

BORA PHARMACEUTICALS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
WITH
REPORT OF INDEPENDENT AUDITORS
FOR THE SIX MONTHS ENDED
JUNE 30, 2026 AND 2025

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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.



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Independent Auditors' Review Report

To 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 June 30, 2026 and 2025, and the related consolidated statements of comprehensive income for the three months ended June 30, 2026 and 2025 and for the six months ended June 30, 2026 and 2025, the consolidated statements of changes in equity and cash flows for the six months ended June 30, 2026 and 2025, 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 Engagements 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 conducted in accordance with the Standards on Auditing of the Republic of China 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 audit 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 June 30, 2026 and 2025, its consolidated financial performance for the three months ended June 30, 2026 and 2025, and its consolidated financial performance and its consolidated cash flows for the six months ended June 30, 2026 and 2025 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standards 34 “Interim Financial Reporting” as endorsed and became effective by the Financial Supervisory Commission of the Republic of China.



Other Matter—Making Reference to the Audit of Other Independent Auditors

We did not audit the financial statements of certain associates and joint ventures accounted for under the equity method. Accordingly, our conclusion on the accompanying consolidated financial statements, insofar as it relates to the amounts included in respect of these investees, is based solely on the reports of other independent auditors. As of June 30, 2026 and 2025, the carrying amounts of these investments accounted for using the equity method were NT\$4,603,228 thousand and NT\$4,668,555 thousand, representing 9% and 11% of the consolidated total assets, respectively. For the three months and the six months ended June 30, 2026 and 2025, the Group's shares of income (loss) of associates and joint ventures accounted for using the equity method were NT\$(126,566) thousand, NT\$(103,731) thousand, NT\$(255,652) thousand and NT\$(222,199) thousand, respectively, representing (16)%, (22)%, (25)% and (10)% of the consolidated net income before income tax, respectively. For the same periods, the Group's shares of other comprehensive income (loss) of these associates and joint ventures were NT\$(4,856) thousand, NT\$(103,147) thousand, NT\$11,622 thousand and NT\$(90,739) thousand, respectively, representing 3%, 6%, 21% and 6% of the consolidated total other comprehensive income, respectively.

Hu, Tzu Ren

Yao, Shih Chieh

Ernst & Young, Taiwan

August 13, 2026

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.

BORA PHARMACEUTICALS CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

JUNE 30, 2026, DECEMBER 31, 2025 AND JUNE 30, 2025

Unit: Thousands of New Taiwan Dollars

ASSETS	Notes	June 30, 2026		December 31, 2025		June 30, 2025	
		Amount	%	Amount	%	Amount	%
Current assets							
Cash and cash equivalents	IV&VI.1	\$8,431,018	16	\$5,076,889	11	\$4,309,662	10
Financial assets measured at fair value through profit or loss, current	IV&VI.2	19,015	-	21,553	-	30,597	-
Financial assets measured at amortized cost, current	IV&VI.4&VIII	39,795	-	38,368	-	35,827	-
Contract assets, current	IV&VI.22	667,661	2	465,835	1	446,482	1
Notes receivable, net	IV&VI.5.23	7,696	-	4,168	-	8,228	-
Accounts receivable, net	IV&VI.6.23&VII	9,448,664	18	8,789,569	20	7,644,976	18
Other receivables	IV&VII	411,036	1	344,911	1	355,909	1
Inventories, net	IV&VI.7	4,184,197	8	3,410,446	8	3,225,010	8
Prepayments		796,499	2	675,459	2	554,218	2
Disposal groups classified as held for sale, net	IV&VI.8	214,624	-	287,682	-	1,008,598	2
Other current assets		175,494	-	222,725	-	158,396	-
Total current assets		24,395,699	47	19,337,605	43	17,777,903	42
Non-current assets							
Financial assets measured at fair value through profit or loss, non-current	IV&VI.2	120,461	-	107,655	-	93,015	-
Financial assets measured at fair value through other comprehensive income, non-current	IV&VI.3	330,634	-	220,050	-	198,494	-
Financial assets measured at amortized cost, non-current	IV&VI.4.&VIII	12,200	-	13,200	-	13,200	-
Investments accounted for using equity method	IV&VI.9&VIII	5,243,053	10	5,695,431	13	4,669,939	11
Property, plant and equipment	IV&VI.10&VIII	10,771,669	21	10,433,212	23	9,928,326	24
Right-of-use assets	IV&VI.24	845,339	2	749,932	2	794,441	2
Intangible assets	IV&VI.11	5,288,512	10	3,580,383	8	3,588,122	9
Goodwill	IV&VI.12	3,149,732	6	2,664,083	6	2,624,598	6
Deferred tax assets	IV&VI.28	1,101,749	2	1,170,482	3	1,641,406	4
Other non-current assets	IV&VIII	818,083	2	742,154	2	633,967	2
Total non-current assets		27,681,432	53	25,376,582	57	24,185,508	58
Total assets		\$52,077,131	100	\$44,714,187	100	\$41,963,411	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
JUNE 30, 2026, DECEMBER 31, 2025 AND JUNE 30, 2025

Unit: Thousands of New Taiwan Dollars

	Notes	June 30, 2026		December 31, 2025		June 30, 2025	
		Amount	%	Amount	%	Amount	%
Current liabilities							
Short-term loans	IV&VI.13	\$5,328,025	10	\$3,950,000	9	\$1,933,560	5
Financial liabilities measured at fair value through profit or loss, current	IV&VI.14	94,989	-	68,291	-	450,425	1
Contract liabilities, current	IV&VI.22	315,274	1	262,522	-	238,584	1
Notes payable		2,016	-	1,720	-	2,605	-
Accounts payable	VII	972,637	2	923,380	2	852,643	2
Other payables	VII	3,569,446	7	2,519,989	6	2,323,150	6
Dividends payable		1,309,887	3	-	-	1,500,491	4
Current tax liabilities	IV&VI.28	342,354	1	321,053	1	363,616	1
Provisions, current	IV&VI.18	123,518	-	111,459	-	160,342	-
Liabilities related to disposal groups classified as held for sale	IV&VI.8	5,510	-	5,289	-	87,846	-
Lease liabilities, current	IV&VI.24	135,802	-	80,617	-	90,088	-
Current portion of long-term loans	VI.16	2,284,823	4	1,690,868	4	1,622,141	4
Refund liabilities	IV&VI.22	4,298,867	8	3,365,835	8	2,595,195	6
Other current liabilities	VI.19	34,135	-	19,903	-	52,177	-
Total current liabilities		18,817,283	36	13,320,926	30	12,272,863	30
Non-current liabilities							
Financial liabilities measured at fair value through profit or loss, non-current	IV&VI.14	467,541	1	162,310	-	227,708	1
Contract liabilities, non-current	IV&VI.22	20,278	-	88,873	-	26,071	-
Bonds payable	IV&VI.15	9,364,891	18	6,567,968	15	7,751,500	18
Long-term loans	VI.16	3,949,555	8	5,228,315	12	5,618,127	13
Provisions, non-current	IV&VI.18	91,436	-	99,392	-	96,788	-
Deferred tax liabilities	IV&VI.28	1,044,369	2	988,549	2	1,132,405	3
Lease liabilities, non-current	IV&VI.24	752,375	1	708,898	2	739,653	2
Other non-current liabilities	VI.19	33,905	-	76,767	-	30,137	-
Total non-current liabilities		15,724,350	30	13,921,072	31	15,622,389	37
Total liabilities		34,541,633	66	27,241,998	61	27,895,252	67
Equity attributable to shareholders of the parent	VI.20						
Capital							
Common stock		1,277,414	2	1,273,636	3	1,037,174	2
Advance receipts for ordinary share		2,752	-	2,194	-	478	-
Stock dividends to be distributed		-	-	-	-	206,828	1
Share capital awaiting retirement		(21)	-	-	-	-	-
Capital surplus		6,445,451	12	6,055,815	13	4,579,315	11
Retained earnings							
Legal reserve		1,317,757	3	1,019,626	2	1,019,626	2
Special reserve		161,946	-	-	-	-	-
Unappropriated earnings		6,172,689	12	7,326,361	16	6,360,992	15
Subtotal		7,652,392	15	8,345,987	18	7,380,618	17
Other equity		(86,222)	-	(161,946)	-	(1,143,326)	(3)
Treasury stock		(166,912)	-	(134,287)	-	(64,646)	-
Equity attributable to shareholders of the parent		15,124,854	29	15,381,399	34	11,996,441	28
Non-controlling interests	VI.20	2,410,644	5	2,090,790	5	2,071,718	5
Total equity		17,535,498	34	17,472,189	39	14,068,159	33
Total liabilities and equity		\$52,077,131	100	\$44,714,187	100	\$41,963,411	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
SIX MONTHS ENDED JUNE 30, 2026 AND 2025

Unit: Thousands of New Taiwan Dollars

Items	Notes	For the three months ended June 30, 2026		For the three months ended June 30, 2025		For the six months ended June 30, 2026		For the six months ended June 30, 2025	
Operating revenue	IV&VI.22&VII	\$5,889,454	100	\$4,867,785	100	\$9,890,685	100	\$9,347,370	100
Operating costs	VI.7.10.11.17.24.25&VII	(3,459,229)	(59)	(2,848,402)	(59)	(6,017,832)	(61)	(5,438,490)	(58)
Gross profit		2,430,225	41	2,019,383	41	3,872,853	39	3,908,880	42
Operating expenses	VI.10.11.17.21.23.24.25&VII								
Sales and marketing expenses		(622,762)	(11)	(296,717)	(6)	(1,013,315)	(10)	(671,156)	(7)
General and administrative expenses		(630,078)	(11)	(573,941)	(12)	(1,105,615)	(11)	(1,219,714)	(13)
Research and development expenses		(190,744)	(3)	(155,967)	(3)	(358,676)	(4)	(343,869)	(4)
Total operating expenses		(1,443,584)	(25)	(1,026,625)	(21)	(2,477,606)	(25)	(2,234,739)	(24)
Operating income		986,641	16	992,758	20	1,395,247	14	1,674,141	18
Non-operating income and expenses	VI.26								
Other income		32,385	1	42,917	1	59,501	1	58,931	1
Other gains and (losses)		35,952	1	(259,826)	(5)	63,340	1	2,299,325	25
Finance costs		(124,329)	(2)	(116,718)	(3)	(238,059)	(3)	(237,499)	(3)
Share of loss of associates and joint ventures accounted for using equity method		(117,546)	(2)	(103,736)	(2)	(245,774)	(3)	(222,103)	(3)
Total non-operating income and (expenses)		(173,538)	(2)	(437,363)	(9)	(360,992)	(4)	1,898,654	20
Net income before income tax		813,103	14	555,395	11	1,034,255	10	3,572,795	38
Income tax expense	IV&VI.28	(205,587)	(4)	(107,523)	(2)	(379,841)	(4)	(374,215)	(4)
Net income from continuing operations		607,516	10	447,872	9	654,414	6	3,198,580	34
Total profit (loss) from discontinued operations	IV&VI.8	(10,525)	-	187,257	4	(24,974)	-	(1,154,666)	(12)
Net income		596,991	10	635,129	13	629,440	6	2,043,914	22
Other comprehensive income	IV&VI.27.28								
Items that will not be reclassified subsequently to profit or loss									
Unrealized loss on investments in equity instruments measured at fair value through other comprehensive income		(11,253)	-	(11,902)	-	(11,659)	-	(5,612)	-
Income tax related to items that will not be reclassified subsequently to profit or loss		2,321	-	2,134	-	2,402	-	876	-
Items that may be reclassified subsequently to profit or loss									
Exchange differences arising on translation of foreign operations		(188,797)	(3)	(2,017,847)	(42)	76,753	1	(1,784,293)	(19)
Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method		(4,835)	-	(103,261)	(2)	11,626	-	(90,821)	(1)
Income tax related to items that may be reclassified subsequently to profit or loss		32,533	-	424,138	9	(23,869)	-	374,958	4
Total other comprehensive income (loss), net of tax		(170,031)	(3)	(1,706,738)	(35)	55,253	1	(1,504,892)	(16)
Total comprehensive income		\$426,960	7	(\$1,071,609)	(22)	\$684,693	7	\$539,022	6
Net income attributable to:									
Stockholders of the parent		\$555,763		\$616,669		\$581,601		\$2,015,942	
Non-controlling interests		\$41,228		\$18,460		\$47,839		\$27,972	
Comprehensive income attributable to:									
Stockholders of the parent		\$403,972		(\$1,089,010)		\$655,092		\$512,050	
Non-controlling interests		\$22,988		\$17,401		\$29,601		\$26,972	
Earnings per share (NTD)	IV&VI.29								
Profit from continuing operations		\$4.44		\$3.46		\$4.76		\$25.56	
Net income (loss) from discontinued operations		(0.08)		1.51		(0.20)		(9.31)	
Earnings per share-basic		\$4.36		\$4.97		\$4.56		\$16.25	
Profit from continuing operations		\$4.32		\$3.41		\$4.62		\$24.02	
Net income (loss) from discontinued operations		(0.08)		1.47		(0.19)		(8.51)	
Earnings per share-diluted		\$4.24		\$4.88		\$4.43		\$15.51	

(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 CHANGES IN EQUITY

SIX MONTHS ENDED JUNE 30, 2026 AND 2025

Unit: Thousands of New Taiwan Dollars

	Equity Attributable to Shareholders of the Parent														Non-controlling interests	Equity total
	Capital				Capital surplus	Retained earnings			Other equity				Treasury stock	Equity Attributable to Shareholders of the Parent total		
	Common stock	Advance receipts for capital stock	Stock dividends pending distribution	Share capital awaiting retirement		Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translation of foreign operations	Unrealized gain (loss) on financial assets at fair value through other comprehensive income	Remeasurements of defined benefit plan	Unearned employee compensation				
Balance as of January 1, 2025	\$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 earnings																
Legal reserve	-	-	-	-	-	361,111	-	(361,111)	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	-	-	(1,448,922)	-	-	-	-	-	(1,448,922)	-	(1,448,922)
Stock dividends	-	-	206,828	-	-	-	-	(206,828)	-	-	-	-	-	-	-	-
Changes in equity of associates and joint ventures accounted for using equity method	-	-	-	-	1,009	-	-	-	-	-	-	-	-	1,009	-	1,009
Net income for the six months ended June 30, 2025	-	-	-	-	-	-	-	2,015,942	-	-	-	-	-	2,015,942	27,972	2,043,914
Other comprehensive income for the six months ended June 30, 2025	-	-	-	-	-	-	-	-	(1,499,947)	(3,945)	-	-	-	(1,503,892)	(1,000)	(1,504,892)
Total comprehensive income	-	-	-	-	-	-	-	2,015,942	(1,499,947)	(3,945)	-	-	-	512,050	26,972	539,022
Conversion of convertible bonds	2,277	(217)	-	-	121,458	-	-	-	-	-	-	-	-	123,518	-	123,518
Treasury stock purchases	-	-	-	-	-	-	-	-	-	-	-	-	(23,677)	(23,677)	-	(23,677)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	-	-	(8,567)	-	-	-	-	-	-	-	-	(8,567)	-	(8,567)
Adjustment to share of changes in equities of subsidiaries	-	-	-	-	98	-	-	-	-	-	-	-	-	98	-	98
Share-based payment transactions	4,045	(1,572)	-	-	49,945	-	-	-	-	-	-	-	-	52,418	4	52,422
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(99,421)	(99,421)
Others	-	-	-	-	7,136	-	-	-	-	-	-	-	2,212	9,348	-	9,348
Balance as of June 30, 2025	\$1,037,174	\$478	\$206,828	\$-	\$4,579,315	\$1,019,626	\$-	\$6,360,992	\$(1,159,351)	\$13,848	\$2,177	\$-	\$(64,646)	\$11,996,441	\$2,071,718	\$14,068,159
Balance as of January 1, 2026	\$1,273,636	\$2,194	\$-	\$-	\$6,055,815	\$1,019,626	\$-	\$7,326,361	\$(184,004)	\$23,705	\$4,292	\$(5,939)	\$(134,287)	\$15,381,399	\$2,090,790	\$17,472,189
Appropriation and distribution of 2025 retained earnings																
Legal reserve	-	-	-	-	-	298,131	-	(298,131)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	-	-	161,946	(161,946)	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	-	-	(1,275,196)	-	-	-	-	-	(1,275,196)	-	(1,275,196)
Due to recognition of equity component of convertible bonds - Share options	-	-	-	-	301,123	-	-	-	-	-	-	-	-	301,123	-	301,123
Changes in equity of associates and joint ventures accounted for using equity method	-	-	-	-	586	-	-	-	-	-	-	-	-	586	-	586
Other changes in capital surplus	-	-	-	-	127	-	-	-	-	-	-	-	-	127	-	127
Net income for the six months ended June 30, 2026	-	-	-	-	-	-	-	581,601	-	-	-	-	-	581,601	47,839	629,440
Other comprehensive income for the six months ended June 30, 2026	-	-	-	-	-	-	-	-	82,949	(9,458)	-	-	-	73,491	(18,238)	55,253
Total comprehensive income	-	-	-	-	-	-	-	581,601	82,949	(9,458)	-	-	-	655,092	29,601	684,693
Treasury stock purchases	-	-	-	-	-	-	-	-	-	-	-	-	(36,943)	(36,943)	-	(36,943)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	-	-	(849)	-	-	-	-	-	-	-	-	(849)	-	(849)
Adjustment to share of changes in equities of subsidiaries	-	-	-	-	1,079	-	-	-	-	-	-	-	-	1,079	-	1,079
Share-based payment transactions	3,778	558	-	(21)	81,183	-	-	-	-	-	-	2,233	-	87,731	2,874	90,605
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	287,379	287,379
Others	-	-	-	-	6,387	-	-	-	-	-	-	-	4,318	10,705	-	10,705
Balance as of June 30, 2026	\$1,277,414	\$2,752	\$-	\$(21)	\$6,445,451	\$1,317,757	\$161,946	\$6,172,689	\$(101,055)	\$14,247	\$4,292	\$(3,706)	\$(166,912)	\$15,124,854	\$2,410,644	\$17,535,498

(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
SIX MONTHS ENDED JUNE 30, 2026 AND 2025

Unit: Thousands of New Taiwan Dollars

Items	For the six months ended June 30, 2026	For the six months ended June 30, 2025	Items	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Cash flows from operating activities:			Cash flows from investing activities:		
Net income from continuing operations before tax	\$1,034,255	\$3,572,795	Acquisition of financial assets measured at fair value through other comprehensive income	(26,072)	-
Net loss from discontinued operations before tax	(24,974)	(1,433,655)	Acquisition of financial assets measured at amortized cost	(2,054)	(678)
Net income before tax	1,009,281	2,139,140	Proceeds from disposal of financial assets measured at amortized cost	1,000	25,000
Adjustments for:			Acquisition of financial assets measured at fair value through profit or loss	(222)	-
Income and expense adjustments:			Proceeds from disposal of financial assets measured at fair value through profit or loss	14,801	-
Depreciation	353,037	365,928	Net cash flow from acquisition of subsidiaries	(1,352,905)	(483,086)
Amortization	242,279	191,540	Proceeds from disposal of non-current assets classified as held for sale	488	-
Net loss on financial assets and liabilities measured at fair value through profit or loss	36,323	29,658	Acquisition of property, plant and equipment	(552,266)	(292,463)
Interest expense	238,059	237,499	Proceeds from disposal of property, plant and equipment	63	216
Interest income	(17,404)	(16,190)	Increase in refundable deposits	(10,276)	(67)
Share-based payment expenses	39,639	44,274	Acquisition of intangible assets	(13,108)	(40,574)
Share of loss of associates and joint ventures accounted for using equity method	245,774	222,103	Proceeds from disposal of intangible assets	-	35,044
Loss on disposal of property, plant and equipment	65	118	Increase in other non-current assets	(171,424)	(5,973)
Property, plant and equipment transferred to expenses	-	169	Increase in prepayment for equipments	-	(78,569)
Gain on disposal of intangible assets	-	(34,826)	Decrease in prepayment for equipments	107,958	-
Loss on disposal of investments accounted for using equity method	(24,160)	(2,590,654)	Dividends received	57,696	-
Impairment loss on non-financial assets	-	155,892	Other investing activities - loss control of subsidiaries	-	(1,004,262)
Others	(30,786)	7,308	Net cash (used in) investing activities	(1,946,321)	(1,845,412)
Total income and expense adjustments:	1,082,826	(1,387,181)			
Changes in operating assets and liabilities:			Cash flows from financing activities:		
Contract assets	(201,826)	(219,788)	Increase in short-term loans	1,362,314	-
Notes receivable, net	(3,528)	11,656	Decrease in short-term loans	-	(655,026)
Accounts receivable, net	(235,823)	2,532,944	Proceeds from issuing bonds	3,094,047	-
Other receivables	51,028	(103,669)	Proceeds from long-term loans	1,570,000	-
Inventories, net	(202,551)	1,677,526	Repayment of long-term loans	(2,263,768)	(521,051)
Prepayments	(38,315)	119,934	Repayment of the principal of lease liabilities	(50,864)	(53,122)
Other current assets	47,231	(47,491)	Decrease in other non-current liabilities	(1,328)	(3,006)
Other operating assets	135	-	Exercise of employee share options	50,966	47,520
Contract liabilities	(16,360)	44,863	Treasury stock purchases	(36,943)	(23,677)
Notes payable	296	(3,256)	Treasury stock sold to employees	10,705	9,348
Accounts payable	(226,615)	69,556	Interest paid	(123,201)	(129,861)
Other payables	(461,153)	(375,065)	Net change of non-controlling interests	322,300	(1,542)
Provisions	(3,869)	(96,070)	Other financing activities - purchase of employee share options	127	(39,372)
Refund liabilities	902,306	(1,313,140)	Net cash provided by (used in) financing activities	3,934,355	(1,369,789)
Other current liabilities	1,303	(12,283)			
Other operating liabilities	3,016	(110,736)	Effect of exchange rate changes on cash and cash equivalents	41,258	(1,009,305)
Cash generated from operations	1,707,382	2,926,940			
Interest received	17,404	16,190	Net increase (decrease) in cash and cash equivalents	3,354,129	(1,519,535)
Income tax paid	(399,949)	(238,159)	Cash and cash equivalents at beginning of period	5,076,889	5,829,197
Net cash provided by operating activities	1,324,837	2,704,971	Cash and cash equivalents at end of period	\$8,431,018	\$4,309,662

(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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2026 AND 2025

(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.’, The Company’s registered office and principal place of business is located at 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. Starting January 7, 2026, a portion of the Company’s issued shares have been traded on the U.S. over-the-counter market (OTCQX) in the form of American Depositary Receipts (ADRs).

II. The Authorization of Consolidated Financial Statements

The consolidated financial statements of the Company and its subsidiaries (collectively, the “Group”) for the six months ended June 30, 2026 and 2025 were authorized for issue by the Board of Directors on August 13, 2026.

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, 2026. The adoption of these new standards and amendments had no material impact on the Group.

2. Standards or interpretations issued, revised or amended, by IASB which have 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 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027 (Note)
b	Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)	January 1, 2027
c	Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21 and IAS 29)	January 1, 2027
d	Amendments to the Fair Value Option for Investments in Associates and Joint Ventures (Amendments to IAS 28)	January 1, 2027 (Note)

Note: On September 25, 2025, the FSC announced in a press release that Taiwan will adopt IFRS 18 in 2028. In addition, entities in Taiwan with a need for early adoption may elect to early adopt IFRS 18.

(a) 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.

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

This new standard and its amendment permit 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.

(c) Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21 and IAS 29)

The amendments include:

- (1) Clarify that when the entity's functional currency is that of a non-hyperinflationary economy but its presentation currency is the currency of a hyperinflationary economy, the entity shall translate its results and financial position using the closing rate at the date of the most recent statement of financial position.
- (2) In the above circumstances, when the presentation currency ceases to be hyperinflationary economy, the entity shall not retranslate amounts that arose before the beginning of the reporting period.
- (3) When the entity's functional currency and presentation currency are the currency of a hyperinflationary economy, the entity shall apply the relevant accounting treatment in accordance with paragraph 34 of IAS 29.

(d) Amendments to the Fair Value Option for Investments in Associates and Joint Ventures (Amendments to IAS 28)

The amendments are:

- (1) Clarify that the entity that has a main business activity of investing in particular types of assets (as set out in paragraph 49(a) of IFRS 18) is eligible to elect the fair value option in IAS 28; and
- (2) Require the entity to apply the amendments to IAS 28 at the same time, and on the same basis, as it applies IFRS 18

The abovementioned standards, amendments and interpretations have been issued by the IASB, endorsed by the FSC, and are effective for annual reporting periods beginning on or after January 1, 2027. Except for the standards, amendments and interpretations described in (a), which are expected to affect the presentation and disclosures of the Group's financial statements, the Group has assessed that the remaining new or amended standards and interpretations have no material impact on the Group.

3. Standards or interpretations issued, revised or amended, by 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 "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	To be determined by IASB
b	IFRS 20 "Regulatory Assets and Regulatory Liabilities"	January 1, 2029

- (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 20 “Regulatory Assets and Regulatory Liabilities”

This Standard sets out the requirements for the recognition, measurement, presentation and disclosure of regulatory assets, regulatory liabilities, regulatory income and regulatory expense, and will replace IFRS 14 Regulatory Deferral Accounts.

The abovementioned standards and interpretations issued by the 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 under (a) and (b), 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.

IV. Summary of Material Accounting Policies

1. Statement of compliance

The consolidated financial statements of the Group for the six months ended June 30, 2026 and 2025 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. power over the investee (the existing rights that give it the current ability to direct the relevant 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, or retained earnings according to IFRS.

The consolidated entities are as follows:

Investor	Subsidiary	Major business	Percentage of Ownership			Note
			June 30, 2026	December 31, 2025	June 30, 2025	
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 sales and investment holding	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.	Salus Therapeutics Inc.	Biotechnical research and management and consulting	-	-	100	Note 1
Bora Pharmaceuticals Co., Ltd.	TWi Pharmaceuticals, Inc.	Pharmaceutical sales and development	100	100	100	
Bora Pharmaceuticals Co., Ltd.	SunWay Biotech Co., Ltd.	Healthcare product research and manufacturing and sales	28.15	35.97	35.81	Note 2 Note 3 Note 4
Bora Pharmaceuticals Co., Ltd.	Bora Global Ltd.	Investment holding	100	100	-	Note 5
Bora Pharmaceutical Laboratories Inc.	Bora Pharmaceutical Services Inc.	Pharmaceutical contract development and manufacturing	50	50	50	

Investor	Subsidiary	Major business	Percentage of Ownership			Note
			June 30, 2026	December 31, 2025	June 30, 2025	
Bora	Bora	Pharmaceutical				
Pharmaceutical	Pharmaceuticals	contract	100	100	100	
Laboratories	Ophthalmic Inc.	development and				
Inc.		manufacturing				
TWi	Twi	Pharmaceutical				
Pharmaceuticals	Pharmaceuticals	wholesale	100	100	100	
, Inc.	USA, Inc.					
Bora Management	SunWay Biotech	Healthcare product				
Consulting Co.,	Co., Ltd.	research and	14.12	-	-	Note
Ltd.		manufacturing and				4
		sales				
SunWay Biotech	SunWay Group	Investment holding	100	100	100	
Co., Ltd.	Holding Limited					
SunWay Biotech	Chen Run	Healthcare product				
Co., Ltd.	Marketing Co.,	wholesale	51	51	51	
	Ltd.					
SunWay Biotech	Bora Health Inc.	Pharmaceutical and				
Co., Ltd.		healthcare product	100	100	100	
		wholesale				
SunWay Biotech	SunWay Health,	Investment holding	100	-	-	Note
Co., Ltd.	Inc.					6
SunWay Group	SunWay	Investment holding				
Holding	Investment		100	100	100	
Limited	(H.K.) Limited					
Bora Health Inc.	Union Chemical &	Pharmaceutical				
	Pharmaceutical	manufacturing and	100	100	100	
	Co., Ltd.	wholesale				
SunWay Health,	Weider Global	Healthcare product				
Inc.	Nutrition, LLC	wholesale and	100	-	-	Note
		retail				6
SunWay	SunWay	Healthcare product				
Investment	(Dongguan)	wholesale and	100	100	100	
(H.K.) Limited	Biotech Co.,	retail				
	Ltd.					
Weider Global	Weider Germany	Healthcare product				
Nutrition, LLC	GmbH	wholesale and	100	-	-	Note
		retail				6

Investor	Subsidiary	Major business	Percentage of Ownership			Note
			June 30, 2026	December 31, 2025	June 30, 2025	
Weider Global Nutrition, LLC	Weider Nutrition Korea, Ltd.	Healthcare product wholesale and retail	100	-	-	Note 6
Weider Global Nutrition, LLC	Weider Global Nutrition II, LLC	Management and consulting	100	-	-	Note 6
Weider Global Nutrition, LLC	Weider Nutrition S.L.	Healthcare product wholesale and retail	100	-	-	Note 6
Bora Pharmaceuticals USA Inc.	Bora Pharmaceutical Holdings, LLC	Investment holding	100	100	100	
Bora Pharmaceuticals USA Inc.	Bora Pharmaceuticals Injectables Inc.	Pharmaceutical contract development and manufacturing	100	100	100	
Bora Pharmaceuticals USA Inc.	Bora Pharmaceuticals Inc.	Pharmaceutical contract development and manufacturing	100	100	100	
Bora Pharmaceuticals USA Inc.	Bora Biologics Holdings, LLC	Investment holding	100	-	-	Note 7
Bora Pharmaceutical Holdings, LLC	Pyros Pharmaceuticals Inc.	Pharmaceutical wholesale	100	100	100	
Bora Pharmaceutical Holdings, LLC	Upsher-Smith Holdings LLC	Investment holding	-	-	100	Note 8
Bora Pharmaceutical Holdings, LLC	Upsher-Smith America LLC	Investment holding	-	-	20	Note 8
Bora Pharmaceutical Holdings, LLC	Upsher-Smith Laboratories, LLC	Pharmaceutical manufacturing and wholesale	100	100	-	Note 8

Investor	Subsidiary	Major business	Percentage of Ownership			Note
			June 30, 2026	December 31, 2025	June 30, 2025	
Bora	Bora	Biosimilars contract				
Biologics Holdings, LLC	Biologics USA, LLC	development and manufacturing	100	-	-	Note 7
Upsher-Smith Holdings LLC	Upsher-Smith America LLC	Investment holding	-	-	80	Note 8
Upsher-Smith America LLC	Upsher-Smith Laboratories, LLC	Pharmaceutical manufacturing and wholesale	-	-	100	Note 8

Note 1: In August 2025, Salus Therapeutics Inc. issued 41,875 thousand new shares but the Group did not participate in the cash capital injection according to its shareholding ratio, resulted in a decrease in shareholding percentage. The Group therefore lost control over Salus Therapeutics Inc. Upon losing control, the Group ceased to consolidate Salus Therapeutics Inc. in the financial reports from the date control was lost.

Note 2: The Group holds less than 50% of the voting rights of SunWay Biotech Co., Ltd. but still has control over it because the Group is the single largest shareholder of SunWay Biotech Co., Ltd. since the initial investment date while the other shareholders are relatively dispersed. As the Group has the ability to dominate major relevant activities of SunWay Biotech Co., Ltd., SunWay Biotech Co., Ltd. is therefore accounted for as a subsidiary.

Note 3: Between June and September 2025, SunWay Biotech Co., Ltd. repurchased 301 thousand treasury shares, resulted in an increase of the Group's ownership from 35.81% to 35.97%.

Note 4: In May 2026, SunWay Biotech Co., Ltd. completed a private placement of common shares. The Company did not subscribe to the new shares in proportion to its ownership interest. Instead, the shares were subscribed by Bora Management Consulting Co., Ltd., a wholly owned subsidiary directly held by the Company. As a result, the Company's ownership interest decreased to 28.15%, while Bora Management Consulting Co., Ltd.'s ownership interest increased to 14.12%.

Note 5: The Group established Bora Global Ltd. in the British Virgin Islands in August 2025, and the capital contribution was remitted in September 2025.

Note 6: Pursuant to a resolution approved by the Board of Directors on May 5, 2026, SunWay Health, Inc. acquired 100% of the equity interest in Weider Global Nutrition, LLC and its subsidiaries, Weider Germany GmbH, Weider Nutrition Korea, Ltd., Weider Global Nutrition II, LLC, and Weider Nutrition S.L. Control was obtained on May 5, 2026, and these entities have been included in the Group's consolidated financial statements since that date.

Note 7: To expand its large-molecule CDMO business, the Group established Bora Biologics Holdings, LLC and Bora Biologics USA, LLC in the United States in June 2026. The capital contributions for the establishment of these entities were remitted in June 2026.

Note 8: To streamline the organizational structure and consolidate the Group resources, the Group merged Bora Pharmaceutical Holdings, LLC with Upsher-Smith Holdings, LLC and Upsher-Smith America LLC in July 2025, with Bora Pharmaceutical Holdings, LLC as the surviving entity.

4. Except for the accounting policies listed below, the same accounting policies have been followed in the consolidated financial statements for the six months ended June 30, 2026 and 2025 as those applied in the preparation of the Group's consolidated financial statements for the year ended December 31, 2025. For the summary of other material accounting policies, please refer to the Group's consolidated financial statements for the year ended December 31, 2025.

(1) 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.

(2) 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 six months ended June 30, 2026 and 2025 as those applied in the preparation of the Group's consolidated financial statements for the year ended December 31, 2025. For significant accounting judgments, estimates and assumptions, please refer to Note V of the Group's consolidated financial statements for the year ended December 31, 2025.

VI. Contents of Significant Accounts

1. Cash and cash equivalents

	June 30, 2026	December 31, 2025	June 30, 2025
Cash on hand	\$1,177	\$1,061	\$1,012
Checking and savings accounts	8,362,991	4,823,238	4,308,650
Time deposits	66,850	252,590	-
Total	<u>\$8,431,018</u>	<u>\$5,076,889</u>	<u>\$4,309,662</u>

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

	June 30, 2026	December 31, 2025	June 30, 2025
Mandatorily measured at fair value through profit or loss			
Stocks	\$17,097	\$20,275	\$20,275
Cash surrender value of life insurance (Note)	120,461	107,655	93,015
Embedded derivative – Right of redemption of convertible bonds	1,918	1,278	10,322
Total	<u>\$139,476</u>	<u>\$129,208</u>	<u>\$123,612</u>
Current	<u>\$19,015</u>	<u>\$21,553</u>	<u>\$30,597</u>
Non-current	<u>\$120,461</u>	<u>\$107,655</u>	<u>\$93,015</u>

Note : The employees are insured and the employer is the beneficiary of the life insurance. If the insurance premium paid is part of the cash surrender value, it is booked as deduction of current insurance expense and becomes an addition of carrying value of the cash surrender value of the life insurance. The carrying value will be deducted when the insurance expires or is terminated.

The Group did not pledge any financial assets measured at fair value through profit or loss.

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

	June 30, 2026	December 31, 2025	June 30, 2025
Equity instrument investments at fair value through other comprehensive income			
Emerging stocks	\$69,775	\$55,710	\$42,270
Unlisted stocks	260,859	164,340	156,224
Total	<u>\$330,634</u>	<u>\$220,050</u>	<u>\$198,494</u>
Non-current	<u>\$330,634</u>	<u>\$220,050</u>	<u>\$198,494</u>

The Group did not pledge any financial assets measured at fair value through other comprehensive income.

4. Financial assets measured at amortized cost

	June 30, 2026	December 31, 2025	June 30, 2025
Time deposits	\$30,240	\$30,510	\$28,502
Restricted deposits	21,755	21,058	20,525
Total	<u>\$51,995</u>	<u>\$51,568</u>	<u>\$49,027</u>
Current	<u>\$39,795</u>	<u>\$38,368</u>	<u>\$35,827</u>
Non-current	<u>\$12,200</u>	<u>\$13,200</u>	<u>\$13,200</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.23 for more details on loss allowance and Note XII for more details on credit risk management.

5. Notes receivable, net

	June 30, 2026	December 31, 2025	June 30, 2025
Notes receivable from operation, gross	\$7,696	\$4,168	\$8,228
Less: loss allowance	-	-	-
Total	<u>\$7,696</u>	<u>\$4,168</u>	<u>\$8,228</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.23 for more details on credit loss and Note XII for details on credit risk management.

6. Accounts receivable, net

	June 30, 2026	December 31, 2025	June 30, 2025
Accounts receivable, gross	\$9,466,583	\$8,789,730	\$7,615,127
Less: loss allowance	(43,707)	(27,302)	(15,131)
Subtotal	<u>9,422,876</u>	<u>8,762,428</u>	<u>7,599,996</u>
Accounts receivable from related party, gross	25,788	27,141	44,980
Less: loss allowance	-	-	-
Subtotal	<u>25,788</u>	<u>27,141</u>	<u>44,980</u>
Total	<u>\$9,448,664</u>	<u>\$8,789,569</u>	<u>\$7,644,976</u>

Accounts receivable were not pledged.

The Group's credit terms are generally from 30 to 180 days. Please refer to Note VI.23 for more details on credit loss and Note XII for more details on credit risk management.

7. Inventories, net

(1) Details on net inventories are as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Raw materials, supplies and spare parts	\$1,997,422	\$1,683,712	\$1,571,687
Work in progress	45,222	44,856	69,152
Semi-finished goods	604,678	445,138	328,166
Finished goods	874,552	1,121,557	1,071,032
Merchandise	662,323	115,183	184,973
Total	<u>\$4,184,197</u>	<u>\$3,410,446</u>	<u>\$3,225,010</u>

(2) For the three months ended June 30, 2026 and 2025, the Group recognized NT\$3,459,229 thousand and NT\$2,848,402 thousand, respectively, in costs of inventories from continuing operations, of which NT\$61,724 thousand and NT\$61,731 thousand, respectively, were related to reversals of write-downs of inventories. For the six months ended June 30, 2026 and 2025, the Group recognized NT\$6,017,832 thousand and NT\$5,438,490 thousand, respectively, in costs of inventories from continuing operations, of which NT\$48,776 thousand was related to a reversal of write-downs of inventories in 2026 and NT\$237,186 thousand was related to a write-down of inventories in 2025.

(3) No inventories were pledged.

8. Disposal groups classified as 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 planned reduction in production at the Plymouth plant. 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 the Plymouth plant was classified as a disposal group held for sale, which was presented as income (loss) from discontinued operations.

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

	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	2026	2025
Operating revenue	\$4,016	\$337,273	\$1,928	\$659,141
Operating costs	(7,561)	(495,196)	(11,728)	(1,806,800)
Gross (loss)	(3,545)	(157,923)	(9,800)	(1,147,659)
Sales and marketing expenses	-	(22,200)	-	(48,652)
General and administrative expenses	(6,980)	(25,093)	(15,174)	(56,344)
Research and development expenses	-	(23,018)	-	(28,995)
Operating (loss)	(10,525)	(228,234)	(24,974)	(1,281,650)
Reversal of impairment recognized in profit or loss	-	131,355	-	(155,893)
Other gain	-	5,147	-	3,888
Net (loss) before income tax	(10,525)	(91,732)	(24,974)	(1,433,655)
Income tax benefit	-	278,989	-	278,989
Profit (loss) from discontinued operations	<u><u>\$(10,525)</u></u>	<u><u>\$187,257</u></u>	<u><u>\$(24,974)</u></u>	<u><u>\$(1,154,666)</u></u>

	Six Months Ended June 30	
	2026	2025
Net cash (used in) operating activities	\$(24,754)	\$(379,073)
Net cash provided by investing activities	488	-
Effect of exchange rate changes on cash and cash equivalents	(3,241)	(16,819)
Net (decrease) in cash and cash equivalents	<u><u>\$(27,507)</u></u>	<u><u>\$(395,892)</u></u>

	June 30, 2026	December 31, 2025	June 30, 2025
Assets of disposal groups held for sale			
Inventories, net	\$-	\$199	\$559,085
Property, plant and equipment (Note)	214,624	280,411	442,061
Intangible assets	-	7,072	7,452
Total	<u><u>\$214,624</u></u>	<u><u>\$287,682</u></u>	<u><u>\$1,008,598</u></u>
Liabilities of disposal groups held for sale			
Other payables	<u><u>\$5,510</u></u>	<u><u>\$5,289</u></u>	<u><u>\$87,846</u></u>

Note: Certain equipment at the Plymouth plant no longer met the criteria for classification as non-current assets held for sale. Accordingly, the Group reclassified these assets to property, plant and equipment. Following the reclassification, the assets were measured and depreciated as if they had never been classified as held for sale.

9. Investments accounted for using equity method

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

Investments	June 30,2026		December 31,2025		June 30,2025		Note
	Carrying amount	Percentage of ownership (%)	Carrying amount	Percentage of ownership (%)	Carrying amount	Percentage of ownership (%)	
Investments in associates:							
Tanvex Biopharma, Inc.	\$4,603,228	29.83	\$4,846,672	29.84	\$4,668,555	30.46	
Wonders Company Ltd.	637,403	30.00	669,656	30.00	-	-	Note1
Salus Therapeutics Inc.	-	-	176,941	36.84	-	-	Note2 Note3
GTSW BIOTECH SDN. BHD.	2,422	40.00	2,162	40.00	1,384	40.00	
Total	<u>\$5,243,053</u>		<u>\$5,695,431</u>		<u>\$4,669,939</u>		

Note 1: On September 2, 2025, the Group acquired 30% equity interest in Wonders Company Ltd. with NT\$650,000 thousand. The Group has significant influence over Wonders Company Ltd. and it is therefore considered an affiliated entity.

Note 2: On August 29, 2025, Salus Therapeutics Inc. issued 41,875 thousand new shares. As the Group did not subscribe to the new shares in proportion to its existing ownership interest, its ownership percentage was diluted to 36.84%. The Group consequently lost control of the investee and ceased consolidating it in the financial statements. The investment was subsequently reclassified and accounted for using the equity method.

Note 3: On June 30, 2026, the Group disposed of a portion of its equity interest in Salus Therapeutics Inc. After assessment, the Group concluded that it no longer had significant influence over Salus Therapeutics Inc. and therefore discontinued the application of the equity method from the date of disposal. The remaining investment was remeasured at fair value and reclassified as financial assets at fair value through other comprehensive income. The excess of the fair value of the remaining investment over the Group's share of the carrying amount of its investment in Salus Therapeutics Inc. was recognized as a gain on disposal of investment accounted for using the equity method.

(2) Investment in associates

Information on the material associate of the Group:

Company name: Tanvex Biopharma, Inc. (“Tanvex”)

Nature of the relationship: 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 of few shareholders. 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 is a listed entity on the Taiwan Stock Exchange (TWSE). The fair value of the investment in Tanvex was NT\$ 3,169,664 thousand, NT\$ 4,347,419 thousand and NT\$ 3,817,160 thousand as of June 30, 2026, December 31, 2025 and June 30, 2025, respectively.

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

	June 30, 2026	December 31, 2025	June 30, 2025
Current assets	\$1,208,874	\$1,497,182	\$1,180,339
Non-current assets	6,425,879	6,463,952	5,714,070
Current liabilities	(823,780)	(799,660)	(542,792)
Non-current liabilities	(1,845,456)	(1,467,492)	(1,477,455)
Equity	4,965,517	5,693,982	4,874,162
Proportion of the Group's ownership	29.83%	29.84%	30.46%
Subtotal	1,481,214	1,699,084	1,484,670
Goodwill	2,772,489	2,772,489	2,772,489
Excess of the investment accounted for using equity method	349,525	375,099	411,396
Carrying amount of the investment	<u>\$4,603,228</u>	<u>\$4,846,672</u>	<u>\$4,668,555</u>

	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	2026	2025
Operating revenue	<u>\$220,443</u>	<u>\$46,819</u>	<u>\$353,270</u>	<u>\$96,681</u>
Loss from continuing operations	(382,529)	(340,379)	(771,252)	(806,123)
Other comprehensive income, net	<u>(16,279)</u>	<u>(338,518)</u>	<u>38,959</u>	<u>(301,288)</u>
Total comprehensive income	<u><u>\$(398,808)</u></u>	<u><u>\$(678,897)</u></u>	<u><u>\$(732,293)</u></u>	<u><u>\$(1,107,411)</u></u>

(3) The Group's investments in Tanvex accounted for using equity method amounted to NT\$4,603,228 thousand and NT\$4,668,555 thousand as of June 30, 2026 and 2025, respectively. The related shares of loss from the associates and joint ventures accounted for using the equity method amounted to NT\$(126,566) thousand, NT\$(103,731) thousand, NT\$(255,652) thousand and NT\$(222,199) thousand for the three months ended June 30, 2026 and 2025, and six months ended June 30, 2026 and 2025, respectively; and the related shares of other comprehensive income from the associates and joint ventures accounted for using the equity method amounted to NT\$(4,856) thousand, NT\$(103,147) thousand, NT\$11,622 thousand, and NT\$(90,739) thousand for the three months ended June 30, 2026 and 2025, and six months ended June 30, 2026 and 2025, respectively and are solely based on the reports of other independent auditors.

(4) The Group's investments in other associates are not significant. As of June 30, 2026, December 31, 2025 and June 30, 2025, the aggregated carrying amounts were NT\$639,825 thousand, NT\$848,759 thousand and NT\$1,384 thousand, respectively. The aggregate financial information of the Group's investments is presented below in accordance with the shares held:

	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	2026	2025
Income (loss) from continuing operations	\$9,020	\$(5)	\$9,878	\$96
Other comprehensive income (loss)	<u>21</u>	<u>(114)</u>	<u>4</u>	<u>(82)</u>
Total comprehensive income (loss)	<u><u>\$9,041</u></u>	<u><u>\$(119)</u></u>	<u><u>\$9,882</u></u>	<u><u>\$14</u></u>

(5) The above-mentioned associates had no contingent liabilities or capital commitments as of June 30, 2026, December 31, 2025 and June 30, 2025. For details regarding guarantees provided, please refer to Note VIII.

10. Property, plant and equipment

	Land	Buildings	Machinery equipment	Other equipment	Construction in progress	Total
Cost:						
January 1, 2026	\$3,757,668	\$7,289,035	\$3,348,983	\$521,351	\$809,380	\$15,726,417
Additions	-	18,251	226,719	45,542	268,789	559,301
Acquisitions through business combination	-	-	918	20,170	-	21,088
Disposals	-	-	(3,150)	(477)	-	(3,627)
Reclassification	-	118,574	216,476	2,926	(68,517)	269,459
Exchange differences	(23,194)	55,450	10,582	3,473	6,726	53,037
June 30, 2026	<u>\$3,734,474</u>	<u>\$7,481,310</u>	<u>\$3,800,528</u>	<u>\$592,985</u>	<u>\$1,016,378</u>	<u>\$16,625,675</u>
January 1, 2025	\$3,823,922	\$7,962,904	\$5,388,004	\$725,174	\$527,375	\$18,427,379
Additions	-	3,462	17,272	41,882	218,504	281,120
Disposals	-	-	(149,139)	(10,290)	-	(159,429)
Reclassification	(57,566)	(269,654)	(275,910)	(9,981)	(85,642)	(698,753)
Property, plant and equipment recognized as expenses	-	-	-	-	(169)	(169)
Disposal of subsidiary	-	-	(422,089)	(202,371)	-	(624,460)
Exchange differences	(108,590)	(640,490)	(308,403)	(30,584)	(50,825)	(1,138,892)
June 30, 2025	<u>\$3,657,766</u>	<u>\$7,056,222</u>	<u>\$4,249,735</u>	<u>\$513,830</u>	<u>\$609,243</u>	<u>\$16,086,796</u>

	Land	Buildings	Machinery equipment	Other equipment	Construction in progress	Total
Depreciation and impairment:						
January 1, 2026	\$-	\$3,683,932	\$1,325,388	\$283,885	\$-	\$5,293,205
Depreciation	-	82,502	187,266	28,986	-	298,754
Acquisitions through business combinations	-	-	918	17,125	-	18,043
Disposals	-	-	(3,086)	(413)	-	(3,499)
Reclassification	-	72,320	128,609	-	-	200,929
Exchange differences	-	39,962	4,560	2,052	-	46,574
June 30, 2026	<u>\$-</u>	<u>\$3,878,716</u>	<u>\$1,643,655</u>	<u>\$331,635</u>	<u>\$-</u>	<u>\$5,854,006</u>
January 1, 2025	\$-	\$3,854,786	\$2,579,972	\$308,373	\$-	\$6,743,131
Depreciation	-	83,661	198,448	28,475	-	310,584
Disposals	-	-	(148,836)	(10,259)	-	(159,095)
Impairment	-	-	234,304	5,101	33,064	272,469
Reclassified	-	(1,495)	(279,655)	(10,573)	(33,064)	(324,787)
Disposal of subsidiary	-	-	(121,104)	(30,843)	-	(151,947)
Exchange differences	-	(353,694)	(161,934)	(16,257)	-	(531,885)
June 30, 2025	<u>\$-</u>	<u>\$3,583,258</u>	<u>\$2,301,195</u>	<u>\$274,017</u>	<u>\$-</u>	<u>\$6,158,470</u>
Net carrying amount as of:						
June 30, 2026	<u>\$3,734,474</u>	<u>\$3,602,594</u>	<u>\$2,156,873</u>	<u>\$261,350</u>	<u>\$1,016,378</u>	<u>\$10,771,669</u>
December 31, 2025	<u>\$3,757,668</u>	<u>\$3,605,103</u>	<u>\$2,023,595</u>	<u>\$237,466</u>	<u>\$809,380</u>	<u>\$10,433,212</u>
June 30, 2025	<u>\$3,657,766</u>	<u>\$3,472,964</u>	<u>\$1,948,540</u>	<u>\$239,813</u>	<u>\$609,243</u>	<u>\$9,928,326</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 six months ended June 30, 2026 and 2025.

(3) Please refer to Note VIII for more details on pledges of property, plant, and equipment.

11. Intangible assets

	Product/ distribution rights	Software	Drug license	Customers relationship	Others	Total
Cost:						
January 1, 2026	\$10,963,493	\$572,925	\$3,254,361	\$241,000	\$3,472,232	\$18,504,011
Additions	18,494	2,408	1,393,000	-	2,616	1,416,518
Acquisitions through business combinations	1,266	30,574	-	332,298	346,659	710,797
Reclassification	-	9,829	-	-	-	9,829
Exchange differences	144,650	(760)	23,774	2,206	44,252	214,122
June 30, 2026	<u>\$11,127,903</u>	<u>\$614,976</u>	<u>\$4,671,135</u>	<u>\$575,504</u>	<u>\$3,865,759</u>	<u>\$20,855,277</u>
January 1, 2025	\$12,198,176	\$505,238	\$3,297,473	\$241,000	\$3,642,187	\$19,884,074
Additions	-	40,294	-	-	280	40,574
Disposals	(742,304)	-	-	-	-	(742,304)
Reclassification	-	(17,488)	-	-	-	(17,488)
Disposal of subsidiary	-	(8,614)	-	-	(31,679)	(40,293)
Exchange differences	(1,230,600)	(39,588)	(110,883)	-	(356,359)	(1,737,430)
June 30, 2025	<u>\$10,225,272</u>	<u>\$479,842</u>	<u>\$3,186,590</u>	<u>\$241,000</u>	<u>\$3,254,429</u>	<u>\$17,387,133</u>

	Product/ distribution rights	Software	Drug license	Customers relationship	Others	Total
Amortization and impairment:						
January 1, 2026	\$10,569,555	\$426,765	\$568,930	\$43,514	\$3,314,864	\$14,923,628
Amortization	15,979	30,385	171,477	13,731	10,707	242,279
Acquisitions through business combinations	1,266	23,160	-	-	191,849	216,275
Reclassification	-	2,716	-	-	-	2,716
Exchange differences	139,369	(2,115)	1,465	28	43,120	181,867
June 30, 2026	<u>\$10,726,169</u>	<u>\$480,911</u>	<u>\$741,872</u>	<u>\$57,273</u>	<u>\$3,560,540</u>	<u>\$15,566,765</u>
January 1, 2025	\$11,751,332	\$401,549	\$325,718	\$23,430	\$3,461,617	\$15,963,646
Amortization	19,628	30,445	119,858	10,042	11,567	191,540
Disposals	(742,086)	-	-	-	-	(742,086)
Impairment	-	17,577	-	-	-	17,577
Reclassified to disposal group held for sale	-	(20,056)	-	-	-	(20,056)
Disposal of subsidiary	-	(2,966)	-	-	(31,679)	(34,645)
Exchange differences	(1,184,713)	(33,570)	(3,212)	-	(355,470)	(1,576,965)
June 30, 2025	<u>\$9,844,161</u>	<u>\$392,979</u>	<u>\$442,364</u>	<u>\$33,472</u>	<u>\$3,086,035</u>	<u>\$13,799,011</u>
Net carrying amount as of:						
June 30, 2026	<u>\$401,734</u>	<u>\$134,065</u>	<u>\$3,929,263</u>	<u>\$518,231</u>	<u>\$305,219</u>	<u>\$5,288,512</u>
December 31, 2025	<u>\$393,938</u>	<u>\$146,160</u>	<u>\$2,685,431</u>	<u>\$197,486</u>	<u>\$157,368</u>	<u>\$3,580,383</u>
June 30, 2025	<u>\$381,111</u>	<u>\$86,863</u>	<u>\$2,744,226</u>	<u>\$207,528</u>	<u>\$168,394</u>	<u>\$3,588,122</u>

(1) Please refer to Note VI.25 for the amortization expense from continuing operations of intangible assets for the three months and six months ended June 30, 2026 and 2025.

(2) In April 2026, the Group purchased drug licenses and related rights in the U.S. market from a third party for a purchase consideration of USD 45,000 thousand. As of June 30, 2026, the consideration had not yet been paid and was included in other payables.

12. Impairment testing of goodwill and intangible assets with indefinite lives

	June 30, 2026	December 31, 2025	June 30, 2025
Sales segment			
CGU A: Commercial Sales segment for pharmaceuticals	\$54,705	\$54,705	\$54,705
CGU B: Commercial Sales segment for pharmaceuticals	590,433	582,646	543,161
CGU C: Commercial Sales segment for healthcare products	2,026,732	2,026,732	2,026,732
CGU D: Commercial Sales segment for healthcare products	477,862	-	-
Total	<u>\$3,149,732</u>	<u>\$2,664,083</u>	<u>\$2,624,598</u>

The Group did not have any intangible assets with indefinite useful lives. Goodwill arising from business combinations has been allocated to the cash-generating unit groups that are expected to benefit from the synergies of the combination. An impairment assessment of goodwill is performed at the end of each reporting period by comparing its recoverable amount with its carrying amount. The recoverable amount is determined based on value in use. The value in use is calculated using cash flow projections derived from financial budgets covering a five-year period approved by management. As of December 31, 2025, annual discount rates of 15.60% and 10.74% were applied to different cash-generating units to reflect the specific risks associated with the respective cash-generating units.

13. Short-term loans

	June 30, 2026	December 31, 2025	June 30, 2025
Unsecured bank loans	\$4,691,025	\$3,900,000	\$1,933,560
Secured bank loans	637,000	50,000	-
Total	<u>\$5,328,025</u>	<u>\$3,950,000</u>	<u>\$1,933,560</u>
Interest rate	<u>1.97%~5.35%</u>	<u>1.90%~2.67%</u>	<u>1.98%~2.67%</u>

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

14. Financial liabilities measured at fair value through profit or loss

	June 30, 2026	December 31, 2025	June 30, 2025
Held for trading:			
Contingent consideration from business combination	\$525,830	\$230,601	\$676,994
Embedded derivatives financial liabilities — convertible bonds	36,700	-	-
Forward foreign exchange agreements	-	-	1,139
Total	<u>\$562,530</u>	<u>\$230,601</u>	<u>\$678,133</u>
Current	<u>\$94,989</u>	<u>\$68,291</u>	<u>\$450,425</u>
Non-current	<u>\$467,541</u>	<u>\$162,310</u>	<u>\$227,708</u>

15. Bonds payable

	June 30, 2026	December 31, 2025	June 30, 2025
Liability component:			
Domestic unsecured convertible bonds	\$3,000,000	\$-	\$1,370,500
Overseas unsecured convertible bonds	7,327,783	7,327,783	7,327,783
(Discounts) on convertible bonds payable	(962,892)	(759,815)	(946,783)
Subtotal	<u>9,364,891</u>	<u>6,567,968</u>	<u>7,751,500</u>
Less: current portion	<u>-</u>	<u>-</u>	<u>-</u>
Net	<u>\$ 9,364,891</u>	<u>\$6,567,968</u>	<u>\$7,751,500</u>

Please refer to Note VI.26 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 par 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 par 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.

On November 27, 2025, the Company redeemed in advance and completed the cancellation of the remaining unconverted bond principal, and derecognized the related derivative financial assets.

On September 5, 2024, the Company issued 1st zero coupon overseas unsecured convertible bonds on the Singapore Stock Exchange. The convertible bonds 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: 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 June 30, 2026, December 31, 2025 and June 30, 2025, none of the Company's bonds have been converted into common shares.

On April 1, 2026, the Company issued its Fourth Domestic Unsecured Convertible Bonds with a coupon rate of 0%. Based on an analysis of the contractual terms, the convertible bonds comprise a liability component, embedded derivative financial instruments (including the issuer's call option and the bondholders' put option), and an equity component (representing the bondholders' option to convert the bonds into the Company's ordinary shares). The principal terms and conditions are summarized as follows:

Total issue amount: NT\$2,000,000 thousand

Issue period: From April 1, 2026 to April 1, 2031

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 par 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 par 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 initially issued principal amount.
- c. Bondholders have the right to request 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 the principal amount) after April 1, 2029.

Terms of Exchange:

- a. Underlying Securities: Common shares of the Company
- b. Exchange Period: The bonds are exchangeable at any time on or after July 2, 2026 and prior to April 1, 2031 into common shares of the Company.
- c. Exchange Price and Adjustment: The exchange price was originally NT\$500 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 June 30, 2026, no principal amount of the bonds had been converted into ordinary shares.

On April 15, 2026, the Company issued its Fifth Domestic Unsecured Convertible Bonds with a coupon rate of 0%. Based on an analysis of the contractual terms, the convertible bonds comprise a liability component, embedded derivative financial instruments (including the issuer's call option and the bondholders' put option), and an equity component (representing the bondholders' option to convert the bonds into the Company's ordinary shares). The principal terms and conditions are summarized as follows:

Total issue amount: NT\$1,000,000 thousand

Issue period: From April 15, 2026 to April 15, 2031

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 par 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 par 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 initially issued principal amount.
- c. Bondholders have the right to request 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 the principal amount) after April 15, 2029.

Terms of Exchange:

- a. Underlying Securities: Common shares of the Company
- b. Exchange Period: The bonds are exchangeable at any time on or after July 16, 2026 and prior to April 15, 2031 into common shares of the Company.
- c. Exchange Price and Adjustment: The exchange price was originally NT\$485 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 June 30, 2026, no principal amount of the bonds had been converted into ordinary shares.

16. Long-term loans

	June 30, 2026	December 31, 2025	June 30, 2025
Unsecured bank loans	\$5,480,000	\$6,137,578	\$6,780,000
Secured bank loans	763,583	799,751	485,723
Secured financing loan	1,633	-	-
Less: unamortized issuance cost	(10,838)	(18,146)	(25,455)
Less: current portion	(2,284,823)	(1,690,868)	(1,622,141)
Total	<u>\$3,949,555</u>	<u>\$5,228,315</u>	<u>\$5,618,127</u>
Interest rate	<u>1.99%~10.80%</u>	<u>1.99%~2.88%</u>	<u>1.98%~2.88%</u>
Maturity date	Due prior to December 2034	Due prior to December 2034	Due prior to December 2034

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

17. Post-employment benefits

Defined contribution plan

Expenses from continuing operations under the defined contribution plan for the three months ended June 30, 2026 and 2025 were NT\$ 51,319 thousand and NT\$ 51,528 thousand, respectively. Expenses from continuing operations under the defined contribution plan for the six months ended June 30, 2026 and 2025 are NT\$ 107,715 thousand and NT\$ 112,290 thousand, respectively.

18. Provisions

	June 30, 2026	December 31, 2025	June 30, 2025
Employee benefits	\$214,954	\$210,851	\$204,888
Onerous contracts	-	-	47,952
Decommissioning, restoration and rehabilitation costs	-	-	4,290
Total	<u>\$214,954</u>	<u>\$210,851</u>	<u>\$257,130</u>
Current	<u>\$123,518</u>	<u>\$111,459</u>	<u>\$160,342</u>
Non-current	<u>\$91,436</u>	<u>\$99,392</u>	<u>\$96,788</u>

	<u>Employee benefits</u>
January 1, 2026	\$210,851
Additions	15,226
Acquired through business combinations	9,446
Utilized	(19,095)
Exchange differences	(1,474)
June 30, 2026	<u><u>\$214,954</u></u>

Onerous contracts

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

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.

19. Deferred compensation plan

The unrestricted deferred compensation plan provides some key employees 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.

	<u>June 30,</u> <u>2026</u>	<u>December 31,</u> <u>2025</u>	<u>June 30,</u> <u>2025</u>
Recognized as other current liabilities	<u>\$11,952</u>	<u>\$5,497</u>	<u>\$38,598</u>
Recognized as other non-current liabilities	<u>\$22,718</u>	<u>\$26,157</u>	<u>\$24,266</u>

20. Equity

(1) Common stock

	June 30, 2026	December 31, 2025	June 30, 2025
Authorized shares (in thousands)	200,000	200,000	200,000
Authorized capital	\$2,000,000	\$2,000,000	\$2,000,000
Issued and paid shares (in thousands)	127,741	127,364	103,717
Capital stock	\$1,277,414	\$1,273,636	\$1,037,174

- ① Ordinary stock with par value at NT\$10 per share. Each share has one voting right and is entitled to receive dividends.
- ② As of June 30, 2026, a total of 14,000 thousand ordinary shares of the Company had been deposited for the issuance of 70,000 thousand American Depositary Shares (ADSs), with each ADS representing 0.2 ordinary shares. The ADSs were listed and traded on the OTCQX market in the United States.
- ③ Capitalization of stock dividends in the amount of NT\$206,828 thousand with par value at NT\$10 per share was approved and 20,683 thousand common shares were authorized for issue at the shareholders' meeting held on May 23, 2025. Each share has one voting right and a right to receive dividends and the amendment registration was completed.
- ④ For the year ended December 31, 2025, the Company's third issuance of convertible bond in the amount of NT\$1,493,100 thousand were converted to 2,953 thousand ordinary shares in the amount of NT\$29,530 thousand. All the converted shares have completed the registration process.
- ⑤ For the year ended December 31, 2025, the Company's employee stock option holders have converted 585 thousand shares at the exercise price from NT\$86.2 to NT\$521.3 per share in the amount of NT\$ 5,847 thousand. All the converted shares have completed the registration process.
- ⑥ For the six months ended June 30, 2026, the Company's employee stock option holders converted 437 thousand shares at the exercise price from NT\$88.2 to NT\$238 per share in the amount of NT\$4,371 thousand, of which 177 thousand shares in the amount of NT\$1,766 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 of June 30, 2026.
- ⑦ On December 31, 2025, the Company issued 51 thousand shares of restricted stock awards to employees and completed the related registration. Of these shares, 20 thousand shares in the amount of NT\$203 thousand, were repurchased and cancelled in accordance with the issuance terms due to the failure to satisfy vesting conditions or employee termination. Of the repurchased shares, 18 thousand shares in the amount of NT\$182 thousand, had completed the related registration. The remaining shares not yet completed the registration procedures were presented as share capital pending cancellation as of June 30, 2026.

- ⑧ On May 19, 2026, the Company issued 147 thousand shares of restricted stock awards to employees. The registration procedures for the issuance were not yet completed as of June 30, 2026; accordingly, the related amount was presented as capital collected in advance.

(2) Capital surplus

	June 30, 2026	December 31, 2025	June 30, 2025
<u>May be used to offset deficit, distributed as cash dividends, or transferred to share capital</u>			
Additional paid-in capital	\$2,673,801	\$2,595,019	\$2,523,101
Conversion premium from convertible bonds	2,955,934	2,955,934	1,300,983
Treasury share transactions	56,685	50,298	28,247
Difference between consideration given/ received and carrying amount of interests in subsidiaries acquired/disposed of	159,232	160,081	160,081
Others	127	-	-
<u>May only be used to offset deficit</u>			
Increase through changes in ownership interests in subsidiaries	56,327	55,248	56,323
Share of changes in net assets of associates and joint ventures accounted for using the equity method	41,190	40,604	1,009
<u>May not be used for any purpose</u>			
Employee stock option	195,867	193,198	193,499
Share option	301,123	-	316,072
Restricted stocks for employees	5,165	5,433	-
Total	<u>\$6,445,451</u>	<u>\$6,055,815</u>	<u>\$4,579,315</u>

If such capital surplus is distributed as being transferred to share capital, it is limited to a certain percentage of the Company's paid-in capital each year.

(3) Treasury stock

Changes in treasury stock are as follows:

	Six Months Ended June 30			
	2026		2025	
	Number of shares (in thousand shares)	Amount	Number of shares (in thousand shares)	Amount
Beginning balance	376	\$134,287	244	\$43,181
Addition	102	36,943	36	23,677
Transfer to employees	(24)	(4,318)	(13)	(2,212)
Ending balance	454	\$166,912	267	\$64,646

(4) Retained earnings and dividend policies

According to the 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, 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.

According to existing regulations, when the Company distributing distributable earnings, it shall set aside to special reserve, from the profit/loss of the current period and the undistributed earnings from the previous period, an amount equal to “other net deductions from shareholders’ equity for the current fiscal year, provided that if the company has already set aside special reserve in the first-time adoption of the 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 reversal of other net deductions from shareholders’ equity, the amount reversed may be distributed from the special reserve.

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 earnings distribution the corresponding proportion originally allocated to special reserve.

Details of the 2025 and 2024 earnings distribution and dividends per share as approved and resolved by the board of directors’ meeting on June 9, 2026 and shareholders’ meeting on May 23, 2025, respectively, are as follows:

	Appropriation of earnings		Dividend per share(NT\$)	
	2025	2024	2025	2024
Legal reserve	\$298,131	\$361,111	\$-	\$-
Special reserve	161,946	-	-	-
Common stock —				
cash dividend (<i>Note</i>)	1,275,196	1,448,922	10	14
Common stock —				
stock dividend (<i>Note</i>)	-	206,828	-	2

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

Please refer to Note VI.25 for details on employees’ compensation and remuneration to directors.

(5) Non-controlling interests

	Six Months Ended June 30	
	2026	2025
Beginning balance	\$2,090,790	\$2,144,163
Net income attributable to non-controlling interests	47,839	27,972
Other comprehensive income attributable to non-controlling interests		
Unrealized gains (losses) on investments in equity instruments measured at fair value through other comprehensive income	201	(209)
Exchange differences on translation of foreign operations	(18,440)	(770)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	1	(21)
Subscription to newly issued shares of subsidiaries by non-controlling interests	322,300	-
Distribution of cash dividend by subsidiaries by non-controlling interests	(34,691)	(51,569)
Issuance of employee stock option by subsidiaries	2,874	4
Disposal of subsidiaries	-	(45,293)
Other	(230)	(2,559)
Ending balance	<u>\$2,410,644</u>	<u>\$2,071,718</u>

21. 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, December 26, 2024, and November 7, 2025, 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, 1,000,000 and 500,000 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 fair value of the stock options is estimated at the grant date using the Black-Scholes and Binomial Option Pricing Model, taking into account the terms and conditions upon which the share options were granted for the inputs and assumptions.

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	\$86.2
August 13, 2021	598	\$121.4
May 11, 2022	477	\$88.2
August 31, 2022	160	\$208.3
December 8, 2022	345	\$238.0
September 19, 2023	535	\$521.3
November 14, 2023	10	\$490.6
March 11, 2024	264	\$504.3
May 14, 2024	187	\$572.9
November 19, 2024	4	\$614.1
March 11, 2025	120	\$641.9
December 31, 2025	508	\$488.0
May 4, 2026	163	\$406.0
May 19, 2026	52	\$372.0
May 19, 2026	158	\$372.0

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 granted for share-based payment awards granted during the six months ended June 30, 2026:

	2026		
Dividend yield (%)	-	-	-
Expected volatility (%)	40.03%	42.49%	42.49%
Risk-free interest rate (%)	1.4309%	1.5575%	1.6394%
Expected option life (Years)	5	5	10
Weighted average share price (\$)	\$406	\$372	\$372
Option pricing model	Binomial Option Pricing Model	Binomial Option Pricing Model	Binomial 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:

	Six Months Ended June 30, 2026		Six Months Ended June 30, 2025	
	Number of options outstanding (in thousand shares)	Weighted average exercise price of share options (NT\$)	Number of options outstanding (in thousand shares)	Weighted average exercise price of share options (NT\$)
Outstanding, beginning	2,050	\$425.9	2,082	\$390.7
Granted	373	386.8	120	770.2
Forfeited	(160)	597.1	(12)	665.2
Exercised	(437)	116.6	(247)	188.8
Expired	-	-	-	-
Outstanding, ending	1,826	\$476.9	1,943	\$428.7
Exercisable, ending	342		517	-

The information on the outstanding stock options as of June 30, 2026 and 2025, is as follows:

	Range of exercise price per share	Weighted average remaining contractual life (Years)
As of June 30, 2026		
share options outstanding	\$238~\$572.9	0.22~3.76
As of June 30, 2025		
share options outstanding	\$103.4~\$770.2	0.24~3.74

(2) Share-based payment plan of SunWay Biotech Co., Ltd.

On May 12, 2025, SunWay Biotech Co., Ltd. (“SunWay Biotech”) 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 units. Each unit entitles an optionee to subscribe for one shares of SunWay Biotech’s common shares. The exercise price of the stock options shall not be lower than the weighted average trading price of SunWay Biotech's common shares over the 30 consecutive trading days preceding the grant date and shall not be lower than the per-share net asset value as stated in the most recent financial statements audited or reviewed by a certified public accountant. Only the employees of SunWay Biotech and SunWay Biotech’s subsidiaries 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 SunWay Biotech. The fair value of the stock options is estimated at the grant date using Binomial Option Pricing Model, 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)
August 14, 2025	619	\$70.3
January 23, 2026	110	\$61.6

Note: Except for various securities issued by SunWay Biotech 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 SunWay Biotech (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 SunWay Biotech's plan.

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

	2026
Dividend yield (%)	-
Expected volatility (%)	29.60%
Risk-free interest rate (%)	1.2918%
Expected option life (Years)	4
Weighted average share price (\$)	\$52
Option pricing model	Binomial 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:

	Six Months Ended June 30	
	2026	
	Number of options outstanding (in thousand shares)	Weighted average exercise price of share options (NT\$)
Outstanding, beginning	593	\$72.0
Granted	110	61.6
Forfeited	(46)	70.3
Exercised	-	-
Expired	-	-
Outstanding, ending	657	\$68.8
Exercisable, ending	-	-

The information on the outstanding stock options as of June 30, 2026 is as follows:

	Range of exercise price per share	Weighted average remaining contractual life (Years)
As of June 30, 2026		
share options outstanding	\$61.6~\$70.3	3.13~3.56

(3) Restricted stocks plan for employees of the parent company

On May 23, 2025, the parent company held its shareholders' meeting to approve to issue gratuitous restricted stocks for employees, at a total of 500,000 common shares. The Company shall set up the actual issuance date(s) in one tranche or in installments within two years from the date of receipt of the notification of effectiveness from the competent authority. Relevant regulators' approvals have been obtained.

The Company issued 50,637 shares and 14,700 shares of gratuitous employee restricted stocks on December 31, 2025 and May 19, 2026, respectively.

Restrictions on the rights and vesting conditions of said restricted stock for employees are as follows:

- A. The restricted stock awards are issued gratuitously and are classified as common shares.
- B. Employees who are granted restricted stock awards must remain employed with the Company on each vesting date and must not have violated the employment contract, work rules, non-compete obligations, confidentiality agreements, or other applicable

requirements during the vesting period. Employees must also meet the individual performance evaluation criteria and the Company's operational performance targets. The vesting period is three years. Beginning from the issuance date on April 30 each year, the maximum vesting ratio for each year is 33%, 33%, and 34%, respectively, for a total vesting percentage of 100%.

- C. Prior to meeting the vesting conditions, employees may not sell, pledge, transfer, donate, assign, or otherwise dispose of the restricted stock awards, except in the case of inheritance.
- D. Prior to the vesting conditions being satisfied, employees are not entitled to exercise shareholders' rights, including but not limited to attending shareholders' meetings, proposing motions, speaking, voting, or electing directors/supervisors. Employees are also not entitled to other shareholder rights, including but not limited to stock dividends, cash dividends, subscriptions for cash capital increases, capital increase from capital surplus, or cash distribution from capital surplus.
- E. Relevant information may be obtained from the Market Observation Post System ("MOPS") of the TWSE.

For the aforementioned plans, the unvested restricted stocks issued on the grant date for employees are recognized in unearned employee compensation as a transitional contra equity account and such account shall be amortized as compensation expense over the vesting period.

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

No modification or cancellation of share-based payment plan has occurred for the six months ended June 30, 2026.

For the six months ended June 30, 2025, the Group modified its option plan to allow optionees to exercise their outstanding options in advance. The share exchange between Bora Biologics Co., Ltd. and Tanvex BioPharma Inc. resulted in the expiration of all outstanding share options of Bora Biologics Co., Ltd. TWi Pharmaceuticals, Inc. purchased all the outstanding options in cash.

(5) The expense recognized for employee services received is shown in the following table:

	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	2026	2025
Employee stock options	\$21,040	\$15,221	\$37,730	\$44,274
Restricted stocks for employees	1,030	-	1,909	-
Total	<u>\$22,070</u>	<u>\$15,221</u>	<u>\$39,639</u>	<u>\$44,274</u>

22. Operating revenue

Analysis of revenue from continuing operations from contracts with customers for the six months ended June 30, 2026 and 2025 are as follows:

(1) Disaggregation of revenue:

	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	2026	2025
Revenue from contracts with customers				
Commercial sales	\$3,758,792	\$3,261,379	\$6,190,914	\$5,842,760
CDMO—				
services and manufacturing	2,116,395	1,591,435	3,626,112	3,487,472
Others	14,267	14,971	73,659	17,138
Total	<u>\$5,889,454</u>	<u>\$4,867,785</u>	<u>\$9,890,685</u>	<u>\$9,347,370</u>

	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	2026	2025
Timing of revenue recognition:				
At a point in time	\$5,029,939	\$4,380,285	\$8,708,152	\$8,118,365
Over time	859,515	487,500	1,182,533	1,229,005
Total	<u>\$5,889,454</u>	<u>\$4,867,785</u>	<u>\$9,890,685</u>	<u>\$9,347,370</u>

(2) Contract assets-current

	June 30, 2026	December 31, 2025	June 30, 2025	January 1, 2025
Commercial sales	\$82,019	\$55,462	\$61,362	\$152,556
CDMO—services and manufacturing	585,642	410,373	385,120	87,435
Total	<u>\$667,661</u>	<u>\$465,835</u>	<u>\$446,482</u>	<u>\$239,991</u>

The changes in the Group's contract assets for the six months ended June 30, 2026 and 2025 were mainly attributed to changes in the measurement based on the stage of completion under the contracts.

(3) Contract liabilities

	June 30, 2026	December 31, 2025	June 30, 2025	January 1, 2025
Commercial sales	\$102,104	\$156,218	\$140,454	\$91,400
CDMO— services and manufacturing	228,820	195,173	119,868	154,198
Others	4,628	4	4,333	-
Total	<u>\$335,552</u>	<u>\$351,395</u>	<u>\$264,655</u>	<u>\$245,598</u>
Current	<u>\$315,274</u>	<u>\$262,522</u>	<u>\$238,584</u>	<u>\$245,598</u>
Non-current	<u>\$20,278</u>	<u>\$88,873</u>	<u>\$26,071</u>	<u>\$-</u>

The significant changes in contract liabilities balances for the six months ended June 30, 2026 and 2025 were mainly due to the recognition of revenue from the beginning balances and the increase in advance receipts from customers, respectively.

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

	June 30, 2026	December 31, 2025	June 30, 2025
Sales allowance and discount	<u>\$4,298,867</u>	<u>\$3,365,835</u>	<u>\$2,595,195</u>

	Sales allowance and discount
Balance as of January 1, 2026	\$3,365,835
Acquisitions through business combinations	30,726
Addition/(reversal)	25,275,831
Payment	(24,422,398)
Others	(1,602)
Exchange differences	50,475
Balance as of June 30, 2026	<u>\$4,298,867</u>

Refund liabilities represent estimated provisions related to net sales, including chargebacks, discounts, allowances, and other adjustments for wholesale and production activities, as well as U.S. pharmaceutical sales-related expenses, determined based on historical experience and market activity.

23. Expected credit losses/ (gains)

	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	2026	2025
Operating expenses – expected credit losses/(gains)				
Accounts receivable	\$10,935	\$(34)	\$10,929	\$(1,144)
Other receivables	-	-	-	(2,988)
Total	\$10,935	\$(34)	\$10,929	\$(4,132)

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

As of June 30, 2026, December 31, 2025 and June 30, 2025, 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.

The Group's contract assets, trade receivables (including notes receivable and accounts receivable), and other receivables are estimated at an amount equal to lifetime expected credit losses. The related information regarding the assessment of the loss allowance as of June 30, 2026, December 31, 2025 and June 30, 2025, is summarized as follows:

- (a) Contract assets were not provided with any loss allowance.
- (b) For trade receivables from counterparties with good credit standing, the Group assesses expected credit losses on an individual basis. As of June 30, 2026, December 31, 2025, June 30, 2025, the total trade receivables amounted to NT\$7,636,428 thousand, NT\$7,351,319 thousand and NT\$6,520,180 thousand, respectively, with no allowance for doubtful accounts recognized.

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

June 30, 2026

	Not past due	Overdue					Total
		<=30 days	31-60 days	61-90 days	91-120 days	>=121 days	
Gross	\$1,621,450	\$107,349	\$39,816	\$15,899	\$20,385	\$58,740	\$1,863,639
Loss rate	0.00%	1.25%	8.63%	5.24%	1.92%	64.11%	
Lifetime expected credit losses	(39)	(1,346)	(3,436)	(834)	(391)	(37,661)	(43,707)
Net	\$1,621,411	\$106,003	\$36,380	\$15,065	\$19,994	\$21,079	\$1,819,932

December 31, 2025

		Overdue					
	Not past due	<=30 days	31-60 days	61-90 days	91-120 days	>=121 days	Total
Gross	\$950,545	\$147,755	\$134,669	\$101,505	\$38,239	\$97,007	\$1,469,720
Loss rate	0.00%	0.00%	2.82%	0.00%	0.06%	24.20%	
Lifetime expected credit losses	(8)	-	(3,792)	-	(23)	(23,479)	(27,302)
Net	\$950,537	\$147,755	\$130,877	\$101,505	\$38,216	\$73,528	\$1,442,418

June 30, 2025

		Overdue					
	Not past due	<=30 days	31-60 days	61-90 days	91-120 days	>=121 days	Total
Gross	\$786,127	\$120,755	\$157,687	\$15,034	\$20,278	\$48,274	\$1,148,155
Loss rate	0.00%	0.00%	0.00%	0.00%	3.76%	29.75%	
Lifetime expected credit losses	(5)	-	(1)	-	(761)	(14,364)	(15,131)
Net	\$786,122	\$120,755	\$157,686	\$15,034	\$19,517	\$33,910	\$1,133,024

- (c) For other receivables, an individual assessment was performed and loss allowance was recognized for counterparties showing signs of overdue risk. As of June 30, 2026, December 31, 2025 and June 30, 2025, the loss allowances recognized all amounted to NT\$3,326 thousand.

The movement in the provision for impairment losses for the six months ended June 30, 2026 and 2025 are as follows:

	Accounts receivable	Other receivables
Balance as of January 1, 2026	\$27,302	\$3,326
Acquisitions through business combination	6,634	-
Addition /(reversal)	10,929	-
Write-off	(897)	-
Exchange differences	(261)	-
Balance as of June 30, 2026	\$43,707	\$3,326
Balance as of January 1, 2025	\$25,980	\$6,314
Addition /(reversal)	(1,144)	(2,988)
Disposal of subsidiary	(8,746)	-
Exchange differences	(959)	-
Balance as of June 30, 2025	\$15,131	\$3,326

24. Lease

(1) Group as a lessee

The Group leases various properties, including real estate such as land and buildings and machinery and other equipment. The lease terms range from 2 to 17 years.

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

A. Amounts recognized in the consolidated balance sheets

(a) Right-of-use assets

The carrying amount of right-of-use assets

	June 30, 2026	December 31, 2025	June 30, 2025
Land	\$268,350	\$275,842	\$283,334
Buildings	560,165	461,190	493,061
Machinery equipment	6,588	4,807	6,341
Transportation equipment	10,236	8,093	11,705
Total	<u>\$845,339</u>	<u>\$749,932</u>	<u>\$794,441</u>

For the six months ended June 30, 2026 and 2025, the Group's additions to right-of-use assets amounted to NT\$135,447 thousand and NT\$161,062 thousand, respectively. In addition, right-of-use assets amounted to NT\$16,474 thousand were acquired through business combinations during the six months ended June 30, 2026.

(b) Lease liabilities

	June 30, 2026	December 31, 2025	June 30, 2025
Lease liabilities	<u>\$888,177</u>	<u>\$789,515</u>	<u>\$829,741</u>
Current	<u>\$135,802</u>	<u>\$80,617</u>	<u>\$90,088</u>
Non-current	<u>\$752,375</u>	<u>\$708,898</u>	<u>\$739,653</u>

Please refer to Note VI.26 for the interest expense on lease liabilities recognized for the six months ended June 30, 2026 and 2025 and refer to Note XII.5 for more details on the maturity analysis of lease liabilities.

B. Amounts recognized in the consolidated statements of comprehensive income

Depreciation charge for right-of-use assets

	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	2026	2025
From continuing operations:				
Land	\$3,746	\$3,781	\$7,492	\$7,580
Buildings	21,913	17,999	39,988	40,067
Machinery equipment	1,059	1,075	2,230	1,912
Transportation equipment	2,380	2,685	4,347	5,520
Total	<u>\$29,098</u>	<u>\$25,540</u>	<u>\$54,057</u>	<u>\$55,079</u>

C. Income and costs relating to leasing activities

	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	2026	2025
From continuing operations:				
Expenses relating to short-term leases	\$6,874	\$9,042	\$12,169	\$14,945
Expenses relating to leases of low-value assets (Exclude expenses relating to short-term leases of low-value assets)	435	330	784	709

D. Cash outflow relating to leasing activities

For the six months ended June 30, 2026 and 2025, the Group's total cash outflows from continuing operations for leases amounted to NT\$74,353 thousand and NT\$77,274 thousand, respectively.

(2) Group as a lessor

	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	2026	2025
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	\$4,399	\$3,901	\$9,048	\$8,466

Please refer to Note VI.10 for relevant disclosures of property, plant and equipment leased out under operating leases in accordance with IFRS 16. For operating leases entered into by the Group, the undiscounted lease payments to be received and the aggregate amounts for the remaining years as of June 30, 2026, December 31, 2025, and June 30, 2025 are as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Not later than one year	\$17,332	\$16,954	\$17,271
Later than one year but not later than two years	18,395	17,655	17,457
Later than two years but not later than three years	18,079	17,983	18,527
Later than three years but not later than four years	18,182	17,881	18,219
Later than four years but not later than five years	18,287	17,984	18,323
Later than five years	27,604	36,264	46,246
Total	<u>\$117,879</u>	<u>\$124,721</u>	<u>\$136,043</u>

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

Character \ Function	Three Months Ended June 30					
	2026			2025		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
From continuing operations :						
Employee benefits expense:						
Wages and salaries	\$733,391	\$522,204	\$1,255,595	\$629,790	\$448,845	\$1,078,635
Labor and health insurance	59,204	27,397	86,601	67,408	39,268	106,676
Pension costs	35,819	15,567	51,386	35,389	16,374	51,763
Other employee benefits expense	36,935	19,835	56,770	61,591	13,313	74,904
Depreciation	129,645	49,524	179,169	140,327	29,559	169,886
Amortization	114,986	32,529	147,515	38,798	15,794	54,592

Character \ Function	Six Months Ended June 30					
	2026			2025		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
From continuing operations :						
Employee benefits expense:						
Wages and salaries	\$1,439,532	\$941,063	\$2,380,595	\$1,390,774	\$942,419	\$2,333,193
Labor and health insurance	119,164	57,659	176,823	148,415	69,878	218,293
Pension costs	75,381	32,471	107,852	81,569	31,186	112,755
Other employee benefits expense	85,126	50,931	136,057	113,888	59,541	173,429
Depreciation	262,821	90,216	353,037	292,015	59,609	351,624
Amortization	189,381	52,898	242,279	76,409	31,886	108,295

According to the Articles of Incorporation of the Company, no less than 1% 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; Additionally, the Company shall distribute 0.1% to 0.5% of profit of the current year as salary adjustments or distribution of compensation for non-executive employees. However, the profit generated in current year shall be offset with Company's accumulated losses before the allocation of compensation to directors and employees. 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 June 30		Six Months Ended June 30	
	2026	2025	2026	2025
Employees' compensation	\$5,681	\$13,834	\$6,599	\$44,522
Remuneration to directors	5,681	6,917	6,599	22,261

The employees' compensation and remuneration to directors for 2025 and 2024 resolved by the Board of Directors on March 11, 2026 and March 5, 2025, respectively, and was distributed in the form of cash.

	Years Ended December 31	
	2025	2024
Employees' compensation	\$41,434	\$80,579
Remuneration to directors	32,364	40,289

No difference existed between the estimated amount and the actual distribution of the employee compensation and remuneration to directors for the year ended 2025 and 2024, respectively.

26. Non-operating income and expenses

(1) Other income

	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	2026	2025
From continuing operations:				
Interest income	\$11,155	\$10,170	\$17,404	\$16,190
Others	21,230	32,747	42,097	42,741
Total	<u>\$32,385</u>	<u>\$42,917</u>	<u>\$59,501</u>	<u>\$58,931</u>

(2) Other gains and losses

	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	2026	2025
From continuing operations:				
Foreign exchange gain (loss)	\$48,298	\$(252,389)	\$73,636	\$(221,034)
Gain on disposal of equity- method investments (Note 1)	24,160	-	24,160	2,590,654
(Loss) gain on financial assets/liabilities at fair value through profit or loss (Note 2)	(35,231)	(8,271)	(36,323)	(29,658)
Others gains (losses)	(1,275)	834	1,867	(40,637)
Total	<u>\$35,952</u>	<u>\$(259,826)</u>	<u>\$63,340</u>	<u>\$2,299,325</u>

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

Note 2: The loss 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, with any resulting gain or loss recognized in profit or loss as a gain or loss on financial assets/liabilities at fair value through profit or loss.

(3) Financial costs

	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	2026	2025
From continuing operations:				
Interest expenses from bank borrowings	\$57,716	\$57,660	\$118,321	\$119,998
Interest expenses from bonds payable	60,720	54,744	109,080	108,936
Interest expenses from lease liabilities	5,870	4,299	10,536	8,498
Others	23	15	122	67
Total	<u>\$124,329</u>	<u>\$116,718</u>	<u>\$238,059</u>	<u>\$237,499</u>

27. Components of other comprehensive income (“OCI”)

For the three months ended June 30, 2026

	Arising	Reclassi- fication	before tax	Tax benefit (Expense)	Net of tax
Not to be reclassified to profit or loss:					
Unrealized gain from equity instruments investments at fair value through other comprehensive income	\$(11,253)	\$-	\$(11,253)	\$2,321	\$(8,932)
To be reclassified to profit or loss in subsequent periods:					
Exchange differences resulting from translating the financial statements of a foreign operation	(188,797)	-	(188,797)	31,561	(157,236)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method - items that may be reclassified subsequently to profit or loss	(4,835)	-	(4,835)	972	(3,863)
Total comprehensive income	<u>\$(204,885)</u>	<u>\$-</u>	<u>\$(204,885)</u>	<u>\$34,854</u>	<u>\$(170,031)</u>

For the three months ended June 30, 2025

	Arising	Reclassi- fication	before tax	Tax benefit (Expense)	Net of tax
Not to be reclassified to profit or loss:					
Unrealized gain from equity instruments investments at fair value through other comprehensive income	\$(11,902)	\$-	\$(11,902)	\$2,134	\$(9,768)
To be reclassified to profit or loss in subsequent periods:					
Exchange differences resulting from translating the financial statements of a foreign operation	(2,017,847)	-	(2,017,847)	403,509	(1,614,338)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method - items that may be reclassified subsequently to profit or loss	(103,261)	-	(103,261)	20,629	(82,632)
Total comprehensive income	<u>\$(2,133,010)</u>	<u>\$-</u>	<u>\$(2,133,010)</u>	<u>\$426,272</u>	<u>\$(1,706,738)</u>

For the six months ended June 30, 2026

	Arising	Reclassi- fication	before tax	Tax benefit (Expense)	Net of tax
Not to be reclassified to profit or loss:					
Unrealized gain from equity instruments investments at fair value through other comprehensive income	\$(11,659)	\$-	\$(11,659)	\$2,402	\$(9,257)
To be reclassified to profit or loss in subsequent periods:					
Exchange differences resulting from translating the financial statements of a foreign operation	76,753	-	76,753	(21,545)	55,208
Share of other comprehensive income of associates and joint ventures accounted for using the equity method - items that may be reclassified subsequently to profit or loss	11,626	-	11,626	(2,324)	9,302
Total comprehensive income	<u>\$76,720</u>	<u>\$-</u>	<u>\$76,720</u>	<u>\$(21,467)</u>	<u>\$55,253</u>

For the six months ended June 30, 2025

	Arising	Reclassi- fication	before tax	Tax benefit (Expense)	Net of tax
Not to be reclassified to profit or loss:					
Unrealized gain from equity instruments investments at fair value through other comprehensive income	\$(5,612)	\$-	\$(5,612)	\$876	\$(4,736)
To be reclassified to profit or loss in subsequent periods:					
Exchange differences resulting from translating the financial statements of a foreign operation	(1,784,293)	-	(1,784,293)	356,810	(1,427,483)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method - items that may be reclassified subsequently to profit or loss	(90,821)	-	(90,821)	18,148	(72,673)
Total comprehensive income	<u>\$(1,880,726)</u>	<u>\$-</u>	<u>\$(1,880,726)</u>	<u>\$375,834</u>	<u>\$(1,504,892)</u>

28. Income tax

The major components of income tax expense (income) for the three months ended June 30, 2026 and 2025, and for the six months ended June 30, 2026 and 2025 are as follows:

Income tax expense (income) recognized in profit or loss

	Three Months Ended		Six Months Ended	
	June 30		June 30	
	2026	2025	2026	2025
Current income tax expense (income):				
Current income tax expense	\$192,334	\$91,672	\$351,519	\$354,176
Adjustments in respect of prior periods	(4,587)	2,505	(4,736)	(19,786)
Deferred tax expense (income):				
Deferred tax expense (income) relating to origination and reversal of temporary differences	26,821	102,987	42,022	169,795
Deferred tax expense (income) relating to origination and (reversal) of tax loss and tax credit	332	(368,630)	349	(408,959)
Deferred income tax arising from changes in tax rates or new taxes	(521)	-	(521)	-
Recognition of previously unrecognized tax losses, tax credits and temporary differences	(8,792)	-	(8,792)	-
Total income tax expense (income)	<u>\$205,587</u>	<u>\$(171,466)</u>	<u>\$379,841</u>	<u>\$95,226</u>
Total income tax expense from continuing operations	<u>\$205,587</u>	<u>\$107,523</u>	<u>\$379,841</u>	<u>\$374,215</u>
Total income tax (income) from discontinued operations	<u>\$-</u>	<u>\$(278,989)</u>	<u>\$-</u>	<u>\$(278,989)</u>

Income tax relating to components of other comprehensive income

	Three Months Ended		Six Months Ended June	
	June 30		30	
	2026	2025	2026	2025
Deferred tax expense (income):				
Unrealized gain from equity instruments				
investments at fair value through other				
comprehensive income	\$2,321	\$2,134	\$2,402	\$876
Exchange differences resulting from				
translating the financial statements of a				
foreign operation	31,561	403,509	(21,545)	356,810
Share of other comprehensive income of				
associates and joint ventures accounted				
for using the equity method – may be				
reclassified to profit or loss	972	20,629	(2,324)	18,148
Income tax relating to other				
comprehensive income	<u>\$34,854</u>	<u>\$426,272</u>	<u>\$(21,467)</u>	<u>\$375,834</u>

The assessment of income tax returns

As of June 30, 2026, the assessment of the income tax returns of the Company and its domestic subsidiaries is as follows:

	<u>The assessment of income tax returns</u>
Bora Pharmaceutical Co., Ltd.	Assessed and approved up to 2023
Bora Pharmaceutical Laboratories Inc.	Assessed and approved up to 2024
Bora Management Consulting Co., Ltd.	Assessed and approved up to 2024
TWi Pharmaceuticals, Inc.	Assessed and approved up to 2021
SunWay Biotech Co., Ltd.	Assessed and approved up to 2024
Bora Pharmaceuticals Ophthalmic Inc.	Assessed and approved up to 2024
Chen Run Marketing Co., Ltd.	Assessed and approved up to 2024
Bora Health Inc.	Assessed and approved up to 2024
Union Chemical & Pharmaceutical Co., Ltd.	Assessed and approved up to 2024

29. 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 June 30		Six Months Ended June 30	
	2026	2025	2026	2025
(1) Basic earnings per share				
Profit from continuing operations attributable to ordinary shareholders of the Company (in thousand NT\$)	<u>\$566,288</u>	<u>\$429,412</u>	<u>\$606,575</u>	<u>\$3,170,608</u>
(Loss) from discontinued operations attributable to ordinary shareholders of the Company (in thousand NT\$)	<u>\$(10,525)</u>	<u>\$187,257</u>	<u>\$(24,974)</u>	<u>\$(1,154,666)</u>
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousand shares)	<u>127,522</u>	<u>124,140</u>	<u>127,407</u>	<u>124,040</u>
Basic earnings per share (NT\$)				
Profit from continuing operations	<u>\$4.44</u>	<u>\$3.46</u>	<u>\$4.76</u>	<u>\$25.56</u>
(Loss) from discontinued operations	<u>\$(0.08)</u>	<u>\$1.51</u>	<u>\$(0.20)</u>	<u>\$(9.31)</u>

	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	2026	2025
(2) Diluted earnings per share				
Profit from continuing operations attributable to ordinary shareholders of the Company (in thousand NT\$)	\$566,288	\$429,412	\$606,575	\$3,170,608
Interest expense from convertible bonds (in thousand NT\$)	11,192	5,543	11,192	87,149
Profit from continuing operations attributable to ordinary equity holders of the Company after dilution (in thousand NT\$)	<u>\$577,480</u>	<u>\$434,955</u>	<u>\$617,767</u>	<u>\$3,257,757</u>
Income (loss) from discontinued operations attributable to ordinary shareholders of the Company (in thousand NT\$)	<u>\$(10,525)</u>	<u>\$187,257</u>	<u>\$(24,974)</u>	<u>\$(1,154,666)</u>
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousand shares)	127,522	124,140	127,407	124,040
Effect of dilution:				
Employee compensation — stock (in thousand shares)	15	54	50	86
Employee stock options (in thousand shares)	52	590	52	590
Restricted stock for employees (in thousand shares)	39	-	42	-
Convertible bonds (in thousand shares)	<u>6,062</u>	<u>2,754</u>	<u>6,062</u>	<u>10,895</u>
Weighted average number of ordinary shares outstanding after dilution (in thousand shares)	<u>133,690</u>	<u>127,538</u>	<u>133,613</u>	<u>135,611</u>
Diluted earnings per share (NT\$)				
Profit from continuing operations	<u>\$4.32</u>	<u>\$3.41</u>	<u>\$4.62</u>	<u>\$24.02</u>
(Loss) income from discontinued operations	<u>\$(0.08)</u>	<u>\$1.47</u>	<u>\$(0.19)</u>	<u>\$(8.51)</u>

Note: The Company's First Overseas Unsecured Convertible Bonds issued in 2024 were not included in the calculation of diluted earnings per share for the three months ended June 30, 2026 and 2025, and for the six months ended June 30, 2026, because their conversion would have been anti-dilutive.

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.

30. Business combinations

Acquisition of Weider Global Nutrition, LLC

On May 5, 2026, the Group acquired Weider Global Nutrition, LLC and its subsidiaries through SunWay Health, Inc. The acquisition was primarily driven by the strategic objective of integrating the complementary resources of both companies to enhance the R&D efficiency and broaden the health and wellness product portfolio.

The fair values of the identifiable assets and liabilities of Weider Global Nutrition, LLC and its subsidiaries at the acquisition date were as follows:

	Fair value recognized at the acquisition date
Cash and cash equivalents	\$305,421
Accounts receivable	423,272
Other receivables	26,111
Inventories	571,200
Prepayments	52,619
Property, plant and equipment	3,045
Right-of-use assets	16,474
Intangible assets	494,522
Deferred income tax assets	2,025
Other non-current assets	2,548
Contract liabilities	(517)
Accounts payable	(275,872)
Other payables	(84,226)
Income tax payable	(41,346)
Provisions	(9,446)
Lease liabilities	(16,474)
Long-term borrowings	(1,643)
Refund liabilities	(30,726)
Other current liabilities	(6,474)
Deferred income tax liabilities	(236)
Identifiable net assets	<u>\$1,430,277</u>

	Fair value recognized at the acquisition date
Goodwill is calculated as follows:	
Acquisition considerations	\$1,904,989
Less: identifiable net assets at fair value	(1,430,277)
Goodwill	<u>\$474,712</u>

Acquisition considerations

Cash	\$1,582,002
Contingent consideration liability	322,987
Total consideration	<u>\$1,904,989</u>

Analysis of cash flows on acquisition:

Cash	\$(1,904,989)
Contingent consideration liability	322,987
Net cash acquired through acquisition	<u>305,421</u>
Net cash flow on acquisition	<u><u>\$(1,276,581)</u></u>

The intangible assets acquired primarily consist of trademarks, patents, and customer relationships, which are amortized over their respective estimated periods of future economic benefit.

Since the acquisition date, Weider Global Nutrition, LLC and its subsidiaries have contributed revenues of NT\$588,367 thousand and profit before income tax of NT\$23,724 thousand to the Group.

As of June 30, 2026, the identifiable net assets recognized in the Group's financial statements were measured based on provisional fair values. The Group has engaged an independent valuation specialist to assess the fair values of the identifiable net assets acquired; however, the valuation results were not available as of June 30, 2026, the day on which the financial statements were authorized for issue by management.

Contingent Considerations

The contingent consideration was agreed upon in the acquisition agreement entered into between the Group and the sellers, whereby a portion of the purchase consideration will be settled through the issuance of preferred shares. Pursuant to the agreement, if Weider Global Nutrition, LLC and its subsidiaries achieve the agreed EBITDA target during the period from May 6, 2026 to May 5, 2027, the holders of the preferred shares may, based on the formula specified in the agreement, convert the preferred shares into a certain number of the Company's common shares within the prescribed period. Alternatively, the holders may request the Company to redeem the preferred shares at the agreed price. If the agreed EBITDA target is not achieved, the Company has the right to repurchase and cancel the related preferred shares without consideration.

The fair value of the contingent consideration was determined based on the achievement of the EBITDA target and the related settlement mechanism using appropriate valuation techniques. The valuation involves significant unobservable inputs, including projected future EBITDA, the probability of achieving the target, and the discount rate. Pursuant to the acquisition agreement, the amount of contingent consideration that may be payable in the future depends on the level of EBITDA achieved by Weider Global Nutrition, LLC and its subsidiaries during the performance measurement period. Under the terms of the agreement, the contingent consideration associated with the EBITDA target ranges from US\$1 million to US\$12 million, and is recognized under financial liabilities measured at fair value through profit or loss - non-current.

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>
GTSW BIOTECH SDN. BHD.	Associates
Tanvex BioPharma, Inc. and its subsidiaries	Associates (Note 1)
Wonders Company Ltd.	Associates (Note 2)
3T TECHNOLOGY Co., Ltd.	Substantive related party
Galilee Biotech Ltd.	Substantive related party
Salus Therapeutics Inc.	Substantive related party (Note 3)

Note 1: The assets swap 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 associate. Therefore, the Group only disclosed the transactions with Tanvex BioPharma, Inc. after January 2025.

Note 2: On September 2, 2025, the Group has significant influence over Wonders Company Ltd., which has been classified as an associate. Therefore, the Group disclosed the transactions with Wonders Company Ltd. and its subsidiaries from September 2025.

Note 3: On August 29, 2025, the Group lost control but retained significant influence over Salus Therapeutics Inc. Salus Therapeutics Inc. was reclassified as an associate. Therefore, the Group only disclosed transactions with the company after September 2025. Additionally, the Group lost significant influence over Salus Therapeutics Inc. on June 30, 2026, therefore it was regarded as a substantial related party.

Significant transactions with the related parties

1. Operating revenue

	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	2026	2025
Substantive related party	\$31,197	\$62,811	\$59,034	\$109,926
Associates	173,362	634	177,587	939
Total	<u>\$204,559</u>	<u>\$63,445</u>	<u>\$236,621</u>	<u>\$110,865</u>

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. Purchase

	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	2026	2025
Substantive related party	<u>\$9,639</u>	<u>\$-</u>	<u>\$10,815</u>	<u>\$-</u>

The purchase prices from the above related party was based on costs plus necessary expenses. The purchase price and payment terms to related parties were not significantly different from those offered to third party suppliers and are net 120 days.

3. Accounts receivable - related parties

	June 30, 2026	December 31, 2025	June 30, 2025
Substantive related party	\$25,056	\$26,418	\$44,374
Associates	732	723	606
Less: loss allowance	-	-	-
Total	<u>\$25,788</u>	<u>\$27,141</u>	<u>\$44,980</u>

4. Accounts payable - related parties

	June 30, 2026	December 31 2025	June 30, 2025
Associates	<u>\$10,121</u>	<u>\$-</u>	<u>\$-</u>

5. Other receivables - related party

	June 30, 2026	December 31, 2025	June 30, 2025
Substantive related party	\$23,843	\$-	\$-
Associates	40,408	17,636	17,103
Total	<u>\$64,251</u>	<u>\$17,636</u>	<u>\$17,103</u>

6. Other payables -related party

	June 30, 2026	December 31, 2025	June 30, 2025
Substantive related party	\$5,136	\$13,762	\$14,533
Associates	8,450	6,836	6,875
Total	<u>\$13,586</u>	<u>\$20,598</u>	<u>\$21,408</u>

7. Sales and marketing expenses

	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	2026	2025
Substantive related party	\$9,464	\$12,289	\$16,021	\$28,583
Associates	720	-	720	-
Total	<u>\$10,184</u>	<u>\$12,289</u>	<u>\$16,741</u>	<u>\$28,583</u>

8. Research and development expenses

	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	2026	2025
Associates	<u>\$1,894</u>	<u>\$2,774</u>	<u>\$2,120</u>	<u>\$7,298</u>

9. Other income

	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	2026	2025
Associates	<u>\$9,217</u>	<u>\$-</u>	<u>\$9,217</u>	<u>\$-</u>

10. Key management personnel compensation

	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	2026	2025
Short-term employee benefits	\$42,601	\$71,440	\$48,262	\$79,488
Post-employment benefits	104	135	185	270
Total	<u>\$42,705</u>	<u>\$71,575</u>	<u>\$48,447</u>	<u>\$79,758</u>

VIII. Assets Pledged as Security

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

Items	Carrying amount			Secured liabilities
	June 30, 2026	December 31, 2025	June 30, 2025	
Financial assets measured at amortized cost				Customs deposit; guarantee bond with Science Park Administration and bank; long-term loans
	\$21,755	\$21,058	\$20,525	
Investments accounted for using equity method	637,403	669,656	-	long-term loans
Property, plant and equipment- land	2,250,190	2,250,190	2,250,190	Short-term loans and long-term loans
Property, plant and equipment- buildings	796,160	806,656	829,257	Short-term loans and long-term loans
Property, plant and equipment- transportation equipment	1,811	-	-	Financing loan
Investment properties (under other non-current assets)	11,513	11,739	11,965	Long-term loans
Total	<u>\$3,718,832</u>	<u>\$3,759,299</u>	<u>\$3,111,937</u>	

In addition to the pledged assets above, the Group also pledged the shares of Weider Global Nutrition, LLC.

IX. Significant Contingencies and Unrecognized Contractual Commitments

As of June 30, 2026, contracted capital expenditures but not yet incurred are as follows:

Company Name	Significant Contract	June 30,2026
SunWay Biotech Co., LTD.	Property, plant and equipment	\$42,958
Bora Pharmaceuticals Inc.	Property, plant and equipment	125,899

X. Losses due to Major Disasters

None.

XI. Significant Subsequent Events

The Group officially took over the CDMO operating assets of MacroGenics, Inc. on July 2, 2026 (Taiwan Standard Time), which is located in Maryland, the United States.

XII. Others

1. Financial instruments

<u>Financial assets</u>	June 30, 2026	December 31, 2025	June 30, 2025
Measured at fair value through profit or loss			
Mandatorily measured at fair value through profit or loss	\$139,476	\$129,208	\$123,612
Measured at fair value through other comprehensive income	330,634	220,050	198,494
Measured at amortized cost:			
Cash and cash equivalents (exclude cash on hand)	8,429,841	5,075,828	4,308,650
Financial assets measured at amortized cost	51,995	51,568	49,027
Notes receivable	7,696	4,168	8,228
Accounts receivable (include related parties)	9,448,664	8,789,569	7,644,976
Other receivables	411,036	344,911	355,909
Refundable deposits (under other non-current assets)	53,089	40,265	42,866
Total	<u>\$18,872,431</u>	<u>\$14,655,567</u>	<u>\$12,731,762</u>

Financial liabilities

	June 30, 2026	December 31, 2025	June 30, 2025
Measured at amortized cost			
Short-term loans	\$5,328,025	\$3,950,000	\$1,933,560
Accounts and other payables (including amount recognized in other non-current liabilities)	5,853,986	3,445,089	4,680,561
Bonds payable	9,364,891	6,567,968	7,751,500
Long-term loans (including current portion)	6,234,378	6,919,183	7,240,268
Lease liabilities	888,177	789,515	829,741
Deposits received	1,743	2,103	2,349
Measured at fair value through profit or loss			
Held for trading	-	-	1,139
Contingent considerations from business combinations	525,830	230,601	676,994
Embedded derivatives	36,700	-	-
Total	<u>\$28,233,730</u>	<u>\$21,904,459</u>	<u>\$23,116,112</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 and EUR. The sensitivity analysis is as follows:

When NTD appreciates or depreciates against USD by 1%, the profit for the six months ended June 30, 2026 and 2025 will be decreased/increased by NT\$24,003 thousand and NT\$16,066 thousand, respectively.

When NTD appreciates or depreciates against EUR by 1%, the profit for the six months ended June 30, 2026 will be increased/decreased by NT\$8,453 thousand. When NTD appreciates or depreciates against EUR by 1%, the profit for the six months ended June 30, 2025 will be decreased/increased by NT\$786 thousand.

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 six months ended June 30, 2026 and 2025 to decrease by NT\$9,322 thousand and NT\$7,615 thousand, respectively.

If all other factors remain, while the interest rate declines, the impact on profit and loss performance for the six months ended June 30, 2026 and 2025 will be the same amount as above but in the opposite direction.

Equity price risk

The Group hold domestic and overseas Emerging Stock Board (ESB) and unlisted equity securities, as well as the conversion rights embedded in the Group's domestic and overseas convertible bonds, whose fair values are affected by the uncertainties about future values of the underlying investment securities. The Group's equity securities are classified under financial assets measured at fair value through profit or loss or financial assets measured at fair value through other comprehensive income. As for the conversion rights of domestic and overseas convertible bonds not qualified under the definition of equity element, the bonds are classified as financial liabilities measured at fair value through profit or loss and financial assets 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 sensitivity analysis information of other equity instruments or derivatives that are linked to such equity instruments whose fair value measurement is categorized under Level 3.

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 June 30, 2026, December 31, 2025, and June 30, 2025, accounts receivable from top ten customers represented 85%, 86% and 84% of the total accounts receivable of the Group, respectively. The credit concentration risk of rest of other accounts receivable 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 Group only transacts with counterparties approved by the internal control procedures, which are banks and financial institutions, companies and government entities with good credit ratings. 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><= 1 year</u>	<u>2 to 3 years</u>	<u>4 to 5 years</u>	<u>> 5 years</u>	<u>Total</u>
June 30, 2026					
Borrowings	\$7,809,803	\$3,748,897	\$213,064	\$163,090	\$11,934,854
Accounts and other					
payables	5,853,986	-	-	-	5,853,986
Convertible bonds	-	7,327,783	3,000,000	-	10,327,783
Lease liabilities (Note)	131,331	269,843	151,005	471,074	1,023,253

	<= 1 year	2 to 3 years	4 to 5 years	> 5 years	Total
December 31, 2025					
Borrowings	\$5,817,696	\$4,241,776	\$990,918	\$186,389	\$11,236,779
Accounts and other payables	3,445,089	-	-	-	3,445,089
Convertible bonds	-	7,327,783	-	-	7,327,783
Lease liabilities (Note)	101,038	156,316	145,824	507,459	910,637
	<= 1 year	2 to 3 years	4 to 5 years	> 5 years	Total
June 30, 2025					
Borrowings	\$3,723,996	\$4,087,651	\$1,554,086	\$209,688	\$9,575,421
Accounts and other payables	4,678,889	1,672	-	-	4,680,561
Convertible bonds	-	-	8,698,283	-	8,698,283
Lease liabilities (Note)	106,236	168,725	145,732	544,541	965,234

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

	Maturities					
	Less than 5 years	6 to 10 years	11 to 15 years	16 to 20 years	>21 years	Total
June 30, 2026	\$552,179	\$226,981	\$127,429	\$61,402	\$55,262	\$1,023,253
December 31, 2025	\$403,177	\$247,382	\$137,274	\$61,402	\$61,402	\$910,637
June 30, 2025	\$420,693	\$268,607	\$146,990	\$61,402	\$67,542	\$965,234

6. Reconciliation of liabilities arising from financing activities

Reconciliation of liabilities for the six months ended June 30, 2026:

	Short-term loans	Long-term loans	Leases liabilities	Bonds Payable	Total liabilities from financing activities
January 1, 2026	\$3,950,000	\$6,919,183	\$789,515	\$6,567,968	\$18,226,666
Cash flows	1,362,314	(693,768)	(50,864)	3,094,047	3,711,729
Non-cash changes					
Acquisitions	-	1,643	16,474	-	18,117
Additions	-	-	135,447	-	135,447
Others	15,711	7,320	(2,395)	(297,124)	(276,488)
June 30, 2026	<u>\$5,328,025</u>	<u>\$6,234,378</u>	<u>\$888,177</u>	<u>\$9,364,891</u>	<u>\$21,815,471</u>

Reconciliation of liabilities for the six months ended June 30, 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	(655,026)	(521,051)	(53,122)	-	(1,229,199)
Non-cash changes					
Additions	-	-	161,062	-	161,062
Disposal of subsidiary	-	-	(131,073)	-	(131,073)
Conversion	-	-	-	(116,341)	(116,341)
Others	(9,264)	7,309	(9,688)	108,936	97,293
June 30, 2025	<u>\$1,933,560</u>	<u>\$7,240,268</u>	<u>\$829,741</u>	<u>\$7,751,500</u>	<u>\$17,755,069</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			Fair value as of		
	June 30, 2026	December 31, 2025	June 30, 2025	June 30, 2026	December 31, 2025	June 30, 2025
Financial liabilities						
Bonds payable	\$9,364,891	\$6,567,968	\$7,751,500	\$9,446,705	\$6,751,653	\$7,941,475

(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 matured as of June 30, 2026, December 31, 2025 and June 30, 2025 is as follows:

Currency Forwards

Currency forward contracts are entered into to manage exposures arising from certain transactions; however, they are not designated as hedging instruments. Details of the Group's currency forward contract transactions are as follows:

Items (by contract)	Notional Amount	Contract Period
June 30, 2026		
There is no such circumstance.		
December 31, 2025		
There is no such circumstance.		
June 30, 2025		
Foreign Exchange Forward Contract	Sale USD\$134 thousand	June 19, 2025 To July 07, 2025
Foreign Exchange Forward Contract	Sale USD\$411 thousand	June 19, 2025 To July 21, 2025
Foreign Exchange Forward Contract	Sale USD\$470 thousand	June 19, 2025 To July 21, 2025
Foreign Exchange Forward Contract	Sale USD\$3,823 thousand	May 26, 2025 To July 29, 2025

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 assets 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:

June 30, 2026:

	Level 1	Level 2	Level 3	Total
Financial assets				
At fair value through profit or loss:				
Stock	\$-	\$-	\$17,097	\$17,097
Cash surrender value of life insurance	-	120,461	-	120,461
Embedded derivatives	-	-	1,918	1,918
At fair value through other comprehensive income:				
Equity instruments	69,775	-	260,859	330,634
Total	<u>\$69,775</u>	<u>\$120,461</u>	<u>\$279,874</u>	<u>\$470,110</u>
Financial liabilities				
At fair value through profit or loss:				
Embedded derivatives	\$-	\$-	\$36,700	\$36,700
Contingent considerations from business combinations	-	-	525,830	525,830
Total	<u>\$-</u>	<u>\$-</u>	<u>\$562,530</u>	<u>\$562,530</u>

December 31, 2025:

	Level 1	Level 2	Level 3	Total
Financial assets				
At fair value through profit or loss:				
Stock	\$-	\$-	\$20,275	\$20,275
Cash surrender value of life insurance	-	107,655	-	107,655
Embedded derivatives	-	-	1,278	1,278
At fair value through other comprehensive income:				
Equity instruments	55,710	-	164,340	220,050
Total	<u>\$55,710</u>	<u>\$107,655</u>	<u>\$185,893</u>	<u>\$349,258</u>
Financial liabilities				
At fair value through profit or loss:				
Contingent considerations from business combinations	<u>\$-</u>	<u>\$-</u>	<u>\$230,601</u>	<u>\$230,601</u>

June 30, 2025:

	Level 1	Level 2	Level 3	Total
Financial assets				
At fair value through profit or loss:				
Stock	\$-	\$-	\$20,275	\$20,275
Cash surrender value of life insurance	-	93,015	-	93,015
Embedded derivatives	-	-	10,322	10,322
At fair value through other comprehensive income:				
Equity instruments	42,270	-	156,224	198,494
Total	<u>\$42,270</u>	<u>\$93,015</u>	<u>\$186,821</u>	<u>\$322,106</u>
Financial liabilities				
At fair value through profit or loss:				
Embedded derivatives	\$-	\$1,139	\$-	\$1,139
Contingent considerations from business combinations	-	-	676,994	676,994
Total	<u>\$-</u>	<u>\$1,139</u>	<u>\$676,994</u>	<u>\$678,133</u>

Transfers between Level 1 and Level 2 during the period

During the six months ended June 30, 2026 and 2025, 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:

Six months ended June 30, 2026

	Financial assets (liabilities)		
	Measured at fair value through profit or loss		
	Embedded derivatives	Contingent considerations	Stock
As of January 1, 2026	\$1,278	\$(230,601)	\$20,275
Additions	(29,800)	(322,987)	222
Reductions	-	85,485	(14,801)
Gains (losses) recognized in profit or loss	(6,260)	(52,746)	11,401
Exchange differences	-	(4,981)	-
As of June 30, 2026	<u><u>\$(34,782)</u></u>	<u><u>\$(525,830)</u></u>	<u><u>\$17,097</u></u>

	Financial assets (liabilities)
	Measured at fair value through other comprehensive income
	Stock
As of January 1, 2026	\$164,340
Additions	94,080
Reductions	-
Gains (losses) recognized in other comprehensive income	349
Exchange differences	2,090
As of June 30, 2026	<u><u>\$260,859</u></u>

Six months ended June 30, 2025

	Financial assets (liabilities)		
	Measured at fair value through profit or loss		
	Embedded	Contingent	
	derivatives	considerations	Stock
As of January 1, 2025	\$4,202	\$(1,063,296)	\$20,275
Additions	-	-	-
Reductions	-	336,552	-
Gains (losses) recognized in profit or loss (presented as “gain (loss) on financial assets or liabilities measured at fair value through profit or loss”):	6,120	(39,413)	-
Exchange differences	-	89,163	-
As of June 30, 2025	<u>\$10,322</u>	<u>\$(676,994)</u>	<u>\$20,275</u>

	Financial assets (liabilities)
	Measured at fair value through other comprehensive income
	Stock
As of January 1, 2025	\$174,806
Additions	-
Reductions	-
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”)	(1,233)
Exchange differences	(17,349)
As of June 30, 2025	<u>\$156,224</u>

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:

June 30, 2026

	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	16% - 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\$2,431 thousand in the Group's profit or loss and decrease (increase) by NT\$23,914 thousand in the Group's other comprehensive income or loss.
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) by NT\$8 thousand in the Group's other comprehensive income or loss.
Embedded derivatives of overseas convertible bonds	Binomial tree pricing method for convertible bond	Volatility	41%	The higher the volatility, the higher the fair value of the embedded derivatives	1% increase (decrease) in volatility would have no impact on or result in a decrease of NT\$639 thousand in the Group's profit or loss.
Embedded derivatives of domestic convertible bonds	Binomial tree pricing method for convertible bond	Volatility	41%	The higher the volatility, the higher the fair value of the embedded derivatives	2% increase (decrease) in volatility would result in an increase of NT\$600 thousand or a decrease of NT\$500 thousand in the Group's profit or loss.

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Contingent consideration	Discounted cash flow	Discount rate	16%	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 increase of NT\$2,968 thousand or a decrease of NT\$2,887 thousand in the Group's profit or loss.

December 31, 2025

	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	16% - 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\$3,829 thousand in the Group's profit or loss and decrease (increase) by NT\$19,001 thousand in the Group's other comprehensive income or loss.
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) by NT\$22 thousand in the Group's other comprehensive income or loss.
Embedded derivatives of overseas convertible bonds	Binomial tree pricing method for convertible bond	Volatility	35%	The higher the volatility, the higher the fair value of the embedded derivatives	1% increase (decrease) in volatility would have no impact on the Group's profit or loss.

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Contingent consideration	Discounted cash flow	Discount rate	16%	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 increase of NT\$3,586 thousand or a decrease of NT\$3,479 thousand in the Group's profit or loss.

June 30, 2025

	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	16-40%	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. Other comprehensive income will decrease/increase by NT\$17,874 thousand.
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\$23 thousand
Embedded derivatives of overseas convertible bonds	Binomial tree pricing method for convertible bond	Volatility	39%	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\$639 thousand or no impact on the Group's profit or loss.
Embedded derivatives of domestic convertible bonds	Binomial tree pricing method for convertible bond	Volatility	39%	The higher the volatility, the higher the fair value of the embedded derivatives	1% increase (decrease) in the volatility would result in an increase of NT\$137 thousand or a decrease of NT\$411 thousand in the Group's profit or loss

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Contingent Consideration	Discounted cash flow	Discount rate	16%	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\$6,718 thousand or an decrease by NT\$7,011 in the Group's profit or loss.

For information on the significant unobservable inputs used in measuring the contingent consideration arising from the business combination, please refer to Note VI.30.

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 to ensure the valuation is reasonable.

- (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

June 30, 2026

	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value but for which the fair value is disclosed:				
Investment properties				
(under other non-current assets)	\$-	\$-	\$36,520	\$36,520

December 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				
(under other non-current assets)	\$-	\$-	\$36,520	\$36,520

June 30, 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 (under other non-current assets)	\$-	\$-	\$39,823	\$39,823

10. Significant assets and liabilities denominated in foreign currencies

Unit: thousands

	June 30, 2026		
	Foreign currencies	Foreign exchange rate	NTD
<u>Financial assets</u>			
Monetary items:			
USD	\$105,380	31.85	\$3,356,353
EUR	3,755	36.29	136,269
<u>Financial liabilities</u>			
Monetary items:			
USD	\$30,016	31.85	\$956,010
EUR	27,049	36.29	981,608

Unit: thousands

	December 31, 2025		
	Foreign currencies	Foreign exchange rate	NTD
<u>Financial assets</u>			
Monetary items:			
USD	\$69,040	31.43	\$2,169,927
EUR	3,767	36.90	139,002
<u>Financial liabilities</u>			
Monetary items:			
USD	\$23,161	31.43	\$727,950
EUR	1,786	36.90	65,903

			Unit: thousands
			June 30, 2025
	Foreign currencies	Foreign exchange rate	NTD
<u>Financial assets</u>			
Monetary items:			
USD	\$73,577	29.30	\$2,155,806
EUR	3,107	34.35	106,725
<u>Financial liabilities</u>			
Monetary items:			
USD	\$18,743	29.30	\$549,170
EUR	818	34.35	28,098

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

- Financing provided to others: Please refer to Table 2.
- Endorsement/Guarantee provided to others: Please refer to Table 3.
- Significant marketable securities held: Please refer to Table 4.
- Related party transactions for purchases and sales exceeding the lower of NT\$100 million or 20 percent of the capital stock: Please refer to Table 5.
- Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20 percent of capital stock: Please refer to Table 6.
- Financial instruments and derivative transactions: Please refer to Note VI.2.14.
- 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: sale of pharmaceuticals, generics, 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 segments are on an arm's length basis in a manner similar to transactions with third parties.

Three months ended June 30, 2026

	Sales segment	CDMO segment	Other segment	Adjustment and elimination	Consolidated
Revenue from continuing operations					
External customer	\$3,758,792	\$2,116,395	\$14,267	\$-	\$5,889,454
Inter-segment	1	699,533	346,761	(1,046,295)	-
Total revenue	<u>\$3,758,793</u>	<u>\$2,815,928</u>	<u>\$361,028</u>	<u>\$(1,046,295)</u>	<u>\$5,889,454</u>
Segment profit from continuing operations	<u>\$761,299</u>	<u>\$274,264</u>	<u>\$(117,529)</u>	<u>\$(104,931)</u>	<u>\$813,103</u>

Six months ended June 30, 2026

	Sales segment	CDMO segment	Other segment	Adjustment and elimination	Consolidated
Revenue from continuing operations					
External customer	\$6,190,914	\$3,626,112	\$73,659	\$-	\$9,890,685
Inter-segment	41	1,314,432	675,908	(1,990,381)	-
Total revenue	<u>\$6,190,955</u>	<u>\$4,940,544</u>	<u>\$749,567</u>	<u>\$(1,990,381)</u>	<u>\$9,890,685</u>
Segment profit from continuing operations	<u>\$1,063,168</u>	<u>\$170,067</u>	<u>\$(48,153)</u>	<u>\$(150,827)</u>	<u>\$1,034,255</u>

Three months ended June 30, 2025

	Sales segment	CDMO segment	Other segment	Adjustment and elimination	Consolidated
Revenue from continuing operations					
External customer	\$3,261,379	\$1,591,435	\$14,971	\$-	\$4,867,785
Inter-segment	1,630	275,685	161,024	(438,339)	-
Total revenue	<u>\$3,263,009</u>	<u>\$1,867,120</u>	<u>\$175,995</u>	<u>\$(438,339)</u>	<u>\$4,867,785</u>
Segment profit from continuing operations	<u>\$950,811</u>	<u>\$(125,856)</u>	<u>\$(105,040)</u>	<u>\$(164,520)</u>	<u>\$555,395</u>

Six months ended June 30, 2025

	Sales segment	CDMO segment	Other segment	Adjustment and elimination	Consolidated
Revenue from continuing operations					
External customer	\$5,842,760	\$3,487,472	\$17,138	\$-	\$9,347,370
Inter-segment	1,739	572,292	366,841	(940,872)	-
Total revenue	<u>\$5,844,499</u>	<u>\$4,059,764</u>	<u>\$383,979</u>	<u>\$(940,872)</u>	<u>\$9,347,370</u>
Segment profit from continuing operations	<u>\$1,370,360</u>	<u>\$201,115</u>	<u>\$2,357,962</u>	<u>\$(356,642)</u>	<u>\$3,572,795</u>

Note: Inter-segment revenue is eliminated upon consolidation and recorded in the “adjustment and elimination” column.

Table 1
Significant inter-company transactions during the period
For the six months ended June 30, 2026

No. (Note 1)	Company Name	Counterparty	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.	Bora Pharmaceutical Laboratories Inc.	1	Operating revenue	\$235,458	60 days from the date of invoice	2.38%
0	Bora Pharmaceuticals Co., Ltd.	Bora Pharmaceutical Laboratories Inc.	1	Other income	137,067	(Note 5)	1.39%
0	Bora Pharmaceuticals Co., Ltd.	Bora Pharmaceutical Services Inc.	1	Operating revenue	290,027	60 days from the date of invoice	2.93%
0	Bora Pharmaceuticals Co., Ltd.	TWi Pharmaceuticals, Inc.	1	Operating revenue	150,491	60 days from the date of invoice	1.52%
1	Bora Pharmaceutical Laboratories Inc.	TWi Pharmaceuticals, Inc.	3	Operating revenue	575,426	60 days from the date of invoice	5.82%
2	TWi Pharmaceuticals, Inc.	Upsher-Smith Laboratories, LLC	3	Operating revenue	1,488,183	120days from the date of invoice	15.04%
2	TWi Pharmaceuticals, Inc.	Upsher-Smith Laboratories, LLC	3	Accounts receivable	994,210	120 days from the date of invoice	1.91%
3	TWi Pharmaceuticals USA, Inc.	Upsher-Smith Laboratories, LLC	3	Other receivables	1,196,431	(Note 5)	2.30%
4	Bora Pharmaceuticals USA Inc.	Upsher-Smith Laboratories, LLC	3	Other income	126,418	(Note 5)	1.28%
4	Bora Pharmaceuticals USA Inc.	Bora Pharmaceuticals Injectables Inc.	3	Other receivables	528,204	(Note 5)	1.01%
4	Bora Pharmaceuticals USA Inc.	Bora Pharmaceuticals Injectables Inc.	3	Other income	230,133	(Note 5)	2.33%
4	Bora Pharmaceuticals USA Inc.	Bora Pharmaceutical Services Inc.	3	Other income	145,258	(Note 5)	1.47%
4	Bora Pharmaceuticals USA Inc.	Bora Pharmaceuticals Inc.	3	Other income	135,054	(Note 5)	1.37%
5	Upsher-Smith Laboratories, LLC	Bora Pharmaceuticals Inc.	3	Other income	111,922	(Note 5)	1.13%
6	Bora Pharmaceuticals Inc.	Upsher-Smith Laboratories, LLC	3	Operating revenue	596,397	30 days from the date of invoice	6.03%
6	Bora Pharmaceuticals Inc.	Upsher-Smith Laboratories, LLC	3	Accounts receivable	568,495	30 days from the date of invoice	1.09%
7	Bora Global Ltd.	Bora Pharmaceuticals USA Inc.	3	Other receivables	2,598,025	(Note 5)	4.99%
8	Weider Germany GmbH	Weider Global Nutrition, LLC	3	Other receivables	917,382	(Note 5)	1.76%

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 the period-end balance of transactions to the consolidated total assets for the balance sheet accounts and based on the accumulated transaction amount for the period to the consolidated total operating revenues for the 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: As no similarly related transactions were available, the transaction terms are agreed by both parties.

Table 2

Financing provided to others

For the six months ended June 30, 2026

No. (Note 1)	Lender	Counterparty	Financial statement account	Related party	Maximum balance for the period	Ending balance	Actual amount drawn	Interest rate	Nature of financing (Note 4)	Transaction amounts (Note 5)	Reason for financing (Note 6)	Loss allowance	Collateral		Limit of financing amount for individual counterparty (Note 2)	Limit of total financing amount (Note 3)
													Item	Value		
1	Bora Pharmaceuticals USA Inc.	Upsher-Smith Laboratories, LLC	Other receivables	Yes	\$1,356,142	\$-	\$-	5.70	2	\$-	Operation needs	\$-	None	\$-	\$27,081,392	\$27,081,392
1	Bora Pharmaceuticals USA Inc.	Bora Pharmaceuticals Injectables Inc.	Other receivables	Yes	314,650	238,875	238,875	5.30	2	-	Operation needs	-	None	-	27,081,392	27,081,392
1	Bora Pharmaceuticals USA Inc.	Bora Pharmaceuticals Inc.	Other receivables	Yes	799,875	796,250	-	4.95	2	-	Operation needs	-	None	-	27,081,392	27,081,392
2	TWi Pharmaceuticals USA, Inc.	Upsher-Smith Laboratories, LLC	Other receivables	Yes	555,875	-	-	5.70	2	-	Operation needs	-	None	-	2,712,834	2,712,834
2	TWi Pharmaceuticals USA, Inc.	Upsher-Smith Laboratories, LLC	Other receivables	Yes	775,122	771,609	771,609	5.70	2	-	Operation needs	-	None	-	2,712,834	2,712,834
2	TWi Pharmaceuticals USA, Inc.	Upsher-Smith Laboratories, LLC	Other receivables	Yes	414,050	414,050	414,050	5.20	2	-	Operation needs	-	None	-	2,712,834	2,712,834
3	Bora Global Ltd.	Bora Pharmaceuticals USA Inc.	Other receivables	Yes	2,595,775	2,595,775	2,595,775	5.20	2	-	Operation needs	-	None	-	347,318,683	347,318,683
4	SunWay Biotech Co., Ltd.	SunWay Health, Inc.	Other receivables	Yes	159,250	159,250	159,250	5.00	2	-	Funding for the subsidiary's acquisition of WGN	-	None	-	417,120	1,668,481
4	SunWay Biotech Co., Ltd.	Weider Global Nutrition, LLC	Other receivables	Yes	31,850	31,850	-	5.00	2	-	Operation needs	-	None	-	417,120	1,668,481

No. (Note 1)	Lender	Counterparty	Financial statement account	Related party	Maximum balance for the period	Ending balance	Actual amount drawn	Interest rate	Nature of financing (Note 4)	Transaction amounts (Note 5)	Reason for financing (Note 6)	Loss allowance	Collateral		Limit of financing amount for individual counterparty (Note 2)	Limit of total financing amount (Note 3)
													Item	Value		
5	Weider Global Nutrition, LLC	Weider Nutrition Korea, Ltd.	Other receivables	Yes	\$7,014	\$7,014	\$7,014	0.00	2	\$-	Operation needs	\$-	None	\$-	\$982,837	\$982,837
5	Weider Global Nutrition, LLC	Weider Nutrition S.L.	Other receivables	Yes	2,156	2,156	2,156	0.00	2	-	Operation needs	-	None	-	982,837	982,837
6	Weider Germany GmbH	Weider Global Nutrition, LLC	Other receivables	Yes	572,269	562,150	562,150	1.25	2	-	Operation needs	-	None	-	920,603	920,603

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 of financing amount for individual counterparty shall not exceed 10% of the lender's net assets value and the accumulated business transaction amounts of the past 12 months. Transaction amounts are defined as the higher amount of sales to or purchases from.
- (2) Those with financing needs:
 - (i) Limit of financing for an individual counterparty shall not exceed 200% of the net assets of Bora Pharmaceuticals USA Inc.
 - (ii) Limit of financing for an individual counterparty shall not exceed 200% of the net assets of TWi Pharmaceuticals USA, Inc.
 - (iii) Limit of financing for an individual counterparty shall not exceed 300 times the net asset value of Bora Global Ltd.
 - (iv) Limit of financing for an individual counterparty shall not exceed 10% of the net assets of SunWay Biotech Co., Ltd.
 - (v) Limit of financing for an individual counterparty shall not exceed the net assets of Weider Global Nutrition LLC.
 - (vi) Limit of financing for an individual counterparty shall not exceed the net assets of Weider Germany GmbH.

Note 3: Limit of total financing amount:

- (1) Limit of total financing provided by Bora Pharmaceuticals USA Inc. to all parties shall not exceed 200% of the net asset value of Bora Pharmaceuticals USA Inc.
- (2) Limit of total financing provided by TWi Pharmaceuticals USA, Inc. to all parties shall not exceed 200% of the net asset value of TWi Pharmaceuticals USA, Inc.
- (3) Limit of total financing provided by Bora Global Ltd. to all parties shall not exceed 300 times-of the net asset value of Bora Global Ltd.
- (4) Limit of total financing provided by SunWay Biotech Co., Ltd. to all parties shall not exceed 40% of the net asset value of SunWay Biotech Co., Ltd.
- (5) Limit of total financing provided by Weider Global Nutrition, LLC to all parties shall not exceed the net asset value of Weider Global Nutrition, LLC.
- (6) Limit of total financing provided by Weider Germany GmbH to all parties shall not exceed the net asset value of Weider Germany GmbH.

Note 4: Nature of financing:

- (1) Business transaction is "1".
- (2) Short-term financing is "2".

Note 5: Where the reason for the financing is for business transaction (Type "1"): The transaction amount represents the accumulated business transactions between the lender and the counter party during the past 12 months.

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

Table 3

Endorsement/Guarantee provided to others

For the six months ended June 30, 2026

No. (Note 1)	Endorsement/ Guarantee provider	Guaranteed party		Limits on endorsement/ guarantee to each guaranteed party (Note3)	Maximum balance for the period	Ending balance	Actual amount drawn	Amount of endorsement / guarantee secured by collateral	Ratio of accumulated endorsement/ guarantee amount to net equity of the endorsement/ guarantee provider	Maximum on endorsement/ guarantee provided (Note 4)	Guarantee provided by Parent company	Guarantee provided by a subsidiary	Guarantee provided to subsidiaries in Mainland China
		Name	Relationship (Note 2)										
0	Bora Pharmaceuticals Co., Ltd.	Upsher-Smith Laboratories, LLC	2	\$75,624,270	\$2,399,625	\$796,250	\$-	\$-	5.26%	\$75,624,270	Yes	No	No
0	Bora Pharmaceuticals Co., Ltd.	Bora Pharmaceuticals Inc.	2	75,624,270	955,500	955,500	-	-	6.32%	75,624,270	Yes	No	No
0	Bora Pharmaceuticals Co., Ltd.	Bora Pharmaceuticals Injectables Inc.	2	75,624,270	1,567,755	1,082,900	955,500	-	7.16%	75,624,270	Yes	No	No
0	Bora Pharmaceuticals Co., Ltd.	Bora Global Ltd.	2	75,624,270	3,073,525	3,073,525	1,481,025	-	20.32%	75,624,270	Yes	No	No
0	Bora Pharmaceuticals Co., Ltd.	Bora Biologics USA, LLC	2	75,624,270	5,494,125	5,494,125	3,901,625	-	36.33%	75,624,270	Yes	No	No
0	Bora Pharmaceuticals Co., Ltd.	Bora Pharmaceutical Services Inc.	2	75,624,270	2,796,000	2,686,800	2,686,800	-	17.76%	75,624,270	Yes	No	No
1	Bora Pharmaceutical Laboratories Inc.	Bora Pharmaceuticals Ophthalmic Inc.	4	30,614,270	260,000	260,000	241,000	-	8.49%	30,614,270	No	No	No
2	SunWay Biotech Co., Ltd.	SunWay Health, Inc.	2	2,502,721	796,250	796,250	637,000	-	19.09%	4,171,202	No	No	No

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". The same company shall be assigned the same number.

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 for each guaranteed party of Bora Pharmaceuticals Co., Ltd. is 5 times of its net worth.

Limit of guarantee/endorsement for each guaranteed party of Bora Pharmaceutical Laboratories Inc. is 10 times of its net worth.

Limit of guarantee/endorsement for each guaranteed party of SunWay Biotech Co., Ltd. is 60% of its net worth.

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

Maximum on guarantee/ endorsement of Bora Pharmaceutical Laboratories Inc. is 10 times of its net worth.

Maximum on guarantee/ endorsement of SunWay Biotech Co., Ltd. is 100% of its net worth.

Table 4

Significant securities held (excluding subsidiaries, associates and joint ventures)

As of June 30, 2026

Investor Company	Type and name of securities (Note1)	Relationship (Note2)	Financial statement account	As of June 30, 2026				Note (Note4)
				Shares/Units (thousand)	Carrying amount (Note3)	Percentage of ownership	Fair value	
Upsher-Smith Laboratories, LLC	Non-listed stock – APPCO Pharma LLC	None	Financial assets measured at fair value through other comprehensive income, non-current	2,791,791.79	\$158,555	6.89%	\$158,555	Not 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.

Table 5

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

For the six months ended June 30, 2026

Company Name	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 Laboratories Inc.	Subsidiary	Sales	\$235,458	30.12%	60 days from the date of invoice	Unit price and terms were not significantly different from transactions with third parties		Accounts receivable \$179,277	47.01%	-
Bora Pharmaceuticals Co., Ltd.	Bora Pharmaceutical Services Inc.	Subsidiary	Sales	290,027	37.09%	60 days from the date of invoice	Unit price and terms were not significantly different from transactions with third parties		Accounts receivable \$108,825	28.53%	-
Bora Pharmaceuticals Co., Ltd.	TWi Pharmaceuticals, Inc.	Subsidiary	Sales	150,491	19.25%	60 days from the date of invoice	Unit price and terms were not significantly different from transactions with third parties		Accounts receivable \$37,521	9.84%	-
Bora Pharmaceutical Laboratories Inc.	TWi Pharmaceuticals, Inc.	Subsidiary	Sales	575,426	41.80%	60 days from the date of invoice	Unit price and terms were not significantly different from transactions with third parties		Accounts receivable \$230,129	44.86%	-
TWi Pharmaceuticals, Inc.	Upsher-Smith Laboratories, LLC	Subsidiary	Sales	1,488,183	76.03%	120 days from the date of invoice	Unit price and terms were not significantly different from transactions with third parties		Accounts receivable \$994,210	87.51%	-
Bora Pharmaceuticals Inc.	Upsher-Smith Laboratories, LLC	Subsidiary	Sales	596,397	89.51%	30 days from the date of invoice	Unit price and terms were not significantly different from transactions with third parties		Accounts receivable \$568,495	98.42%	-
TWi Pharmaceuticals, Inc.	Salus Therapeutics Inc.	Associate	Sales	175,842	8.98%	60 days from the date of invoice	Unit price and terms were not significantly different from transactions with third parties		Accounts receivable \$24,863	2.19%	-

Table 6

Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20 percent of capital stock

As of June 30, 2026

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.	Bora Pharmaceutical Laboratories Inc.	Subsidiary	Accounts receivable \$179,277	2.94	\$80	Subsequent collections	\$58,358	\$-	-
Bora Pharmaceuticals Co., Ltd.	Bora Pharmaceutical Laboratories Inc.	Subsidiary	Other receivables \$466,676	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Note 1
Bora Pharmaceuticals Co., Ltd.	Bora Pharmaceutical Services Inc.	Subsidiary	Accounts receivable \$108,825	5.69	30,368	Subsequent collections	29,097	-	-
Bora Pharmaceutical Laboratories Inc.	TWi Pharmaceuticals, Inc.	Subsidiary	Accounts receivable \$230,129	4.61	-	-	188,750	-	-
Bora Pharmaceutical Laboratories Inc.	Upsher-Smith Laboratories, LLC	Subsidiary	Accounts receivable \$138,474	2.37	444	Subsequent collections	-	-	-
TWi Pharmaceuticals, Inc.	Upsher-Smith Laboratories, LLC	Subsidiary	Accounts receivable \$994,210	4.73	-	-	42,130	-	-
Bora Pharmaceuticals Inc.	Upsher-Smith Laboratories, LLC	Subsidiary	Accounts receivable \$568,495	4.20	304,332	Subsequent collections	79,880	-	-
TWi Pharmaceuticals USA Inc.	Upsher-Smith Laboratories, LLC	Subsidiary	Other receivables \$1,196,431	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Note 1
Bora Pharmaceuticals USA Inc.	Bora Pharmaceuticals Injectables Inc.	Subsidiary	Other receivables \$528,204	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Note 1
Bora Pharmaceuticals USA Inc.	Bora Pharmaceuticals Inc.	Subsidiary	Other receivables \$155,122	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Note 1
Upsher-Smith Laboratories, LLC	Pyros Pharmaceuticals Inc.	Subsidiary	Other receivables \$350,911	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Note 1
Bora Global Ltd.	Bora Pharmaceuticals USA Inc.	Subsidiary	Other receivables \$2,598,025	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Note 1
Weider Germany GmbH	Weider Global Nutrition, LLC	Subsidiary	Other receivables \$917,382	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Note 1

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			
Weider Global Nutrition, LLC	Weider Germany GmbH	Subsidiary	Other receivables \$388,339	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Note 1
SunWay Biotech Co., Ltd.	SunWay Health, Inc.	Subsidiary	Other receivables \$181,853	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Note 1

Note 1: Other receivable of subsidiaries, not applicable.

Table 7

Information on investees:

As of June 30, 2026

Investor	Investee company	Location	Main businesses	Initial investment amount		Balance as of June 30, 2026			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.	Taiwan	Pharmaceutical contract development and manufacturing	NTD 1,435,904	NTD 1,435,904	192,909,368	100%	\$2,964,887	\$338,301	\$357,309	(Note 1)
Bora Pharmaceuticals Co., Ltd.	Bora Pharmaceuticals USA Inc.	USA	Pharmaceutical sales and investment holding	USD 384,631	USD 384,631	500,000	100%	13,570,921	(81,513)	(108,412)	(Note 1)
Bora Pharmaceuticals Co., Ltd.	Bora Pharmaceutical Services Inc.	Canada	Pharmaceutical contract development and manufacturing	CAD 10,000	CAD 10,000	100,000,000	50%	1,759,677	134,010	67,005	-
Bora Pharmaceuticals Co., Ltd.	Bora Management Consulting Co., Ltd.	Taiwan	Management and consulting	NTD 625,000	NTD 1,000	62,500,000	100%	630,144	7,950	7,950	-
Bora Pharmaceuticals Co., Ltd.	Salus Therapeutics Inc.	Taiwan	Biotechnical research and management and consulting	NTD -	NTD 400	-	-%	-	(47,692)	(47)	-
Bora Pharmaceuticals Co., Ltd.	TWi Pharmaceuticals, Inc.	Taiwan	Pharmaceutical sales and development	NTD 5,397,322	NTD 5,397,322	56,400,000	100%	5,206,910	753,960	549,559	(Note 1) (Note 2)
Bora Pharmaceuticals Co., Ltd.	SunWay Biotech Co., Ltd.	Taiwan	Healthcare product research and manufacturing and sales	NTD 1,138,633	NTD 1,138,633	21,615,098	28.15%	1,171,858	79,283	24,889	-

Investor	Investee company	Location	Main businesses	Initial investment amount		Balance as of June 30, 2026			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 Global Ltd.	British Virgin Islands	Investment holding	USD 36,400	USD 400	4,000	100%	\$1,157,729	\$(1,878)	\$(1,878)	-
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	NTD 5,284,621	NTD 5,284,621	79,043,981	29.83%	4,603,228	(771,252)	(255,652)	(Note 2)
Bora Pharmaceutical Laboratories Inc.	Bora Pharmaceutical Services Inc.	Canada	Pharmaceutical contract development and manufacturing	CAD 10,000	CAD 10,000	100,000,000	50%	1,759,677	134,010	67,005	-
Bora Pharmaceutical Laboratories Inc.	Bora Pharmaceuticals Ophthalmic Inc.	Taiwan	Pharmaceutical contract development and manufacturing	NTD 369,612	NTD 369,612	85,000,000	100%	(21,664)	947	947	-
Bora Management Consulting Co., Ltd.	SunWay Biotech Co., Ltd.	Taiwan	Healthcare product development, manufacturing and retail	NTD 596,200	NTD -	10,840,000	14.12%	591,309	79,283	6,554	-
TWi Pharmaceuticals, Inc.	TWi Pharmaceuticals USA, Inc.	USA	Pharmaceutical wholesale	USD 7,600	USD 7,600	38	100%	1,356,417	208,760	208,760	-

Investor	Investee company	Location	Main businesses	Initial investment amount		Balance as of June 30, 2026			Net income (loss) of investee	Investment income (loss) recognized	Note
				Ending balance	Beginning balance	Shares	Percentage of ownership	Carrying amount			
TWi Pharmaceuticals, Inc.	Salus Therapeutics Inc.	Taiwan	Biotechnical research and management and consulting	NTD -	NTD 184,800	-	-%	\$-	\$(47,692)	\$(15,773)	(Note1)
SunWay Biotech Co., Ltd.	SunWay Group Holding Limited	Republic of Seychelles	Investment holding	USD 637	USD 637	1,000,000	100%	128	(251)	(251)	-
SunWay Biotech Co., Ltd.	Chen Run Marketing Co., Ltd.	Taiwan	Healthcare product wholesale	NTD 2,550	NTD 2,550	255,000	51%	2,693	(3)	(2)	-
SunWay Biotech Co., Ltd.	Bora Health Inc.	Taiwan	Pharmaceutical and Healthcare product wholesale	NTD 2,141,932	NTD 2,141,932	22,618,880	100%	374,226	59,434	59,434	-
SunWay Biotech Co., Ltd.	GTSW BIOTECH SDN. BHD.	Malaysia	Healthcare product wholesale	MYR 200	MYR 200	200,000	40%	2,422	1,381	255	(Note1)
SunWay Biotech Co., Ltd.	Wonders company Ltd.	Taiwan	Healthcare product and cosmetics wholesale	NTD 650,000	NTD 650,000	3,600,000	30%	637,403	113,624	25,443	(Note2)
SunWay Biotech Co., Ltd.	SunWay Health, Inc.	USA	Investment holding	USD 26,000	USD -	1,000	100%	816,130	23,733	23,733	-
SunWay Group Holding Limited	SunWay Investment (H.K.) Limited	Hong Kong	Investment holding	USD 623	USD 623	3,500,000	100%	781	(239)	(239)	-
Bora Health Inc.	Union Chemical & Pharmaceutical Co., Ltd.	Taiwan	Pharmaceutical manufacturing and wholesale	NTD 31,557	NTD 31,557	1,500,000	100%	30,623	(210)	(210)	-
SunWay Health, Inc.	Weider Global Nutrition, LLC	USA	Healthcare product wholesale and retail	USD 60,208	USD -	-	100%	1,974,441	56,388	52,698	(Note2)
Weider Global Nutrition, LLC	Weider Germany GmbH	Germany	Healthcare product wholesale and retail	EUR 25,458	EUR 25,458	-	100%	920,603	(3,315)	(3,315)	-
Weider Global Nutrition, LLC	Weider Nutrition Korea Ltd.	South Korea	Healthcare product wholesale and retail	KRW -	KRW -	2,000	100%	(830)	1,393	1,393	-
Weider Global Nutrition, LLC	Weider Global Nutrition II, LLC	USA	Management and consulting	USD -	USD -	1,000	100%	-	-	-	-

Investor	Investee company	Location	Main businesses	Initial investment amount		Balance as of June 30, 2026			Net income (loss) of investee	Investment income (loss) recognized	Note
				Ending balance	Beginning balance	Shares	Percentage of ownership	Carrying amount			
Weider Global Nutrition, LLC	Weider Nutrition S.L.	Spain	Healthcare product wholesale and retail	EUR 9,144	EUR 9,144	87,218	100%	\$353,201	\$21,732	\$21,732	-
Bora Pharmaceuticals USA Inc.	Bora Pharmaceutical Holdings, LLC	USA	Investment holding	USD 246,251	USD 246,251	1,000	100%	8,730,121	97,429	97,429	-
Bora Pharmaceuticals USA Inc.	Bora Pharmaceuticals Injectables Inc.	USA	Pharmaceutical contract development and manufacturing	USD 70,000	USD 70,000	1,000	100%	2,178,272	(405,186)	(405,186)	-
Bora Pharmaceuticals USA Inc.	Bora Pharmaceuticals Inc.	USA	Pharmaceutical contract development and manufacturing	USD 25,000	USD -	1,000	100%	788,647	47,561	(8,622)	(Note1)
Bora Pharmaceuticals USA Inc.	Bora Biologics Holdings, LLC	USA	Investment holding	USD 86,500	USD -	1,000	100%	2,755,025	-	-	-
Bora Pharmaceutical Holdings, LLC	Pyros Pharmaceuticals Inc.	USA	Pharmaceutical wholesale	USD 47,711	USD 47,711	1,000	100%	1,162,018	(7,914)	(34,432)	(Note2)
Bora Pharmaceutical Holdings, LLC	Upsher-Smith Laboratories, LLC	USA	Pharmaceutical manufacturing and wholesale	USD 992,546	USD 992,546	5,976,700 Class A units; 116,235,280 Class B units	100%	7,303,982	108,523	215,929	(Note2)
Bora Biologics Holdings, LLC	Bora Biologics USA, LLC	USA	Biosimilars contract development and manufacturing	USD 86,500	USD -	1,000	100%	2,755,025	-	-	-

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.

Table 8

Investment in Mainland China

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, 2026 (in thousands)	Investment flows		Accumulated outflow of investment from Taiwan as of June 30, 2026 (in thousands)	Net income (loss) of investee company	Percentage of Ownership	Investment income (loss) recognized (Note 2)	Carrying amount as of June 30, 2026	Accumulated inward remittance of earnings as of June 30, 2026
					Outflow	Inflow						
SunWay (Dongguan) Biotech Co., Ltd.	Healthcare product wholesale and retail	CNY 4,000	(ii)	CNY 4,000	\$-	\$-	CNY 4,000	\$(183)	100%	\$(183)	\$312	\$7,725

Accumulated investments in Mainland China as of June 30, 2026 (in thousands)	Investment amounts authorized by Investment Commission, MOEA	Upper limit on investments (Note 3)
CNY 4,000	\$19,547	\$2,502,721

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

- (i) Direct investment in Mainland China
- (ii) Indirect investment in Mainland China through a company registered in a third region, Sunway Investment (H.K.) Limited.
- (iii) Other methods.

Note 2: Amount was recognized based on the financial statements audited by the auditors of the parent company, an R.O.C. accounting firm.

Note 3: The investment in SunWay Biotech Co., Ltd. was approved by the Department of Investment Review, MOEA (Order No. 09704604680 dated August 29, 2008) with the limit of 60% of its net worth.