

**STANDARD CHEM. & PHARM. CO., LTD.
AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
SEPTEMBER 30, 2025 AND 2024**

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

INDEPENDENT AUDITORS' REVIEW REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of STANDARD CHEM. & PHARM. CO., LTD.

Introduction

We have reviewed the accompanying consolidated balance sheets of STANDARD CHEM. & PHARM. CO., LTD. and its subsidiaries (the “Group”) as of September 30, 2025 and 2024, and the related consolidated statements of comprehensive income for the three-month and nine-month periods then ended, as well as the consolidated statements of changes in equity and of cash flows for the nine-month periods then ended, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” that came into effect as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of review

Except as discussed in the following paragraph, 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” in the Republic of China. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

The financial statements for the same period of the non-significant subsidiaries and certain equity-accounted investees included in the consolidated financial statements, as well as the related information disclosed in Note 13, have not been reviewed by us. As of September 30, 2025 and 2024, the total assets of these subsidiaries amounted to \$1,066,270 thousand and \$1,077,715 thousand, representing 9.17% and 9.65% of the consolidated total assets of the Group, respectively. Their total liabilities amounted to \$168,995 thousand and \$163,362 thousand, representing 6.49% and 7.16% of the consolidated total liabilities of the Group, respectively, the total comprehensive losses of these subsidiaries for the three-month and nine-month periods ended September 30, 2025 and 2024, amounted to (\$20,584) thousand, (\$23,390) thousand, (\$97,409) thousand and (\$80,431) thousand, representing (5.56%), (11.39%), (12.37%) and (6.03%) of the consolidated total comprehensive loss of the Group, respectively. In addition, the Group's share of profit or loss (including other comprehensive income) of associates and joint ventures accounted for by the equity method for the three-month and nine-month periods ended September 30, 2025 and 2024, amounted to (\$8,841) thousand, (\$3,958) thousand, (\$3,135) thousand and \$3,117 thousand, representing (2.39%), (1.93%), (0.40%) and 0.23% of the consolidated total comprehensive income of the Group, respectively. As of September 30, 2025 and 2024, the carrying amounts of investments accounted for under the equity method were \$401,317 thousand and \$374,234 thousand, representing 3.45% and 3.35% of the consolidated total assets of the Group, respectively.

Qualified Conclusion

Based on our review, except for the possible effects on the consolidated financial statements and disclosures of the insignificant subsidiaries and certain investments accounted for using the equity method, as described in the Basis for Qualified Conclusion paragraph, if their financial statements for the same periods and the related information disclosed in Note 13 had been reviewed by us, 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 Group as at September 30, 2025 and 2024, and of its consolidated financial performance for the three-month and nine-month periods then ended and its consolidated cash flows for the nine-month periods then ended in accordance with “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and International Accounting Standard 34, “Interim Financial Reporting” that came into effect as endorsed by the Financial Supervisory Commission.

Yeh, Fang-Ting

Independent Accountants

Hsu, Huei-Yu

PricewaterhouseCoopers, Taiwan

Republic of China.

November 7, 2025

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

STANDARD CHEM. & PHARM. CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2025, DECEMBER 31, 2024 AND SEPTEMBER 30, 2024
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	September 30, 2025		December 31, 2024		September 30, 2024	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 1,675,668	14	\$ 1,520,128	14	\$ 1,465,665	13
1110	Financial assets at fair value	6(2)						
	through profit or loss - current		105,630	1	157,360	2	147,000	1
1136	Financial assets at amortised cost - current	6(1) and 8	400,806	4	134,500	1	120,325	1
1150	Notes receivable, net	6(4), 7 and 12	265,359	2	283,688	3	205,453	2
1170	Accounts receivable, net	6(4), 7 and 12	1,148,574	10	1,039,155	9	1,162,120	11
1200	Other receivables	7	5,158	-	16,567	-	16,789	-
1220	Current income tax assets	6(26)	351	-	720	-	674	-
130X	Inventory	6(5)(7)	1,590,061	14	1,720,381	15	1,628,251	15
1410	Prepayments		141,662	1	126,905	1	138,536	1
1479	Other current assets		3,087	-	2,488	-	3,723	-
11XX	Total current assets		5,336,356	46	5,001,892	45	4,888,536	44
Non-current assets								
1510	Financial assets at fair value	6(2)						
	through profit or loss - non-current		11,688	-	11,267	-	14,836	-
1517	Financial assets at fair value	6(3)						
	through other comprehensive income - non-current		479,072	4	508,242	5	740,564	7
1550	Investments accounted for under equity method	6(6) and 7	703,539	6	688,452	6	671,903	6
1600	Property, plant and equipment	6(7) and 8	4,233,108	37	4,128,811	37	4,025,128	36
1755	Right-of-use assets	6(7)(8) and 7	260,655	2	260,641	2	266,884	2
1780	Intangible assets	6(9)(10)	210,155	2	207,731	2	207,971	2
1840	Deferred income tax assets	6(26)	132,370	1	132,264	1	138,790	1
1915	Prepayments for equipment	6(7)	165,607	2	159,487	2	136,859	1
1920	Guarantee deposits paid		45,248	-	28,783	-	26,858	-
1990	Other non-current assets	6(14)	45,639	-	47,975	-	44,615	1
15XX	Total non-current assets		6,287,081	54	6,173,653	55	6,274,408	56
1XXX	Total assets		\$ 11,623,437	100	\$ 11,175,545	100	\$ 11,162,944	100

(Continued)

STANDARD CHEM. & PHARM. CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2025, DECEMBER 31, 2024 AND SEPTEMBER 30, 2024
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	September 30, 2025		December 31, 2024		September 30, 2024		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
Current liabilities								
2100	Short-term borrowings	6(11) and 8	\$ 730,000	6 \$ 110,000	1	\$ 294,962	3	
2130	Contract liabilities - current	6(19)	115,288	1	94,986	1	98,968	1
2150	Notes payable	7	236,966	2	360,766	3	312,168	3
2170	Accounts payable	7	358,091	3	242,304	2	234,238	2
2200	Other payables	6(12) and 7	547,021	5	573,375	5	533,540	5
2230	Current income tax liabilities	6(26)	140,751	1	195,817	2	127,382	1
2280	Lease liabilities - current	6(8) and 7	27,113	—	23,754	—	24,173	—
2310	Receipts in advance		3,098	—	583	—	602	—
2320	Long-term liabilities, current portion	6(13) and 8	59,027	1	59,027	1	59,027	—
2365	Refund liabilities - current	6(19)	—	—	320	—	320	—
21XX	Total current liabilities		<u>2,217,355</u>	<u>19</u>	<u>1,660,932</u>	<u>15</u>	<u>1,685,380</u>	<u>15</u>
Non-current liabilities								
2540	Long-term borrowings	6(13) and 8	19,675	—	163,946	1	178,703	1
2570	Deferred income tax liabilities	6(26)	81,947	1	85,494	1	83,248	1
2580	Lease liabilities - non-current	6(8) and 7	204,899	2	203,701	2	209,535	2
2640	Net defined benefit liability - non-current	6(14)	69,557	—	76,632	1	116,830	1
2645	Guarantee deposits received		8,578	—	8,772	—	8,861	—
25XX	Total non-current liabilities		<u>384,656</u>	<u>3</u>	<u>538,545</u>	<u>5</u>	<u>597,177</u>	<u>5</u>
2XXX	Total liabilities		<u>2,602,011</u>	<u>22</u>	<u>2,199,477</u>	<u>20</u>	<u>2,282,557</u>	<u>20</u>
Equity attributable to owners of parent								
Share capital								
3110	Common stock	6(15)	1,786,961	15	1,786,961	16	1,786,961	16
3200	Capital surplus	6(6)(16)	300,748	2	300,128	2	299,620	2
	Retained earnings	6(3)(17)(18)						
3310	Legal reserve		1,055,980	9	964,252	9	964,252	9
3350	Unappropriated retained earnings		2,850,619	25	2,745,543	25	2,520,544	23
3400	Other equity interest	6(3)(6)(18)	(45,763)	—	108,131	1	334,651	3
31XX	Equity attributable to owners of the parent		<u>5,948,545</u>	<u>51</u>	<u>5,905,015</u>	<u>53</u>	<u>5,906,028</u>	<u>53</u>
36XX	Non-controlling interest	4(3)	3,072,881	27	3,071,053	27	2,974,359	27
3XXX	Total equity		<u>9,021,426</u>	<u>78</u>	<u>8,976,068</u>	<u>80</u>	<u>8,880,387</u>	<u>80</u>
	Significant contingent liabilities and unrecognised contract commitments	9						
3X2X	Total liabilities and equity		<u>\$ 11,623,437</u>	<u>100</u>	<u>\$ 11,175,545</u>	<u>100</u>	<u>\$ 11,162,944</u>	<u>100</u>

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

STANDARD CHEM. & PHARM. CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

Items	Notes	Three months ended September 30				Nine months ended September 30				
		2025		2024		2025		2024		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	
4000	Operating revenue	\$ 1,769,689	100	\$ 1,742,442	100	\$ 5,237,638	100	\$ 5,116,081	100	
5000	Operating costs	(6(5)(8)(9) (14)(24)(25) and 7)	(1,032,334)	(59)	(997,782)	(57)	(3,064,847)	(59)	(2,867,008)	(56)
5900	Net operating margin	737,355	41	744,660	43	2,172,791	41	2,249,073	44	
6100	Selling expenses	(210,290)	(12)	(204,358)	(12)	(632,919)	(12)	(614,789)	(12)	
6200	General and administrative expenses	(108,638)	(6)	(120,516)	(7)	(337,886)	(6)	(348,746)	(7)	
6300	Research and development expenses	(69,615)	(4)	(69,073)	(4)	(195,164)	(4)	(209,416)	(4)	
6450	Expected credit (losses) gains	12	(827)	—	(3,756)	—	(3,165)	—	(15,337)	—
6000	Total operating expenses	(389,370)	(22)	(397,703)	(23)	(1,162,804)	(22)	(1,188,288)	(23)	
6900	Operating profit	347,985	19	346,957	20	1,009,987	19	1,060,785	21	
	Non-operating income and expenses									
7100	Interest income	5,431	—	4,830	—	18,627	—	29,184	—	
7010	Other income	98,772	6	95,224	5	132,298	3	139,396	3	
7020	Other gains and losses	(6(2)(8)(22) (28) and 12)	40,843	2	(18,077)	(1)	(36,537)	(1)	53,823	1
7050	Finance costs	(6(7)(8)(23) (28) and 7)	(1,918)	—	(3,109)	—	(5,494)	—	(12,537)	—
7060	Share of (loss) profit of associates and joint ventures accounted for under equity method	(6(6))	(7,492)	—	(7,371)	—	162	—	(3,289)	—
7000	Total non-operating income and expenses		135,636	8	71,497	4	109,056	2	206,577	4
7900	Profit before income tax	483,621	27	418,454	24	1,119,043	21	1,267,362	25	
7950	Income tax expense	6(26)	(75,220)	(4)	(81,410)	(5)	(178,391)	(3)	(263,334)	(5)
8200	Profit for the period	<u>\$ 408,401</u>	<u>23</u>	<u>\$ 337,044</u>	<u>19</u>	<u>\$ 940,652</u>	<u>18</u>	<u>\$ 1,004,028</u>	<u>20</u>	
	Other comprehensive income (loss)									
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss									
8316	Unrealised (loss) gain on valuation of investments in equity instruments measured at fair value through other comprehensive income	6(3)(18)	(\$ 46,331)	(3)	(\$ 129,891)	(7)	(\$ 142,833)	(3)	\$ 322,915	6
	Components of other comprehensive income (loss) that will be reclassified to profit or loss									
8361	Financial statements translation differences of foreign operations		7,272	1	(1,857)	—	(10,557)	—	7,123	—
8370	Share of other comprehensive income of associates and joint ventures accounted for under equity method - will be reclassified to profit or loss	6(6)(18)			662	—	94	—	224	—
8300	Total other comprehensive (loss) income for the period	((\$ 38,397)	(2)	(\$ 131,654)	(7)	(\$ 153,166)	(3)	\$ 330,283	6	
8500	Total comprehensive income for the period	<u>\$ 370,004</u>	<u>21</u>	<u>\$ 205,390</u>	<u>12</u>	<u>\$ 787,486</u>	<u>15</u>	<u>\$ 1,334,311</u>	<u>26</u>	
	Profit attributable to:									
8610	Owners of the parent	\$ 307,602	17	\$ 217,394	12	\$ 698,452	13	\$ 685,865	14	
8620	Non-controlling interest	100,799	6	119,650	7	242,200	5	318,163	6	
		<u>\$ 408,401</u>	<u>23</u>	<u>\$ 337,044</u>	<u>19</u>	<u>\$ 940,652</u>	<u>18</u>	<u>\$ 1,004,028</u>	<u>20</u>	
	Total comprehensive income attributable to:									
8710	Owners of the parent	\$ 269,242	15	\$ 85,431	5	\$ 544,557	10	\$ 1,013,757	20	
8720	Non-controlling interest	100,762	6	119,959	7	242,929	5	320,554	6	
		<u>\$ 370,004</u>	<u>21</u>	<u>\$ 205,390</u>	<u>12</u>	<u>\$ 787,486</u>	<u>15</u>	<u>\$ 1,334,311</u>	<u>26</u>	
	Earnings per share (in dollars)	6(27)								
9750	Basic	\$ 1.72		\$ 1.22		\$ 3.91		\$ 3.84		
9850	Diluted	\$ 1.72		\$ 1.22		\$ 3.91		\$ 3.83		

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

STANDARD CHEM. & PHARM. CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2025 AND 2024

(Expressed in thousands of New Taiwan dollars)

Notes	Common stock	Capital Surplus			Retained Earnings				Other Equity Interest			Non-controlling interest	Total equity		
		Additional paid-in capital	Difference between the price for acquisition or disposal of subsidiaries and carrying amount	Change in net equity of associates and joint ventures accounted for under equity method	Others	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income					
<u>For the nine-month period ended September 30, 2024</u>															
Balance at January 1, 2024		<u>\$ 1,786,961</u>	<u>\$ 152,088</u>	<u>\$ 60,898</u>	<u>\$ 10,366</u>	<u>\$ 534</u>	<u>\$ 878,245</u>	<u>\$ 115,935</u>	<u>\$ 2,280,812</u>	<u>(\$ 7,452)</u>	<u>\$ 20,629</u>	<u>\$ 5,299,016</u>	<u>\$ 2,838,321</u>	<u>\$ 8,137,337</u>	
Profit for the period		-	-	-	-	-	-	-	685,865	-	-	685,865	318,163	1,004,028	
Other comprehensive income for the period	6(3)(18)	-	-	-	-	-	-	-	-	6,950	320,942	327,892	2,391	330,283	
Total comprehensive income for the period		-	-	-	-	-	-	-	685,865	6,950	320,942	1,013,757	320,554	1,334,311	
Change in net equity of associates and joint ventures accounted for under equity method	6(6)(16)	-	-	-	75,713	-	-	-	-	-	-	75,713	-	75,713	
Overdue cash dividends payable	6(16)	-	-	-	-	21	-	-	-	-	-	21	24	45	
Disposal of financial assets at fair value through other comprehensive income	6(3)(18)	-	-	-	-	-	-	-	6,418	-	(6,418)	-	-	-	
Distribution of 2023 earnings:															
Legal reserve		-	-	-	-	-	86,007	-	(86,007)	-	-	-	-	-	
Special reserve	6(17)	-	-	-	-	-	-	(115,935)	115,935	-	-	-	-	-	
Cash dividends	6(17)	-	-	-	-	-	-	(482,479)	-	-	(482,479)	-	(482,479)	-	
Change in non-controlling interest		-	-	-	-	-	-	-	-	-	-	(184,540)	(184,540)	(184,540)	
Balance at September 30, 2024		<u>\$ 1,786,961</u>	<u>\$ 152,088</u>	<u>\$ 60,898</u>	<u>\$ 86,079</u>	<u>\$ 555</u>	<u>\$ 964,252</u>	<u>\$ 2,520,544</u>	<u>(\$ 502)</u>	<u>\$ 335,153</u>	<u>\$ 5,906,028</u>	<u>\$ 2,974,359</u>	<u>\$ 8,880,387</u>		
<u>For the nine-month period ended September 30, 2025</u>															
Balance at January 1, 2025		<u>\$ 1,786,961</u>	<u>\$ 152,088</u>	<u>\$ 60,898</u>	<u>\$ 86,536</u>	<u>\$ 606</u>	<u>\$ 964,252</u>	<u>\$ -</u>	<u>\$ 2,745,543</u>	<u>\$ 4,489</u>	<u>\$ 103,642</u>	<u>\$ 5,905,015</u>	<u>\$ 3,071,053</u>	<u>\$ 8,976,068</u>	
Profit for the period		-	-	-	-	-	-	-	698,452	-	-	698,452	242,200	940,652	
Other comprehensive income (loss) for the period	6(3)(18)	-	-	-	-	-	-	-	-	(11,062)	(142,833)	(153,895)	729	(153,166)	
Total comprehensive income (loss) for the period		-	-	-	-	-	-	-	698,452	(11,062)	(142,833)	544,557	242,929	787,486	
Adjustments for non-proportional subscription to subsidiary's new shares	4(3)	-	-	-	-	-	-	-	(1,298)	-	-	(1,298)	1,298	-	
Change in net equity of associates and joint ventures accounted for under equity method	6(6)(16)	-	-	-	514	-	-	-	-	-	-	514	-	514	
Overdue cash dividends payable	6(16)	-	-	-	-	106	-	-	-	-	-	106	60	166	
Disposal of financial assets at fair value through other comprehensive income	6(3)(18)	-	-	-	-	-	-	-	(1)	-	1	-	-	-	
Distribution of 2024 earnings:															
Legal reserve		-	-	-	-	-	91,728	-	(91,728)	-	-	-	-	-	
Cash dividends	6(17)	-	-	-	-	-	-	(500,349)	-	-	(500,349)	-	(500,349)	-	
Change in non-controlling interest		-	-	-	-	-	-	-	-	-	-	-	(241,657)	(241,657)	
Effect of changes in consolidated net assets		-	-	-	-	-	-	-	-	-	-	-	(802)	(802)	
Balance at September 30, 2025		<u>\$ 1,786,961</u>	<u>\$ 152,088</u>	<u>\$ 60,898</u>	<u>\$ 87,050</u>	<u>\$ 712</u>	<u>\$ 1,055,980</u>	<u>\$ -</u>	<u>\$ 2,850,619</u>	<u>(\$ 6,573)</u>	<u>(\$ 39,190)</u>	<u>\$ 5,948,545</u>	<u>\$ 3,072,881</u>	<u>\$ 9,021,426</u>	

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

STANDARD CHEM. & PHARM. CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Nine months ended September 30,	
		2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 1,119,043	\$ 1,267,362
Adjustments			
Adjustments to reconcile profit (loss)			
Net gain on financial assets at fair value through profit or loss	6(2)(22)	(12,922)	(3,564)
Expected credit (gain) loss	12	(3,165)	15,337
Reversal of allowance for inventory market price decline	6(5)	(6,902)	(3,353)
Share of profit of associates and joint ventures accounted for under equity method	6(6)	(162)	3,289
Loss on disposal of investments	6(22)		846
Loss on remeasurement of investments	6(22)(28)	6	-
Depreciation	6(7)(8)(24)	307,255	285,501
Net loss on disposal of property, plant and equipment	6(22)	1,032	5,231
Property, plant and equipment transferred to expense	6(7)	187	-
Gain from lease modification	6(8)(22)	(35)	-
Amortisation	6(24)	15,570	14,120
Interest income	6(20)	(18,627)	(29,184)
Dividend income	6(21)	(93,198)	(12,605)
Interest expense	6(23)	5,494	12,537
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss		64,231	29,535
Notes receivable		18,452	80,935
Accounts receivable		(106,377)	(201,093)
Other receivables		11,093	143,257
Inventories		127,677	(15,171)
Prepayments		(14,757)	(35,447)
Other current assets		(599)	1,840
Other non-current assets		(960)	1,706
Changes in operating liabilities			
Contract liabilities - current		20,302	15,758
Notes payable		(117,598)	(43,880)
Accounts payable		115,787	(34,910)
Other payables		(54,022)	(7,384)
Receipts in advance		2,515	(104)
Refund liabilities - current		(320)	320
Net defined benefit liabilities - non-current		(7,075)	(22,417)
Cash inflow generated from operations		1,371,925	1,465,050
Dividends received		93,198	40,249
Interest received		18,943	31,897
Interest paid		(5,594)	(12,917)
Income tax paid		(236,741)	(370,145)
Net cash flows from operating activities		1,241,731	1,154,134

(Continued)

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

STANDARD CHEM. & PHARM. CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Nine months ended September 30,	
		2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES			
Increase in financial assets at amortised cost -current		(\$ 266,306)	(\$ 59,825)
Acquisition of financial assets at fair value through other comprehensive income - non-current		(144,212)	(83,055)
Proceeds from disposal of financial assets at fair value through other comprehensive income - non-current	6(3)	30,549	12,504
Acquisition of investments accounted for under equity method	6(6) and 7	(12,955)	(22,849)
Cash paid for acquisition of property, plant and equipment	6(28)	(181,317)	(202,911)
Interest paid for acquisition of property, plant and equipment	6(7)(23)(28)	(2,540)	(1,440)
Proceeds from disposal of property, plant and equipment		872	15,534
Acquisition of intangible assets	6(9)	(12,080)	(2,641)
Increase in prepayments for equipment		(187,964)	(156,295)
(Increase) decrease in guarantee deposits paid		(16,465)	17,960
Increase in other non-current assets		(2,605)	(4,706)
Net cash outflow from changes in consolidated entities	6(28)	(1,107)	(-)
Net cash flows used in investing activities		(796,130)	(487,724)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings	6(29)	1,530,000	1,002,509
Decrease in short-term borrowings	6(29)	(910,000)	(1,507,547)
Payments of lease liabilities	6(29)	(20,275)	(18,554)
Decrease in long-term borrowings	6(29)	(144,271)	(44,270)
Decrease in guarantee deposits received	6(29)	(194)	(3,438)
Overdue cash dividends payable	6(16)	166	45
Payments of cash dividends	6(17)	(500,349)	(482,479)
Decrease in non-controlling interests		(241,657)	(184,540)
Net cash flows used in financing activities		(286,580)	(1,238,274)
Effects of foreign exchange		(3,481)	786
Net increase (decrease) in cash and cash equivalents		155,540	(571,078)
Cash and cash equivalents at beginning of period	6(1)	1,520,128	2,036,743
Cash and cash equivalents at end of period	6(1)	\$ 1,675,668	\$ 1,465,665

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

STANDARD CHEM. & PHARM. CO., LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2025 AND 2024

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANISATION

(1) Standard Chem. & Pharm. Co., Ltd. (the ‘Company’) was incorporated on June 30, 1967 under the provisions of the Company Act of the Republic of China (R.O.C.) and other regulations. The Company is primarily engaged in the manufacturing and sales of Chinese and western medicine, cosmetics, beverage, normal instruments and medical instruments. Refer to Note 4(3), ‘Basis of consolidation’ for the main business activities of the Company and its subsidiaries (the “Group”).

(2) The Company has been listed on the Taiwan Stock Exchange starting from December 1995.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These consolidated financial statements were authorised for issuance by the Board of Directors on November 7, 2025.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

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

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board (“IASB”)
Amendments to IAS 21, ‘Lack of exchangeability’	January 1,2025

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

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

New standards, interpretations and amendments endorsed by the FSC effective from 2026 are as follows:

New Standards, Interpretations and Amendments	Effective date by IASB
Amendments to IFRS 9 and IFRS 7, ‘Amendments to the Classification and Measurement of Financial Instruments’	January 1, 2026
Amendments to IFRS 9 and IFRS 7, ‘Contracts referencing nature dependent electricity’	January 1, 2026
IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendments to IFRS 17, ‘Insurance contracts’	January 1, 2023

New Standards, Interpretations and Amendments	Effective date by IASB
Amendments to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 - comparative information'	January 1, 2023
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026

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

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

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

New Standards, Interpretations and Amendments	Effective date by IASB
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 18, 'Presentation and Disclosure in Financial Statements'	January 1, 2027 (Note)
IFRS 19, 'Subsidiaries without Public Accountability: Disclosures'	January 1, 2027
(Note) The FSC has announced in a press release on September 25, 2025 that public companies will apply IFRS 18 starting from the fiscal year 2028. Additionally, entities can choose to adopt IFRS 18 earlier based on their requirements after the FSC endorses IFRS 18.	

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

IFRS 18, 'Presentation and disclosure in financial statements'

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

(1) Compliance statement

- A. The consolidated financial statements of the Group have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and the International Accounting Standard 34, 'Interim Financial Reporting' that came into effect as endorsed by the FSC.
- B. The consolidated financial statements should be read together with the consolidated financial statements for the year ended December 31, 2024.

(2) Basis of preparation

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

- (a) Financial assets at fair value through profit or loss.
- (b) Financial assets at fair value through other comprehensive income.
- (c) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.

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

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

The basis for preparation of these consolidated financial statements is consistent with those for the preparation of consolidated financial statements for the year ended December 31, 2024.

B. Subsidiaries included in the consolidated financial statements:

Name of investors	Name of subsidiaries	Main business activities	Ownership (%)	Ownership (%)	Description
			September 30, 2025	December 31, 2024	
Standard Chem & Pharm. Co., Ltd.	Standard Pharmaceutical Co., Ltd.	Research and development, trading, investment and other business of medical products	100.00	100.00	—
Standard Chem & Pharm. Co., Ltd.	Chia Scheng International Co., Ltd.	Sale of various medical supplements	100.00	100.00	—
Standard Chem & Pharm. Co., Ltd.	Standard Chem. & Pharm. Philippines, Inc.	Import and export of various medical products, medicine, medical supplements and other business of medical products	100.00	100.00	—
Standard Chem & Pharm. Co., Ltd.	Inforight Technology Co., Ltd.	Wholesale of multifunction printers and information software	100.00	100.00	—

Name of investors	Name of subsidiaries	Main business activities	Ownership (%)	Ownership (%)	Description
			September 30, 2025	December 31, 2024	
Standard Chem & Pharm. Co., Ltd.	Souriree Biotech & Pharm. Co., Ltd.	Manufacturing of western medicine and retail and wholesale of various medicine	93.58	93.58	—
Standard Chem & Pharm. Co., Ltd.	Multipower Enterprise Corp.	Import and export of western medicine, nourishment and function food, processing, manufacturing and sale of food	90.72	90.72	—
Standard Chem & Pharm. Co., Ltd.	Advpharma Inc.	Research and development, manufacturing and sale of various medicines	88.71	88.71	—
Standard Chem & Pharm. Co., Ltd.	Syngen Biotech Co., Ltd.	Research and development, manufacturing and sale of APIs, biopesticide, fertiliser and biochemical nutrition, sale of preventive medicines	46.68	46.68	(Note 1)
Standard Chem & Pharm. Co., Ltd.	Syn-Tech Chem. & Pharm. Co., Ltd.	Manufacturing and sale of APIs, reagent, surfactant, Chinese and western medicine and veterinary medicine	28.43	28.43	(Note 2)
Standard Chem & Pharm. Co., Ltd.	Ho Yao Biopharm Co., Ltd.	Research and development of new medicine	90.71	84.99	(Note 3)
Standard Chem & Pharm. Co., Ltd.	Shanghai Standard Pharmaceuticals Co., Ltd.	Sale of various medicine and dietary supplement	100.00	100.00	—
Standard Chem & Pharm. Co., Ltd.	Standard Chem. & Pharm. Vietnam Co., Ltd.	Import and export of various medicine	100.00	100.00	(Note 4)
Standard Pharmaceutical Co., Ltd.	Jiangsu Standard Biotech Pharmaceutical Co., Ltd.	Research and development, technical consulting and technical services of medicines	100.00	100.00	—

Name of investors	Name of subsidiaries	Main business activities	Ownership (%)	Ownership (%)	Description
			September 30, 2025	December 31, 2024	
Syngen Biotech Co., Ltd.	Syngen Biotech International Sdn. Bhd.	Research and development, manufacturing and sale of APIs and biochemical nutrition, sale of preventive medicines	100.00	100.00	—
Syngen Biotech Co., Ltd.	Jhan Shuo Biopharma Co., Ltd.	Manufacturing, wholesale and sale of western medicine	100.00	100.00	—
Syn-Tech Chem. & Pharm. Co., Ltd.	Advpharma Inc.	Research and development, manufacturing and sale of various medicine	2.49	2.49	—
Jiangsu Standard Biotech Pharmaceutical Co., Ltd.	Jiangsu Standard-Dia Biopharma Co., Ltd.	Research and development, manufacturing and sale of various medicines	55.00	55.00	(Note 5)

Name of investors	Name of subsidiaries	Main business activities	Ownership (%)	Description
			September 30, 2024	
Standard Chem & Pharm. Co., Ltd.	Standard Pharmaceutical Co., Ltd.	Research and development, trading, investment and other business of medical products	100.00	—
Standard Chem & Pharm. Co., Ltd.	Chia Scheng International Co., Ltd.	Sale of various medical supplements	100.00	—
Standard Chem & Pharm. Co., Ltd.	Standard Chem. & Pharm. Philippines, Inc.	Import and export of various medical products, medicine, medical supplements and other business of medical products	100.00	—
Standard Chem & Pharm. Co., Ltd.	Inforight Technology Co., Ltd.	Wholesale of multifunction printers and information software	100.00	—
Standard Chem & Pharm. Co., Ltd.	Souriree Biotech & Pharm. Co., Ltd.	Manufacturing of western medicine and retail and wholesale of various medicine	93.58	—

Name of investors	Name of subsidiaries	Main business activities	Ownership (%)		Description
			September 30, 2024	September 30, 2024	
Standard Chem & Pharm. Co., Ltd.	Multipower Enterprise Corp.	Import and export of western medicine, nourishment and function food, processing, manufacturing and sale of food	90.72	—	—
Standard Chem & Pharm. Co., Ltd.	Advpharma Inc.	Research and development, manufacturing and sale of various medicines	88.71	—	—
Standard Chem & Pharm. Co., Ltd.	Sygen Biotech Co., Ltd.	Research and development, manufacturing and sale of APIs, biopesticide, fertiliser and biochemical nutrition, sale of preventive medicines	46.68	(Note 1)	
Standard Chem & Pharm. Co., Ltd.	Syn-Tech Chem. & Pharm. Co., Ltd.	Manufacturing and sale of APIs, reagent, surfactant, Chinese and western medicine and veterinary medicine	28.43	(Note 2)	
Standard Chem & Pharm. Co., Ltd.	Ho Yao Biopharm Co., Ltd.	Research and development of new medicine	84.99	—	—
Standard Chem & Pharm. Co., Ltd.	Shanghai Standard Pharmaceuticals Co., Ltd.	Sale of various medicine and dietary supplement	100.00	—	—
Standard Chem & Pharm. Co., Ltd.	Standard Chem. & Pharm. Vietnam Co., Ltd.	Import and export of various medicine	100.00	(Note 4)	
Standard Pharmaceutical Co., Ltd.	Jiangsu Standard Biotech Pharmaceutical Co., Ltd.	Research and development, technical consulting and technical services of medicines	100.00	—	—
Advpharma Inc.	CNH Technologies Inc.	Research and development of various medicine	—	(Note 6)	

Name of investors	Name of subsidiaries	Main business activities	Ownership (%)	
			September 30, 2024	Description
Syngen Biotech Co., Ltd.	Syngen Biotech International Sdn. Bhd.	Research and development, manufacturing and sale of APIs and biochemical nutrition, sale of preventive medicines	100.00	—
Syngen Biotech Co., Ltd.	Jhan Shuo Biopharma Co., Ltd.	Manufacturing, wholesale and sale of western medicine	100.00	—
Syn-Tech Chem. & Pharm. Co., Ltd.	Advpharma Inc.	Research and development, manufacturing and sale of various medicine	2.49	—
Syn-Tech Chem. & Pharm. Co., Ltd.	CNH Technologies Inc.	Research and development of various medicine	—	(Note 6)
Jiangsu Standard Biotech Pharmaceutical Co., Ltd.	Jiangsu Standard-Dia Biopharma Co., Ltd.	Research and development, manufacturing and sale of various medicines	55.00	—

Note 1: The subsidiary, Syngen Biotech Co., Ltd. (“Syngen Biotech”), filed for an initial public offering with the Taipei Exchange. As part of the public trading process, the Group allowed its underwriter to exercise the overallotment option. Although the Group’s ownership percentage in Syngen Biotech is below 50%, the Group is still the largest single shareholder, and thus the Group did not lose its control over Syngen Biotech.

Note 2: The Group’s shareholding ratio is lower than 50%. However, the Group is the single largest shareholder of Syn-Tech Chem. & Pharm. Co., Ltd. (“Syn-Tech”), the Group obtained substantial control over Syn-Tech through comprehensive assessment and reaching an agreement with another major shareholder.

Note 3: In May 2025, Ho Yao Biopharm Co., Ltd. conducted a cash capital increase, in which the Company subscribed to all shares amounting to \$26,700. After the capital increase, the Company’s ownership interest in the subsidiary was 90.71%. As the Company did not subscribe to the subsidiary’s new shares in proportion to its original ownership interest, a decrease of \$1,298 in retained earnings was recorded.

Note 4: Newly established during the first quarter of 2024.

Note 5: Jiangsu Standard Biotech Pharmaceutical Co., Ltd. has filed an application with the local court for the bankruptcy liquidation of Jiangsu Standard-Dia Biopharma Co., Ltd. The application has been formally accepted by the court, and the bankruptcy proceedings are currently ongoing.

Note 6: Liquidated during the third quarter of 2024.

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

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

E. Significant restrictions: None.

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

(1) As of September 30, 2025, December 31, 2024 and September 30, 2024, the non-controlling interests of the Group amounted to \$3,072,881, \$3,071,053, and \$2,974,359, respectively. The information on non-controlling interest and respective subsidiaries is as follows:

Name of subsidiaries	Principal place of business	Non-controlling interest				Description	
		September 30, 2025		December 31, 2024			
		Amount	Ownership (%)	Amount	Ownership (%)		
Syngen Biotech Co., Ltd.	Taiwan	\$ 1,244,159	53.32%	\$ 1,191,888	53.32%	—	
Syn-Tech Chem. & Pharm. Co., Ltd.	Taiwan	\$ 1,772,325	71.57%	\$ 1,819,839	71.57%	—	

Name of subsidiaries	Principal place of business	Non-controlling interest		
		September 30, 2024		Description
Amount	Ownership (%)			
Syngen Biotech Co., Ltd.	Taiwan	\$ 1,163,501	53.32%	—
Syn-Tech Chem. & Pharm. Co., Ltd.	Taiwan	\$ 1,750,939	71.57%	—

(2) Summarised financial information of the subsidiaries:

A. Syngen Biotech Co., Ltd. and its subsidiaries

(a) Balance sheets

	September 30, 2025	December 31, 2024	September 30, 2024
Current assets	\$ 1,163,108	\$ 1,155,042	\$ 1,043,453
Non-current assets	1,908,472	1,929,552	1,958,020
Current liabilities	(564,722)	(520,155)	(471,729)
Non-current liabilities	(172,789)	(328,363)	(346,946)
Total net assets	<u>\$ 2,334,069</u>	<u>\$ 2,236,076</u>	<u>\$ 2,182,798</u>

(b) Statements of comprehensive income

	For the three-month periods ended September 30,	
	2025	2024
Revenue	<u>\$ 563,218</u>	<u>\$ 555,555</u>
Profit before income tax	<u>\$ 104,156</u>	<u>\$ 92,278</u>
Income tax expense	(19,140)	(19,975)
Net income	<u>\$ 85,016</u>	<u>\$ 72,303</u>
Total comprehensive income	<u>\$ 85,459</u>	<u>\$ 73,149</u>
Comprehensive income attributable to non-controlling interest	<u>\$ 45,883</u>	<u>\$ 40,048</u>
Dividends paid to non-controlling interest	<u>\$ 72,249</u>	<u>\$ 72,251</u>
	For the nine-month periods ended September 30,	
	2025	2024
Revenue	<u>\$ 1,656,704</u>	<u>\$ 1,538,808</u>
Profit before income tax	<u>\$ 287,330</u>	<u>\$ 226,786</u>
Income tax expense	(53,627)	(45,026)
Net income	<u>\$ 233,703</u>	<u>\$ 181,760</u>
Total comprehensive income	<u>\$ 233,383</u>	<u>\$ 186,637</u>
Comprehensive income attributable to non-controlling interest	<u>\$ 124,404</u>	<u>\$ 101,161</u>
Dividends paid to non-controlling interest	<u>\$ 72,249</u>	<u>\$ 72,251</u>

(c) Statements of cash flows

	<u>For the nine-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Net cash flows provided by operating activities	\$ 245,072	\$ 204,959
Net cash flows used in investing activities	(52,830)	(73,906)
Net cash flows used in financing activities	(250,923)	(270,566)
Effect of exchange rates changes	(85)	932
Net decrease in cash and cash equivalents	(58,766)	(138,581)
Cash and cash equivalents at beginning of period	<u>341,933</u>	<u>366,891</u>
Cash and cash equivalents at end of period	<u>\$ 283,167</u>	<u>\$ 228,310</u>

B. Syn-Tech Chem. & Pharm. Co., Ltd.

(a) Balance sheets

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Current assets	\$ 1,254,191	\$ 1,333,320	\$ 1,293,607
Non-current assets	1,446,530	1,518,608	1,408,134
Current liabilities	(137,342)	(219,472)	(166,668)
Non-current liabilities	(69,489)	(72,179)	(71,065)
Total net assets	<u>\$ 2,493,890</u>	<u>\$ 2,560,277</u>	<u>\$ 2,464,008</u>

(b) Statements of comprehensive income

	<u>For the three-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Revenue	<u>\$ 336,706</u>	<u>\$ 330,583</u>
Profit before income tax	<u>\$ 98,077</u>	<u>\$ 142,258</u>
Income tax expense	(20,382)	(26,256)
Net income	<u>\$ 77,695</u>	<u>\$ 116,002</u>
Total comprehensive income	<u>\$ 77,695</u>	<u>\$ 116,002</u>
Comprehensive income attributable to non-controlling interest	<u>\$ 57,762</u>	<u>\$ 84,655</u>
Dividends paid to non-controlling interest	<u>\$ 169,153</u>	<u>\$ 111,700</u>

	For the nine-month periods ended September 30,	
	2025	2024
Revenue	\$ 977, 296	\$ 943, 393
Profit before income tax	\$ 219, 495	\$ 377, 764
Income tax expense	(49, 547)	(75, 715)
Net income	\$ 169, 948	\$ 302, 049
Total comprehensive income	<u>\$ 169, 948</u>	<u>\$ 302, 049</u>
Comprehensive income attributable to non-controlling interest	\$ 127, 523	\$ 221, 883
Dividends paid to non-controlling interest	<u>\$ 169, 153</u>	<u>\$ 111, 700</u>

(c) Statements of cash flows

	For the nine-month periods ended September 30,	
	2025	2024
Net cash flows provided by operating activities	\$ 303, 442	\$ 471, 465
Net cash flows used in investing activities	(37, 141)	(75, 236)
Net cash flows used in financing activities	(238, 664)	(421, 507)
Net increase (decrease) in cash and cash equivalents	27, 637	(25, 278)
Cash and cash equivalents at beginning of period	<u>656, 797</u>	<u>666, 922</u>
Cash and cash equivalents at end of period	<u>\$ 684, 434</u>	<u>\$ 641, 644</u>

(4) Employee benefit

Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. Also, the related information is disclosed accordingly.

(5) Income tax

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

**5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION
UNCERTAINTY**

There have been no significant changes during the period. For the detailed information, refer to Note 5 of the consolidated financial statements for the year ended December 31, 2024.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	September 30, 2025	December 31, 2024	September 30, 2024
Cash:			
Revolving funds and petty cash	\$ 11,127	\$ 28,230	\$ 10,318
Checking deposits and demand deposits	<u>1,016,200</u>	<u>894,992</u>	<u>912,544</u>
	<u>1,027,327</u>	<u>923,222</u>	<u>922,862</u>
Cash equivalents:			
Time deposits	602,511	566,906	325,829
Repurchase bonds	<u>45,830</u>	<u>30,000</u>	<u>216,974</u>
	<u>648,341</u>	<u>596,906</u>	<u>542,803</u>
	<u>\$ 1,675,668</u>	<u>\$ 1,520,128</u>	<u>\$ 1,465,665</u>

- A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.
- B. As of September 30, 2025, December 31, 2024 and September 30, 2024, the carrying amount of more than 3-month time deposits (listed as “Financial assets at amortised cost - current”) was \$400,806, \$134,500 and \$120,325, respectively.
- C. As of September 30, 2025, December 31, 2024 and September 30, 2024, the Group has no cash and cash equivalents pledged to others.
- D. Details of the Group’s more than 3-month time deposits (listed as “Financial assets at amortised cost – current”) pledged to others as collateral are provided in Note 8, ‘PLEDGED ASSETS’.

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

	September 30, 2025	December 31, 2024	September 30, 2024
Current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Beneficiary certificates	\$ 52,677	\$ 96,029	\$ 101,167
Listed stocks	55,185	61,471	43,272
Emerging stocks	<u>–</u>	<u>12,820</u>	<u>12,000</u>
	<u>107,862</u>	<u>170,320</u>	<u>156,439</u>
Valuation adjustment	(<u>2,232</u>)	(<u>12,960</u>)	(<u>9,439</u>)
	<u>\$ 105,630</u>	<u>\$ 157,360</u>	<u>\$ 147,000</u>

	September 30, 2025	December 31, 2024	September 30, 2024
Non-current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Emerging stocks	\$ 157	\$ 157	\$ 1,759
Unlisted stocks	<u>17,800</u>	<u>17,800</u>	<u>17,800</u>

	17,957	17,957	19,559
Valuation adjustment	(6,269)	(6,690)	(4,723)
	<u>\$ 11,688</u>	<u>\$ 11,267</u>	<u>\$ 14,836</u>

- A. The Group recognised net gain (loss) (listed as “Other gains and losses”) of \$12,878, (\$617), \$12,922 and \$3,564 for the three-month and nine-month periods ended September 30, 2025 and 2024, respectively.
- B. As of September 30, 2025, December 31, 2024 and September 30, 2024, the Group has no financial assets at fair value through profit or loss pledged to others.

(3) Financial assets at fair value through other comprehensive income - non-current

	September 30, 2025	December 31, 2024	September 30, 2024
Equity instruments			
Listed stocks	\$ 285,654	\$ 186,442	\$ 186,442
Unlisted stocks	<u>231,447</u>	<u>216,997</u>	<u>216,997</u>
	517,101	403,439	403,439
Valuation adjustment	(38,029)	104,803	337,125
	<u>\$ 479,072</u>	<u>\$ 508,242</u>	<u>\$ 740,564</u>

- A. The Group has elected to classify equity instruments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. Without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at fair value through other comprehensive income held by the Group was its book value.
- B. The Group disposed financial assets at fair value through other comprehensive income in the amount of \$30,549 and \$12,504 for the nine-month periods ended September 30, 2025 and 2024, respectively. This resulted in cumulative (loss) gain on disposal amounting to (\$1) and \$6,418, which was reclassified to retained earnings for the nine-month periods ended September 30, 2025 and 2024, respectively.
- C. The Group recognised (\$46,331), (\$129,891), (\$142,833) and \$322,915 in other comprehensive income in relation to fair value change for the three-month and nine-month periods ended September 30, 2025 and 2024, respectively.

D. The Group recognised dividend income of \$90,090, \$11,558, \$90,090 and \$11,671 in profit or loss (listed as “Other income”) from financial assets at fair value through other comprehensive income for the three-month and nine-month periods ended September 30, 2025 and 2024, respectively.

E. As of September 30, 2025, December 31, 2024 and September 30, 2024, the Group has no financial assets at fair value through other comprehensive income pledged to others.

F. In March 2025, the Company’s Board of Directors resolved to subscribe for 1,700,000 common shares of Easywell Biomedicals, INC. through a private placement, in accordance with the “Regulations Governing the Offering and Issuance of Securities by Securities Issuers.” The total subscription amount was \$99,212, and the related payment has been fully settled.

(4) Notes and accounts receivable

	September 30, 2025	December 31, 2024	September 30, 2024
Notes receivable	\$ 265, 664	\$ 284, 116	\$ 205, 846
Less: Allowance for uncollectible accounts (305)	(428)	(393)	
	<u>\$ 265, 359</u>	<u>\$ 283, 688</u>	<u>\$ 205, 453</u>
Accounts receivable	\$ 1, 170, 361	\$ 1, 065, 543	\$ 1, 192, 669
Less: Allowance for uncollectible accounts (21, 787)	(26, 388)	(30, 549)	
	<u>\$ 1, 148, 574</u>	<u>\$ 1, 039, 155</u>	<u>\$ 1, 162, 120</u>

A. The ageing analysis of notes and accounts receivable is as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Notes receivable:			
Within the credit period	\$ 265, 280	\$ 283, 785	\$ 205, 411
Overdue up to 90 days	384	327	420
Overdue 91 to 180 days	-	4	15
	<u>\$ 265, 664</u>	<u>\$ 284, 116</u>	<u>\$ 205, 846</u>
Accounts receivable:			
Within the credit period	\$ 1, 024, 695	\$ 935, 243	\$ 1, 030, 466
Overdue up to 90 days	76, 782	66, 981	121, 711
Overdue 91 to 180 days	18, 371	63, 230	40, 043
Overdue 181 to 270 days	50, 488	-	275
Overdue over 271 days	25	89	174
	<u>\$ 1, 170, 361</u>	<u>\$ 1, 065, 543</u>	<u>\$ 1, 192, 669</u>

The above aging analysis was based on days overdue.

B. As of September 30, 2025, December 31, 2024 and September 30, 2024, notes and accounts receivable were all from contracts with customers. As of January 1, 2024, the balance of receivables from contracts with customers amounted to \$1,278,357.

C. Without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes and accounts receivable was its book value.

D. As of September 30, 2025, December 31, 2024 and September 30, 2024, the Group has no notes and accounts receivable pledged to others.

E. Information about the credit risk of notes and accounts receivable is provided in Note 12(2), 'Financial instruments'.

(5) Inventories

	September 30, 2025		
	Allowance for valuation loss		
	Cost	valuation loss	Book value
Merchandise	\$ 125,564	(\$ 4,232)	\$ 121,332
Raw materials	487,946	(21,648)	466,298
Supplies	115,359	(17,761)	97,598
Work in process	305,644	(2,795)	302,849
Finished goods	<u>628,987</u>	<u>(27,003)</u>	<u>601,984</u>
	<u>\$ 1,663,500</u>	<u>(\$ 73,439)</u>	<u>\$ 1,590,061</u>

	December 31, 2024		
	Allowance for valuation loss		
	Cost	valuation loss	Book value
Merchandise	\$ 127,548	(\$ 4,636)	\$ 122,912
Raw materials	445,177	(22,827)	422,350
Supplies	103,561	(15,040)	88,521
Work in process	298,784	(9,769)	289,015
Finished goods	<u>825,652</u>	<u>(28,069)</u>	<u>797,583</u>
	<u>\$ 1,800,722</u>	<u>(\$ 80,341)</u>	<u>\$ 1,720,381</u>

	September 30, 2024		
	Allowance for valuation loss		
	Cost	valuation loss	Book value
Merchandise	\$ 118,644	(\$ 4,682)	\$ 113,962
Raw materials	427,186	(24,439)	402,747
Supplies	100,945	(11,029)	89,916
Work in process	286,989	(7,595)	279,394
Finished goods	<u>778,376</u>	<u>(36,144)</u>	<u>742,232</u>
	<u>\$ 1,712,140</u>	<u>(\$ 83,889)</u>	<u>\$ 1,628,251</u>

The cost of inventories recognised as expenses for the period:

	<u>For the three-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Cost of goods sold	\$ 1,024,083	\$ 984,646
Loss on scrapped inventories	8,130	10,440
(Reversal of allowance) provision for inventory market price decline (Note)	(765)	2,214
Underapplied fixed manufacturing overhead	645	435
Gain on physical inventory	(162)	(269)
	<u>\$ 1,031,931</u>	<u>\$ 997,466</u>
	<u>For the nine-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Cost of goods sold	\$ 3,027,137	\$ 28,836,052
Loss on scrapped inventories	42,636	32,734
Reversal of allowance for inventory market price decline (Note)	(6,902)	(3,353)
Underapplied fixed manufacturing overhead	1,718	1,286
Gain on physical inventory	(400)	(630)
	<u>\$ 3,064,189</u>	<u>\$ 28,866,089</u>

(Note) For the three-month period ended September 30, 2025, and for the nine-month periods ended September 30, 2025 and 2024, the Group reversed a previous inventory write-down as a result of the subsequent sales and scrap of inventories which were previously provided with allowance.

(6) Investments accounted for under equity method

A. Movements of investments accounted for under equity method:

	<u>For the nine-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
At January 1	\$ 688,452	\$ 604,029
Acquisition of investments accounted for under equity method (Note 1)	12,955	22,849
Effect of changes in consolidated entities (Note 2)	1,232	–
Share of profit or loss of investments accounted for under equity method	162	(3,289)
Earnings distribution of investments accounted for under equity method	–	(27,644)
Capital surplus—Changes in net equity of associates and joint ventures accounted for under equity	514	75,713
Other equity interest—Financial statements translation differences of foreign operations	224	245
At September 30	<u>\$ 703,539</u>	<u>\$ 671,903</u>

(Note 1) Refer to Note 7(2) C. for details.

(Note 2) In May 2025, the Company established a subsidiary, Standard Pharma Holding Co., Ltd., and held 60% of its ownership interest. On June 30, 2025, the subsidiary conducted a cash capital increase, and the Company's ownership interest decreased to 48.86% as it did not subscribe to the new shares in proportion to its ownership interest. Although the Company remained the single largest shareholder, from the date of the capital increase, it did not hold more than half of the voting rights at shareholders' meetings, nor did it have any contractual arrangements with other shareholders to consult or jointly make decisions. This indicates that the Group does not have the practical ability to direct the relevant activities, and therefore it was determined that the Group no longer has control over the subsidiary but retains significant influence. For more information regarding the loss of control, please refer to Note 6(28), 'Supplemental cash flow information'.

B. Details of investments accounted for under equity method are as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Geneferm Biotechnology Co., Ltd.	\$ 302, 222	\$ 298, 703	\$ 297, 669
We Can Medicines Co., Ltd.	311, 207	324, 130	334, 589
Others	<u>90, 110</u>	<u>65, 619</u>	<u>39, 645</u>
	<u>\$ 703, 539</u>	<u>\$ 688, 452</u>	<u>\$ 671, 903</u>

C. Associates:

(a) The basic information of the associates that are material to the Group is as follows:

<u>Company name</u>	<u>Principal place of business</u>	<u>Shareholding ratio</u>		
		<u>September 30,</u>	<u>December 31,</u>	<u>September 30,</u>
We Can Medicines Co., Ltd.	Taiwan	29. 84%	29. 93%	30. 02%
Geneferm Biotechnology Co., Ltd. and its subsidiaries	Taiwan	28. 94%	28. 94%	28. 94%

(b) The summarised financial information of the associates that are material to the Group is as follows:

i. Balance sheets

(i) We Can Medicines Co., Ltd.

	September 30, 2025	December 31, 2024	September 30, 2024
Current assets	\$ 1,434,072	\$ 1,464,623	\$ 1,462,651
Non-current assets	1,584,745	1,620,971	1,672,520
Current liabilities	(920,728)	(921,387)	(897,927)
Non-current liabilities	(1,021,942)	(1,048,049)	(1,089,778)
Total net assets	<u>\$ 1,076,147</u>	<u>\$ 1,116,158</u>	<u>\$ 1,147,466</u>
Share in associate's net assets	\$ 321,122	\$ 334,066	\$ 344,469
Goodwill	15,279	15,279	15,279
Unrealised gain from transactions with associates	(25,194)	(25,215)	(25,159)
Carrying amount of the associate	<u>\$ 311,207</u>	<u>\$ 324,130</u>	<u>\$ 334,589</u>

(ii) Geneferm Biotechnology Co., Ltd. and its subsidiaries

	September 30, 2025	December 31, 2024	September 30, 2024
Current assets	\$ 569,036	\$ 411,971	\$ 429,087
Non-current assets	688,434	734,524	739,255
Current liabilities	(147,149)	(134,260)	(153,733)
Non-current liabilities	(309,933)	(224,051)	(229,428)
Total net assets	<u>\$ 800,388</u>	<u>\$ 788,184</u>	<u>\$ 785,181</u>
Share in associate's net assets	\$ 231,633	\$ 228,057	\$ 227,231
Goodwill	70,651	70,651	70,651
Unrealised gain from transactions with associates	(62)	(5)	(213)
Carrying amount of the associate	<u>\$ 302,222</u>	<u>\$ 298,703</u>	<u>\$ 297,669</u>

ii. Statements of comprehensive income

(i) We Can Medicines Co., Ltd.

For the three-month periods ended September 30,

	2025	2024
Revenue	\$ 789,549	\$ 812,587
Net loss	(\$ 26,242)	(\$ 20,888)
Total comprehensive loss	(\$ 26,242)	(\$ 20,888)

For the nine-month periods ended September 30,

	<u>2025</u>	<u>2024</u>
Revenue	<u>\$ 2,404,261</u>	<u>\$ 2,454,562</u>
Net loss	<u>(\$ 45,327)</u>	<u>(\$ 13,376)</u>
Total comprehensive loss	<u>(\$ 45,327)</u>	<u>(\$ 13,376)</u>

(ii) Geneferm Biotechnology Co., Ltd. and its subsidiaries

For the three-month periods ended September 30,

	<u>2025</u>	<u>2024</u>
Revenue	<u>\$ 165,599</u>	<u>\$ 131,879</u>
Net income (loss)	<u>\$ 5,651</u>	<u>(\$ 11,241)</u>
Total comprehensive loss	<u>\$ 6,354</u>	<u>(\$ 10,913)</u>

For the nine-month periods ended September 30,

	<u>2025</u>	<u>2024</u>
Revenue	<u>\$ 499,886</u>	<u>\$ 366,170</u>
Net income (loss)	<u>\$ 13,020</u>	<u>(\$ 25,581)</u>
Total comprehensive income (loss)	<u>\$ 12,204</u>	<u>(\$ 24,736)</u>

(c) As of September 30, 2025, December 31, 2024 and September 30, 2024, the carrying amount of the Group's individually immaterial associates amounted to \$90,110, \$65,619 and \$39,645, respectively. The share in associates' financial performance is as follows:

For the three-month periods ended September 30,

	<u>2025</u>	<u>2024</u>
Net (loss) profit	<u>(\$ 1,464)</u>	<u>\$ 2,051</u>
Total comprehensive income	<u>(\$ 1,005)</u>	<u>\$ 2,051</u>

For the nine-month periods ended September 30,

	<u>2025</u>	<u>2024</u>
Net profit	<u>\$ 9,884</u>	<u>\$ 6,869</u>
Total comprehensive income	<u>\$ 10,343</u>	<u>\$ 6,869</u>

(d) The fair value of the Group's associates with quoted market prices is as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Geneferm Biotechnology Co., Ltd.	<u>\$ 688,800</u>	<u>\$ 564,000</u>	<u>\$ 570,000</u>
We Can Medicines Co., Ltd.	<u>404,020</u>	<u>519,646</u>	<u>622,499</u>
	<u>\$ 1,092,820</u>	<u>\$ 1,083,646</u>	<u>\$ 1,192,499</u>

(e) The subsidiary of the Company, Syngen Biotech Co., Ltd., is Geneferm's single largest corporate shareholder. However, the Group does not hold more than 50 percent of voting rights during shareholders' meetings and has no agreement with other shareholders to negotiate or jointly make decisions, which indicates that the Group does not have the ability to direct the relevant activities. Therefore, the Group concluded that it has no control or significant influence over Geneferm.

D. As of September 30, 2025, December 31, 2024 and September 30, 2024, the Group has no investments accounted for under the equity method pledged to others.

(7) Property, plant and equipment

	Land	Buildings	Machinery	Utility equipment	Transportation equipment	Office equipment	Other equipment	Construction in progress and equipment to be inspected	Total
<u>At January 1, 2025</u>									
Cost	\$ 898,539	\$ 2,420,764	\$ 2,252,048	\$ 343,547	\$ 25,877	\$ 45,262	\$ 1,273,358	\$ 206,522	\$ 7,465,917
Accumulated depreciation	-	(926,519)	(1,469,951)	(221,129)	(19,961)	(32,963)	(666,583)	-	(3,337,106)
	<u>\$ 898,539</u>	<u>\$ 1,494,245</u>	<u>\$ 782,097</u>	<u>\$ 122,418</u>	<u>\$ 5,916</u>	<u>\$ 12,299</u>	<u>\$ 606,775</u>	<u>\$ 206,522</u>	<u>\$ 4,128,811</u>
<u>For the nine-month period ended September 30, 2025</u>									
At January 1	\$ 898,539	\$ 1,494,245	\$ 782,097	\$ 122,418	\$ 5,916	\$ 12,299	\$ 606,775	\$ 206,522	\$ 4,128,811
Additions - cost	400	42,572	39,362	1,835	732	7,127	22,049	91,346	205,423
Transfers (Note 1)	2,416	182,795	55,326	479	345	501	40,291	(90,606)	191,547
Depreciation	-	(59,510)	(121,106)	(14,731)	(1,503)	(3,864)	(84,675)	-	(285,389)
Disposals - cost	-	(1,450)	(25,546)	(2,736)	(1,363)	(1,696)	(7,102)	-	(39,893)
- accumulated depreciation	-	1,450	24,008	2,736	1,324	1,691	6,780	-	37,989
Net exchange differences	-	(5,160)	(143)	-	(81)	43	(39)	-	(5,380)
At September 30	<u>\$ 901,355</u>	<u>\$ 1,654,942</u>	<u>\$ 753,998</u>	<u>\$ 110,001</u>	<u>\$ 5,370</u>	<u>\$ 16,101</u>	<u>\$ 584,079</u>	<u>\$ 207,262</u>	<u>\$ 4,233,108</u>
<u>At September 30, 2025</u>									
Cost	\$ 901,355	\$ 2,635,285	\$ 2,318,814	\$ 343,125	\$ 25,412	\$ 51,096	\$ 1,327,982	\$ 207,262	\$ 7,810,331
Accumulated depreciation	-	(980,343)	(1,564,816)	(233,124)	(20,042)	(34,995)	(743,903)	-	(3,577,223)
	<u>\$ 901,355</u>	<u>\$ 1,654,942</u>	<u>\$ 753,998</u>	<u>\$ 110,001</u>	<u>\$ 5,370</u>	<u>\$ 16,101</u>	<u>\$ 584,079</u>	<u>\$ 207,262</u>	<u>\$ 4,233,108</u>

	<u>Land</u>	<u>Buildings</u>	<u>Machinery</u>	<u>Utility equipment</u>	<u>Transportation equipment</u>	<u>Office equipment</u>	<u>Other equipment</u>	<u>Construction in progress and equipment to be inspected</u>	<u>Total</u>
<u>At January 1, 2024</u>									
Cost	\$ 770,539	\$ 2,189,911	\$ 2,170,248	\$ 313,507	\$ 24,367	\$ 46,006	\$ 1,184,136	\$ 345,846	\$ 7,044,560
Accumulated depreciation	—	(853,621)	(1,327,828)	(204,185)	(18,574)	(35,019)	(583,807)	—	(3,023,034)
	<u>\$ 770,539</u>	<u>\$ 1,336,290</u>	<u>\$ 842,420</u>	<u>\$ 109,322</u>	<u>\$ 5,793</u>	<u>\$ 10,987</u>	<u>\$ 600,329</u>	<u>\$ 345,846</u>	<u>\$ 4,021,526</u>
For the nine-month period ended September 30, 2024									
At January 1	\$ 770,539	\$ 1,336,290	\$ 842,420	\$ 109,322	\$ 5,793	\$ 10,987	\$ 600,329	\$ 345,846	\$ 4,021,526
Additions - cost	—	27,974	39,366	3,916	115	4,522	25,283	101,096	202,272
Transfers (Note 2)	—	193,387	63,157	26,825	1,807	1,356	79,971	(282,929)	83,574
Depreciation	—	(51,743)	(115,864)	(12,999)	(1,480)	(3,279)	(79,881)	—	(265,246)
Disposals - cost	—	(343)	(27,682)	(1,579)	—	(6,762)	(24,438)	—	(60,804)
- accumulated depreciation	—	343	12,443	1,567	—	6,762	18,924	—	40,039
Net exchange differences	—	<u>3,605</u>	<u>112</u>	<u>—</u>	<u>4</u>	<u>8</u>	<u>38</u>	<u>—</u>	<u>3,767</u>
At September 30	<u>\$ 770,539</u>	<u>\$ 1,509,513</u>	<u>\$ 813,952</u>	<u>\$ 127,052</u>	<u>\$ 6,239</u>	<u>\$ 13,594</u>	<u>\$ 620,226</u>	<u>\$ 164,013</u>	<u>\$ 4,025,128</u>
<u>At September 30, 2024</u>									
Cost	\$ 770,539	\$ 2,417,088	\$ 2,247,664	\$ 342,670	\$ 26,364	\$ 45,221	\$ 1,265,289	\$ 164,013	\$ 7,278,848
Accumulated depreciation	—	(907,575)	(1,433,712)	(215,618)	(20,125)	(31,627)	(645,063)	—	(3,253,720)
	<u>\$ 770,539</u>	<u>\$ 1,509,513</u>	<u>\$ 813,952</u>	<u>\$ 127,052</u>	<u>\$ 6,239</u>	<u>\$ 13,594</u>	<u>\$ 620,226</u>	<u>\$ 164,013</u>	<u>\$ 4,025,128</u>

(Note 1) Including transfer of \$9,545 from 'Inventories'; transfer of \$181,844 from 'Prepayment for equipment'; transfer of \$345 from 'Right-of-use assets' and transfer of \$187 to expenses.

(Note 2) Including transfer of \$5,249 from 'Inventories' and transfer of \$78,325 from 'Prepayment for equipment'.

A. As of September 30, 2025, December 31, 2024 and September 30, 2024, the carrying amount of land, buildings and other equipment held for operating leases are as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Land	\$ 5,264	\$ 5,264	\$ 5,264
Buildings	\$ 9,935	\$ 10,227	\$ 10,326
Other equipment	\$ 2,537	\$ 1,738	\$ 2,396

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

	<u>For the three-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Amount capitalised	\$ 795	\$ 693
Interest rate range	0.48%~1.68%	1.20%~1.68%
<u>For the nine-month periods ended September 30,</u>		
	<u>2025</u>	<u>2024</u>
Amount capitalised	\$ 2,540	\$ 1,440
Interest rate range	0.48%~1.80%	0.84%~1.68%

C. Information about property, plant and equipment that were pledged to others as collateral as of September 30, 2025, December 31, 2024 and September 30, 2024 is provided in Note 8, 'PLEDGED ASSETS'.

(8) Leasing arrangements—lessee

A. The Group leases various assets including land, buildings and transportation equipments. Rental contracts are typically made for periods of 2 ~ 50 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants.

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

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>	<u>Carrying amount</u>
Land	\$ 223,061	\$ 237,379	\$ 240,992
Buildings	26,979	14,575	16,821
Transportation equipment	10,615	8,687	9,071
	<u>\$ 260,655</u>	<u>\$ 260,641</u>	<u>\$ 266,884</u>

	<u>For the three-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
	<u>Depreciation</u>	<u>Depreciation</u>
Land	\$ 4,021	\$ 4,045
Buildings	3,149	2,434
Transportation equipment	640	384
	<u>\$ 7,810</u>	<u>\$ 6,863</u>

	<u>For the nine-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
	<u>Depreciation</u>	<u>Depreciation</u>
Land	\$ 12,095	\$ 12,128
Buildings	8,202	6,992
Transportation equipment	1,569	1,135
	<u>\$ 21,866</u>	<u>\$ 20,255</u>

- C. For the three-month and nine-month periods ended September 30, 2025 and 2024, the additions to right-of-use assets were \$1,593, \$274, \$26,140 and \$6,326, respectively.
- D. The information on profit and loss accounts relating to lease contracts is as follows:

	<u>For the three-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 990	\$ 994
Expense on short-term lease contract	738	1,414
Expense on leases of low-value assets	350	108

	<u>For the nine-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 2,933	\$ 3,044
Expense on short-term lease contract	3,656	5,140
Expense on leases of low-value assets	961	386
Gain from lease modification	(35)	–

- E. For the nine-month periods ended September 30, 2025 and 2024, the Group's total cash outflow for leases was \$27,825 and \$27,124, respectively.

(9) Intangible assets

	Goodwill	Software	Patents	Others	Total
<u>At January 1, 2025</u>					
Cost	\$ 174,159	\$ 16,665	\$ 66,533	\$ 86,658	\$ 344,015
Accumulated amortisation	(248)	(12,306)	(45,682)	(62,520)	(120,756)
Accumulated impairment	–	–	–	(15,734)	(15,734)
Net exchange differences	–	(13)	219	–	206
	<u>\$ 173,911</u>	<u>\$ 4,346</u>	<u>\$ 21,070</u>	<u>\$ 8,404</u>	<u>\$ 207,731</u>
<u>For the nine-month period ended September 30, 2025</u>					
At January 1	\$ 173,911	\$ 4,346	\$ 21,070	\$ 8,404	\$ 207,731
Additions – acquired separately	–	2,080	–	10,000	12,080
Amortisation	– (1,711)	(7,203)	(755)	(9,669)	
Disposals – cost	– (7,642)	(1,954)	(32,232)	(41,828)	
– accumulated amortisation	–	7,642	1,954	32,232	41,828
Net exchange differences	–	13	–	–	13
At September 30	<u>\$ 173,911</u>	<u>\$ 4,728</u>	<u>\$ 13,867</u>	<u>\$ 17,649</u>	<u>\$ 210,155</u>
<u>At September 30, 2025</u>					
Cost	\$ 174,159	\$ 11,103	\$ 64,579	\$ 64,426	\$ 314,267
Accumulated amortisation	(248)	(6,375)	(50,931)	(31,043)	(88,597)
Accumulated impairment	–	–	–	(15,734)	(15,734)
Net exchange differences	–	–	219	–	219
	<u>\$ 173,911</u>	<u>\$ 4,728</u>	<u>\$ 13,867</u>	<u>\$ 17,649</u>	<u>\$ 210,155</u>

	Goodwill	Software	Patents	Others	Total
<u>At January 1, 2024</u>					
Cost	\$ 174,159	\$ 42,684	\$ 65,903	\$ 84,058	\$ 366,804
Accumulated amortisation	(248)	(37,904)	(36,081)	(62,503)	(136,736)
Accumulated impairment	-	-	-	(15,734)	(15,734)
Net exchange differences	-	(15)	219	-	204
	<u>\$ 173,911</u>	<u>\$ 4,765</u>	<u>\$ 30,041</u>	<u>\$ 5,821</u>	<u>\$ 214,538</u>
<u>For the nine-month period ended September 30, 2024</u>					
At January 1	\$ 173,911	\$ 4,765	\$ 30,041	\$ 5,821	\$ 214,538
Additions – acquired separately	-	2,011	630	-	2,641
Amortisation	-	(1,992)	(7,203)	(15)	(9,210)
Net exchange differences	-	2	-	-	2
At September 30	<u>\$ 173,911</u>	<u>\$ 4,786</u>	<u>\$ 23,468</u>	<u>\$ 5,806</u>	<u>\$ 207,971</u>
<u>At September 30, 2024</u>					
Cost	\$ 174,159	\$ 44,695	\$ 66,533	\$ 84,058	\$ 369,445
Accumulated amortisation	(248)	(39,896)	(43,284)	(62,518)	(145,946)
Accumulated impairment	-	-	-	(15,734)	(15,734)
Net exchange differences	-	(13)	219	-	206
	<u>\$ 173,911</u>	<u>\$ 4,786</u>	<u>\$ 23,468</u>	<u>\$ 5,806</u>	<u>\$ 207,971</u>

A. No borrowing costs were capitalised as part of intangible assets for the nine-month periods ended September 30, 2025 and 2024.

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

For the three-month periods ended September 30,

	2025	2024
Operating costs	\$ 1,839	\$ 1,537
Selling expenses	2	4
General and administrative expenses	794	926
Research and development expenses	639	563
	<u>\$ 3,274</u>	<u>\$ 3,030</u>

For the nine-month periods ended September 30,

	2025	2024
Operating costs	\$ 5,212	\$ 4,617
Selling expenses	7	18
General and administrative expenses	2,465	2,903
Research and development expenses	1,985	1,672
	<u>\$ 9,669</u>	<u>\$ 9,210</u>

C. The Group applied value in use method when calculating recoverable amount of goodwill and determined the recoverable amount to be greater than the carrying amount; thus, no impairment was identified. Goodwill distributed to cash generating unit according to operating segment is shown below:

	September 30, 2025	December 31, 2024	September 30, 2024
Multipower Enterprise Corp.	\$ 70,265	\$ 70,265	\$ 70,265
Syn-Tech Chem. & Pharm. Co., Ltd.	\$ 91,972	\$ 91,972	\$ 91,972
Ho Yao Biopharm Co., Ltd.	\$ 11,674	\$ 11,674	\$ 11,674

D. Impairment information about the intangible assets is provided in Note 6(10), "Impairment of non-financial assets".

E. As of September 30, 2025, December 31, 2024 and September 30, 2024, the Group has no intangible assets pledged to others.

(10) Impairment of non-financial assets

A. Goodwill is tested annually for impairment. Goodwill is allocated to the Group's cash-generating unit identified according to operating segment. The recoverable amount of all cash-generating units has been determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by the cash-generating unit. Cash flow of financial budgets is prepared based on forecasts of growth of future annual revenue, profit and capital expenditure. Management determined budgeted gross margin based on past performance and its expectation of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant operating segments.

B. The recoverable amount of all cash-generating units calculated using the value-in-use exceeded their carrying amount, so goodwill was not impaired for the nine-month periods ended September 30, 2025 and 2024.

C. As of September 30, 2025, December 31, 2024 and September 30, 2024, the carrying amount of accumulated impairment of non-financial assets was \$15,734.

(11) Short-term borrowings

Type of borrowings	September 30, 2025	Interest rate range	Collateral
Unsecured bank borrowings	\$ 730,000	0.79%~1.80%	None
Type of borrowings	December 31, 2024	Interest rate range	Collateral
Unsecured bank borrowings	\$ 110,000	1.80%	None
Type of borrowings	September 30, 2024	Interest rate range	Collateral
Unsecured bank borrowings	\$ 294,962	1.75%~3.31%	None

For more information about the interest expenses recognised in profit or loss by the Group for the three-month and nine-month periods ended September 30, 2025 and 2024, refer to Note 6(23), 'Finance costs'.

(12) Other payables

	September 30, 2025	December 31, 2024	September 30, 2024
Accrued salaries and bonuses	\$ 227,334	\$ 281,687	\$ 224,224
Accrued employees' compensation and directors' remuneration	39,868	50,741	41,010
Equipment payable	34,416	6,648	23,848
Others	245,403	234,299	244,458
	<u>\$ 547,021</u>	<u>\$ 573,375</u>	<u>\$ 533,540</u>

(13) Long-term borrowings

Type of borrowings	Maturity date	September 30, 2025	Interest rate	Collateral	Note
Bank secured borrowings	2027. 1. 15	\$ 78,702	1. 92%	Buildings and other equipment	(Note 1)
Less: Current portion of long-term borrowings		(59,027)			
		<u>\$ 19,675</u>			
Type of borrowings	Maturity date	December 31, 2024	Interest rate	Collateral	Note
Bank secured borrowings	2027. 1. 15	\$ 122,973	2. 02%	Construction in progress	(Note 1)
Bank secured borrowings	2043. 10. 26	100,000	1. 94%	Buildings	(Note 2)
		222,973			
Less: Current portion of long-term borrowings		(59,027)			
		<u>\$ 163,946</u>			
Type of borrowings	Maturity date	September 30, 2024	Interest rate	Collateral	Note
Bank secured borrowings	2027. 1. 15	\$ 137,730	2. 02%	Construction in progress	(Note 1)
Bank secured borrowings	2043. 10. 26	100,000	1. 82%	Buildings	(Note 2)
		237,730			
Less: Current portion of long-term borrowings		(59,027)			
		<u>\$ 178,703</u>			

(Note 1) The principal has a grace period of 18~35 months. After the grace period expires, the principal and interest are payable in 37 installments.

(Note 2) The principal has a grace period of 36 months. After the grace period expires, the principal and interest are payable in 204 installments.

For more information about interest expenses recognised in profit or loss by the Group for the three-month and nine-month periods ended September 30, 2025 and 2024, refer to Note 6(23), 'Finance costs'.

(14) Pensions

A. The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labour Standards Law, covering all regular employees' service years prior to the enforcement of the Labour Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company and its domestic subsidiaries contribute monthly an amount equal to 2%~5% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company and its domestic subsidiaries would assess the balance in the aforementioned labour pension reserve account by December 31, every year. If the account balances are insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company and its domestic subsidiaries will make contribution for the deficit by next March. In accordance with defined benefit pension plan, the Company and its domestic subsidiaries disclose the related information as follows:

- (a) For the aforementioned pension plan, the Group recognised pension costs of \$841, \$786, \$2,431 and \$3,331 for the three-month and nine-month periods ended September 30, 2025 and 2024, respectively.
- (b) Expected contributions to the defined benefit pension plans of the Group for the next year is \$8,770.

B. Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the "New Plan") under the Labour Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labour Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The Group's subsidiaries in Mainland China are subject to the government sponsored defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People's Republic of China (PRC) are based on a certain percentage of employees' monthly salaries and wages. For the nine-month periods ended September 30, 2025 and 2024, the contribution rates are both from 16%. Other than the monthly contributions, the Group has no further obligations. The pension costs under the defined contribution pension plans of the Group for the three-month and nine-month periods ended September 30, 2025 and 2024 were \$15,049, \$14,805, \$44,639 and \$43,251, respectively.

(15) Share capital – common stock

A. Movements in the number of the Company's ordinary shares outstanding are as follows (in thousands of shares):

	<u>For the nine-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Beginning and ending balance	<u>178,696</u>	<u>178,696</u>
B. As of September 30, 2025, the Company's authorised capital was \$2,000,000, and the paid-in capital was \$1,786,961, consisting of 178,696 thousand shares of ordinary share, with a par value of \$10 (in dollars) per share. Shares can be issued several times. All proceeds from shares issued have been collected.		

(16) Capital surplus

A. Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

B. As the Company's associate, We Can Medicines Co., Ltd., issued and converted employee stock options resulting in changes in net equity, the Company recognised the change in net equity proportionately to its ownership amounting to \$554 and \$1,322 for the nine-month periods ended September 30, 2025 and 2024, respectively.

C. Due to the initial public offering on the Taipei Exchange in the first quarter of 2024, the Company's associate, We Can Medicines Co., Ltd., issued new shares through cash capital increase, and the Group did not subscribe the shares proportionately to its ownership, resulting in an increase in capital surplus by \$74,391.

D. In July 2025, the Company's associate, Standard Pharma Holding Co., Ltd., issued new shares through cash capital increase. As the Group did not subscribe to the new shares in proportion to its ownership interest, resulting in a decrease in capital surplus by \$40.

E. For the nine-month periods ended September 30, 2025 and 2024, pursuant to the Business Letter No. 10602420200 issued by the Ministry of Economic Affairs, the subsidiary of the Company, Syngen Biotech Co., Ltd., and the Company reclassified dividends payable of \$166 and \$45, respectively, which was expired and not collected by the shareholders, to capital surplus.

(17) Retained earnings

A. Within the limit, except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is

limited to the portion in excess of 25% of the Company's paid-in capital.

B. Under the Company's Articles of Incorporation, as the Company operates in a volatile business environment and is in the stable growth stage, the Board of Directors takes into consideration the Company's future capital needs, long-term financial planning and shareholders' needs for cash inflow. The Company's earnings, if any, are distributed in the following order:

- (a) Pay all taxes.
- (b) Cover accumulated deficit.
- (c) Appropriate 10% as legal reserve, until such legal reserve amounts to the total paid-in capital.
- (d) Appropriate or reverse special reserve in accordance with regulations.
- (e) At least 10% of the remainder and previous unappropriated retained earnings as stockholders' bonus and cash dividends shall account for at least 20% of total dividends distributed. If the cash dividend is below \$0.5 (in dollars) per share, the Company can distribute stock dividends instead of cash dividends upon resolution of the shareholders.

When the shareholders bonus is distributed in stock dividend, it shall be allocated according to the resolutions of the shareholders during their meeting. The Company authorised the Board of Directors to process resolution resolved by a majority vote at the meeting attended by two-thirds of the total number of directors: all or part of distributed dividends and bonus, and capital reserve/legal surplus reserve shall be distributed by cash. The result shall be reported to the shareholders' meeting.

C. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings. For the nine-month period ended September 30, 2024, the aforementioned reversal of special reserve amounted to \$115,935 for the period. No such reversal occurred for the nine-month period ended September 30, 2025.

D. On February 27, 2024, the Board of Directors resolved to distribute cash dividends of \$482,479 (\$2.7 (in dollars) per share) from 2023 earnings. On February 25, 2025, the Board of Directors resolved to distribute cash dividends of \$500,349 (\$2.8 (in dollars) per share) from 2024 earnings. Information about the distribution of dividends by the Company as proposed by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(18) Other equity

<u>For the nine-month period ended September 30, 2025</u>			
	<u>Currency translation</u>	<u>Unrealised gain (loss) on valuation of financial assets</u>	<u>Total</u>
At January 1	\$ 4,489	\$ 103,642	\$ 108,131
Currency translation differences			
- Group	(11,286)	-	(11,286)
- Associates	224	-	224
Valuation adjustment			
- Group	-	(142,833)	(142,833)
Valuation adjustment transferred to retained earnings			
- Group	-	1	1
At September 30	<u>(\$ 6,573)</u>	<u>(\$ 39,190)</u>	<u>(\$ 45,763)</u>
<u>For the nine-month period ended September 30, 2024</u>			
	<u>Currency translation</u>	<u>Unrealised gain (loss) on valuation of financial assets</u>	<u>Total</u>
At January 1	(\$ 7,452)	\$ 20,629	\$ 13,177
Currency translation differences			
- Group	6,705	-	6,705
- Associates	245	-	245
Valuation adjustment			
- Group	-	320,942	320,942
Valuation adjustment transferred to retained earnings			
- Group	-	(6,418)	(6,418)
At September 30	<u>(\$ 502)</u>	<u>\$ 335,153</u>	<u>\$ 334,651</u>

(19) Operating revenue

A. The Group derives revenue from the transfer of goods at a point in time and of services over time in the following major product categories and geographical regions:

	For the three-month period ended September 30, 2025		
	Domestic	International	Total
Revenue from sales of medicine	\$ 686,551	\$ 84,976	\$ 771,527
Revenue from sales of dietary supplement	566,278	23,629	589,907
Revenue from sales of Active Pharmaceutical Ingredients	65,515	273,454	338,969
Revenue from rendering of services	565	–	565
Others	67,108	1,613	68,721
	<u>\$ 1,386,017</u>	<u>\$ 383,672</u>	<u>\$ 1,769,689</u>

	For the three-month period ended September 30, 2024		
	Domestic	International	Total
Revenue from sales of medicine	\$ 658,463	\$ 88,358	\$ 746,821
Revenue from sales of dietary supplement	563,136	16,805	579,941
Revenue from sales of Active Pharmaceutical Ingredients	73,476	274,884	348,360
Revenue from rendering of services	469	–	469
Others	64,998	1,853	66,851
	<u>\$ 1,360,542</u>	<u>\$ 381,900</u>	<u>\$ 1,742,442</u>

	For the nine-month period ended September 30, 2025		
	Domestic	International	Total
Revenue from sales of medicine	\$ 2,087,757	\$ 255,380	\$ 2,343,137
Revenue from sales of dietary supplement	1,649,454	53,534	1,702,988
Revenue from sales of Active Pharmaceutical Ingredients	215,835	775,742	991,577
Revenue from rendering of services	1,105	–	1,105
Others	194,771	4,060	198,831
	<u>\$ 4,148,922</u>	<u>\$ 1,088,716</u>	<u>\$ 5,237,638</u>

	<u>For the nine-month period ended September 30, 2024</u>		
	<u>Domestic</u>	<u>International</u>	<u>Total</u>
Revenue from sales of medicine	\$ 2,008,023	\$ 319,656	\$ 2,327,679
Revenue from sales of dietary supplement	1,527,063	64,047	1,591,110
Revenue from sales of Active Pharmaceutical Ingredients	248,989	749,984	998,973
Revenue from rendering of services	1,581	-	1,581
Others	<u>186,905</u>	<u>9,833</u>	<u>196,738</u>
	<u>\$ 3,972,561</u>	<u>\$ 1,143,520</u>	<u>\$ 5,116,081</u>

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

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>	<u>January 1, 2024</u>
Contract liabilities –current				
Sales of medicine	\$ 58,998	\$ 43,587	\$ 46,747	\$ 34,899
Sales of dietary supplement	53,645	45,531	50,854	44,943
Sales of Active Pharmaceutical Ingredients	1,873	4,754	41	31
Others	<u>772</u>	<u>1,114</u>	<u>1,326</u>	<u>3,337</u>
	<u>\$ 115,288</u>	<u>\$ 94,986</u>	<u>\$ 98,968</u>	<u>\$ 83,210</u>
Refund liabilities - current	<u>\$ -</u>	<u>\$ 320</u>	<u>\$ 320</u>	<u>\$ -</u>

Revenue recognised that was included in the contract liability balance at the beginning of the three-month and nine-month periods ended September 30, 2025 and 2024 were \$5,636, \$15,500, \$61,887 and \$65,547, respectively.

(20) Interest income

	<u>For the three-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Interest income from bank deposits	<u>\$ 5,431</u>	<u>\$ 4,830</u>
<u>For the nine-month periods ended September 30,</u>		
	<u>2025</u>	<u>2024</u>
Interest income from bank deposits	<u>\$ 18,627</u>	<u>\$ 29,184</u>

(21) Other income

	<u>For the three-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Dividend income	\$ 92,400	\$ 12,492
Rental income	1,269	587
Research income	63	328
Royalty income	(4,386)	1,729
Government grants income	107	5,433
Fire insurance claim income (Note)	–	75,202
Compensation income	334	–
Other income	<u>8,985</u>	<u>(547)</u>
	<u>\$ 98,772</u>	<u>\$ 95,224</u>

	<u>For the nine-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Dividend income	\$ 93,198	\$ 12,605
Rental income	4,101	1,748
Research income	11,180	14,829
Royalty income	5,764	12,333
Technology transfer income	–	8,734
Government grants income	1,735	6,240
Fire insurance claim income (Note)	–	75,202
Compensation income	2,680	–
Other income	<u>13,640</u>	<u>7,705</u>
	<u>\$ 132,298</u>	<u>\$ 139,396</u>

(Note) The subsidiary, Syn-Tech suffered from a fire incident on May 20, 2021, which resulted in the damage of certain property, plant and equipment and inventories and therefore interrupting part of the operations.

Syn-Tech had obtained property insurance for its property, plant and equipment and has recognised indemnity income at \$171,191 limited to the loss of each property for the year ended December 31, 2021. The insurance company had checked the damaged property in September 2024 and paid insurance claims in the amount of \$246,393. Syn-Tech recognised the difference of \$75,202 between the actual indemnity income and original estimated insurance claims as fire claims income in 2024.

(22) Other gains and losses

	<u>For the three-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Net gain (loss) on financial assets at fair value through profit or loss	\$ 12,878	(\$ 617)
Net loss on disposal of property, plant and equipment	(816)	(4,483)
Net currency exchange gain (loss)	30,706	(6,051)
Loss on disposal of investments	–	(846)
Other losses	(1,925)	(6,080)
	<u>\$ 40,843</u>	<u>(\$ 18,077)</u>

	<u>For the nine-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Net gain on financial assets at fair value through profit or loss	\$ 12,922	\$ 3,564
Net loss on disposal of property, plant and equipment	(1,032)	(5,231)
Loss on remeasurement of investments	(6)	–
Gain from lease modification	35	–
Net currency exchange (loss) gain	(42,725)	68,905
Loss on disposal of investments	–	(846)
Other losses	(5,731)	(12,569)
	<u>(\$ 36,537)</u>	<u>\$ 53,823</u>

(23) Finance costs

	<u>For the three-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Interest expense		
Bank borrowings	\$ 1,723	\$ 2,808
Lease liabilities	<u>990</u>	<u>994</u>
	2,713	3,802
Less: Capitalisation of qualifying assets	(795)	(693)
	<u>\$ 1,918</u>	<u>\$ 3,109</u>

	<u>For the nine-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Interest expense		
Bank borrowings	\$ 5,101	\$ 10,933
Lease liabilities	<u>2,933</u>	<u>3,044</u>
	8,034	13,977
Less: Capitalisation of qualifying assets	(2,540)	(1,440)
	<u>\$ 5,494</u>	<u>\$ 12,537</u>

(24) Expenses by nature

	For the three-month period ended September 30, 2025		
	Recognised in operating costs	Recognised in operating expenses	Total
Employee benefit expenses	\$ 229,011	\$ 204,045	\$ 433,056
Depreciation	80,688	24,347	105,035
Amortisation	3,075	2,155	5,230
	<u>\$ 312,774</u>	<u>\$ 230,547</u>	<u>\$ 543,321</u>

	For the three-month period ended September 30, 2024		
	Recognised in operating costs	Recognised in operating expenses	Total
Employee benefit expenses	\$ 220,247	\$ 213,814	\$ 434,061
Depreciation	75,226	23,800	99,026
Amortisation	2,617	2,061	4,678
	<u>\$ 298,090</u>	<u>\$ 239,675</u>	<u>\$ 537,765</u>

	For the nine-month period ended September 30, 2025		
	Recognised in operating costs	Recognised in operating expenses	Total
Employee benefit expenses	\$ 663,878	\$ 617,646	\$ 1,281,524
Depreciation	232,645	74,610	307,255
Amortisation	9,071	6,499	15,570
	<u>\$ 905,594</u>	<u>\$ 698,755</u>	<u>\$ 1,604,349</u>

	For the nine-month period ended September 30, 2024		
	Recognised in operating costs	Recognised in operating expenses	Total
Employee benefit expenses	\$ 643,905	\$ 622,813	\$ 1,266,718
Depreciation	218,170	67,331	285,501
Amortisation	7,890	6,230	14,120
	<u>\$ 869,965</u>	<u>\$ 696,374</u>	<u>\$ 1,566,339</u>

(25) Employee benefit expenses

	For the three-month period ended September 30, 2025		
	Recognised in operating costs	Recognised in operating expenses	Total
Wages and salaries	\$ 191,803	\$ 173,435	\$ 365,238
Labour and health insurance expenses	18,717	14,673	33,390
Pension costs	8,200	7,690	15,890
Other personnel expenses	10,291	8,247	18,538
	<u>\$ 229,011</u>	<u>\$ 204,045</u>	<u>\$ 433,056</u>

For the three-month period ended September 30, 2024

	Recognised in <u>operating costs</u>	Recognised in <u>operating expenses</u>	Total
Wages and salaries	\$ 184, 913	\$ 182, 638	\$ 367, 551
Labour and health insurance expenses	17, 573	14, 485	32, 058
Pension costs	7, 930	7, 661	15, 591
Other personnel expenses	9, 831	9, 030	18, 861
	<u>\$ 220, 247</u>	<u>\$ 213, 814</u>	<u>\$ 434, 061</u>

For the nine-month period ended September 30, 2025

	Recognised in <u>operating costs</u>	Recognised in <u>operating expenses</u>	Total
Wages and salaries	\$ 552, 955	\$ 522, 221	\$ 1, 075, 176
Labour and health insurance expenses	56, 725	45, 688	102, 413
Pension costs	23, 923	23, 147	47, 070
Other personnel expenses	30, 275	26, 590	56, 865
	<u>\$ 663, 878</u>	<u>\$ 617, 646</u>	<u>\$ 1, 281, 524</u>

For the nine-month period ended September 30, 2024

	Recognised in <u>operating costs</u>	Recognised in <u>operating expenses</u>	Total
Wages and salaries	\$ 538, 012	\$ 529, 924	\$ 1, 067, 936
Labour and health insurance expenses	53, 499	43, 934	97, 433
Pension costs	23, 393	23, 189	46, 582
Other personnel expenses	29, 001	25, 766	54, 767
	<u>\$ 643, 905</u>	<u>\$ 622, 813</u>	<u>\$ 1, 266, 718</u>

A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year (pre-tax profit before deducting employees' compensation and directors' remuneration), after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall be 1% ~ 10% for employees' compensation, of which at least 60% shall be allocated to rank-and-file employees, and shall not be higher than 3% for directors' remuneration. Employees' compensation will be distributed in the form of shares or cash. Qualification requirements of employees, including the employees of subsidiaries of the company meeting certain specific requirements, are entitled to receive aforementioned stock or cash. 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 distributed in the form of shares or in cash; and in addition thereto a report of such distribution shall be submitted to the shareholders during their meeting.

B. For the three-month and nine-month periods ended September 30, 2025 and 2024, employees' compensation was accrued at \$2,481, \$2,486, \$6,760 and \$7,359, respectively; while directors' remuneration was accrued at \$1,125, \$1,216, \$3,375 and \$3,283, respectively. The aforementioned amounts were recognised in salary expenses. The expenses recognised for the period were accrued based on the earnings of current period and the percentage specified in the Articles of Incorporation of the Company. Total of the employees' compensation and directors' remuneration for 2024 as resolved by the Board of Directors was \$15,277, and the employees' compensation was distributed in the form of cash. The difference between the aforementioned amount and the amount of \$15,270 recognised in the 2024 financial statements by \$7, mainly caused by estimation differences, had been adjusted in the profit or loss for 2025. Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(26) Income tax

A. Income tax expense:

Components of income tax expense:

	<u>For the three-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Current tax:		
Current tax on profits for the period	\$ 69,048	\$ 80,908
Tax on unappropriated earnings	551	(379)
Income tax under (over) estimates for prior years	<u>1,388</u>	<u>(3)</u>
	<u>70,987</u>	<u>80,526</u>
Deferred tax:		
Origination and reversal of temporary differences	<u>4,233</u>	<u>884</u>
Total income tax expense	<u>\$ 75,220</u>	<u>\$ 81,410</u>
 <u>For the nine-month periods ended September 30,</u>		
	<u>2025</u>	<u>2024</u>
Current tax:		
Current tax on profits for the period	\$ 206,079	\$ 245,678
Tax on unappropriated earnings	10,491	28,637
Income tax overestimates for prior years	(34,526)	(12,482)
	<u>182,044</u>	<u>261,833</u>
Deferred tax:		
Origination and reversal of temporary differences	(3,653)	1,501
Total income tax expense	<u>\$ 178,391</u>	<u>\$ 263,334</u>

B. The Company's income tax returns through 2023 have been assessed and approved by the Tax Authority, and there were no disputes existing between the Company and the Authority as of November 7, 2025.

(27) Earnings per share

For the three-month period ended September 30, 2025			
	Weighted average number of ordinary shares outstanding	Earnings per share (in dollars)	
<u>Amount after tax</u>	<u>(shares in thousands)</u>		
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 307,602	178,696	\$ 1.72
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 307,602	178,696	
Assumed conversion of all dilutive potential ordinary shares	—	125	
Employees' compensation	—	—	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 307,602</u>	<u>178,821</u>	<u>\$ 1.72</u>
For the three-month period ended September 30, 2024			
	Weighted average number of ordinary shares outstanding	Earnings per share (in dollars)	
<u>Amount after tax</u>	<u>(shares in thousands)</u>		
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 217,394	178,696	\$ 1.22
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 217,394	178,696	
Assumed conversion of all dilutive potential ordinary shares	—	118	
Employees' compensation	—	—	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 217,394</u>	<u>178,814</u>	<u>\$ 1.22</u>

For the nine-month period ended September 30, 2025

	Weighted average number of ordinary shares outstanding	Earnings per share (in dollars)
<u>Amount after tax</u>	<u>(shares in thousands)</u>	<u>share (in dollars)</u>
<u>Basic earnings per share</u>		
Profit attributable to ordinary shareholders of the parent	\$ 698,452	178,696
<u>Diluted earnings per share</u>		
Profit attributable to ordinary shareholders of the parent	\$ 698,452	178,696
Assumed conversion of all dilutive potential ordinary shares	—	161
Employees' compensation	—	—
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 698,452</u>	<u>178,857</u>
	<u>\$ 698,452</u>	<u>178,857</u>
	<u>\$ 698,452</u>	<u>178,857</u>

	Weighted average number of ordinary shares outstanding	Earnings per share (in dollars)
<u>Amount after tax</u>	<u>(shares in thousands)</u>	<u>share (in dollars)</u>
<u>Basic earnings per share</u>		
Profit attributable to ordinary shareholders of the parent	\$ 685,865	178,696
<u>Diluted earnings per share</u>		
Profit attributable to ordinary shareholders of the parent	\$ 685,865	178,696
Assumed conversion of all dilutive potential ordinary shares	—	150
Employees' compensation	—	—
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 685,865</u>	<u>178,846</u>
	<u>\$ 685,865</u>	<u>178,846</u>
	<u>\$ 685,865</u>	<u>178,846</u>

(28) Supplemental cash flow information

A. Investing activities with partial cash payments:

	<u>For the nine-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
(a) Acquisition of property, plant and equipment	\$ 205,423	\$ 202,272
Add: Beginning balance of notes payable	18,509	37,206
Beginning balance of payable on equipment (listed as "Other payables")	6,648	8,135
Less: Ending balance of notes payable	(12,307)	(19,414)
Ending balance of payable on equipment (listed as "Other payables")	(34,416)	(23,848)
Capitalised interest	(2,540)	(1,440)
Cash paid for acquisition of property, plant and equipment	<u>\$ 181,317</u>	<u>\$ 202,911</u>

B. Operating and investing activities with no cash flow effects:

	<u>For the nine-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
(1) Write-off of accounts receivable	<u>\$ 1,559</u>	<u>\$ -</u>
(2) Proceeds from disposal of financial assets at fair value through profit or loss not yet received	<u>\$ -</u>	<u>\$ 7,088</u>
(3) Inventories transferred to property, plant and equipment	<u>\$ 9,545</u>	<u>\$ 5,249</u>
(4) Prepayments for equipment transferred to property, plant and equipment	<u>\$ 181,844</u>	<u>\$ 78,325</u>
(5) Right-of-use assets reclassified to property, plant and equipment	<u>\$ 345</u>	<u>\$ -</u>

C. On June 30, 2025, the Group lost control over Standard Pharma Holding Co., Ltd. as it did not subscribe to the new shares in proportion to its ownership interest. The related assets and liabilities of the company are as follows:

	<u>June 30, 2025</u>
Cash and cash equivalents	\$ 1,107
Non-current assets	899
Current liabilities	(1)
Carrying amount of net assets	<u>\$ 2,005</u>

On June 30, 2025, the Group's ownership interest in the company was remeasured at its fair value of \$1,232, resulting in a loss of \$6 (listed as 'Other gains and losses').

(29) Changes in liabilities from financing activities

	Short-term borrowings	Lease liabilities	Long-term borrowings (including current portion)	Guarantee deposits received	Total
At January 1, 2025	\$ 110,000	\$ 227,455	\$ 222,973	\$ 8,772	\$ 569,200
Changes in cash flow from financing activities	620,000	(20,275)	(144,271)	(194)	455,260
Changes in other non-cash items	—	24,832	—	—	24,832
At September 30, 2025	<u>\$ 730,000</u>	<u>\$ 232,012</u>	<u>\$ 78,702</u>	<u>\$ 8,578</u>	<u>\$ 1,049,292</u>
	Short-term borrowings	Lease liabilities	Long-term borrowings (including current portion)	Guarantee Deposits received	Total
At January 1, 2024	\$ 800,000	\$ 245,886	\$ 282,000	\$ 12,299	\$ 1,340,185
Changes in cash flow from financing activities	(505,038)	(18,554)	(44,270)	(3,438)	(571,300)
Changes in other non-cash items	—	6,376	—	—	6,376
At September 30, 2024	<u>\$ 294,962</u>	<u>\$ 233,708</u>	<u>\$ 237,730</u>	<u>\$ 8,861</u>	<u>\$ 775,261</u>

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

Names of related parties	Relationship with the Group
We Can Medicines Co., Ltd. (We Can)	Associate
Taiwan Biosim Co., Ltd. (Biosim)	Associate
Geneferm Biotechnology Co., Ltd. (Geneferm)	Associate
Standard Pharma Holding Co., Ltd. (SPH)	Associate
Standard Pharma (Thailand) Co., Ltd. (SPTH)	Associate
Standard Union Medical (Thailand) Co., Ltd. (SUM)	Associate
Sun You Biotech Pharm Co., Ltd. (Sun You)	Other related party (The manager of the Company is Sun You's director)
Fan Dao Nan Foundation (Fan Dao Nan)	Other related party (The corporate director of the Company)

(2) Significant related party transactions

A. Sales of goods

Associates
Other related parties

For the three-month periods ended September 30,	2025	2024
\$ 28,180	\$ 34,372	
5,435	3,641	
<u>\$ 33,615</u>	<u>\$ 38,013</u>	

	<u>For the nine-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Associates	\$ 73,690	\$ 98,488
Other related parties	16,935	14,976
	<u>\$ 90,625</u>	<u>\$ 113,464</u>

Prices of goods sold to related parties are determined each time when delivering goods. Terms of transactions are similar with those to third parties, which is cash payment in 2 months after billing, or to obtain cheques with a maturity of 4~6 months upon billing.

B. Purchases of goods

	<u>For the three-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Associates	\$ 12,622	\$ 12,849
Other related parties	1,701	2,918
	<u>\$ 14,323</u>	<u>\$ 15,767</u>

	<u>For the nine-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Associates	\$ 40,495	\$ 30,156
Other related parties	3,516	6,896
	<u>\$ 44,011</u>	<u>\$ 37,052</u>

Goods are purchased based on the price lists in force and terms that would be available to regular suppliers. Payment terms are 1~4 months after monthly billing.

C. Equity transaction

- In July 2025, the associate, Standard Pharma Holding Co., Ltd., conducted a cash capital increase. The Group did not subscribe to the new shares in proportion to its ownership interest, and the Group's subscription amount of \$6,791 has been fully paid.
- To expand the Group's business operations, the Group invested \$6,164 in Standard Union Medical (Thailand) Co., Ltd. in July 2025, and the related investment amount has been fully settled.

D. Other expenses

	<u>For the three-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Associates	\$ 10,659	\$ 7,188
<u>For the nine-month periods ended September 30,</u>		
	<u>2025</u>	<u>2024</u>
Associates	\$ 33,404	\$ 17,635
Other related parties	9	6
	<u>\$ 33,413</u>	<u>\$ 17,641</u>

E. Other income

	<u>For the three-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Associates	\$ 2,367	\$ 78
Other related parties	140	152
	<u>\$ 2,507</u>	<u>\$ 230</u>

	<u>For the nine-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Associates	\$ 6,065	\$ 1,691
Other related parties	1,626	1,481
	<u>\$ 7,691</u>	<u>\$ 3,172</u>

F. Ending balance of goods sold

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Receivables from related parties:			
Associates	\$ 24,999	\$ 29,893	\$ 30,786
Other related parties	9,443	7,606	5,752
	<u>\$ 34,442</u>	<u>\$ 37,499</u>	<u>\$ 36,538</u>

The receivables from related parties arise mainly from sales transactions. The receivables are unsecured in nature and bear no interest. There are no provisions held against receivables from related parties.

G. Other receivables

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Associates	\$ -	\$ 285	\$ 430
Other related parties	1	2	122
	<u>\$ 1</u>	<u>\$ 287</u>	<u>\$ 552</u>

H. Ending balance of goods purchased

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Payables to related parties:			
Associates	\$ 18,817	\$ 30,349	\$ 15,799
Other related parties	2,379	2,940	4,056
	<u>\$ 21,196</u>	<u>\$ 33,289</u>	<u>\$ 19,855</u>

The payables to related parties arise mainly from purchase transactions. The payables bear no interest.

I. Other payables

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Associates	\$ 5,369	\$ 9,806	\$ 7,237

J. Lease transactions—lessee

- (a) The Group leases land and buildings from Fan Dao Nan and We Can. Rental contracts are made for the periods from October 1, 2016 to September 30, 2027 and April 1, 2021 to March 31, 2026, respectively. Rents are paid quarterly and monthly.
- (b) As of September 30, 2025, December 31, 2024 and September 30, 2024, the carrying amount of right-of-use assets were \$1,199, \$3,095 and \$3,534, respectively.
- (c) As of September 30, 2025, December 31, 2024 and September 30, 2024, the carrying amount of lease liability were \$1,247, \$3,194 and \$3,641, respectively. The Group recognised interest expense amounting to \$4, \$12, \$17 and \$42 (listed as ‘Finance costs’) for the three-month and nine-month periods ended September 30, 2025 and 2024, respectively.

(3) Key management compensation

	<u>For the three-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Salaries and other short-term employee benefits	\$ 8,584	\$ 8,465
Post-employment benefits	18	—
	<u>\$ 8,602</u>	<u>\$ 8,465</u>
	<u>For the nine-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Salaries and other short-term employee benefits	\$ 36,336	\$ 34,429
Post-employment benefits	55	—
	<u>\$ 36,391</u>	<u>\$ 34,429</u>

8. PLEDGED ASSETS

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

Pledged asset	Book value				Purposes
	September 30, 2025	December 31, 2024	September 30, 2024		
Time deposits (Note 1)	\$ 8,000	\$ 8,000	\$ —		Performance guarantees
Land (Note 2)	297,406	297,406	297,406		Short-term and long-term borrowings
Buildings-net (Note 2)	405,383	327,836	330,038		Short-term and long-term borrowings
Machinery-net (Note 2)	13,675	8,993	9,411		Long-term borrowings
Utility equipment-net (Note 2)	19,208	—	—		Long-term borrowings
Other equipment-net (Note 2)	—	110	110		Long-term borrowings
Construction in progress (Note 2)	—	71,179	71,179		Long-term borrowings
	<u>\$ 743,672</u>	<u>\$ 713,524</u>	<u>\$ 708,144</u>		

(Note 1) Listed as ‘Financial assets at amortised cost - current’.

(Note 2) Listed as ‘Property, plant and equipment’.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

As of September 30, 2025, December 31, 2024 and September 30, 2024, the balances for contracts that the Group entered into for the purchase of property, plant and equipment, but not yet due were \$286,346, \$338,609 and \$391,204, respectively.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENT AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

(2) Financial instruments

A. Financial instruments by category

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Financial assets</u>			
Financial assets at fair value through profit or loss			
Financial assets mandatorily measured at fair value through profit or loss	\$ 117,318	\$ 168,627	\$ 161,836
Financial assets at fair value through other comprehensive income			
Designation of equity instruments	\$ 479,072	\$ 508,242	\$ 740,564
Financial assets at amortised cost			
Cash and cash equivalents	\$ 1,675,668	\$ 1,520,128	\$ 1,465,665
Financial assets at amortised cost	400,806	134,500	120,325
Notes receivable	265,359	283,668	205,453
Accounts receivable	1,148,574	1,039,155	1,162,120
Other receivables	5,158	16,567	16,789
Guarantee deposits paid	45,248	28,783	26,858
	<u>\$ 3,540,813</u>	<u>\$ 3,022,801</u>	<u>\$ 2,997,210</u>

	September 30, 2025	December 31, 2024	September 30, 2024
Financial liabilities			
Financial liabilities at amortised cost			
Short-term borrowings	\$ 730, 000	\$ 110, 000	\$ 294, 962
Notes payable	236, 966	360, 766	312, 168
Accounts payable	358, 091	242, 304	234, 238
Other payables	547, 021	573, 375	533, 540
Long-term borrowings (including current portion)	78, 702	222, 973	237, 730
Guarantee deposits received	8, 578	8, 772	8, 861
	<u>\$ 1, 959, 358</u>	<u>\$ 1, 518, 190</u>	<u>\$ 1, 621, 499</u>
Lease liabilities	<u>\$ 232, 012</u>	<u>\$ 227, 455</u>	<u>\$ 233, 708</u>

B. Risk management policies

- (a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and interest rate risk), credit risk and liquidity risk. To minimise any adverse effects on the financial performance of the Group, derivative financial instruments may be used to hedge certain risk.
- (b) Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The Group operates internationally and is exposed to foreign exchange risk arising from the transactions of the Group used in various functional currencies, primarily with respect to the USD, EUR, JPY and RMB. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.
- ii. The Group has certain sales and purchases denominated in USD and other foreign currencies. Changes in market exchange rates would affect the fair value. However, the payment and collection periods of asset and liability positions in foreign currencies are close, market risk can be offset. The Group does not expect significant interest rate risk.
- iii. The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. However, the net investments of foreign operations are strategic investments, thus the Group does not hedge the investments.

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

<u>September 30, 2025</u>					
		Foreign currency			
		amount			
		(In thousands)	Exchange rate	Book value	
(Foreign currency:					
functional currency)					
<u>Financial assets</u>					
<u>Monetary items</u>					
USD: NTD	\$	24,155	30.45	\$	735,520
EUR: NTD		1,591	35.77		56,910
JPY: NTD		575,681	0.2058		118,475
RMB: NTD		5,026	4.271		21,466
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD: NTD		887	30.45		27,009
<u>December 31, 2024</u>					
		Foreign currency			
		amount			
		(In thousands)	Exchange rate	Book value	
(Foreign currency:					
functional currency)					
<u>Financial assets</u>					
<u>Monetary items</u>					
USD: NTD	\$	20,330	32.79	\$	666,621
EUR: NTD		938	34.14		32,023
JPY: NTD		321,818	0.2099		67,550
RMB: NTD		5,005	4.478		22,412
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD: NTD		382	32.79		12,526

September 30, 2024

Foreign currency	amount	(In thousands)	Exchange rate	Book value
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD: NTD	\$ 22,311	31.65	\$ 706,143	
EUR: NTD	253	35.38	8,951	
JPY: NTD	380,611	0.2223	84,610	
RMB: NTD	5,465	4.523	24,718	
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD: NTD	449	31.65	14,211	

With regard to sensitivity analysis of foreign currency exchange rate risk, if the exchange rates of NTD to all foreign currencies had appreciated/depreciated by 1%, with all other factors remaining constant, the Group's net income for the nine-month periods ended September 30, 2025 and 2024 would have increased/decreased by \$7,243 and \$6,482, respectively.

v. Total net exchange gain (loss), including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group for the three-month and nine-month periods ended September 30, 2025 and 2024 amounted to \$30,706, (\$6,051), (\$42,725) and \$68,905, respectively.

Price risk

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

ii. The Group's investments in equity securities comprise shares and open-end funds issued by the domestic companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the nine-month periods ended September 30, 2025 and 2024 would have increased/decreased by \$1,258 and \$1,760, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by \$5,171 and \$4,034, respectively, as a result of other

comprehensive income on equity investment classified as at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

- i. The Group's main interest rate risk arises from long-term and short-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. During the nine-month periods ended September 30, 2025 and 2024, the Group's borrowings at variable rate were denominated in the NTD and EUR.
- ii. With regard to sensitivity analysis of interest rate risk, if interest rates on borrowings at that date had been 1% higher/lower with all other variables held constant, post-tax profit for the nine-month periods ended September 30, 2025 and 2024 would have been \$44 and \$100 higher/lower, respectively, mainly as a result of higher/lower interest expense on floating rate borrowings.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.
- ii. The Group manages its credit risk taking into consideration the entire company's concern. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.
- iii. In line with credit risk management procedure, payment reminders are sent as the contract payments are past due, whereby the default occurs when the contract payments are past due over certain period of time, and recourse procedures are initiated. However, the Group will continue executing the recourse procedures to secure their rights.
- iv. The Group classifies customer's notes and accounts receivable in accordance with credit rating of customer. The Group applies the modified approach using provision matrix to estimate expected credit loss under the provision matrix basis. The Group used the forecastability of conditions to adjust historical and timely information to assess the default possibility of notes and accounts receivable, whereby rate ranging from 0.01% to 100% are applied to the provision matrix. Movements in relation to the Group applying the modified approach to provide loss allowance for notes and accounts receivable are as follows:

	For the nine-month period ended September 30, 2025		
	Notes receivable	Accounts receivable	Total
Beginning balance	\$ 428	\$ 26,388	\$ 26,816
Reversal of impairment	(123)	(3,042)	(3,165)
Write-offs	—	(1,559)	(1,559)
Ending balance	<u>\$ 305</u>	<u>\$ 21,787</u>	<u>\$ 22,092</u>

	For the nine-month period ended September 30, 2024		
	Notes receivable	Accounts receivable	Total
Beginning balance	\$ 237	\$ 15,368	\$ 15,605
Provision for impairment	156	15,181	15,337
Ending balance	<u>\$ 393</u>	<u>\$ 30,549</u>	<u>\$ 30,942</u>

(c) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities.
- ii. Surplus cash held by the Group over and above balance required for working capital management are transferred to the Group treasury. Group treasury invests surplus cash in interest bearing current accounts, time deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the abovementioned forecasts.
- iii. The Group has the following undrawn borrowing facilities:

	September 30, 2025	December 31, 2024	September 30, 2024
Floating rate:			
Expiring within one year	\$ 2,399,970	\$ 3,153,210	\$ 3,104,268
Expiring beyond one year	—	127,000	47,000
	<u>\$ 2,399,970</u>	<u>\$ 3,280,210</u>	<u>\$ 3,151,268</u>

iv. The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date:

	Within	Between 1	Between 2	Over 5	
	September 30, 2025	1 year	and 2 years	and 5 years	years
Short-term borrowings	\$ 732,020	\$ —	\$ —	\$ —	\$ —
Notes payable	236,966	—	—	—	—
Accounts payable	358,091	—	—	—	—
Other payables	547,021	—	—	—	—
Lease liabilities	30,989	25,169	62,779	136,997	—
Long-term borrowings	60,017	19,755	—	—	—
Guarante deposits received	8,557	21	—	—	—
	Within	Between 1	Between 2	Over 5	
	December 31, 2024	1 year	and 2 years	and 5 years	years
Short-term borrowings	\$ 111,227	\$ —	\$ —	\$ —	\$ —
Notes payable	360,766	—	—	—	—
Accounts payable	242,304	—	—	—	—
Other payables	573,375	—	—	—	—
Lease liabilities	27,393	23,186	53,298	149,567	—
Long-term borrowings	62,853	62,821	26,169	97,945	—
Guarantee deposits received	8,535	237	—	—	—
	Within	Between 1	Between 2	Over 5	
	September 30, 2024	1 year	and 2 years	and 5 years	years
Short-term borrowings	\$ 296,956	\$ —	\$ —	\$ —	\$ —
Notes payable	312,168	—	—	—	—
Accounts payable	234,238	—	—	—	—
Other payables	533,540	—	—	—	—
Lease liabilities	28,332	25,285	54,030	153,820	—
Long-term borrowings	63,079	62,276	40,597	99,715	—
Guarantee deposits received	—	8,861	—	—	—

v. For non-derivative financial liabilities, the Group does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(3) Fair value information

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the

entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in beneficiary certificates and listed stocks is included.

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

Level 3: Unobservable inputs for the asset or liability. The Group's investment in certain equity instruments without active market is included.

B. The carrying amounts of the Group's financial instruments not measured at fair value (including cash and cash equivalents, financial assets at amortised cost, notes receivable, accounts receivable, other receivables, guarantee deposits paid, short-term borrowings, notes payable, accounts payable, other payables, long-term borrowings (including current portion) and guarantee deposits received) are approximate to their fair values.

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

(a) The related information on the nature of the assets is as follows:

	September 30, 2025	Level 1	Level 2	Level 3	Total
<u>Recurring fair value measurements</u>					
Financial assets at fair value through profit or loss					
Equity securities and beneficiary certificates	\$ 105,630	\$ -	\$ 11,688	\$ 117,318	
Financial assets at fair value through other comprehensive income					
Equity securities	362,476	\$ -	116,596	479,072	
	<u>\$ 468,106</u>	<u>\$ -</u>	<u>\$ 128,284</u>	<u>\$ 596,390</u>	
	December 31, 2024	Level 1	Level 2	Level 3	Total
<u>Recurring fair value measurements</u>					
Financial assets at fair value through profit or loss					
Equity securities and beneficiary certificates	\$ 156,277	\$ -	\$ 12,350	\$ 168,627	
Financial assets at fair value through other comprehensive income					
Equity securities	390,027	\$ -	118,215	508,242	
	<u>\$ 546,304</u>	<u>\$ -</u>	<u>\$ 130,565</u>	<u>\$ 676,869</u>	

<u>September 30, 2024</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities and beneficiary certificates	\$ 147,000	\$ -	\$ 14,836	\$ 161,836
Financial assets at fair value through other comprehensive income				
Equity securities	<u>615,855</u>	<u>-</u>	<u>124,709</u>	<u>740,564</u>
	<u><u>\$ 762,855</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 139,545</u></u>	<u><u>\$ 902,400</u></u>

(b) The methods and assumptions the Group used to measure fair value are as follows:

- i. The instruments that the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	<u>Listed stocks</u>	<u>Open-end fund</u>
Market quoted price	Closing price	Net asset value

ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date.

iii. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

D. For the nine-months periods ended September 30, 2025 and 2024, there was no transfer between level 1 and level 2.

E. The following table presents the changes in Level 3 instruments for the nine-month periods ended September 30, 2025 and 2024:

	<u>For the nine-month periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
At January 1	\$ 130,565	\$ 120,696
Purchase	45,000	20,000
Disposal	(43,371)	(399)
Recognised in profit or loss	12,158	(1,369)
Recognised in other comprehensive (loss) income	(16,068)	617
At September 30	<u>\$ 128,284</u>	<u>\$ 139,545</u>

F. For the nine-month periods ended September 30, 2025 and 2024, there was no transfer from or to Level 3.

G. Financial segment is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

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

	<u>Fair value at September 30, 2025</u>	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range (weighted average)</u>	<u>Relationship of inputs to fair value</u>
Non-derivative equity instrument:					
Unlisted stocks	\$ 48,748	Market comparable companies	Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
Unlisted stocks (Note)	65,310	Discounted cash flow	Weighted-average cost of capital	8.57%~15%	The higher the weighted-average cost of capital, the lower the fair value
Unlisted stocks	14,883	Net asset value	Not applicable	—	Not applicable

		<u>Fair value at December 31, 2024</u>	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range (weighted average)</u>	<u>Relationship of inputs to fair value</u>
Non-derivative						
equity instrument:						
Unlisted stocks	\$	92,873	Market comparable companies	Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
Unlisted stocks		22,180	Discounted cash flow	Weighted-average cost of capital	15%	The higher the weighted-average cost of capital, the lower the fair value
Unlisted stocks		15,512	Net asset value	Not applicable	—	Not applicable

		<u>Fair value at September 30, 2024</u>	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range (weighted average)</u>	<u>Relationship of inputs to fair value</u>
Non-derivative						
equity instrument:						
Unlisted stocks	\$	99,535	Market comparable companies	Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
Unlisted stocks (Note)		24,360	Discounted cash flow	Weighted-average cost of capital	15%	The higher the weighted-average cost of capital, the lower the fair value
Unlisted stocks		16,310	Net asset value	Not applicable	—	Not applicable

(Note) As the difference between the fair value and the carrying amount was not material, no adjustment was made.

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

		September 30, 2025			
		Recognised in profit or loss		Recognised in other comprehensive comprehensive income	
		Favourable	Unfavourable	Favourable	Unfavourable
Input	Change	change	change	change	change
Financial assets					
Equity instrument	Discount for lack of marketability	± 3%	\$ 9 (\$ 9)	\$ 2,081 (\$ 2,081)	
Equity instrument	Weighted-average cost of capital	± 0.25% ~ ± 0.5%	\$ - \$ -	\$ 14,110 (\$ 8,965)	
December 31, 2024					
		Recognised in profit or loss		Recognised in other comprehensive comprehensive income	
		Favourable	Unfavourable	Favourable	Unfavourable
Input	Change	change	change	change	change
Financial assets					
Equity instrument	Discount for lack of marketability	± 3%	\$ 55 (\$ 55)	\$ 3,925 (\$ 3,925)	
Equity instrument	Weighted-average cost of capital	± 0.5%	\$ - \$ -	\$ 1,060 (\$ 960)	
September 30, 2024					
		Recognised in profit or loss		Recognised in other comprehensive comprehensive income	
		Favourable	Unfavourable	Favourable	Unfavourable
Input	Change	change	change	change	change
Financial assets					
Equity instrument	Discount for lack of marketability	± 3%	\$ 123 (\$ 123)	\$ 4,143 (\$ 4,143)	
Equity instrument	Weighted-average cost of capital	± 0.5%	\$ - \$ -	\$ 1,100 (\$ 1,020)	

13. SUPPLEMENTARY DISCLOSURES

(According to the current regulatory requirements, the Group is only required to disclose the information for the nine-month period ended September 30, 2025.)

(1) Significant transactions information

- A. Loans to others: Refer to table 1.
- B. Provision of endorsements and guarantees to others: None.
- C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to table 2.

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

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

F. Significant inter-company transactions during the reporting period: Refer to table 3.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Refer to table 4.

(3) Information on investments in Mainland China

A. Basic information: Refer to table 5.

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

14. SEGMENT INFORMATION

(1) General information

Management has determined the reportable operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions. There is change in the basis for formation of entities and division of segments in the Group or in the measurement basis for segment information during this period in accordance with global marketing expansion of the Group.

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

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

For the nine-month period ended September 30, 2025					
Active Pharmaceutical					
	Medicine	Dietary supplement	Ingredients	Others	Total
Segment revenue	\$ 2,414,685	\$ 1,777,367	\$ 1,033,874	\$ 229,324	\$ 5,455,250
Revenue from internal customers	(71,548)	(74,379)	(42,297)	(29,388)	(217,612)
Revenue from external customers	2,343,137	1,702,988	991,577	199,936	5,237,638
Segment profit before income tax	742,436	243,371	229,772	21,578	1,237,157
Segment assets	4,693,905	3,285,609	2,902,045	741,878	11,623,437
Segment liabilities	1,512,558	794,957	218,874	75,622	2,602,011

For the nine-month period ended September 30, 2024					
	Active Pharmaceutical				
	Medicine	Dietary supplement	Ingredients	Others	Total
Segment revenue	\$ 2,397,990	\$ 1,668,849	\$ 1,039,775	\$ 227,938	\$ 5,334,552
Revenue from internal customers	(70,311)	(77,739)	(40,802)	(29,619)	(218,471)
Revenue from external customers	2,327,679	1,591,110	998,973	198,319	5,116,081
Segment profit before income tax	799,094	208,479	391,803	17,977	1,417,353
Segment assets	4,281,554	3,181,692	2,989,306	710,392	11,162,944
Segment liabilities	1,093,933	905,010	272,876	10,738	2,282,557

(3) Reconciliation for segment income (loss), assets and liabilities

A. Sales between segments are carried out at arm's length. The revenue from external customers reported to the chief operating decision-maker is measured in a manner consistent with that in the consolidated statement of comprehensive income. A reconciliation of reportable segment income before income tax to the profit before income tax is provided as follows:

	For the nine-month periods ended September 30,	
	2025	2024
Reportable segment income before income tax	\$ 1,215,579	\$ 1,399,376
Other segments profit before income tax	21,578	17,977
Inter-segment transactions	(118,114)	(149,991)
Profit before income tax	\$ 1,119,043	\$ 1,267,362

B. The amounts provided to the chief operating decision maker with respect to total assets and total liabilities are measured in a manner consistent with that of the financial statements. No reconciliation is needed.

STANDARD CHEM. & PHARM. CO., LTD. AND SUBSIDIARIES

Loans to others

For the nine-month period ended September 30, 2025

Table 1

Expressed in thousands of NTD

Number	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance	Ending balance (Note 2)	Actual amount drawn down	Interest rate	Nature of loan (Note 1)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts		Limit on loans granted to a single party	Limit on total loans granted	Ceiling on total loans	Note
												Item	Value				
1	Jiangsu Standard Biotech Pharmaceutical Co., Ltd.	Jiangsu Standard-Dia Biopharma Co., Ltd.	Other receivables	Yes	\$ 8,756	\$ 8,756	\$ 8,756	1.20%	2	\$ -	Operating capital	\$ 8,756	—	\$ 6,259	\$ 7,511	(Notes 3) (Notes 4)	

Note 1: The code represents the nature of financing activities as follows:

- (1) Trading partner.
- (2) Short-term financing

Note 2: The ending balance is the credit limit approved by the Board of Directors.

Note 3: Calculation of limit on loans granted to a single party and ceiling on total loans granted:

- (1) Limit on loans granted to a single party:
 - (a) For the companies having business relationship with the Company, limit on loans granted to a single party is the higher value of purchasing and selling during current or latest year on the year of financing.
 - (b) For short-term financing, limit on loans granted to a single party is 5% of the Company's net assets based on the latest audited consolidated financial statements.
 - (c) Limit on loans granted by Jiangsu Standard Biotech Pharmaceutical to a single party is 25% of the creditor's net assets based on the latest audited or reviewed consolidated financial statements.

- (2) Ceiling on total loans granted to a single party:
 - Ceiling on total loans granted by Jiangsu Standard Biotech Pharmaceutical to single party is 30% of the creditor's net assets.

- (3) For short-term financing, ceiling on total loans granted to all direct or indirect wholly-owned domestic and foreign subsidiaries of the Company is not limited to 40% of the creditors' net assets.

Note 4: As certain ending balance of loans from Jiangsu Standard Biotech Pharmaceutical Co., Ltd. to Jiangsu Standard-Dia Biopharma Co., Ltd. ("Jiangsu Standard-Dia") has exceeded the original maturity date and it is expected that Jiangsu Standard-Dia will be unable to repay the remaining amounts. Jiangsu Standard Biotech Pharmaceutical Co., Ltd. has applied to the court to initiate bankruptcy liquidation proceedings against Jiangsu Standard-Dia and fully recognised allowance for doubtful accounts and established an improvement plan for regular follow-up. Before the completion of the improvement plan, the implementation status will be disclosed quarterly and reported to the Board of Directors on a quarterly basis for supervision, and the implementation status will be reported at the next shareholders' meeting.

Note 5: Foreign currencies are translated into New Taiwan Dollars. Exchange rates of foreign currencies indicated as of report date were as follows: RMB:NTD 1:4.2710.

STANDARD CHEM. & PHARM. CO., LTD. AND SUBSIDIARIES

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

September 30, 2025

Table 2

Expressed in thousands of NTD

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer	General ledger account (Note 2)	As of September 30, 2025				
				Number of shares	Book value	Ownership (%)	Fair value	Note
Standard Chem. & Pharm. Co., Ltd.	Stocks:							
	Sun You Biotech Pharm Co., Ltd.	The manager of the Company is Sun You Biotech Pharm Co., Ltd.'s director	2	3,378,006	\$ 43,880	18.13%	\$ 43,880	-
	Rosmax International Ltd.	—	2	3,548,000	51,623	4.29%	51,623	-
	EASYWELL BIOMEDICALS, INC.	—	2	6,794,600	310,853	5.45%	310,853	-
	Rock BioMedical, Inc.	—	2	1,500,000	42,570	1.24%	42,570	-
Advpharma Inc.	Beneficiary certificates:							
	UPAMC James Bond Money Market Fund	—	1	1,136,900	20,004	-	20,004	-
Syngen Biotech Co., Ltd.	Stocks:							
	Leeuwenhoek Laboratories Co. Ltd.	—	2	2,000,000	22,180	5.98%	22,740	-

Note 1: Marketable securities in the table refer to stocks, beneficiary certificates and other related derivative securities as defined within the scope of International Financial Reporting Standard 9 'Financial Instruments' .

Only transactions amounting to more than \$10,000 are disclosed.

Note 2: The general ledger account is classified into the following four categories:

1. Financial assets at fair value through profit or loss - current
2. Financial assets at fair value through other comprehensive income - non-current

STANDARD CHEM. & PHARM. CO., LTD. AND SUBSIDIARIES

Significant inter-company transactions during the reporting period

For the nine-month period ended September 30, 2025

Table 3

Expressed in thousands of NTD

Number (Note 2)	Company name	Counterparty	Relationship (Note 3)	Transaction				Percentage of consolidated total operating revenues or total assets (Note 4)
				General ledger account	Amount	Transaction terms		
0	Standard Chem. & Pharm. Co., Ltd.	Syngen Biotech Co., Ltd.	1	Purchases	\$ 55,081	1 ~ 4 month(s) after monthly billings.	—	1%
			1	Accounts payable	(26,699)	—	—	—
		Souriree Biotech & Pharm. Co., Ltd.	1	Purchases	59,722	1 ~ 4 month(s) after monthly billings.	—	1%
		Syn-Tech Chem. & Pharm. Co., Ltd.	1	Purchases	34,263	1 ~ 4 month(s) after monthly billings.	—	1%
		Standard Chem. & Pharm. Philippines, Inc.	1	Accounts payable	(16,743)	—	—	—
			1	Prepayments	28,218	—	—	—
1	Syn-Tech Chem. & Pharm. Co., Ltd.	Standard Chem. & Pharm. Co., Ltd.	2	Lease liabilities	13,781	—	—	—
2	Syngen Biotech Co., Ltd.	Jiangsu Standard Biotech Pharmaceutical Co., Ltd.	3	Sales	(12,808)	3 month(s) after monthly billings.	—	—

Note 1: As the amounts and counterparties of significant inter-company transactions are the same from the opposite transaction sides, no disclosure is required. Only transactions amounting to more than \$10,000 are disclosed.

Note 2: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

- (1) Parent company is '0' .
- (2) The subsidiaries are numbered in order starting from '1' .

Note 3: Relationship between transaction company and counterparty is classified into the following three categories:

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

Note 4: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on ending balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the year to consolidated total operating revenues for statement of comprehensive income accounts.

STANDARD CHEM. & PHARM. CO., LTD. AND SUBSIDIARIES

Names, locations and other information of investee companies (not including investees in Mainland China)

For the nine-month period ended September 30, 2025

Table 4

Expressed in thousands of NTD

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2025			Net profit (loss) of the investee for the nine-month period ended September 30, 2025	Investment income (loss) recognised for the nine-month period ended September 30, 2025	Note			
				Balance as at September 30, 2025	Balance as at December 31, 2024	Number of shares	Ownership (%)	Book value						
				\$ 396,953	\$ 396,953									
Standard Chem. & Pharm. Co., Ltd.	Standard Pharmaceutical Co., Ltd.	Samoa	Research and development, trading, investment and other business of medical products	\$ 396,953	\$ 396,953	13,000,000	100.00	\$ 156,919	(\$ 707)	(\$ 487)	Subsidiary			
	Chia Scheng International Co., Ltd.	Taiwan	Sale of various medical supplements	161,356	161,356	14,553,000	100.00	17,661	2,632	2,640	Subsidiary			
	Standard Chem. & Pharm. Philippines, Inc.	Philippines	Import and export of Various medical products, medicine, supplements	12,340	12,340	392,014	100.00	(8,322)	(7,257)	(7,257)	Subsidiary			
	Inforight Technology Co., Ltd.	Taiwan	Wholesale of multi-function printers and information software	5,000	5,000	500,000	100.00	5,480	(174)	(174)	Subsidiary			
	Souriree Biotech & Pharm. Co., Ltd.	Taiwan	Manufacturing of western medicine and retail and wholesale of various medicines	41,871	41,871	5,673,908	93.58	48,603	2,471	3,350	Subsidiary			
	Multipower Enterprise Corp.	Taiwan	Import and export of western medicine, nourishment and function food, processing, manufacturing and sale of food	293,063	293,063	19,840,600	90.72	289,951	(35,779)	(31,825)	Subsidiary			
	Advpharma Inc.	Taiwan	Research and development, manufacturing and sale of various medicine	525,933	525,933	53,226,806	88.71	278,573	8,794	7,850	Subsidiary			
	Syngen Biotech Co., Ltd.	Taiwan	Research and development, manufacturing and sale of APIs, biopesticide, fertiliser and biochemical nutrition, sale of preventive medicine	330,203	330,203	12,651,146	46.68	1,069,638	233,703	109,129	Subsidiary (Note 1)			
	Syn-Tech Chem. & Pharm. Co., Ltd.	Taiwan	Manufacturing and sale of APIs, reagent, surfactant, Chinese, western, and veterinary medicinal products	720,941	720,941	12,675,959	28.43	820,955	169,948	42,426	Subsidiary (Note 2)			

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2025			Net profit (loss) of the investee for the nine-month period ended September 30, 2025	Investment income (loss) recognised for the nine-month period ended September 30, 2025	Note
				Balance as at September 30, 2025	Balance as at December 31, 2024	Number of shares	Ownership (%)	Book value			
Standard Chem. & Pharm. Co., Ltd	Ho Yao Biopharm Co., LTD.	Taiwan	Research and development of new medicine	\$ 73,500	\$ 46,800	6,350,000	90.71	\$ 48,586	(\$ 11,416)	(\$ 10,085)	Subsidiary
	Standard Chem. & Pharm. Vietnam Co., Ltd.	Vietnam	Import and export of various medicine	6,414	6,414	-	100.00	3,264	(1,452)	(1,452)	Subsidiary
	We Can Medicines Co., Ltd.	Taiwan	Wholesale of various medicine	299,915	299,915	13,444,909	29.84	311,207	(45,327)	(13,478)	Associate
	Taiwan Biosim Co., Ltd.	Taiwan	Research and development of various medicine	74,850	74,850	7,485,000	49.90	78,597	28,001	12,978	Associate
	Standard Pharma Holding Co.,Ltd.	Thailand	Sale of various medical supplements and investments	8,191	-	446,886	49.50	6,195	(5,341)	(2,259)	Associate (Note 3)
	Standard Union Medical (Thailand) Co., Ltd.	Thailand	Sale of various medical supplements	6,164	-	670,000	20.00	5,318	(10,118)	(996)	Associate (Note 4)
Syngen Biotech Co., Ltd	Syngen Biotech International Sdn. Bhd.	Malaysia	Research and development, manufacturing and sale of APIs and biochemical nutrition, sale of preventive medicine	14,064	14,064	2,000,000	100.00	6,146	(374)	(374)	Subsidiary (Note 5)
	Jhan Shuo Biopharma Co., Ltd.	Taiwan	Manufacturing, wholesale and sale of western medicine	100	100	10,000	100.00	101	-	-	Subsidiary (Note 5)
	GENEFERM BIOTECHNOLOGY CO., LTD.	Taiwan	Research and development, design, quantification, manufacturing and sale of microbial and edible mushroom medicine fermentation, herbal and vegetal functional products, fruit and vegetable fermentation concentrates and protein products, management of the aforementioned trade business, technological consultancy, etc.	273,840	273,840	12,000,000	28.94	302,222	13,020	3,716	Associate (Note 5)
Syn-Tech Chem. & Pharm. Co., Ltd.	Advpharma Inc.	Taiwan	Research and development, manufacturing and sale of various medicine	9,626	9,626	1,495,414	2.49	8,013	8,794	-	(Note 5)

Note 1: In September 2016, the subsidiary, Syngen Biotech Co., Ltd. ("Syngen"), filed for the initial public offering on Taipei Exchange. As part of the public trading process, the Company allowed its underwriter to exercise the overallotment option, which decreased the Company' s ownership percentage in Syngen to below 50%. However, the Company did not lose control over Syngen.

Note 2: The company participated in the cash capital increase of Syn-Tech Chem. & Pharm. Co., Ltd., which results in becoming Syn-Tech' s single largest corporate shareholder and having substantial control over it.

Note 3: It was newly established during the second quarter of 2025.

Note 4: It was acquired in the third quarter of 2025.

Note 5: Not required to disclose income (loss) recognised.

Note 6: Foreign currencies were translated into New Taiwan Dollars using the following exchange rates.

Initial investment amount, ending balances and carrying value were translated using the exchange rate as at September 30, 2025 (USD: NTD 1 : 30.45 ; PHP : NTD 1 : 0.5232 ; VND : NTD 1 : 0.00114 ; THB : NTD 1 : 0.9466 ; MYR : NTD 1 : 7.2362) ; Profit and loss were translated using the weighted-average exchange rate for the nine-month period ended September 30, 2025 (USD : NTD 1 : 31.15 ; PHP : NTD 1 : 0.5458 ; VND : NTD 1 : 0.00120 ; THB : NTD 1 : 0.9461 ; MYR : NTD 1 : 7.2010).

STANDARD CHEM. & PHARM. CO., LTD. AND SUBSIDIARIES

Information on investments in Mainland China

For the nine-month period ended September 30, 2025

Table 5

Expressed in thousands of NTD

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2025	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2025	Net income (loss) of investee for the nine-month period ended September 30, 2025	Investment income (loss) recognised for the nine-month period ended September 30, 2025	Book value of investments in Mainland China as of September 30, 2025	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2025	Note
					Remitted to Mainland China	Remitted Back to Taiwan						
Jiangsu Standard Biotech Pharmaceutical Co., Ltd.	Research and development, technical consulting and technical services of medicine	\$ 365,400	(Note 1)	\$ 273,747	\$ -	\$ -	\$ 273,747	(\$ 1,270)	100.00	(\$ 1,270)	\$ 116,086	\$ - (Note 4) (Note 5)
Jiangsu Standard-Dia Biopharma Co., Ltd.	Research and development, manufacturing and sale of various medicine	181,069	(Note 2)	-	-	-	-	13,057	55.00	7,180	(9,185)	- (Note 4)
Shanghai Standard Pharmaceuticals Co., Ltd.	Sale of various medicine and dietary supplement	12,180	(Note 3)	6,090	6,090	-	12,180	(1,498)	100.00	(1,498)	5,808	- (Note 4)
				Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA							
Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2025				(\$ 285,927)	\$ 377,580	\$ 5,412,856						
Company name	Standard Chem. & Pharm. Co.,Ltd.											

Note 1: Indirect investment in Mainland China through an existing company (Standard Pharmaceutical Co., Ltd.) located in the third area.

Note 2: Indirect investment in Mainland China through an existing company (Jiangsu Standard Biotech Pharmaceutical Co., Ltd.) located in Mainland China.

Note 3: Direct investment in Mainland China from Taiwan.

Note 4: Recognition is based on investees' financial statements audited and attested by independent accountants.

Note 5: The Company obtained approval from the Investment Commission, Ministry of Economic Affairs, in the first quarter of 2025 to convert claims totaling USD 3,000,000—held jointly with Standard Pharmaceutical Co., Ltd.—into equity in Jiangsu Standard Biotech Pharmaceutical Co., Ltd. for reinvestment.

Note 6: Ceiling is the higher of net assets or 60% of consolidated equity.

Note 7: Foreign currencies were translated into New Taiwan Dollars using the following exchange rates: Ending investment balances were translated using the exchange rate as at September 30, 2025 (USD:NTD 1:30.45 ; RMB:NTD 1:4.2710) ; Investment gains or losses were translated using the weighted-average exchange rate for the nine-month period ended September 30, 2025 (USD:NTD 1:31.15 ; RMB:NTD 1:4.3111).