1503% ~ 1.1506%	1.1503% ~ 1.1506%
Expected option life (Years)	3.73~ 3.88	3.73~ 3.88
Weighted average share price (\$)	\$104	\$104
Option pricing model	Black-Scholes option pricing model	Black-Scholes option pricing model

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

The following table contains further details on the aforementioned share-based payment plan:

	Three Months Ended March 31			
	2025		2024	
	Number of options outstanding (in thousand shares)	Weighted average exercise price per share (NT\$)	Number of options outstanding (in thousand shares)	Weighted average exercise price per share (NT\$)
Outstanding, beginning	1,545	\$23.3	1,734	\$48.4
Granted	-	-	-	-
Forfeited	(840)	23.3	(55)	48.4
Exercised	-	-	-	-
Expired	-	-	-	-
Outstanding, ending	705	\$17.3	1,679	\$31.0
Exercisable, ending	353	-	-	-

The information on the outstanding stock options as of March 31, 2025 and 2024, is as follows:

	Range of exercise price per share	Weighted average remaining contractual life (Years)
As of March 31, 2025 share options outstanding	\$17.3	1.75
As of March 31, 2024 share options outstanding	\$31	2.75

(4) Modification or cancellation of the share-based payment plan for employees

Except for the Company modified its option plan to allow optionees to exercise their outstanding options in advance, and the expiration of all outstanding share options due to share exchange between Bora Biologics Co., Ltd. and Tanvex BioPharma Inc., no modification or cancellation of the share-based payment plan has occurred for the three months ended March 31, 2025.

Except for the fact that Bora Biologics Co., Ltd. modified its option plan to allow optionees to exercise their outstanding options in advance, no modification or cancellation of the share-based payment plan has occurred for the three month ended March 31, 2024.

(5) The expense recognized for employee services received during the three month ended March 31, 2025 and 2024 is shown in the following table:

	Three Months Ended March 31	
	2025	2024
Total expense arising from equity-settled share-based payment transactions	\$9,074	\$43,755

23. Operating revenue

Analysis of revenue from contracts with customers for the three months ended March 31, 2025 and 2024 are as follows:

(1) Disaggregation of revenue:

	Three Months Ended March 31	
	2025	2024
From continuing operations :		
Revenue from contracts with customers		
Commercial sales	\$2,581,381	\$1,610,844
CDMO – services and manufacturing	1,896,037	1,244,467
Others	2,167	2,182
Total	\$4,479,585	\$2,857,493
	Three Months Ended March 31	
	2025	2024
From continuing operations :		
Timing of revenue recognition:		
At a point in time	\$3,738,080	\$2,661,655
Over time	741,505	195,838
Total	\$4,479,585	\$2,857,493

(2) Contract assets – current

	March 31, 2025	December 31, 2024	March 31, 2024	January 1, 2024
Commercial sales	\$82,097	\$152,556	\$-	\$-
CDMO – services and manufacturing	524,855	87,435	15,443	\$15,111
Total	<u>\$606,952</u>	<u>\$239,991</u>	<u>\$15,443</u>	<u>\$15,111</u>

The material changes to the Group’s contract assets for the three months ended March 31, 2025 and 2024 were mainly due to the changes in the stage of completion assessed in accordance with the terms of the contracts.

(3) Contract liabilities

	March 31, 2025	December 31, 2024	March 31, 2024	January 1, 2024
Commercial sales	\$120,549	\$91,400	\$43,602	\$44,189
CDMO – services and manufacturing	144,280	154,198	200,001	180,408
Others	6,500	-	6,500	-
Total	<u>\$271,329</u>	<u>\$245,598</u>	<u>\$250,103</u>	<u>\$224,597</u>
Current	<u>\$238,016</u>	<u>\$245,598</u>	<u>\$250,103</u>	<u>\$224,597</u>
Non-current	<u>\$33,313</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>

The major changes in the balances of contract liabilities for the three months ended March 31, 2025 and 2024 were mainly due to the increase in advance receipts.

(4) The changes in the refund liabilities are as follows:

	Sales allowance and discount
Balance as of January 1, 2025	<u>\$3,908,335</u>
Addition/(reversal)	14,480,030
Payment	(13,997,741)
Exchange differences	37,650
Balance as of March 31, 2025	<u>\$4,428,274</u>
	Sales allowance and discount
Balance as of January 1, 2024	<u>\$1,866,901</u>
Addition/(reversal)	2,811,177
Payment	(2,595,693)
Exchange differences	81,235
Balance as of March 31, 2024	<u>\$2,163,620</u>

Refund liabilities represents estimated net sales related provision, including estimated chargeback, discounts, allowance and other adjustments of wholesale and production and expenses related to U.S. pharmaceutical sales taking into account historical experience and market activity.

## 24. Expected credit losses/ (gains)

	Three Months Ended March 31	
	2025	2024
From continuing operations :		
Operating expenses – expected credit losses/(gains)		
Accounts receivable	\$(1,110)	\$7,808
Other receivables	(2,988)	-
Total	<u>\$(4,098)</u>	<u>\$7,808</u>

Please refer to Note XII for more details on credit risk.

As of March 31, 2025, December 31, 2024 and March 31, 2024, the credit risk measured at amortized cost is assessed as low (the same as the assessment result in the beginning of the period). Therefore, the loss allowance is measured at an amount equal to 12-month expected credit losses. As trading counterparties which the Group transacts with are financial institutions with good credit, no allowance for losses has been provided in this period.

Provisions for contract assets and receivables, including notes receivable-related parties and accounts receivable-related parties are estimated at an amount equal to lifetime expected credit losses. Impairment losses were assessed individually for counterparties with good credit quality. As of March 31, 2025, December 31, 2024, and March 31, 2024, the total gross accounts receivable amounted to NT\$8,441,465 thousand, NT\$8,529,464 thousand, and NT\$3,266,193 thousand, respectively, with no allowance for doubtful accounts recognized.

The information on measuring provisions for receivables is using a provision matrix by considering counterparties' credit ratings, regions, industries, and other factors, is as follows:

### March 31, 2025

	Not past due	Overdue					Total
		<=30 days	31-60 days	61-90 days	91-120 days	>=121 days	
Gross	\$625,671	\$127,982	\$36,948	\$35,744	\$5,032	\$132,885	\$964,262
Loss rate	0.00%	0.00%	0.00%	0.18%	1.53%	12.17%	
Lifetime expected credit losses	(5)	(5)	-	(65)	(76)	(16,168)	(16,319)
Net	<u>\$625,666</u>	<u>\$127,977</u>	<u>\$36,948</u>	<u>\$35,679</u>	<u>\$4,956</u>	<u>\$116,717</u>	<u>\$947,943</u>

### December 31, 2024

		Overdue					
	Not past due	<=30 days	31-60 days	61-90 days	91-120 days	>=121 days	Total
Gross	\$1,453,406	\$70,230	\$30,501	\$35,544	\$39,135	\$109,517	\$1,738,333
Loss rate	0.00%	0.00%	0.00%	0.00%	12.65%	19.20%	
Lifetime expected credit losses	(2)	-	(4)	-	(4,952)	(21,022)	(25,980)
Net	<u>\$1,453,404</u>	<u>\$70,230</u>	<u>\$30,497</u>	<u>\$35,544</u>	<u>\$34,183</u>	<u>\$88,495</u>	<u>\$1,712,353</u>

### March 31, 2024

		Overdue					
	Not past due	<=30 days	31-60 days	61-90 days	91-120 days	>=121 days	Total
Gross	\$707,718	\$40,033	\$7,392	\$4,659	\$1,376	\$19,459	\$780,637
Loss rate	0.00%	0.02%	31.50%	19.10%	29.94%	94.55%	
Lifetime expected credit losses	(672)	(858)	(2,329)	(890)	(412)	(18,399)	(23,560)
Net	<u>\$707,046</u>	<u>\$39,175</u>	<u>\$5,063</u>	<u>\$3,769</u>	<u>\$964</u>	<u>\$1,060</u>	<u>\$757,077</u>

The movement of loss allowance for accounts receivable for the three months ended March 31, 2025 and 2024 are as follows:

	Accounts receivable	Other receivables
Balance as of January 1, 2025	\$25,980	\$3,326
Provision/(reversal)	(1,110)	(2,988)
Write-off	-	2,988
Disposal of subsidiary	(8,746)	-
Exchange differences	195	-
Balance as of March 31, 2025	<u>\$16,319</u>	<u>\$3,326</u>
Balance as of January 1, 2024	\$17,408	\$3,326
Provision/(reversal)	7,808	-
Write-off	(2,082)	-
Exchange differences	426	-
Balance as of March 31, 2024	<u>\$23,560</u>	<u>\$3,326</u>

## 25. Leases

### (1) Group as a lessee

The Group leases various properties, including real estate such as land and buildings and machinery and transportation equipment. The lease terms range from 3 to 17 years.

The Group's leases effect on the financial position, financial performance and cash flows are as follow:

#### A. Amounts recognized in the consolidated balance sheets

##### (a) Right-of-use assets

The carrying amount of right-of-use assets

	March 31, 2025	December 31, 2024	March 31, 2024
Land	\$260,332	\$264,131	\$275,528
Buildings	386,126	535,430	536,990
Machinery equipment	6,390	7,144	-
Transportation equipment	16,077	18,800	3,978
Decommissioning liabilities	-	-	1,364
Total	<u>\$668,925</u>	<u>\$825,505</u>	<u>\$817,860</u>

There were no new additions to the Group's right-of-use assets for the three months ended March 31, 2025 and 2024.

##### (b) Lease liabilities

	March 31, 2025	December 31, 2024	March 31, 2024
Lease liabilities	<u>\$704,290</u>	<u>\$862,562</u>	<u>\$846,129</u>
Current	<u>\$103,895</u>	<u>\$116,600</u>	<u>\$106,814</u>
Non-current	<u>\$600,395</u>	<u>\$745,962</u>	<u>\$739,315</u>

Please refer to Note VI.27 for the interest on lease liabilities recognized during the three months ended March 31, 2025 and 2024 and refer to Note XII.5 for more details on the liquidity risk management analysis for lease liabilities.

#### B. Amounts recognized in the consolidated statements of comprehensive income

Depreciation charge for right-of-use assets

	Three Months Ended March 31	
	2025	2024
From continuing operations :		
Land	\$3,799	\$3,799
Buildings	22,068	20,315
Machinery equipment	837	-
Transportation equipment	2,835	794
Decommissioning liabilities	-	455
Total	<u>\$29,539</u>	<u>\$25,363</u>

### C. Income and costs relating to leasing activities

	Three Months Ended March 31	
	2025	2024
From continuing operations :		
Expenses relating to short-term leases	\$5,903	\$1,066
Expenses relating to leases of low-value assets (exclude expenses relating to short-term leases of low-value assets)	379	350

### D. Cash outflow relating to leasing activities

During the three months ended March 31, 2025 and 2024, the Group's total cash outflows from continuing operations for leases amounted to NT\$38,910 thousand and NT\$29,389 thousand, respectively.

### (2) Group as a lessor

Please refer to Note VI.11 for disclosures of the Company owned investment properties. Leases under investment properties are classified as operating leases as they do not transfer substantially all the risks and rewards incidental to ownership of underlying assets.

	Three Months Ended March 31	
	2025	2024
From continuing operations :		
Lease income from operating leases		
Income relating to fixed lease payments and variable lease payments that depend on an index or a rate	\$2,383	\$1,506

Please refer to Note VI.11 for the disclosure of property, plant and equipment for operating leases under IFRS 16. For operating leases entered by the Group, the undiscounted lease payments to be received and a total of the amounts for the remaining years at March 31, 2025, December 31, 2024 and March 31, 2024 are as follow:

	March 31, 2025	December 31, 2024	March 31, 2024
Not later than one year	\$23,572	\$19,349	\$8,995
Later than one year but not later than two years	24,088	18,692	8,995
Later than two years but not later than three years	25,101	19,315	8,995
Later than three years but not later than four years	23,631	19,547	8,995
Later than four years but not later than five years	18,882	13,139	5,220
Later than five years	52,950	31,751	-
Total	\$168,224	\$121,793	\$41,200

26. Summary statement of employee benefits, depreciation and amortization expenses by function are as follows:

Function Character	Three Months Ended March 31					
	2025			2024		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
From continuing operations :						
Employee benefits expense:						
Wages and salaries	\$760,984	\$493,574	\$1,254,558	\$348,752	\$217,478	\$566,230
Labor and health insurance	81,007	30,610	111,617	33,412	10,231	43,643
Pension costs	46,180	14,812	60,992	24,260	7,845	32,105
Other employee benefits expense	52,297	46,228	98,525	12,633	6,874	19,507
Depreciation	151,688	30,050	181,738	94,995	18,969	113,964
Amortization	37,611	16,092	53,703	58,737	18,649	77,386

According to the Articles of Incorporation of the Company, no less than 2% of profit of the current year shall be distributable as employees' compensation and no higher than 5% of profit of the current year shall be distributable as remuneration to directors. However, the profit generated in current year shall be offset with Company's accumulated losses before the allocation of compensation to directors and employee. The Company may, by a resolution adopted by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, have the profit distributable as employees' compensation in the form of shares or in cash; and in addition thereto reported such distribution in the shareholders' meeting. Information on the Board of Directors' resolution regarding the employees' compensation and remuneration to directors can be obtained from the "Market Observation Post System" on the website of the TWSE.

The Company accrued employees' compensation and remuneration to directors based on a percentage of net income before income tax. If there is a change in the proposed amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in accounting estimate. Accrued employees' compensation and remuneration to directors are illustrated below:

	Three Months Ended March 31	
	2025	2024
Employees' compensation	\$30,688	\$14,663
Remuneration to directors	15,344	7,332

For 2024 and 2023, the employees' compensation and remuneration to directors resolved by the Board of Directors on March 5, 2025 and March 7, 2024, respectively, and will be distributed in the form of cash.

	2024	2023
Employees' compensation	\$80,579	\$61,228
Remuneration to directors	40,289	30,644

There is no difference between the aforementioned approved amounts and the amounts charged against earnings of 2024 and 2023, respectively.



## 27. Non-operating income and expenses

### (1) Non-operating income and expenses

	Three Months Ended March 31	
	2025	2024
From continuing operations :		
Interest income	\$6,020	\$5,491
Others	9,994	1,662
Total	<u>\$16,014</u>	<u>\$7,153</u>

### (2) Other gains and losses

	Three Months Ended March 31	
	2025	2024
From continuing operations :		
Foreign exchange gain (loss)	\$31,355	\$114,429
Gain on disposal of equity-method investments (Note 1)	2,590,654	-
(Loss) Gain on financial assets at fair value through profit or loss (Note 2)	(21,387)	2,218
Others (losses)	(41,471)	(53)
Total	<u>\$2,559,151</u>	<u>\$116,594</u>

Note 1: The gain mainly arose from the shares exchange of Group's entire equity interest in Bora Biologics Co., Ltd. with shares of Tanvex BioPharma, Inc.

Note 2: The gain mainly resulted from the acquisition of equity interest in Pyros Pharmaceuticals Inc., in connection with the contingent consideration agreed upon with the former owners. The contingent consideration was measured using the discounted cash flow method and recognized as a financial liability at fair value through profit or loss. The fair value of the contingent consideration is remeasured at the end of each reporting period, and any resulting gain or loss is recognized in profit or loss as a gain or loss on financial assets/liabilities at fair value through profit or loss. Please refer to Note VI.31 for further details.

### (3) Financial costs

	Three Months Ended March 31	
	2025	2024
From continuing operations :		
Interest expenses from bank borrowings	\$62,338	\$18,201
Interest expenses from bonds payable	54,192	8,358
Interest expenses from lease liabilities	4,199	4,020
Others	52	1,671
Total	<u>\$120,781</u>	<u>\$32,250</u>

## 28. Components of other comprehensive income (“OCI”)

For the three months ended March 31, 2025:

	<u>Arising</u>	<u>Reclassifi</u>	<u>before</u>	<u>Tax benefit</u>	<u>Net of tax</u>
		<u>cation</u>	<u>tax</u>	<u>(Expense)</u>	
Not to be reclassified to profit or loss:					
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	\$6,290	\$-	\$6,290	\$(1,258)	\$5,032
To be reclassified to profit or loss in subsequent periods:					
Translation differences of foreign operations	245,994	-	245,994	(49,180)	196,814
Total comprehensive income	<u>\$252,284</u>	<u>\$-</u>	<u>\$252,284</u>	<u>\$(50,438)</u>	<u>\$201,846</u>

For the three months ended March 31, 2024:

	<u>Arising</u>	<u>Reclassifi</u>	<u>before</u>	<u>Tax benefit</u>	<u>Net of tax</u>
		<u>cation</u>	<u>tax</u>	<u>(Expense)</u>	
To be reclassified to profit or loss in subsequent periods:					
Translation differences of foreign operations	<u>\$80,125</u>	<u>\$-</u>	<u>\$80,125</u>	<u>\$(16,003)</u>	<u>\$64,122</u>

## 29. Income tax

The major components of income tax expense (income) for the three months ended March 31, 2025 and 2024 are as follows:

### Income tax expense (income) recognized in profit or loss

	<u>Three Months Ended March 31</u>	
	<u>2025</u>	<u>2024</u>
Current income tax expense (income):		
Current income tax expense	\$262,504	\$350,661
Adjustments in respect of prior periods	(22,291)	2,392
Deferred tax expense (income):		
Deferred tax expense (income) relating to origination and reversal of temporary differences	66,808	(39,139)
Deferred tax expense (income) relating to origination and (reversal) of tax loss and tax credit	(40,329)	(74,035)
Total income tax expense	<u>\$266,692</u>	<u>\$239,879</u>

Income tax relating to components of other comprehensive income

	Three Months Ended March 31	
	2025	2024
Deferred tax expense (income):		
Translation differences of foreign operations	\$49,180	\$16,003
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	1,258	-
Income tax relating to other comprehensive income	<u>\$50,438</u>	<u>\$16,003</u>

The assessment of income tax returns

As of March 31, 2025, the assessment of the income tax returns of the Company and its subsidiaries is as follows:

	<u>The assessment of income tax returns</u>
The Company	Assessed and approved up to 2023
Union Chemical & Pharmaceutical Co., Ltd.	Assessed and approved up to 2023
Bora Health Inc.	Assessed and approved up to 2023
Bora Pharmaceutical Laboratories Inc.	Assessed and approved up to 2023
TWi Pharmaceuticals, Inc.	Assessed and approved up to 2021 (Note )
Bora Pharmaceuticals Ophthalmic Inc.	Assessed and approved up to 2023
Bora Pharmaceutical and Consumer Health Inc.	Assessed and approved up to 2023
Bora Management Consulting Co., Ltd.	Assessed and approved up to 2023
Sunway Biotech Co., Ltd.	Assessed and approved up to 2022
Chen Run Marketing Co., Ltd.	Assessed and approved up to 2023

Note: 2020 income tax return has not assessed and approved.

30. Earnings per share

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

		Three Months Ended March 31	
		2025	2024
(1) Basic earnings per share			
Profit from continuing operations attributable to ordinary shareholders of the Company (in thousand NT\$)		\$2,741,196	\$716,137
Loss from discontinued operations attributable to ordinary shareholders of the Company (in thousand NT\$)		\$(1,341,923)	\$-
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands shares)		103,300	101,232
Basic earnings per share (NT\$)		\$26.54	\$7.07
Profit from continuing operations		\$(12.99)	\$-
Loss from discontinued operations			
		Three Months Ended March 31	
		2025	2024
(2) Diluted earnings per share			
Profit from continuing operations attributable to ordinary shareholders of the Company (in thousand NT\$)		\$2,741,196	\$716,137
Interest expense from convertible bonds (in thousand NT\$)		43,354	6,686
Profit from continuing operations attributable to ordinary equity holders of the Company after dilution (in thousand NT\$)		\$2,784,550	\$722,823
Loss from discontinued operations attributable to ordinary shareholders of the Company (in thousand NT\$)		\$(1,341,923)	\$-
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousand shares)		103,300	101,232
Effect of dilution:			
Employee compensation — stock (in thousand shares)		110	84
Employee stock options (in thousand shares)		820	996
Convertible bonds (in thousand shares)		8,961	2,732
Weighted average number of ordinary shares outstanding after dilution (in thousand shares)		113,191	105,044

	Three Months Ended March 31	
	2025	2024
Diluted earnings per share (NT\$)		
Profit from continuing operations	\$24.60	\$6.88
Loss from discontinued operations	\$(11.86)	\$-

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date the consolidated financial statements were authorized for issue.

### 31. Business combinations

#### Acquisition of Upsher-Smith Laboratories, LLC

In order to significantly enhance CDMO business competitiveness and develop generic businesses via specialty distribution channel, the Company acquired 100% equity interest of Sawai America Holdings Inc. and 20% interest in Sawai America LLC on April 2, 2024 (April 1, 2024, Eastern time) and ultimately, obtaining 100% ownership of Upsher-Smith Laboratories, LLC (the “USL”).

The fair values of the identifiable assets and liabilities of Sawai America Holdings Inc., Sawai America LLC, and its subsidiaries at the acquisition date were as follows:

	Fair value recognized at the acquisition date
Asset	
Cash and cash equivalents	\$381,350
Contract assets	153,940
Accounts receivable	4,110,930
Other receivables	421,782
Inventories	2,559,103
Prepayments	277,720
Financial assets measured at fair value through profit or loss, non-current	315,155
Financial assets measured at fair value through other comprehensive income, non-current	159,203
Property, plant and equipment	3,596,284
Right-of-use assets	52,031
Intangible assets	489,642
Other non-current assets	2,686
Subtotal	12,519,826

	<u>Fair value recognized at the acquisition date</u>
Liabilities	
Accounts payable	942,148
Other payables	1,418,268
Income tax payable	8,790
Refund liabilities	2,015,856
Provisions	158,490
Other current liabilities - current	179,940
Lease liabilities	52,610
Other non-current liabilities	161,468
Subtotal	<u>4,937,570</u>
Identifiable net assets	<u><u>\$7,582,256</u></u>

Bargain purchase gain is as follows:

Acquisition considerations	\$6,870,045
Less: identifiable net assets at fair value	<u>(7,582,256)</u>
Bargain purchase gain	<u><u>\$(712,211)</u></u>

#### Acquisition considerations

Cash	\$6,570,643
Other receivables	(304,562)
Other payables	284,164
Contingent consideration	319,800
Total consideration	<u><u>\$6,870,045</u></u>

Analysis of cash flows on acquisition:

Cash	\$(6,870,045)
Other receivables	(304,562)
Other payables	284,164
Contingent consideration	319,800
Net cash acquired through acquisition	<u>381,350</u>
Net cash flow on acquisition	<u><u>\$(6,189,293)</u></u>

The fair value of the accounts receivable amounted to NT\$4,110,930 thousand in which no impairment incurred and a full collection amount was expected. Intangible assets, including drug licenses and product distribution right, were amortized on a straight-line basis over the estimated economic lives.

#### Contingent Considerations

As part of the share purchase agreement, Bora Pharmaceutical Holdings, Inc. shall make an additional purchase cash payment to Sawai Group Holdings Co., Ltd. and Sumitomo Corporation of Americans after the first anniversary of the acquisition date, in the event that the agreed target revenue of specific products has reached US\$60,700 thousand for the 12 months following the acquisition date.

The estimation of contingent consideration was based on the achievement of the operating performance of the agreed target business for the 12 months after April 1, 2024. This contingent consideration, due to the achievement of operational performance conditions of the agreement, will result in a payment of USD 10,000 thousand (approximately NT\$332,050 thousand), and was classified as other payables in the accompanying consolidated balance sheets.

As of the date of approval of this consolidated financial statement, the independent appraisal expert has completed the fair value assessment of the identifiable net assets of Sawai America Holdings Inc., Sawai America LLC, and its subsidiaries. The appraisal result differs from the provisional amount used by the Group in preparing the consolidated financial statements for the fiscal year of 2024. Therefore, the group has made a retrospective adjustment to decrease the bargain purchase gain recognized for the fiscal year of 2024 in accordance with the aforementioned International Financial Reporting Standards, recognizing a provisional bargain purchase gain amount of NT\$798,705 thousand. The adjustments to the financial information for the comparative periods are explained as follows:

A. The difference in the provisional amount:

Consolidated financial statements for the year ended December 31, 2024

	Amounts before reclassification	Adjustment amount	Amounts after reclassification
Acquisition consideration	\$6,691,993	\$178,052	\$6,870,045
Less: identifiable net assets at fair value	(7,490,698)	(91,558)	(7,582,256)
Bargain purchase gain	<u><u>\$(798,705)</u></u>	<u><u>\$86,494</u></u>	<u><u>\$(712,211)</u></u>

B. The consolidated financial reports for the comparative periods that the group uses for retrospective adjustments are as follows:

Consolidated balance sheet for the year ended December 31, 2024 adjustments for each accounting item.

Accounting item.	Amounts before reclassification	Adjustment amount	Amounts after reclassification
Assets			
Other receivables	\$954,574	\$(182,535)	\$772,039
Other current assets	22,611,117	-	22,611,117
Total current assets	<u>23,565,691</u>	<u>(182,535)</u>	<u>23,383,156</u>
Intangible assets	7,444,179	93,863	7,538,042
Other non-current assets	14,589,064	-	14,589,064
Total non-current assets	<u>22,033,243</u>	<u>93,863</u>	<u>22,127,106</u>
Total assets	<u><u>\$45,598,934</u></u>	<u><u>\$(88,672)</u></u>	<u><u>\$45,510,262</u></u>

Accounting item.	Amounts before reclassification	Adjustment amount	Amounts after reclassification
<b>Liabilities</b>			
Total current liabilities	\$13,808,597	\$-	\$13,808,597
Deferred tax liabilities	1,256,297	(436)	1,255,861
Other non-current liabilities	15,522,475	-	15,522,475
Total non-current liabilities	16,778,772	(436)	16,778,336
Total liabilities	\$30,587,369	\$(436)	\$30,586,933
Accounting item.	Amounts before reclassification	Adjustment amount	Amounts after reclassification
<b>Equity</b>			
Common stock	\$1,030,852	\$-	\$1,030,852
Advance receipts for ordinary share	2,267	-	2,267
Capital surplus	4,408,236	-	4,408,236
Retained earnings			
Legal reserve	658,515	-	658,515
Unappropriated earnings	6,448,405	(86,494)	6,361,911
Subtotal	7,106,920	(86,494)	7,020,426
Other equity	362,308	(1,742)	360,566
Treasury stock	(43,181)	-	(43,181)
Equity attributable to shareholders of the parent	12,867,402	(88,236)	12,779,166
Non-controlling interests	2,144,163	-	2,144,163
Total equity	\$15,011,565	\$(88,236)	\$14,923,329
Total liabilities and equity	\$45,598,934	\$(88,672)	\$45,510,262

#### Acquisition of the CDMO Business and asset of Cangene bioPharm, LLC

In order to accelerate the expansion of CDMO business and utilize the capacity of the Group's operational assets to assist clients in the development of biotechnology pharmaceuticals and the commercial production of their products, the Company, through its subsidiary Bora Pharmaceuticals Injectables Inc., acquired the operational assets and CDMO business located in Baltimore, Maryland, USA from Cangene BioPharma, LLC at August 20, 2024.



The fair values of the identifiable assets and liabilities acquired from Cangene bioPharma, LLC at the acquisition date were:

	Fair value recognized at the acquisition date (Provisional amount)
Asset	
Contract assets	406,309
Accounts receivable	405,264
Inventories	403,836
Prepayments	13,540
Property, plant and equipment	1,521,549
Right-of-use assets	22,181
Deferred tax assets	3,601
Other non-current assets	3,567
Subtotal	<u>2,779,847</u>
Liabilities	
Accounts payable	127,878
Other payables	206,599
Contract liabilities	1,693
Lease liabilities	24,933
Deferred tax liabilities	357,326
Subtotal	<u>718,429</u>
Identifiable net assets	<u><u>\$2,061,418</u></u>
Bargain purchase gain is as follows:	
Acquisition considerations	\$1,111,040
Less: identifiable net assets at fair value	<u>(2,061,418)</u>
Bargain purchase gain	<u><u>\$(950,378)</u></u>
<u>Acquisition considerations</u>	
Cash	<u><u>\$1,111,040</u></u>
Analysis of cash flows on acquisition:	
Net cash flow on acquisition	<u><u>\$(1,111,040)</u></u>

The fair value of accounts receivable were NT\$405,264 thousand, with a total contract amount of NT\$418,872 thousand. The estimated uncollectible contract cash flows as of the acquisition date was NT\$13,608 thousand.

The Group has engaged an independent 3rd party professional for the valuation of the identified net assets. As of Mach 31, 2025, the Group reported the fair value of the identified net assets at provisional amounts as the appraisal report was not completed as of the approval date for the Group's consolidated financial statements for the three months ended Mach 31, 2025.

### Acquisition of the Pyros Pharmaceuticals Inc.

In order to accelerate the expansion of product portfolio, the Company acquired all the shares of Pyros Pharmaceuticals Inc. at October 25, 2024 through its subsidiary, Bora Pharmaceutical Holdings Inc., to obtain key rare disease brand medications.

The fair values of the identifiable assets and liabilities acquired from Pyros Pharmaceuticals Inc at the acquisition date were:

	Fair value recognized at the acquisition date (Provisional amount)
Assets	
Cash and cash equivalents	\$21,784
Financial assets measured at fair value through profit or loss, current	178
Accounts receivable, net	39,737
Inventories, net	40,134
Prepayments	22,858
Intangible assets	970,470
Property, plant and equipment	624
Right-of-use assets	17,642
Subtotal	1,113,427
	Fair value recognized at the acquisition date (Provisional amount)
Liabilities	
Accounts payable	18,368
Other payables	170,547
Refund liabilities	12,281
Lease liabilities	17,642
Provisions	8,900
Subtotal	227,738
Identifiable net assets	\$885,689
Goodwill is as follows:	
Acquisition considerations	\$1,524,872
Less : identifiable net assets	(885,689)
Goodwill	\$639,183

### Acquisition considerations

Cash	\$812,196
Contingent consideration	712,676
Total	<u>\$1,524,872</u>

### Analysis of cash flows on acquisition:

Cash	\$(1,524,872)
Contingent consideration	712,676
Net cash acquired through acquisition	21,784
Net cash flow on acquisition	<u>\$(790,412)</u>

The fair value of the accounts receivable amounted to NT\$39,737 thousand in which no impairment incurred and a full collection amount was expected. Intangible assets, including drug licenses and product distribution right, were amortized on a straight-line basis over the estimated economic lives.

### Contingent consideration

As part of the share purchase agreement, Bora Pharmaceutical Holdings, Inc. shall make an additional purchase cash payment to Pyros Pharmaceuticals Inc.'s former shareholders.

The estimation of contingent consideration was based on the achievement of the operating performance of the agreed target business for 5 to 9 years. As of March 31, 2025, the estimated fair value of the contingent consideration was US\$22,953 thousand (approximately NT\$762,157 thousand) and recognized as financial liabilities measured at fair value through profit or loss, current.

The Group has engaged an independent 3rd party professional for the valuation of the identified net assets. As of March 31, 2025, the Group reported the fair value of the identified net assets at provisional amounts as the appraisal report was not completed as of the approval date for the Group's consolidated financial statements for the three months ended March 31, 2025.

## VII. Related Party Transactions

Information of the related parties that had transactions with the Group during the financial reporting periods is as follows:

### Name and nature of relationship of the related parties

<u>Name of the related parties</u>	<u>Nature of relationship of the related parties</u>
3T TECHNOLOGY Co., Ltd.	Substantive related party
Galilee Biotech Ltd. ("Galilee")	Substantive related party
GTSW BIOTECH SDN. BHD. ("GTSW")	Associates
Tanvex BioPharma, Inc. ("Tanvex") (Note 1)	Associates

Note 1 : The assets swaps between Bora Biologics Co., Ltd. and Tanvex BioPharma, Inc. was completed on January 20, 2025. Since then, the Group has significant influence over Tanvex BioPharma, Inc., which has been classified as an associated company. Therefore, the Group only disclosed the transactions with Tanvex BioPharma, Inc. after January 2025.

Significant transactions with the related parties

1. Operating revenue

	Three Months Ended March 31	
	2025	2024
3T TECHNOLOGY Co., Ltd.	\$47,115	\$67,899
G T S W	305	-
Total	\$47,420	\$67,899

The sales prices to the above related parties were not significantly different from those of sales to third parties. The collection term is net 60 days, which is close to the term offered to third parties.

2. Accounts receivable-related party

	March 31, 2025	December 31, 2024	March 31, 2024
3T TECHNOLOGY Co., Ltd.	\$32,417	\$53,896	\$71,293
G T S W	305	-	-
Total	\$32,722	\$53,896	\$71,293

3. Other receivables -related party

	March 31, 2025	December 31, 2024	March 31, 2024
Tanvex	\$17,783	\$-	\$-

4. Other payables -related party

	March 31, 2025	December 31, 2024	March 31, 2024
Galilee	\$16,350	\$3,682	\$5,811
Tanvex	10,026	-	-
Total	\$26,376	\$3,682	\$5,811

5. Sales and marketing expenses

	Three Months Ended March 31	
	2025	2024
Galilee	\$16,294	\$5,811

6. Research and development expenses

	Three Months Ended March 31	
	2025	2024
Tanvex	\$4,524	\$-

## 7. Key management personnel compensation

	Three Months Ended March 31	
	2025	2024
Short-term employee benefits	\$8,048	\$64,823
Post-employment benefits	135	135
Total	<u>\$8,183</u>	<u>\$64,958</u>

## VIII. Assets Pledged as Security

The following table lists assets of the Group pledged as security:

Items	Carrying amount			Secured liabilities
	March 31, 2025	December 31, 2024	March 31, 2024	
Financial assets measured at amortized cost	\$21,501	\$21,696	\$21,500	Customs deposit; guarantee bond with Science Park Administration and bank;
Property, plant and equipment - land	3,176,590	3,162,990	3,194,990	Short-term loans and long-term loans
Property, plant and equipment - buildings	836,939	852,246	890,077	Short-term loans and long-term loans
Investment properties	16,258	16,410	16,866	Long-term loans
Refundable deposits	-	-	120,875	Lodged at Courts
Total	<u>\$4,051,288</u>	<u>\$4,053,342</u>	<u>\$4,244,308</u>	

## IX. Significant Contingencies and Unrecognized Contractual Commitments

Contracted capital expenditures at the balance sheet date but not yet incurred are as follows:

Company Name	Significant Contract	March 31, 2025
SunWay Biotech Co., LTD.	Property, plant and quipment	<u>\$109,862</u>

## X. Losses due to Major Disasters

None.

## XI. Significant Subsequent Events

None.

## XII. Others

### 1. Financial instruments

<u>Financial assets</u>	March 31, 2025	December 31, 2024	March 31, 2024
Financial assets measured at fair value through profit or loss:			
Mandatorily measured at fair value through profit or loss	\$121,527	\$123,642	\$20,275
Financial assets measured at fair value through other comprehensive income	229,836	221,456	27,758
Financial assets measured at amortized cost:			
Cash and cash equivalents (exclude cash on hand)	5,124,531	5,827,850	8,064,457
Financial assets measured at amortized cost	52,304	81,362	341,700
Notes receivable	4,851	19,884	48,485
Accounts receivable (include related parties)	9,384,557	10,221,933	3,974,785
Other receivables	827,577	772,039	103,147
Refundable deposits	39,105	44,604	165,433
Subtotal	15,432,925	16,967,672	12,698,007
Total	<u>\$15,784,288</u>	<u>\$17,312,770</u>	<u>\$12,746,040</u>
 <u>Financial liabilities</u>			
	March 31, 2025	December 31, 2024	March 31, 2024
Financial liabilities measured at amortized cost:			
Short-term loans	\$2,018,949	\$2,597,850	\$3,646,523
Accounts and other payables (including amount recognized in other non-current liabilities)	5,495,883	4,070,662	3,242,882
Bonds payable	7,697,505	7,758,905	1,546,719
Long-term loans(including current portion)	7,526,133	7,754,010	3,004,557
Lease liabilities	704,290	862,562	846,129
Deposits received	3,834	5,152	66,412
Subtotal	23,446,594	23,049,141	12,353,222
Financial liabilities at fair value through profit or loss:			
Held for trading	1,508	-	9,349
Contingent considerations from business combinations	762,157	1,063,913	2,018,261
Subtotal	763,665	1,063,913	2,027,610
Total	<u>\$24,210,259</u>	<u>\$24,113,054</u>	<u>\$14,380,832</u>

## 2. Financial risk management objectives and policies

The Group's principal financial risk management objective is to manage the market risk, credit risk and liquidity risk related to its operating activities. The Group identifies measures and manages the aforementioned risks based on the Group's policy and risk appetite.

The Group has established appropriate policies, procedures and internal controls for financial risk management. Before entering into significant transactions, due approval process by the Board of Directors and Audit Committee must be carried out based on related protocols and internal control procedures. The Group complies with its financial risk management policies at all times.

## 3. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of the changes in market prices. Market prices comprise foreign currency risk and interest rate risk.

In practice, it is rarely the case that a single risk variable will change independently from other risk variable, there is usually interdependencies between risk variables. However, the sensitivity analysis disclosed below does not take into account the interdependencies between risk variables.

### Foreign currency risk

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense are denominated in a different currency from the Group's functional currency).

The Group has certain foreign currency receivables to be denominated in the same foreign currency with certain foreign currency payables, therefore natural hedge is received. The Group also uses forward contracts to hedge the foreign currency risk on certain items denominated in foreign currencies. Hedge accounting is not applied as they did not qualify for hedge accounting criteria.

The foreign currency sensitivity analysis of the possible change in foreign exchange rates on the Group's profit is performed on significant monetary items denominated in foreign currencies as at the end of the reporting period. The Group's foreign currency risk is mainly related to the volatility in the exchange rates for USD. The sensitivity analysis is as follows:

When NTD appreciates or depreciates against USD by 1%, the profit for the three months ended March 31, 2025 and 2024 will be decreased/increased by NT\$18,746 thousand and NT\$35,034 thousand, respectively.

### Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt instrument investments at variable interest rates, bank borrowings with fixed interest rates and floating interest rates.

The interest rate sensitivity analysis is performed on items exposed to interest rate risk as at the end of the reporting period, including investments and borrowings with variable interest rates. At the reporting date, an increase of 10 basis points of interest rate in a reporting period could cause the profit for the three months ended March 31, 2025 and 2024 to decrease by NT\$3,684 thousand and NT\$128 thousand, respectively.

If all other factors remain, while the interest rate declines, the impact on profit and loss performance for the three months ended March 31, 2025 and 2024 will be the same amount as above but at the opposite direction.

### Equity price risk

The Group's domestic and overseas unlisted equity securities and the conversion rights of domestic and overseas convertible bonds are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group's equity securities are classified under financial assets measured at fair value through profit or loss or financial assets at fair value through other comprehensive income. As for the conversion rights of domestic and overseas convertible bonds not qualified for the definition of equity element, the bonds are classified as financial assets measured at fair value through profit or loss or financial liabilities measured at fair value through profit or loss, respectively. The Group manages the equity price risk through diversification and placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Group's Board of Directors reviews and approves all equity investment decisions.

Please refer to Note XII.9 for information on sensitivity analysis of financial instruments or derivatives related to financial instruments with fair value measurements classified under Level 3 of the Group.

## 4. Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a contract, leading to a financial loss. The Group is exposed to credit risk from operating activities (primarily for accounts and notes receivable) and from its financing activities, including bank deposits and other financial instruments.

Credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to credit risk management. Credit limits are established for all counterparties based on their financial position, ratings from credit rating agencies, historical experience, prevailing economic condition and the Group's internal rating criteria etc. Certain counterparties' credit risk will also be managed by taking credit enhancement procedures, such as requesting for prepayment or insurance.



As of March 31, 2025, December 31, 2024 and March 31, 2024, accounts receivable from top ten customers represent 89%, 85% and 83% of the total accounts receivable of the Group, respectively. The credit concentration risk of rest of customers is insignificant.

Credit risk from deposits with banks, fixed income securities and other financial instruments is managed by the Group's finance department in accordance with the Group's policy. The transactions with counterparties the Company entered with shall be in compliance with internal control procedures. The Group only transacts with counterparties approved by the internal control procedures, which are banks and financial institutions, companies and government entities with good credit rating. Consequently, there is no significant credit risk for these counter parties.

## 5. Liquidity risk management

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of cash and cash equivalents and bank borrowings. The table below summarizes the maturity profile of the Group's financial liabilities based on the contractual undiscounted payments and contractual maturity. The payment amount includes the contractual interest. The undiscounted payment related to borrowings with variable interest rates is extrapolated based on the estimated interest rate yield curve as of the end of the reporting period.

### Non-derivative financial liabilities

	<u>&lt;= 1 year</u>	<u>2 to 3 years</u>	<u>4 to 5 years</u>	<u>&gt; 5 years</u>	<u>Total</u>
March 31, 2025					
Borrowings	\$3,635,658	\$4,430,280	\$1,713,670	\$221,337	\$10,000,945
Accounts and other payables	5,494,220	1,663	-	-	5,495,883
Convertible bonds	-	-	8,699,083	-	8,699,083
Lease liabilities (Note)	109,792	163,038	72,999	466,438	812,267
	<u>&lt;= 1 year</u>	<u>2 to 3 years</u>	<u>4 to 5 years</u>	<u>&gt; 5 years</u>	<u>Total</u>
December 31, 2024					
Borrowings	\$3,994,171	\$4,651,872	\$1,994,927	\$232,986	\$10,873,956
Accounts and other payables	4,069,007	1,655	-	-	4,070,662
Convertible bonds	-	-	8,823,583	-	8,823,583
Lease liabilities (Note)	121,913	200,709	92,881	572,966	988,469
	<u>&lt;= 1 year</u>	<u>2 to 3 years</u>	<u>4 to 5 years</u>	<u>&gt; 5 years</u>	<u>Total</u>
March 31, 2024					
Borrowings	\$4,720,637	\$1,336,005	\$599,112	\$266,180	\$6,921,934
Accounts and other payables	3,007,588	235,294	-	-	3,242,882
Convertible bonds	-	-	1,699,800	-	1,699,800
Lease liabilities (Note)	112,509	178,074	108,915	576,468	975,966

Notes : Information about the maturities of lease liabilities is provided in the table below:

	Maturities					Total
	Less than 5 year	6 to 10 years	11 to 15 years	16 to 20 years	>21 years	
March 31, 2025	\$345,829	\$ 182,608	\$ 151,816	\$ 61,402	\$ 70,612	\$812,267
December 31, 2024	\$415,503	\$234,629	\$203,253	\$61,402	\$73,682	\$988,469
March 31, 2024	\$399,498	\$206,815	\$210,253	\$76,507	\$82,893	\$975,966

#### 6. Reconciliation of liabilities arising from financing activities

Reconciliation of liabilities for the three months ended March 31, 2025:

	Short-term loans	Long-term loans	Leases liabilities	Bonds Payable	Total liabilities from financing activities
January 1, 2025	\$2,597,850	\$7,754,010	\$862,562	\$7,758,905	\$18,973,327
Cash flows	(583,101)	(231,532)	(28,429)	-	(843,062)
Non-cash changes					
Disposal	-	-	(89)	-	(89)
Disposal of subsidiary	-	-	(131,073)	-	(131,073)
Conversion	-	-	-	(115,592)	(115,592)
Interest amortization				54,192	54,192
Others	4,200	3,655	1,319	-	9,174
March 31, 2025	<u>\$2,018,949</u>	<u>\$7,526,133</u>	<u>\$704,290</u>	<u>\$7,697,505</u>	<u>\$17,946,877</u>

Reconciliation of liabilities for the three months ended March 31, 2024:

	Short-term loans	Long-term loans	Leases liabilities	Bonds Payable	Total liabilities from financing activities
January 1, 2024	\$767,508	\$1,815,762	\$869,372	\$1,538,361	\$4,991,003
Cash flows	2,879,015	1,183,596	(23,953)	-	4,038,658
Non-cash changes					
Others	-	5,199	710	8,358	14,267
March 31, 2024	<u>\$3,646,523</u>	<u>\$3,004,557</u>	<u>\$846,129</u>	<u>\$1,546,719</u>	<u>\$9,043,928</u>

#### 7. Fair values of financial instruments

(1) The methods and assumptions applied in determining the fair value of financial instruments:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used by the Group to measure or disclose the fair values of financial assets and financial liabilities:

- A. The carrying amount of cash and cash equivalents, notes receivable, accounts receivable, other receivables, notes payable, accounts payable, other payables, and other current liabilities approximate their fair value due to their short maturities.

- B. For financial assets and liabilities traded in an active market with standard terms and conditions, their fair value is determined based on market quotation price (including listed equity securities, beneficiary certificates, bonds and futures etc.) at the reporting date.
- C. Fair value of debt instruments without market quotations, bank loans and other non-current liabilities are determined based on the counterparty prices or valuation method. The valuation method uses discounted cash flow method as a basis, and the assumptions such as the interest rate and discount rate are primarily based on relevant information of similar instrument (such as yield curves published by the Taipei Exchange, average prices for Fixed Rate Commercial Paper published by Reuters and credit risk, etc.)
- D. The fair value of derivatives which are not options and without market quotations, is determined based on the counterparty prices or discounted cash flow analysis using interest rate yield curve for the contract period. Fair value of option-based derivative financial instruments is obtained using on the counterparty prices or appropriate option pricing model (for example, Black-Scholes model) or other valuation method (for example, Monte Carlo Simulation).

(2) Fair value of financial instruments measured at amortized cost

Other than the table below, the carrying amount of the Group's financial assets and financial liabilities approximate their fair value.

	Carrying amount as of		
	March 31, 2025	December 31, 2024	March 31, 2024
Financial liabilities:			
Bonds payable	<u>\$7,697,505</u>	<u>\$7,758,905</u>	<u>\$1,546,719</u>
	Fair value as of		
	March 31, 2025	December 31, 2024	March 31, 2024
Financial liabilities:			
Bonds payable	<u>\$7,854,998</u>	<u>\$7,894,046</u>	<u>\$1,536,109</u>

(3) Fair value measurement hierarchy for financial instruments

Please refer to Note XII.9 for fair value measurement hierarchy for financial instruments of the Group.

8. Derivative financial instruments

The related information for derivative financial instruments not qualified for hedge accounting and not yet settled at March 31, 2025, December 31, 2024 and March 31, 2024 is as follows:

Embedded derivatives

The Group's embedded derivatives arising from issuing convertible bonds have been separated from the host contract and carried at fair value through profit or loss. Please refer to Note VI for further information on this transaction.

## 9. Fair value measurement hierarchy

### (1) Fair value measurement hierarchy

All asset and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole. Level 1, 2 and 3 inputs are described as follows:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date

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

### (2) Fair value measurement hierarchy of the Group's assets and liabilities

The Group does not have assets that are measured at fair value on a non-recurring basis. Fair value measurement hierarchy of the Group's assets and liabilities measured at fair value on a recurring basis is as follows:

March 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through profit or loss:				
Stock	\$-	\$-	\$20,275	\$20,275
Cash surrender value of life insurance	-	98,695	-	98,695
Embedded derivatives	-	-	2,557	2,557
Financial assets measured at fair value through other comprehensive income:				
Equity instruments measured at fair value through other comprehensive income	52,940	-	176,896	229,836
Total	<u>\$52,940</u>	<u>\$98,695</u>	<u>\$199,728</u>	<u>\$351,363</u>
Financial liabilities:				
Financial liabilities at fair value through profit or loss:				
Contingent considerations from business combinations	\$-	\$-	\$762,157	\$762,157
Embedded derivatives	-	-	1,508	1,508
Total	<u>\$-</u>	<u>\$-</u>	<u>\$763,665</u>	<u>\$763,665</u>

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through profit or loss:				
Stock	\$-	\$-	\$20,275	\$20,275
Cash surrender value of life insurance	-	99,165	-	99,165
Embedded derivatives	-	-	4,202	4,202
Financial assets measured at fair value through other comprehensive income:				
Equity instruments measured at fair value through other comprehensive income	46,650	-	174,806	221,456
Total	<u>\$46,650</u>	<u>\$99,165</u>	<u>\$199,283</u>	<u>\$345,098</u>
Financial liabilities:				
Financial liabilities at fair value through profit or loss:				
Contingent considerations from business combinations	<u>\$-</u>	<u>\$-</u>	<u>\$1,063,913</u>	<u>\$1,063,913</u>

March 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through profit or loss:				
Stock	\$-	\$-	\$20,275	\$20,275
Financial assets measured at fair value through other comprehensive income:				
Equity instruments measured at fair value through other comprehensive income	-	-	27,758	27,758
Total	<u>\$-</u>	<u>\$-</u>	<u>\$48,033</u>	<u>\$48,033</u>
Financial liabilities:				
Financial liabilities at fair value through profit or loss:				
Embedded derivatives	\$-	\$-	\$9,349	\$9,349
Contingent considerations from business combinations	-	-	2,018,261	2,018,261
Total	<u>\$-</u>	<u>\$-</u>	<u>\$2,027,610</u>	<u>\$2,027,610</u>

Transfers between Level 1 and Level 2 during the period

During the three months ended March 31, 2025 and 2024, there were no transfers between Level 1 and Level 2 fair value measurements.

The detail movement of recurring fair value measurements in Level 3:

Reconciliation for fair value measurements in Level 3 of the fair value hierarchy for movements during the period is as follows:

Three months ended March 31, 2025

	Financial assets (liabilities)		
	Measured at fair value through profit or loss		
	Embedded derivatives	Contingent considerations	Stock
As of January 1, 2025	\$4,202	\$(1,063,913)	\$20,275
Acquisition/issuance	-	-	-
Disposal/settlements/Reclassification	-	328,946	-
Gains (losses) recognized in profit or loss (presented as “gain (loss) on financial assets or liabilities measured at fair value through profit or loss”):	(3,153)	(16,509)	-
Exchange differences	-	(10,681)	-
As of March 31, 2025	\$1,049	\$(762,157)	\$20,275

	Financial assets (liabilities)		
	Measured at fair value through other comprehensive income		
	Stock		
As of January 1, 2025	\$174,806		
Acquisition/issuance	-		
Transfer	-		
Gains (losses) recognized in profit or loss: (presented as “Unrealized gains or (losses) from equity investments instruments measured at fair value through other comprehensive income”)	-		
Exchange differences	2,091		
As of March 31, 2025	\$176,897		

Three months ended March 31, 2024

	Financial assets (liabilities)		
	Measured at fair value through profit or loss		
	Embedded derivatives	Contingent considerations	Stock
As of January 1, 2024	\$(9,009)	\$(1,935,436)	\$-
Acquisition/issuance	-	-	20,275
Gains (losses) recognized in profit or loss (presented as “gain (loss) on financial assets or liabilities measured at fair value through profit or loss”):	(340)	2,558	-
Exchange differences	-	(85,383)	-
As of March 31, 2024	\$(9,349)	\$(2,018,261)	\$20,275

	Financial assets (liabilities) Measured at fair value through other comprehensive income
	Stock
As of January 1, 2024	\$7,758
Acquisition/issuance	20,000
Gains (losses) recognized in profit or loss: (presented as “Unrealized gains or (losses) from equity investments instruments measured at fair value through other comprehensive income”)	-
Exchange differences	-
As of March 31, 2024	\$27,758

#### Information on significant unobservable inputs to valuation

Description of significant unobservable inputs to valuation of recurring fair value measurements categorized within Level 3 of the fair value hierarchy is as follows:

March 31, 2025

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets:					
At fair value through profit and loss:					
Stock	Market approach	discount for lack of marketability	40%	The higher the discount for lack of marketability, the lower the fair value of the stock	10% increase (decrease) in the discount for lack of marketability would result in decrease (increase) by NT\$4,016 thousand in the Group’s profit or loss.
Embedded derivatives	Binomial tree pricing method for convertible bond	Volatility	40.31%	The higher the volatility, the higher the fair value of the embedded derivatives	1% increase (decrease) in the volatility would result in an increase by NT\$274 thousand or an decrease by NT\$823 in the Group’s profit or loss.
At fair value through other comprehensive income:					
Stock	Asset-based approach	discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value of the stock	10% increase (decrease) in the discount for lack of marketability would result in decrease (increase) in the Group’s equity by NT\$35 thousand

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Stock	Market approach	discount for lack of marketability	35%	The higher the discount for lack of marketability, the lower the fair value of the stock	10% increase (decrease) in the discount for lack of marketability would result in decrease (increase) in the Group's equity by NT\$631 thousand
Stock	Market approach	discount for lack of marketability	15.80%	The higher the discount for lack of marketability, the lower the fair value of the stock	10% increase (decrease) in the discount for lack of marketability would result in decrease (increase) in the Group's equity by NT\$19,626 thousand
Financial liabilities:					
At fair value through profit and loss:					
Embedded derivatives	Binomial tree pricing method for convertible bond	Volatility	40.31%	The higher the volatility, the higher the fair value of the embedded derivatives	1% increase (decrease) in the volatility would result in an increase by NT\$0 thousand or an decrease by NT\$639 in the Group's profit or loss.
Contingent consideration	Discounted cash flow	Discount rate	15.60%	The higher the discount rate, the lower the fair value of the contingent consideration	1% increase (decrease) in the volatility would result in an increase by NT\$7,855 thousand or an decrease by NT\$8,026 in the Group's profit or loss.



December 31, 2024:

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets :					
At fair value through profit and loss					
Stock	Market approach	discount for lack of marketability	40%	The higher the discount for lack of marketability, the lower the fair value of the stock	10% increase (decrease) in the discount for lack of marketability would result in decrease (increase) by NT\$3,689 thousand in the Group's profit or loss.
Embedded derivatives	Binomial tree pricing method for convertible bond	Volatility	39.57%	The higher the volatility, the higher the fair value of the embedded derivative.	1% increase (decrease) in the volatility would result in an increase by NT\$938 thousand or an decrease by NT\$1,047 in the Group's profit or loss.
At fair value through other comprehensive income					
Stock	Asset-based approach	discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value of the stock	10% increase (decrease) in the discount for lack of marketability would result in decrease (increase) in the Group's equity by NT\$35 thousand.
Stock	Market approach	discount for lack of marketability	35%	The higher the discount for lack of marketability, the lower the fair value of the stock	10% increase (decrease) in the discount for lack of marketability would result in decrease (increase) in the Group's equity by NT\$624 thousand.
Stock	Market approach	discount for lack of marketability	15.80%	The higher the discount for lack of marketability, the lower the fair value of the stock	10% increase (decrease) in the discount for lack of marketability would result in decrease (increase) in the Group's equity by NT\$19,378 thousand.

Financial liabilities :

At fair value through other comprehensive income

Contingent consideration	Discounted cash flow	Discount rate	15.60%	The higher the discount rate, the lower the fair value of the contingent consideration	1% increase (decrease) in the discount rate would result in an decrease of NT\$8,059 thousand or an increase of NT\$8,432 thousand in the Group's profit or loss.
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March 31, 2024

	<u>Valuation techniques</u>	<u>Significant unobservable inputs</u>	<u>Quantitative information</u>	<u>Relationship between inputs and fair value</u>	<u>Sensitivity of the input to fair value</u>
Financial assets :					
At fair value through other comprehensive income					
Stock	Asset-based approach	discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value of the stocks	10% increase (decrease) in the discount for lack of marketability would result in decrease (increase) in the Group's equity by NT\$47 thousand.
Stock	Market approach	discount for lack of marketability	34.16%	The higher the discount for lack of marketability, the lower the fair value of the stocks	10% increase (decrease) in the discount for lack of marketability would result in decrease (increase) in the Group's equity by NT\$365 thousand.
Stock	Market approach	price-book ratio of Comparable company	2.88%~ 3.97%	The higher the price-book ratio of Comparable company, the higher the fair value of the stocks	10% increase (decrease) in the price-book ratio of Comparable company would result in decrease (increase) in the Group's equity by NT\$2,715 thousand.

At fair value through profit and loss

Stock	Market approach	discount for lack of marketability	40%	The higher the discount for lack of marketability, the lower the fair value of the stocks	1% increase (decrease) in the discount for lack of marketability would result in an increase of NT\$2,886 thousand or a decrease of NT\$2,812 thousand in the Group's profit or loss.
Financial liabilities:					
At fair value through profit and loss					
Embedded derivatives	Binomial tree pricing method for convertible bond	Volatility	43.14%	The higher the volatility, the higher the fair value of the embedded derivatives	1% increase (decrease) in the volatility would result in an increase by NT\$0 thousand or a decrease by NT\$0 in the Group's profit or loss.
Contingent consideration	Discounted cash flow	Discount rate	10.90%	The higher the discount rate, the lower the fair value of the contingent consideration	1% increase (decrease) in the discount rate would result in a decrease of NT\$3,262 thousand or an increase of NT\$3,313 thousand in the Group's profit or loss.

Valuation process used for fair value measurements categorized within Level 3 of the fair value hierarchy

The Group's Finance Department is responsible for validating the fair value measurements and ensuring that the results of the valuation are in line with market conditions, based on independent and reliable inputs which are consistent with other information, and represent exercisable prices. The Department analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies at each reporting date.

- (3) Fair value measurement hierarchy of the Group's assets and liabilities not measured at fair value but for which the fair value is disclosed

March 31, 2025 :

	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value but for which the fair value is disclosed:				
Investment properties	\$-	\$-	\$51,783	\$51,783

December 31, 2024 :

	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value but for which the fair value is disclosed:				
Investment properties	\$-	\$-	\$51,783	\$51,783

March 31, 2024 :

	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value but for which the fair value is disclosed:				
Investment properties	\$-	\$-	\$53,094	\$53,094

10. Significant assets and liabilities denominated in foreign currencies

Unit: thousands

	March 31, 2025	
	Foreign currencies	Foreign exchange rate
Financial assets		NTD
Monetary items:		
USD	\$77,873	33.21
Financial liabilities		
Monetary items:		
USD	\$21,426	33.21

			Unit: thousands
December 31, 2024			
	Foreign currencies	Foreign exchange rate	NTD
<u>Financial assets</u>			
Monetary items:			
USD	\$78,048	32.79	\$2,559,194
<u>Financial liabilities</u>			
Monetary items:			
USD	\$22,513	32.79	\$738,201

			Unit: thousands
March 31, 2024			
	Foreign currencies	Foreign exchange rate	NTD
<u>Financial assets</u>			
Monetary items:			
USD	\$213,146	32.00	\$6,820,672
<u>Financial liabilities</u>			
Monetary items:			
USD	\$103,666	32.00	\$3,317,312

## 11. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust dividend payment to shareholders, return capital to shareholders or issue new shares.

## 12. Other

Some accounts reported in the previous financial statements have been reclassified to facilitate comparison of the financial statements.

## XIII. Other Disclosure

### 1. Information at significant transactions

- Loans to others: Please refer to Table 2.
- Endorsement/Guarantee provided to others: Please refer to Table 3.
- Significant marketable securities held at the end of the reporting period: Please refer to Table 4.
- Total purchases from or sales to related parties which exceeding the lower of NT\$100 million or 20 percent of paid-in capital: Please refer to Table 5.
- Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20 percent of paid-in capital: Please refer to Table 6.
- Financial instruments and derivative transactions: Please refer to Note VI.2.
- The business relationship, significant transactions and amounts between parent company and subsidiaries: Please refer to Table 1.

2. Information on investees: Please refer to Table 7.

3. Investment in Mainland China: Please refer to Table 8.

#### XIV. Segment information

For management purposes, the Group is organized into business units based on their products and services and has three reportable operating segments as follows:

Sales segment: selling pharmaceuticals, generic, and healthcare products.

CDMO segment: contract development and manufacturing organization of pharmaceuticals.

Other segment: Others.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured based on accounting policies consistent with those in the consolidated financial statements. However, income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segment are on an arm's length basis in a manner similar to transactions with third parties.

##### Three months ended March 31, 2025

	Sales segment	CDMO segment	Other segment	Adjustment and elimination	Consolidated
Revenue from continuing operations					
External customer	\$2,581,381	\$1,896,037	\$2,167	\$-	\$4,479,585
Inter-segment (Note)	946,830	296,607	205,817	(1,449,254)	-
Total revenue	<u>\$3,528,211</u>	<u>\$2,192,644</u>	<u>\$207,984</u>	<u>\$(1,449,254)</u>	<u>\$4,479,585</u>
Segment profit from continuing operations	<u>\$218,910</u>	<u>\$326,970</u>	<u>\$2,561,242</u>	<u>\$(89,722)</u>	<u>\$3,017,400</u>

##### Three months ended March 31, 2024

	Sales segment	CDMO segment	Other segment	Adjustment and elimination	Consolidated
Revenue from continuing operations					
External customer	\$1,610,844	\$1,244,467	\$2,182	\$-	\$2,857,493
Inter-segment (Note)	23,196	201,187	137,052	(361,435)	-
Total revenue	<u>\$1,634,040</u>	<u>\$1,445,654</u>	<u>\$139,234</u>	<u>\$(361,435)</u>	<u>\$2,857,493</u>
Segment profit from continuing operations	<u>\$848,558</u>	<u>\$250,951</u>	<u>\$(91,193)</u>	<u>\$(24,776)</u>	<u>\$983,540</u>

Note: Inter-segment revenue are eliminated under consolidation and recorded under the "adjustment and elimination" column.

BORA PHARMACEUTICALS CO., LTD. AND SUBSIDIARIES  
(Amounts are expressed in Thousands of New Taiwan Dollars, unless Otherwise Specified)

Table 1

Significant inter-company transactions during the period

For the three month ended March 31, 2025

No. (Note 1)	Company Name	Counter-party	Relationship with the Company (Note 2)	Transactions			
				Financial statement account	Amount	Terms	Percentage of consolidated operating revenue or consolidated total assets (Note 3)
0	Bora Pharmaceuticals Co., Ltd.	TWi Pharmaceuticals, Inc.	1	Other receivable	493,737	(Note 5)	1.06%
0	Bora Pharmaceuticals Co., Ltd.	Bora Pharmaceutical Services Inc.	1	Operating revenue	103,938	60 days from the date of invoice	2.16%
1	Bora Pharmaceutical Laboratories Inc.	TWi Pharmaceuticals, Inc.	3	Operating revenue	252,347	60 days from the date of invoice	5.26%
2	TWi Pharmaceuticals, Inc.	Upsher-Smith Laboratories, LLC	3	Accounts receivable	916,281	Net 180 days	1.96%
2	TWi Pharmaceuticals, Inc.	Upsher-Smith Laboratories, LLC	3	Operating revenue	906,472	Net 180 days	18.88%
3	TWi Pharmaceuticals USA, Inc.	Upsher-Smith Laboratories, LLC	3	Accounts receivable	1,676,653	Net 180 days	3.59%
4	Bora Pharmaceuticals USA Inc.	Upsher-Smith Laboratories, LLC	3	Other receivable	2,297,780	(Note 5)	4.92%

Note 1: The Company and its subsidiaries are coded as follows:

- (1) Parent Company is "0".
- (2) The subsidiaries are numbered in order from "1".

Note 2: Transactions are categorized as follows:

- (1) Parent company to subsidiary.
- (2) Subsidiary to parent company.
- (3) Subsidiary to subsidiary.

Note 3: The percentage with respect to the consolidated total asset or operating revenues: 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: The Company determines whether to disclose significant transactions in this table in accordance with the principle of materiality.

Note 5: No related similar transactions can be followed, the transaction terms are agreed by both parties.

BORA PHARMACEUTICALS CO., LTD. AND SUBSIDIARIES  
(Amounts are expressed in Thousands of New Taiwan Dollars, unless Otherwise Specified)

Table 2

Loans to others

No. (Note 1)	Lender	Borrower	Financial Statement account	Is a related party	Maximum outstanding balance for the period	Ending balance	Actual amount drawn down	Interest rate	Nature of loan (Note 4)	Transaction amounts (Note 5)	Reason for short-term financing (Note 6)	Loss allowance	Collateral		Limit on loans granted to a single party (Note 2)	Ceiling on total loan granted (Note 3)
													Item	Value		
1	Bora Pharmaceuticals USA Inc.	Upsher-Smith Laboratories, LLC	Other receivables	Yes	\$2,224,735	\$2,224,735	\$2,224,735	6.0%	2	\$-	Need for operation	\$-	None	\$-	\$26,427,462	\$26,427,462

Note 1: The Company and its subsidiaries are coded as follows:

(1) Parent Company is "0".

(2) The subsidiaries are numbered in order from "1".

Note 2: Limit loans granted to a single party:

(1) Business transaction: limit on loans granted to a single party shall not exceed 10% of the lender's net assets value as of the period and the accumulated business transaction amounts of the past 12 months. Transaction amounts is defined as amount the higher of sales to or purchases from.

(2) Short-term financing:

(i) Limit on loans granted to a single party shall not exceed 200% of the net assets value of Bora Pharmaceuticals USA Inc. as of the period.

Note 3: Ceiling on total loan granted:

(1) The ceiling on total loans granted by Bora Pharmaceuticals USA Inc. to all parties shall not exceed 200% of the net asset value of Bora Pharmaceuticals USA Inc.

Note 4: Circumstances for the financing provided to others:

(1) Business transaction is "1".

(2) Short-term financing is "2".

Note 5: Where the purpose of the loan is for business transaction (Type "1") the transaction amount represent the accumulated business transactions between the lender and the counter party during the past 12 months.

Note 6: Where the purpose for the loan is short-term financing (Type "2"): Shall specify the reasons for the borrowing and the usage of the funds, such as repayment of loans, acquisition of equipment, working capital, etc.



**BORA PHARMACEUTICALS CO., LTD. AND SUBSIDIARIES**  
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Table 3

Endorsement/Guarantee provided to others

No. (Note 1)	Endorser/ Guarantor	Guaranteed party		Limits on endorsement/ guarantee to each guaranteed party (Note3)	Maximum balance for the period	Ending balance	Actual amount drawn down	Amount of endorsement / guarantee secured by collateral	Ratio of accumulated endorsement/ guarantee amount to net equity of the endorser/ guarantor company	Ceiling on total endorsement/ guarantee provided (Note 4)	Guarantee provided by Parent company	Guarantee provided by a subsidiary	Guarantee provided to subsidiaries in Mainland China
		Company name	Relationship (Note 2)										
0	Bora Pharmaceuticals Co., Ltd.	Upsher-Smith Laboratories, LLC	2	\$65,495,355	\$2,324,350	\$2,324,350	\$332,050	\$-	17.74%	\$65,495,355	Y	N	N
0	Bora Pharmaceuticals Co., Ltd.	Bora Pharmaceuticals Injectables Inc.	2	\$65,495,355	\$996,150	\$996,150	\$996,150	\$-	7.60%	\$65,495,355	Y	N	N
0	Bora Pharmaceuticals Co., Ltd.	Bora Pharmaceutical Services Inc.	2	\$65,495,355	\$2,779,200	\$2,779,200	\$2,779,200	\$-	21.22%	\$65,495,355	Y	N	N
1	Bora Pharmaceutical Laboratories Inc.	Bora Pharmaceuticals Ophthalmic Inc.	4	\$29,066,204	\$260,000	\$260,000	\$260,000	\$-	8.95%	\$29,066,204	N	N	N

Note 1: The Company and its subsidiaries are coded as follows:

- (1) Parent Company is "0".
- (2) The subsidiaries are numbered in order from "1".

Note 2: The nature of relationship between endorser/guarantor and guaranteed party is as follows:

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

Note 3: Limit of guarantee/endorsement amount for each receiving party of Bora Pharmaceuticals Co., Ltd. is 5 times of its net worth.

Limit of guarantee/endorsement amount for each receiving party of Bora Pharmaceuticals Laboratories Inc. is 10 times of its net worth.

Note 4: Ceiling on total guarantee/ endorsement amount of Bora Pharmaceuticals Co., Ltd. is 5 times of its net worth.

Ceiling on total guarantee/ endorsement amount of Bora Pharmaceuticals Laboratories Inc. is 10 times of its net worth.

BORA PHARMACEUTICALS CO., LTD. AND SUBSIDIARIES  
(Amounts are expressed in Thousands of New Taiwan Dollars, unless Otherwise Specified)

Table 4

Significant marketable securities held as at the end of the reporting period. (Excluding subsidiaries, associates and joint ventures)

Holding Company	Type and name of securities (Note 1)	Relationship (Note 2)	Financial statement account	As of March 31, 2025				Note (Note 4)
				Shares/Units (thousand)	Carrying amount (Note 3)	Percentage of ownership	Fair value	
Upsher-Smith Laboratories, LLC	Non-listed stock— APPCO Pharma LLC	-	Financial assets measured at fair value through other comprehensive income, non-current	2,791,791.79	\$165,301	6.89%	\$165,301	No pledged or collateral

Note 1 : Securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities specified in IFRS9 “*Financial Instrument*”

Note 2 : No disclosure is required in this section if the issuer of the securities does not constitute a related party.

Note 3 : For items measured at fair value, the carrying amount shall be presented as the amount adjusted for fair value re-measurement. For items not measured at fair value, the carrying amount shall be presented at original acquisition cost or amortized cost, net of accumulated impairment losses.

Note 4 : For listed securities subject to usage restrictions due to being provided as collateral, pledged for borrowings, or otherwise restricted by contractual arrangements, the number of shares and amounts pledged or used as collateral, as well as the nature of the restrictions, shall be disclosed in this column

Note 5 : The table presents securities identified by the Company for disclosure based on the principle of materiality.

BORA PHARMACEUTICALS CO., LTD. AND SUBSIDIARIES  
(Amounts are expressed in Thousands of New Taiwan Dollars, unless Otherwise Specified)

Table 5

Related party transactions for purchases and sales exceeding the lower of NT\$100 million or 20 percent of the capital stock as at the end of the reporting period.

Related party	Counterparty	Relationship	Intercompany transactions				Details of non-arm's length transaction		Notes and accounts receivable (payable)		Note
			Purchases (Sales)	Amount	Percentage of total consolidated purchase (sales)	Terms	Unit price	Terms	Carrying amount	Percentage of total consolidated receivables (payable)	
Bora Pharmaceuticals Co., Ltd.	Bora Pharmaceutical Services Inc.	Subsidiary	Sales	\$103,938	37.72%	60 days from the date of invoice	Unit price and terms were not significantly different from transactions with third parties		Accounts receivable \$99,464	37.94%	-
Bora Pharmaceutical Laboratories Inc.	TWi Pharmaceuticals, Inc.	Subsidiary	Sales	\$252,347	48.58%	60 days from the date of invoice	Unit price and terms were not significantly different from transactions with third parties		Accounts receivable \$207,065	54.13%	-
TWi Pharmaceuticals, Inc.	Upsher-Smith Laboratories, LLC	Subsidiary	Sales	\$906,472	97.00%	Net 180 days	Unit price and terms were not significantly different from transactions with third parties		Accounts receivable \$916,281	76.43%	-

BORA PHARMACEUTICALS CO., LTD. AND SUBSIDIARIES  
(Amounts are expressed in Thousands of New Taiwan Dollars, unless Otherwise Specified)

Table 6

Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20 percent of capital stock as at the end of the reporting period.

Company Name	Counter-party	Relationship	Ending balance of receivables from related party	Turnover Rate	Overdue		Amount received in subsequent period	Allowance for doubtful debts	Note
					Amount	Action			
Bora Pharmaceuticals Co., Ltd.	TWi Pharmaceuticals, Inc.	Subsidiary	Other receivables \$493,737	Note 1	Note 1	Note 1	\$-	Note 1	-
Bora Pharmaceutical Laboratories Inc.	TWi Pharmaceuticals, Inc.	Subsidiary	Accounts receivable \$207,065	1.80	\$-	-	\$73,014	\$-	-
TWi Pharmaceuticals, Inc.	TWi Pharmaceuticals USA Inc.	Subsidiary	Accounts receivable \$254,977	-	\$-	-	\$254,877	\$-	-
TWi Pharmaceuticals, Inc.	Upsher-Smith Laboratories, LLC	Subsidiary	Accounts receivable \$916,281	1.98	\$-	-	\$-	\$-	-
TWi Pharmaceuticals USA Inc.	Upsher-Smith Laboratories, LLC.	Subsidiary	Accounts receivable \$1,676,653	0.01	\$576,897	Collected in subsequent reporting period	\$-	\$-	-
Bora Pharmaceuticals USA Inc.	Upsher-Smith Laboratories, LLC.	Subsidiary	Other receivables \$2,297,780	Note 1	Note 1	Note 1	\$-	Note 1	-
Upsher-Smith Laboratories, LLC.	Pyros Pharmaceuticals Inc.	Subsidiary	Other receivables \$320,403	Note 1	Note 1	Note 1	\$-	Note 1	-

Note1: Other receivable of subsidiary, not applicable.

BORA PHARMACEUTICALS CO., LTD. AND SUBSIDIARIES  
(Amounts are expressed in Thousands of New Taiwan Dollars, unless Otherwise Specified)

Table 7  
Information on investees

Investor	Investee company	Location	Main businesses	Initial investment amount		Balance as of March 31, 2025			Net income (loss) of investee	Investment income (loss) recognized	Note
				Ending balance	Beginning balance	Shares	Percentage of ownership	Carrying amount			
Bora Pharmaceuticals Co., Ltd.	Bora Pharmaceutical Laboratories Inc.	Miaoli County, Taiwan	Pharmaceutical contract development and manufacturing	\$1,435,904	\$1,156,810	165,000,000	100%	\$2,812,808	\$202,946	\$202,946	-
Bora Pharmaceuticals Co., Ltd.	Bora Pharmaceuticals USA Inc.	State of Delaware, USA	Pharmaceutical wholesale	USD 384,631	USD 384,631	500,000	100%	\$13,339,663	\$(1,657,768)	\$(1,604,931)	(Note 1)
Bora Pharmaceuticals Co., Ltd.	Bora Pharmaceutical Services Inc.	Province of Ontario, Canada	Pharmaceutical contract development and manufacturing	CAD 10,000	CAD 10,000	100,000,000	50%	\$1,594,095	\$91,334	\$45,667	-
Bora Pharmaceuticals Co., Ltd.	Bora Management Consulting Co., Ltd.	Taipei City, Taiwan	Management and consulting	\$1,000	\$1,000	100,000	100%	\$450	\$(855)	\$(855)	-
Bora Pharmaceuticals Co., Ltd.	Bora Biologics Co., Ltd.	Hsinchu City, Taiwan	Biotechnical services, research and development services and pharmaceutical manufacturing	\$-	\$2,287,793	-	-%	\$-	\$(18,359)	\$(18,017)	-
Bora Pharmaceuticals Co., Ltd.	Bora Pharmaceutical and Consumer Health Inc.	Taipei City, Taiwan	Biotechnical research and management and consulting	\$400	\$400	40,000	100%	\$154	\$(18)	\$(18)	-
Bora Pharmaceuticals Co., Ltd.	TWi Pharmaceuticals, Inc.	Taipei City, Taiwan	Pharmaceutical manufacturing and wholesale	\$5,397,322	\$5,676,416	56,400,000	100%	\$4,933,508	\$477,225	\$453,021	(Note 2)
Bora Pharmaceuticals Co., Ltd.	Sunway Biotech Co., Ltd.	Taipei City, Taiwan	Healthcare product wholesale and retail	\$1,138,633	\$1,138,633	21,615,098	35.79%	\$1,144,501	\$15,352	\$5,495	-

BORA PHARMACEUTICALS CO., LTD. AND SUBSIDIARIES  
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Investor	Investee company	Location	Main businesses	Initial investment amount		Balance as of March 31, 2025			Net income (loss) of investee	Investment income (loss) recognized	Note
				Ending balance	Beginning balance	Shares	Percentage of ownership	Carrying amount			
Bora Pharmaceuticals Co., Ltd.	Tanvex Biopharma, Inc.	Cayman Islands	Research and development of biosimilar products, biological production procedures and contract development and manufacturing of biological medicine	\$4,980,484	\$-	72,707,800	30.47%	\$4,874,754	\$(465,744)	\$(118,468)	-
Bora Pharmaceutical Laboratories Inc.	Bora Pharmaceutical Services Inc.	Province of Ontario, Canada	Pharmaceutical contract development and manufacturing	CAD 10,000	CAD 10,000	100,000,000	50%	\$1,602,662	\$91,334	\$45,667	-
Bora Pharmaceutical Laboratories Inc.	Bora Pharmaceuticals Ophthalmic Inc.	Taipei City, Taiwan	Pharmaceutical contract development and manufacturing	\$269,612	\$260,126	75,000,000	100%	\$60,041	\$(31,862)	\$(31,862)	-
TWi Pharmaceuticals, Inc.	TWi Pharmaceuticals USA, Inc.	State of New Jersey, USA	Pharmaceutical wholesale	USD 7,600	USD 7,600	38	100%	\$1,062,084	\$182,109	\$182,109	-
Sunway Biotech Co., Ltd.	Sunway Group Holding Limited	Republic of Seychelles	Investment holding	USD 637	USD 637	1,000,000	100%	\$1,181	\$(926)	\$(926)	-
Sunway Biotech Co., Ltd.	Chen Run Marketing Co., Ltd.	Taipei City, Taiwan	Healthcare product wholesale	\$2,550	\$2,550	255,000	51%	\$2,704	\$(9)	\$(5)	-
Sunway Biotech Co., Ltd.	Bora Health Inc.	Taipei City, Taiwan	Pharmaceutical wholesale and healthcare product wholesale	\$2,141,932	\$2,141,932	22,618,880	100%	\$328,746	\$21,371	\$21,371	-
Sunway Biotech Co., Ltd.	GTSW BIOTECH SDN. BHD.	Malaysia	Healthcare product wholesale	MYR 200	MYR 200	200,000	40%	\$1,503	\$286	\$113	-
Sunway Group Holding Limited	Sunway Investment(H.K.) Limited	Hong Kong	Investment holding	USD 623	USD 623	3,500,000	100%	\$2,719	\$(927)	\$(927)	-
Bora Health Inc.	Union Chemical & Pharmaceutical Co., Ltd.	Taipei City, Taiwan	Pharmaceutical manufacturing and wholesale	\$31,557	\$31,557	1,500,000	100%	\$30,910	\$(97)	\$(97)	-
Bora Pharmaceuticals USA Inc.	Bora Pharmaceuticals Injectables Inc.	State of Delaware, USA	Pharmaceutical manufacturing and wholesale	USD 70,000	USD 70,000	1,000	100%	\$2,827,266	\$(12,670)	\$(12,670)	-

BORA PHARMACEUTICALS CO., LTD. AND SUBSIDIARIES  
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Investor	Investee company	Location	Main businesses	Initial investment amount		Balance as of March 31, 2025			Net income (loss) of investee	Investment income (loss) recognized	Note
				Ending balance	Beginning balance	Shares	Percentage of ownership	Carrying amount			
Bora Pharmaceuticals USA Inc.	Bora Pharmaceutical Holdings, Inc.	State of Delaware, USA	Investment holding	USD 246,251	USD 246,251	1,000	100%	\$8,073,094	\$(1,644,835)	\$(1,644,835)	-
Bora Pharmaceutical Holdings, Inc.	Pyros Pharmaceuticals Inc.	State of Delaware, USA	Pharmaceutical wholesale	USD 47,548	USD 47,548	1,000	100%	\$1,468,241	\$63,602	\$49,777	(Note 2)
Bora Pharmaceutical Holdings, Inc.	Upsher-Smith Holdings Inc.	State of Minnesota, USA	Investment holding	USD 171,809	USD 171,809	230	100%	\$5,647,585	\$(1,420,629)	\$(1,330,978)	(Note 2)
Bora Pharmaceutical Holdings, Inc.	Upsher-Smith America LLC	State of Minnesota, USA	Investment holding	USD 42,953	USD 42,953	1	20%	\$1,412,928	\$(1,773,133)	\$(332,214)	(Note 2)
Upsher-Smith Holdings Inc.	Upsher-Smith America LLC	State of Minnesota, USA	Investment holding	USD 791,481	USD 791,481	4	80%	\$6,423,629	\$(1,773,133)	\$(1,418,506)	-
Upsher-Smith America LLC	Upsher-Smith Laboratories, LLC	State of Minnesota, USA	Pharmaceutical manufacturing and wholesale	USD 992,546	USD 992,546	5,976,700 Class A units; 116,235,280 Class B units	100%	\$7,195,104	\$(1,766,247)	\$(1,766,247)	-

Note 1: Adjustment and elimination of side stream transactions.

Note 2: The investment income recognized included the depreciation and amortization expenses resulting from the difference between the identifiable assets at fair value and carrying amount of interests in subsidiary as at the acquisition date.

BORA PHARMACEUTICALS CO., LTD. AND SUBSIDIARIES  
(Amounts are expressed in Thousands of New Taiwan Dollars, unless Otherwise Specified)

Table 8

Investment in Mainland China at the end of the reporting period.

Investee company	Main businesses and products	Total amount of paid-in capital (in thousands)	Method of investment (Note 1)	Accumulated outflow of investment from Taiwan as of January 1, 2025 (in thousands)	Investment flows		Accumulated outflow of investment from Taiwan as of March 31, 2025 (in thousands)	Net income (loss) of investee company	% Ownership of direct or indirect investment	Investment income (loss) recognized (Note 2)	Carrying amount as of March 31, 2025	Accumulated inward remittance of earnings as of March 31, 2025
					Outflow	Inflow						
Sunway (Dongguan) Biotech Co., Ltd.	Healthcare product wholesale and retail	CNY 4,000	(ii)	CNY 4,000	\$-	\$-	CNY 4,000	\$(1,346)	100%	\$(1,346)	\$2,990	\$7,725

Accumulated outward remittance for investments in Mainland China as of March 31, 2025 (in thousands)	Investment amounts authorized by Investment Commission, MOEA	Upper limit on the amount of investments stipulated by the Investment Commission, MOEA (Note 3)
CNY 4,000	\$19,547	\$1,918,698

Note 1 : The methods for engaging in investment in Mainland China include the following:

- (i) Direct investment in Mainland China
- (ii) Indirectly investment in Mainland China through companies registered in a third region (Please specify the name of the company in third region)
- (iii) Other methods.

Note 2 : The basis of investment income (loss) recognition is from the financial statements audited by the R.O.C. parent company's CPA.

Note 3 : The investment in SunWay Biotech Co., LTD. has been approved by the Investment Commission, MOEA with the limit of amount of 60% of its net worth.