ACEPODIA, INC. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND

INDEPENDENT AUDITORS' REPORT

JUNE 30, 2025 AND 2024

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

ACEPODIA, INC. AND SUBSIDIARIES

JUNE 30, 2025 AND 2024 CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

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INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of ACEPODIA, INC.

Opinion

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

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

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's Q2 2025 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matter for the Group's Q2 2025 consolidated financial statements is stated as follows:

Existence and occurrence of cash and cash equivalents

Description

Refer to Note 4(6) for accounting policies applied to cash and cash equivalents, and Note 6(1) for details of account items. As of June 30, 2025, cash and cash equivalents amounted to $5,123,732 thousand, constituting 88% of the total consolidated assets. As cash and cash equivalents constitute a significant portion of total consolidated assets and inherent risk exists, we considered the existence and occurrence of cash and cash equivalents a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Confirmed bank accounts and special arrangements with financial institutions to verify the existence and rights and obligations of the bank deposits;
2. Verified the authenticity of the necessary information for the bank confirmations;
3. Reviewed and tested the mathematical accuracy of bank reconciliation statements, agreed the balances with the balances per cash book and per bank balance, identified any unusual or significant items and ensured that these were properly disposed of; and
4. Selected samples of significant cash receipt and payment transactions and ascertained whether the transactions were incurred for operational needs and were properly approved.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34, "Interim Financial Reporting" that came into effect as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Teng, Sheng-Wei Wendy Liang
For and on behalf of PricewaterhouseCoopers, Taiwan
August 13, 2025

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

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

ACEPODIA, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2025, DECEMBER 31, 2024 AND JUNE 30, 2024
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	June 30, 2025 AMOUNT	%	December 31, 2024 AMOUNT	%	June 30, 2024 AMOUNT	%
	Current assets							
1100	Cash and cash equivalents	6(1)	$ 5,123,732	88	$ 5,868,770	86	$ 6,345,754	91
1136	Financial assets at amortised cost - current	6(2)	-	-	262,280	4	-	-
1170	Accounts receivable, net	6(3)	-	-	122	-	-	-
1200	Other receivables		20,260	1	22,142	-	1,275	-
1220	Current tax assets		5,462	-	4,804	-	3,833	-
1410	Prepayments		56,867	1	35,130	1	40,442	-
1470	Other current assets		1	-	178	-	33	-
11XX	**Total current assets**		5,206,322	90	6,193,426	91	6,391,337	91
	Non-current assets							
1600	Property, plant and equipment	6(4)	299,128	5	303,015	4	267,020	4
1755	Right-of-use assets	6(5)	248,847	4	276,084	4	300,786	4
1780	Intangible assets		2,206	-	2,498	-	2,400	-
1915	Prepayments for equipment		18,032	-	9,032	-	4,449	-
1920	Refundable deposits		32,589	1	35,269	1	28,624	1
15XX	**Total non-current assets**		600,802	10	625,898	9	603,279	9
1XXX	**Total assets**		$ 5,807,124	100	$ 6,819,324	100	$ 6,994,616	100
	Liabilities and Equity							
	Current liabilities							
2200	Other payables	6(6)	$ 73,521	1	$ 146,494	2	$ 55,124	1
2230	Current tax liabilities		5,613	-	7,004	-	3,530	-
2280	Lease liabilities - current		51,117	1	51,770	1	47,196	1
2300	Other current liabilities		1,700	-	799	-	646	-
21XX	**Total current liabilities**		131,951	2	206,067	3	106,496	2
	Non-current liabilities							
2527	Contract liabilities - non-current	6(12)	13,432	-	13,432	-	13,432	-
2580	Lease liabilities - non-current		231,644	4	259,748	4	285,624	4
25XX	**Total non-current liabilities**		245,076	4	273,180	4	299,056	4
2XXX	**Total liabilities**		377,027	6	479,247	7	405,552	6
	Equity attributable to owners of parent							
	Share capital	6(9)						
3110	Common shares		5,812,506	100	5,736,763	84	5,696,439	82
	Capital surplus	6(10)						
3200	Capital surplus		4,718,517	82	4,756,271	69	4,735,981	67
	Retained earnings	6(11)						
3350	Accumulated deficit		(4,685,366)	(81)	(4,345,101)	(64)	(4,029,811)	(58)
	Other equity							
3400	Other equity interest		(415,560)	(7)	192,144	4	186,455	3
3XXX	**Total equity**		5,430,097	94	6,340,077	93	6,589,064	94
3X2X	**Total liabilities and equity**		$ 5,807,124	100	$ 6,819,324	100	$ 6,994,616	100

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

ACEPODIA, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
SIX MONTHS ENDED JUNE 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except loss per share amounts)

	Items	Notes	Six months ended June 30 2025 AMOUNT	2025 %	2024 AMOUNT	2024 %
4000	Operating revenue	6(12)	$ 185	-	$ 311	-
5000	Operating costs		(64)	-	(96)	-
5900	Gross profit from operations		121	-	215	-
	Operating expenses	6(4)(5)(7)(8)(15)(16) and 7				
6200	General and administrative expenses		(81,421)	(19)	(71,453)	(23)
6300	Research and development expenses		(357,724)	(81)	(238,949)	(77)
6000	Total operating expenses		(439,145)	(100)	(310,402)	(100)
6900	Operating loss		(439,024)	(100)	(310,187)	(100)
	Non-operating income and expenses					
7100	Interest income	6(13)	108,600	25	131,170	42
7010	Other income		7,111	2	5	-
7020	Other gains and losses	6(5)(14)	(7,670)	(2)	17,504	6
7050	Finance costs	6(5)	(3,147)	(1)	(3,066)	(1)
7000	Total non-operating income and expenses		104,894	24	145,613	47
7900	**Loss before income tax**		(334,130)	(76)	(164,574)	(53)
7950	Income tax expense	6(17)	(6,135)	(1)	(16,884)	(5)
8200	**Loss for the period**		($ 340,265)	(77)	($ 181,458)	(58)
	Other comprehensive income (loss)					
	Components of other comprehensive (loss) income that will not be reclassified to profit or loss					
8341	Exchange differences on translation to the presentation currency		($ 690,725)	(157)	$ 386,194	124
	Components of other comprehensive (loss) income that will be reclassified to profit or loss					
8361	Exchange differences on translation of the financial statements of foreign operations		75,882	17	(63,231)	(20)
8300	**Other comprehensive (loss) income for the period**		($ 614,843)	(140)	$ 322,963	104
8500	**Total comprehensive (loss) income for the period**		($ 955,108)	(217)	$ 141,505	46
	Net loss attributable to:					
8610	Owners of parent		($ 340,265)	(77)	($ 181,458)	(58)
	Comprehensive (loss) income attributable to:					
8710	Owners of parent		($ 955,108)	(217)	$ 141,505	46
	Loss per share (in dollars)					
9750	Basic loss per share	6(18)	($ 0.59)		($ 0.32)	
9850	Diluted loss per share	6(18)	($ 0.59)		($ 0.32)	

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

ACEPODIA, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
SIX MONTHS ENDED JUNE 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent						
					Other equity			
	Notes	Common shares	Capital surplus	Accumulated deficit	Exchanges differences on translation of the financial statements of foreign operations	Unearned compensation	Total	Total equity
2024								
Balance at January 1, 2024		$ 5,670,161	$ 4,748,749	($ 3,848,353)	($ 136,508)	$ -	($ 136,508)	$ 6,434,049
Net loss for the period		-	-	(181,458)	-	-	-	(181,458)
Other comprehensive income for the period		-	-	-	322,963	-	322,963	322,963
Total comprehensive (loss) income for the period		-	-	(181,458)	322,963	-	322,963	141,505
Compensation cost for employee share options	6(8)(10)	-	(384)	-	-	-	-	(384)
Employee share options exercised	6(8)(9)(10)	26,278	(12,384)	-	-	-	-	13,894
Balance at June 30, 2024		$ 5,696,439	$ 4,735,981	($ 4,029,811)	$ 186,455	$ -	$ 186,455	$ 6,589,064
2025								
Balance at January 1, 2025		$ 5,736,763	$ 4,756,271	($ 4,345,101)	$ 226,751	($ 34,607)	$ 192,144	$ 6,340,077
Net loss for the period		-	-	(340,265)	-	-	-	(340,265)
Other comprehensive loss for the period		-	-	-	(614,843)	-	(614,843)	(614,843)
Total comprehensive loss for the period		-	-	(340,265)	(614,843)	-	(614,843)	(955,108)
Compensation cost for employee share options	6(8)(10)	-	1,063	-	-	-	-	1,063
Employee share options exercised	6(8)(9)(10)	73,108	(35,836)	-	-	-	-	37,272
Issuance of employee restricted stocks	6(8)(9)(10)	2,635	2,161	-	-	1,997	1,997	6,793
Forfeiture of employee restricted stocks	6(8)(10)	-	(5,142)	-	-	5,142	5,142	-
Balance at June 30, 2025		$ 5,812,506	$ 4,718,517	($ 4,685,366)	($ 388,092)	($ 27,468)	($ 415,560)	$ 5,430,097

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

ACEPODIA, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
SIX MONTHS ENDED JUNE 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Six months ended June 30 2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		($ 334,130)	($ 164,574)
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(4)(5)(15)	54,246	29,675
Amortization		1,401	126
Interest expense	6(5)	3,147	3,066
Interest income	6(13)	(108,600)	(131,170)
Cost of share-based payments	6(8)(16)	7,856	(384)
(Gain) loss on disposal of property, plant and equipment	6(14)	(25)	87
Gain on lease modification	6(5)(14)	-	(3)
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable, net		122	-
Other receivables		(1,698)	(863)
Prepayments		(22,846)	(914)
Other current assets		177	44
Changes in operating liabilities			
Other payables		(60,327)	(23,720)
Provisions - current		-	(7,020)
Other current liabilities		901	(86)
Cash outflow generated from operations		(459,776)	(295,736)
Interest received		112,181	133,375
Interest paid		-	(123)
Income tax paid		(8,184)	(15,651)
Net cash flows used in operating activities		(355,779)	(178,135)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of financial assets at amortized cost - current	6(2)	254,592	-
Acquisition of property, plant and equipment	6(19)	(48,324)	(66,944)
Proceeds from disposal of property, plant and equipment		381	70
Decrease (increase) in refundable deposits		2,680	(14,710)
Acquisition of intangible assets		-	(2,526)
Net cash flows from (used in) investing activities		209,329	(84,110)
CASH FLOWS FROM FINANCING ACTIVITIES			
Redemption of lease liabilities	6(5)(20)	(28,712)	(23,093)
Employee share options exercised	6(8)(9)(10)	37,272	13,894
Net cash flows from (used in) financing activities		8,560	(9,199)
Net effect of changes in foreign currency exchange rate		(607,148)	323,211
Net (decrease) increase in cash and cash equivalents		(745,038)	51,767
Cash and cash equivalents at beginning of period		5,868,770	6,293,987
Cash and cash equivalents at end of period		$ 5,123,732	$ 6,345,754

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

ACEPODIA, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
SIX MONTHS ENDED JUNE 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. History and Organization

Acepodia, Inc. (the "Company") was incorporated as a company limited by shares in the Cayman Islands on February 15, 2017. The Company and its subsidiaries (collectively referred herein as the "Group") are primarily engaged in the research and development of anti-cancer cell new drugs, dedicated to researching the next generation of cancer cell immunotherapy. The Group utilises the unique antibody-cell conjugation technology platform and γδ2T cells to develop a series of immune cells that are applied with antibodies to activate the human immune system and guide the innovative treatment approach for clearing cancer cells.

The Taipei Exchange has approved the application for the listing of the Company's common shares as an emerging stock, which started trading from August 8, 2023.

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

These consolidated financial statements were authorised for issuance by the Board of Directors on August 13, 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®") that came into effect as endorsed by the Financial Supervisory Commission ("FSC")

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

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

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

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

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Specific provisions of 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
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

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

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

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 18, 'Presentation and disclosure in financial statements'	January 1, 2027
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027

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

4. Summary of Material Accounting Policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

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 FSC.

(2) Basis of preparation

A. Except for financial liabilities measured at fair value through profit or loss, the consolidated financial statements have been prepared under the historical cost convention.

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

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

(a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.

(b) Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

B. Subsidiaries included in the consolidated financial statements:

			Ownership (%)			
Name of investor	Name of subsidiary	Main business activities	June 30, 2025	December 31, 2024	June 30, 2024	Description
Acepodia, Inc.	Acepodia Biotech, Inc.	Research and development biotechnology	100%	100%	100%	Note 1
Acepodia, Inc.	Acepodia Biotechnologies, Limited	Research and development biotechnology	100%	100%	100%	Note 2

Note 1: Acepodia Biotech, Inc. was incorporated in December 2017 in the U.S..

Note 2: Acepodia Biotechnologies, Limited was incorporated in June 2017 in Taiwan.

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

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

E. Significant restrictions: None.

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

(4) <u>Foreign currency translation</u>

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The Company's functional currency is U.S. Dollar; however, the consolidated financial statements are presented in New Taiwan Dollar under the regulations of the country where the consolidated financial statements are reported to the regulatory authorities.

A. Foreign currency transactions and balances

(a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.

(b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.

(c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

(d) All foreign exchange gains and losses are presented in the statement of comprehensive income within 'other gains and losses'.

B. Translation of foreign operations

The operating results and financial position of all the group entities, associates and joint arrangements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(a) Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

(b) Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

(c) All resulting exchange differences are recognized in other comprehensive income.

(5) <u>Classification of current and non-current items</u>

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(a) Assets that are expected to be realised, or are intended to be sold or consumed in the normal operating cycle;

(b) Assets that are held primarily for the purpose of trading;

(c) Assets that are expected to be realised within twelve months after the reporting period;

(d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities for at least twelve months after the reporting period.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(a) Liabilities that are expected to be settled in the normal operating cycle;

(b) Liabilities that are held primarily for the purpose of trading;

(c) Liabilities that are due to be settled within twelve months after the reporting period;

(d) It does not have the right at the end of the reporting period to defer settlement of the liability at least twelve months after the reporting period.

(6) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

(7) Financial assets at amortised cost

A. Financial assets at amortised cost are those that meet all of the following criteria:

(a) The objective of the Group's business model is achieved by collecting contractual cash flows.

(b) The assets' contractual cash flows represent solely payments of principal and interest.

B. On a regular way purchase or sale basis, financial assets at amortised cost are recognized and derecognized using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognized in profit or loss when the asset is derecognized or impaired.

D. The Group's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(8) Accounts receivable

A. Accounts receivable entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services.

B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(9) Impairment of financial assets

For financial assets at amortised cost, at each reporting date, the Group recognizes the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognizes the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts.

(10) Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to receive the cash flows from the financial asset expire.

(11) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.

B. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. Property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Machinery and equipment	3 ~ 7 years
Utility equipment	3 ~ 5 years
Leasehold improvements	the lease term or years, whichever is shorter

(12) Leasing arrangements (lessee)－right-of-use assets/ lease liabilities

A. Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognized as an expense on a straight-line basis over the lease term.

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of fixed payments, less any lease incentives receivable, and variable lease payments that depend on an index or a rate.

The Group subsequently measures the lease liability at amortised cost using the interest method and recognizes interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognized as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:

(a) The amount of the initial measurement of lease liability;

(b) Any lease payments made at or before the commencement date; and

(c) Any initial direct costs incurred by the lessee;

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognized as an adjustment to the right-of-use asset.

D. For lease modifications that decrease the scope of the lease, the lessee shall decrease the carrying amount of the right-of-use asset and remeasure the lease liability to reflect the partial or full termination of the lease, and recognise the difference in profit or loss. For all other lease modifications, the lessee shall remeasure the lease liability and adjust the right-of-use asset, correspondingly.

(13) Intangible assets

Computer software

Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 5 years.

(14) Impairment of non-financial assets

The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. When the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognized.

(15) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognized as expense in that period when the employees render service.

B. Pensions

Defined contribution plans

For defined contribution plans, the contributions are recognized as pension expense when they are due on an accrual basis. Prepaid contributions are recognized as an asset to the extent of a cash refund or a reduction in the future payments.

C. Employees' compensation and directors' remuneration

Employees' compensation and directors' remuneration are recognized as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employee compensation is paid by shares, the Group calculates the number of shares based on the closing price on the day before the date of the resolution of the board.

(16) Employee share-based payment

A. For the equity-settled share-based payment arrangements, the employee services received are measured at the fair value of the equity instruments granted at the grant date, and are recognized as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of the equity instruments granted shall reflect the impact of market vesting conditions and non-vesting conditions. Compensation cost is subject to adjustment based on the service conditions that are expected to be satisfied and the estimates of the number of equity instruments that are expected to vest under the non-market vesting conditions at each balance sheet date. Ultimately, the amount of compensation cost recognized is based on the number of equity instruments that eventually vest.

B. Restricted stocks:

(a) Restricted stocks issued to employees are measured at the fair value of the equity instruments granted at the grant date, and are recognized as compensation cost over the vesting period.

(b) For restricted stocks where those stocks do not restrict distribution of dividends to employees and employees are not required to return the dividends received if they resign during the vesting period, the Group recognizes the fair value of the dividends received by the employees who are expected to resign during the vesting period as compensation cost at the date of dividends declared.

(17) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

D. Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognized and recognized deferred tax assets are reassessed.

E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.

F. A deferred tax asset shall be recognized for the carryforward of unused tax credits resulting from acquisitions of equipment or technology, research and development expenditures and equity investments to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilised.

(18) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

(19) Revenue recognition

A. Revenue from licencing intellectual property

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

(b) Some contracts require a sales-based royalty in exchange for a license of intellectual property. The Group recognizes revenue when the performance obligation has been satisfied and the subsequent sale occurs.

B. Service revenue

The Group provides production of biomaterials services to customers. Revenue from providing services is recognized in the accounting period in which the services are rendered.

(20) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group’s chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

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

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

6. Details of Significant Accounts

(1) Cash and cash equivalents

	June 30, 2025	December 31, 2024	June 30, 2024
Cash on hand	$ 191	$ 176	$ 210
Checking accounts and demand deposits	2,272,322	2,587,035	3,388,122
Cash equivalents			
Time deposits	2,851,219	3,281,559	2,957,422
Total	$ 5,123,732	$ 5,868,770	$ 6,345,754

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

B. The Group's cash and cash equivalents are centrally deposited in financial institutions in Taiwan, and the currencies are mainly US dollars.

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

(2) Financial assets at amortised cost

	June 30, 2025	December 31, 2024	June 30, 2024
Time deposit	$ -	$ 262,280	$ -

A. As at June 30, 2025, December 31, 2024 and June 30 2024, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortised cost held by the Group were $0, $262,280 and $0, respectively.

B. As at June 30, 2025, December 31, 2024 and June 30 2024, the Group had no financial assets measured at amortized cost pledged as collateral.

C. Information relating to credit risk of financial assets at amortised cost is provided in Note 11(2). The counterparties of the Group’s investments in certificates of deposits are financial institutions with high credit quality, so the Group expects that the probability of counterparty default is remote.

(3) Accounts receivable

	June 30, 2025	December 31, 2024	June 30, 2024
Accounts receivable	$ -	$ 122	$ -

The aging analysis of accounts receivable is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Not overdue	$ -	$ 122	$ -

(4) Property, plant and equipment

	Machinery and equipment	Office equipment	Leasehold improvements	Unfinished construction and equipment under acceptance	Total
At January 1, 2025					
Cost	$ 131,547	$ 5,070	$ 210,213	$ 17,370	$ 364,200
Accumulated depreciation	(45,804)	(1,596)	(13,785)	-	(61,185)
	$ 85,743	$ 3,474	$ 196,428	$ 17,370	$ 303,015
At January 1, 2025	$ 85,743	$ 3,474	$ 196,428	$ 17,370	$ 303,015
Additions	2,737	1,198	21,645	420	26,000
Reclassifications	678	-	17,370	(17,370)	678
Depreciation	(12,309)	(564)	(16,604)	-	(29,477)
Disposals	(356)	-	-	-	(356)
Net exchange differences	(673)	(60)	1	-	(732)
At June 30, 2025	$ 75,820	$ 4,048	$ 218,840	$ 420	$ 299,128
At June 30, 2025					
Cost	$ 132,206	$ 6,129	$ 249,228	$ 420	$ 387,983
Accumulated depreciation	(56,386)	(2,081)	(30,388)	-	(88,855)
	$ 75,820	$ 4,048	$ 218,840	$ 420	$ 299,128

	Machinery and equipment	Office equipment	Leasehold improvements	Unfinished construction and equipment under acceptance	Total
At January 1, 2024					
Cost	$ 70,193	$ 3,692	$ -	$ 154,533	$ 228,418
Accumulated depreciation	(27,321)	(548)	-	-	(27,869)
	$ 42,872	$ 3,144	$ -	$ 154,533	$ 200,549
At January 1, 2024	$ 42,872	$ 3,144	$ -	$ 154,533	$ 200,549
Additions	27,614	900	-	25,602	54,116
Reclassifications	20,719	229	-	-	20,948
Depreciation	(8,489)	(491)	-	-	(8,980)
Disposal	(157)	-	-	-	(157)
Net exchange differences	498	46	-	-	544
At June 30, 2024	$ 83,057	$ 3,828	$ -	$ 180,135	$ 267,020
At June 30, 2024					
Cost	$ 117,423	$ 4,891	$ -	$ 180,135	$ 302,449
Accumulated depreciation	(34,366)	(1,063)	-	-	(35,429)
	$ 83,057	$ 3,828	$ -	$ 180,135	$ 267,020

None of the Group’s property, plant and equipment are pledged to others as collateral.

(5) Leasing arrangements－lessee

A. The Group leases various assets including buildings and business vehicles. Rental contracts are typically made for periods of 3 to 8 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. Short-term leases with a lease term of 12 months or less comprise buildings and parking spaces. Low-value assets comprise office equipment.

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

	June 30, 2025	December 31, 2024	June 30, 2024
	Carrying amount	Carrying amount	Carrying amount
Buildings	$ 248,678	$ 275,711	$ 300,210
Business vehicles	169	373	576
	$ 248,847	$ 276,084	$ 300,786

	Six months ended June 30,	
	2025	2024
	Depreciation	Depreciation
Buildings	$ 24,566	$ 20,492
Business vehicles	203	203
	$ 24,769	$ 20,695

D. For the six months ended June 30, 2025 and 2024, the additions to right-of-use assets were $0 and $76,940, respectively.

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

	Six months ended June 30,	
	2025	2024
Items affecting profit or loss		
Interest expense on lease liabilities	$ 3,147	$ 2,943
Expense on short-term lease contracts	364	799
Expense on leases of low-value assets	114	68
Gain on lease modification	-	3

F. For the six months ended June 30, 2025 and 2024, the Group’s total cash outflow for leases were $29,190 and $23,960, respectively.

(6) Other payables

	June 30, 2025	December 31, 2024	June 30, 2024
Payables for salaries and bonus	$ 30,515	$ 43,376	$ 27,163
Payables for research expense	27,039	70,979	9,282
Payables for equipment	3,215	15,861	7,577
Payables for professional fee	3,171	7,343	2,252
Others	9,581	8,935	8,850
	$ 73,521	$ 146,494	$ 55,124

(7) Pensions

A. The Group's Taiwan subsidiary has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Group's Taiwan subsidiary contributes monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. Other consolidated entities have also adopted a defined contribution pension plan under the local regulations.

B. The pension cost under the defined contribution pension plan for the six months ended June 30, 2025 and 2024 were $2,305 and $1,701, respectively.

(8) Share-based payment

A. As of June 30, 2025, the employee stock options issued by the Company are granted to qualified employees of the Company and its subsidiaries, with the underlying assets being the Company's stock. The Group's share-based payment arrangements were as follows:

Type of arrangement	Grant year	Quantity granted	Contract period	Vesting conditions
Employee stock option	2017	3,040,000	10 years	4 years with 1 year cliff then 1/36 monthly
Employee stock option	2018	2,560,000	10 years	4 years with 1 year cliff then 1/36 monthly
Employee stock option	2019	1,844,000	10 years	4 years with 1 year cliff then 1/36 monthly
Employee stock option	2020	5,440,000	10 years	4 years with 1 year cliff then 1/36 monthly
Employee stock option	2021	23,497,040	10 years	4 years with 1 year cliff then 1/36 monthly
Employee stock option	2021	12,000,000	10 years	18 months
Employee stock option	2021	38,400	10 years	12 months
Employee stock option	2022	7,949,144	10 years	4 years with 1 year cliff then 1/36 monthly
Employee stock option	2023	600,000	10 years	4 years with 1 year cliff then 1/36 monthly
Restricted stocks to employees	2024	793,085	not applicable	1~3 years of service and performance requirements
Restricted stocks to employees	2024	1,148,418	not applicable	2~3 years of service and performance requirements
Restricted stocks to employees	2025	250,972	not applicable	1~3 years of service and performance requirements
Restricted stocks to employees	2025	12,559	not applicable	2~3 years of service and performance requirements

The restricted stocks issued by the Group cannot be transferred during the vesting period, but voting right and dividend right are not restricted on these stocks. Employees are required to return the stocks but not required to return the dividends received if they resign during the vesting period. Please refer to Note 6 (9) for the relevant restriction criteria.

The above share-based payment arrangements are settled by equity.

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

(a) Employee Stock Option Plan

	Six months ended June 30,			
	2025		2024	
	No. of options	Weighted-average exercise price (in US dollars)	No. of options	Weighted-average exercise price (in US dollars)
Options outstanding at January 1	21,524,592	$ 0.71	27,514,876	$ 0.20
Options exercised	(7,310,748)	0.64	(2,627,744)	0.66
Options forfeited	(111,164)	1.32	(1,033,792)	1.37
Options outstanding at June 30	14,102,680	0.71	23,853,340	0.78
Options exercisable at June 30	13,206,864		20,545,056	

(b) Restricted stocks to employees

	Six months ended June 30,	
	2025	2024
Stock outstanding at January 1	1,941,503	-
Number of shares granted this period	263,531	-
Stock outstanding at June 30	2,205,034	-

C. The weighted-average stock price of stock options at exercise dates for the six months ended June 30, 2025 and 2024 was US$0.79 (in dollars) and US$0.47 (in dollars), respectively.

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

		June 30, 2025		June 30, 2024	
Grant year	Expiry date	No. of options	Exercise price (in US dollars)	No. of options	Exercise price (in US dollars)
2018	10 years	40,000	$ 0.01	40,000	$ 0.01
2019	10 years	160,000	0.01	200,000	0.01
2020	10 years	1,555,920	0.01~0.09	1,634,088	0.09
2021	10 years	9,690,320	0.16~0.35	18,820,652	0.16~0.35
2022	10 years	2,292,268	0.33~0.35	2,621,928	0.33~0.35
2023	10 years	364,172	0.33	536,672	0.33

E. The fair value of stock options granted on grant date is measured using the Black-Scholes option-pricing model. Relevant information is as follows:

Grant year	Stock price (in US dollars) (Note 2)	Exercise price (in US dollars) (Note 2)	Expected price volatility (Note 1)	Expected option life	Expected dividends	Risk-free interest rate	Fair value per unit (in US dollars) (Note 2)
2017	$ 0.22	$ 0.05	98.27%	6.08 years	-	2.20%	$ 0.2005
2018	0.19	0.05	92.84%~97.29%	5.73~5.96 years	-	2.49~2.80%	0.1688~0.1708
2019	0.19~0.35	0.05	88.02%~89.69%	5.02~5.43 years	-	1.56~2.43%	0.1648~0.3192
2020	0.33	0.05~0.35	91.66%~96.56%	5.52~6.08 years	-	0.33~1.41%	0.2429~0.3031
2021	0.82~1.48	0.63~1.39	98.31%~106.89%	5.14~6.08 years	-	0.90~1.31%	0.6673~1.2705
2022	1.26~1.33	1.32~1.39	98.21%~101.91%	6.07~6.08 years	-	1.36~3.78%	1.0190~1.0634
2023	1.45~2.23	1.32	106.22%~106.98%	5.58 years	-	3.53~4.33%	1.1928~1.9153

Note 1: Expected price volatility rate was estimated by using the stock prices of the most recent period with length of this period approximate to the length of the stock options' expected life, and the standard deviation of return on the stock during this period.

Note 2: Each unit of share options can be exchanged for 4 shares of common stock after common stock splits.

F. The fair value of stock options granted on May 28, 2025 and December 11, 2024 were measured on Group's stock at NT$18.20 and NT$18.30 on that date, respectively.

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

	Six months ended June 30, 2025	Six months ended June 30, 2024
Employee Stock Options	$ 1,063	($ 384)
Restricted stocks to employees	6,793	-
Equity-settled	$ 7,856	($ 384)

H. When calculating the number of stock options, the Group retrospectively computed the number of stock options based on the 1:4 stock split on April 26, 2023.

(9) Share capital

A. As of June 30, 2025, the Company's authorised capital was $9,074,905, consisting of 907,491 thousand shares of ordinary stock, and the paid-in capital was $5,812,506 with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

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

	2025	2024
At January 1	573,676,275	567,016,108
Employee stock options exercised	7,310,748	2,627,744
Employee restricted shares	263,531	-
At June 30	581,250,554	569,643,852

C. For changes in the year 2024, please refer to Note 6 (11) of the Consolidated Financial Statements for the year 2024.

D. On January 1, 2025, the Company had 573,676 thousand outstanding common shares with a par value of $10 (in dollars) per share. In addition, there are 7,311 thousand shares from employee stock options and 264 thousand shares from employee restricted shares. As of June 30, 2025, the Company has issued a total of 581,251 thousand shares, with a paid-in capital of $5,812,506.

E. The Board of Directors during its meeting on March 13, 2024 adopted a resolution to issue 1,941,503 employee restricted ordinary shares with the effective date set on December 11, 2024, and issue 263,531 employee restricted ordinary shares with the effective date set on June 30, 2025. The employee restricted ordinary shares issued are subject to certain transfer restrictions before their vesting conditions are met. Other than these restrictions, the rights and obligations of these shares issued are the same as other issued ordinary shares.

(10) Capital surplus

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

	2025				
	Share premium	Employee stock options	Restricted stocks to employees	Others	Total
At January 1	$ 4,574,929	$ 152,967	$ 16,115	$ 12,260	$ 4,756,271
Compensation cost of employee share options	-	1,063	6,793	-	7,856
Employee stock options exercised	31,401	(67,237)	-	-	(35,836)
Employee stock options forfeited	-	(178)	-	178	-
Restricted employee stock	-	-	(4,632)	-	(4,632)
Restricted employee stock forfeited	-	-	(5,142)	-	(5,142)
At June 30	$ 4,606,330	$ 86,615	$ 13,134	$ 12,438	$ 4,718,517

	2024			
	Share premium	Employee stock options	Others	Total
At January 1	$ 4,553,916	$ 182,594	$ 12,239	$ 4,748,749
Compensation cost of employee share options	-	(384)	-	(384)
Employee stock options exercised	(547)	(11,837)	-	(12,384)
Employee stock options forfeited	-	(21)	21	-
At June 30	$ 4,553,369	$ 170,352	$ 12,260	$ 4,735,981

(11) Retained earnings

A. Under the Company's Articles of Incorporation, the Company's distribution of earnings and dividend policy is as follows:

i. As the Company continues to grow, based on the need for capital expenditure, business expansion and sound financial planning for sustainable development, it is the Company's dividends policy that the dividends may be allocated to the shareholders in the form of cash dividends and/or bonus shares according to the Company's future expenditure budgets and funding needs.

ii. Unless otherwise provided in the applicable listing rules of the R.O.C., the net profits of the Company for each annual financial year shall be allocated in the following order and proposed by the Board of Directors to the shareholders in the general meeting for approval:

(a) to make provision of the applicable amount of income tax pursuant to applicable tax laws and regulations;

(b) to set off cumulative losses of previous years (if any);

(c) to set aside ten percent (10%) as legal reserve pursuant to the applicable listing rules of the R.O.C. unless the accumulated amount of such legal reserve equals to the total paid-up capital of the Company;

(d) to set aside an amount as special reserve pursuant to the applicable listing rules of the R.O.C. and requirements of the Authority; and

(e) with respect to the earnings available for distribution (i.e. the net profit after the deduction of the items (a) to (d) above plus any previously undistributed cumulative retained earnings and the amount of reversed special reserve), the Board of Directors may present a proposal to distribute to the shareholders by way of dividends at the annual general meeting for approval pursuant to the applicable listing rules of the R.O.C.. Dividends may be distributed in the form of cash dividends and/or bonus shares, and, subject to Cayman Islands law, the amount of dividends may be 100% but shall be at least 10% of the net profit after the deduction of the items (a) to (d) above. Cash dividends shall comprise a minimum of 10% and a maximum of 100% of the total dividends allocated to shareholders.

B. The Group has accumulated deficit for the six months ended June 30, 2025 and 2024, and thus had no earnings for distribution.

(12) Operating revenue

	Six months ended June 30,	
	2025	2024
Revenue from contracts with customers		
Service revenue	$ 185	$ 311

A. Contract Liabilities

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

Items	June 30, 2025	December 31, 2024	June 30, 2024
Contract liabilities - non-current			
Licencing intellectual property	$ 13,432	$ 13,432	$ 13,432

B. In January 2020, Acepodia Biotechnologies, Ltd. (“Acepodia Taiwan”) entered into an option and license agreement with JW (Cayman) Therapeutics Co., Ltd. (“JW”). Whereby Acepodia Taiwan granted JW an exclusive first right to exercise option to acquire an exclusive sublicensable and fee-bearing right and license under certain Acepodia patents and know-how to manufacture, develop, use, sell, offer for sale, import and otherwise commercialize two Acepodia’s cell therapy candidates for the treatment of solid tumors and hematologic malignancies in Mainland China, Hong Kong, and Macau. The patents and specialized technologies of the Group are applied to develop two types of cell therapy drug candidates for the treatment of solid tumors and hematologic malignancies.

JW has the right to exercise the aforementioned option upon written notice from Acepodia Taiwan that certain clinical trial milestones for each product have been completed. Acepodia Taiwan has received an upfront payment of US$500 thousand dollars and an additional US$500 thousand dollars after submission of an investigational new drug (“IND”) to the FDA for each product.

In June 2023, the Group completed the conditions for the first licensed product, and JW was granted the right to exercise the first option. On July 7, 2023, JW decided not to exercise the option for the first licensed product and terminated the authorisation plan for the first licensed product. According to the contract, the Group has no further obligations regarding the first licensed product. Therefore, in accordance with IFRS No. 15, the "Contract liabilities" attributable to the first licensed product was transferred as revenue in July 2023.

As of June 30, 2025, since the contractual obligation of the second licensed product has not been fulfilled, JW has not had the right to exercise any option for the second licensed product. Thus, the payments received from JW for the second licensed product is recognized under "Contract liabilities - non-current," and no related revenue has been recognized by the Group.

(13) Interest income

	Six months ended June 30, 2025	Six months ended June 30, 2024
Interest income from bank deposits	$ 108,600	$ 131,170

(14) Other gains and losses

	Six months ended June 30, 2025	Six months ended June 30, 2024
Foreign exchange (losses) gains	($ 7,692)	$ 17,618
Gains (losses) on disposals of property, plant and equipment	25	(87)
Gains on lease modifications	-	3
Other losses	(3)	(30)
	($ 7,670)	$ 17,504

(15) Expenses by nature

	Six months ended June 30, 2025	Six months ended June 30, 2024
Commissioned research fee	$ 154,462	$ 53,838
Employee benefit expense	133,265	105,233
Depreciation (Note)	54,246	29,675
Professional fee	29,678	29,433
Consumables expense	28,150	62,736
Other expenses	39,344	29,487
	$ 439,145	$ 310,402

Note: Depreciation includes depreciation of property, plant and equipment and right-of-use assets.

(16) Employee benefit expense

	Six months ended June 30, 2025	Six months ended June 30, 2024
Wages and salaries	$ 113,186	$ 94,429
Compensation cost for employee share options	7,856	(384)
Labor and health insurance fees	7,391	7,522
Pension costs	2,305	1,701
Other personnel expenses	2,527	1,965
	$ 133,265	$ 105,233

A. According to the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be lower than 3% for employees' compensation and shall not be higher than 3% for directors' remuneration.

B. For the six months ended June 30, 2025 and 2024, the Group did not recognize any employees' compensation and directors' remuneration due to the after-tax net loss.

C. Information related to employees' compensation and directors' remuneration, as approved by the Group's board of directors, has been posted on the Market Observation Post System.

(17) Income tax

A. Components of income tax expense:

	Six months ended June 30,	
	2025	2024
Current tax:		
Current tax on profits for the period	$ 6,135	$ 3,458
Prior year income tax underestimation	-	13,426
Income tax expense	$ 6,135	$ 16,884

B. The subsidiary's, Acepodia Biotechnologies Limited's, income tax returns through 2023 have been assessed and approved by the Tax Authority.

(18) Loss per share

	Six months ended June 30, 2025		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Loss per share (in dollars)
Basic (diluted) loss per share			
Loss attributable to ordinary shareholders of the parent	($ 340,265)	577,895	($ 0.59)

	Six months ended June 30, 2024		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Loss per share (in dollars)
Basic (diluted) loss per share			
Loss attributable to ordinary shareholders of the parent	($ 181,458)	568,721	($ 0.32)

For the six months ended June 30, 2025 and 2024, the potential ordinary shares due to share-based payment may result in anti-dilutive effect; therefore, they are excluded from the computation of diluted earnings per share.

When calculating the weighted average outstanding shares, the Group retrospectively computed the weighted average outstanding shares based on the 1:4 stock split on April 26, 2023 and issuance of common shares with a par value of $10 (in dollars) per share.

(19) Supplemental cash flow information

Investing activities with partial cash payments

	Six months ended June 30, 2025	Six months ended June 30, 2024
Purchase of property, plant and equipment	$ 26,678	$ 75,064
Add: Ending balance of prepayments for equipment	18,032	4,449
Beginning balance of payable on equipment	15,861	18,475
Less: Ending balance of payable on equipment	(3,215)	(7,577)
Beginning balance of prepayments for equipment	(9,032)	(23,467)
Cash paid during the period	$ 48,324	$ 66,944

(20) Changes in liabilities from financing activities

	Lease liabilities 2025	Lease liabilities 2024
At January 1	$ 311,518	$ 273,811
Changes in cash flow from financing activities	(28,712)	(23,093)
Impact of changes in foreign exchange rate	(3,192)	2,301
Changes in other non-cash items	3,147	79,801
At June 30	$ 282,761	$ 332,820

7. Related Party Transactions

Key management compensation

	Six months ended June 30, 2025	Six months ended June 30, 2024
Salaries and other short-term employee benefits	$ 21,567	$ 27,427
Share-based payments	682	(4,398)
	$ 22,249	$ 23,029

8. Significant Contingent Liabilities and Unrecognized Contract Commitments

(1) Contingencies

The Group signed a license agreement with Lawrence Berkeley National Laboratory (referred herein as "Berkeley Lab") at the University of California, USA in September 2018. Pursuant to this contract, Berkeley Labs grants the Group a non-transferable, limited exclusivity and specific rights inclusive of royalties. The Group develops, manufactures, uses, sells, offers to sell and imports concession products accordingly. The Group is responsible for the development, sale and commercialization of all licensed products and reserves the right to make final decisions regarding such activities.

The Group has paid a one-time franchise fee of US$15 thousand dollars at the time of signing the contract and a franchise maintenance fee of US$5 thousand dollars per year prior to the commercial sale of the franchised products as agreed, in addition to a phased payment of the franchise fee subject to the achievement of each milestone. The above contract stipulates that when the relevant technology (or product) is sublicensed to a third party, the Group will pay Berkeley Lab a certain percentage of the sublicensing income according to the licensing year of the agreement. If the Group produces and sells the related products on its own, a derivative interest payment will be paid for a percentage of the annual net sales during the contract period.

Given the uncertainty surrounding the development of the Group's core treatment, the occurrence probability, timing, and reasonably estimable amount of the aforementioned items remain uncertain.

(2) Commitments

The Group's expenditures contracted for at the balance sheet date but not yet incurred are summarized as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Clinical trial plans	$ 590,668	$ 930,000	$ 547,631
Property, plant and equipment	20,942	41,418	24,062
	$ 611,610	$ 971,418	$ 571,693

9. Significant Disaster Loss

None.

10. Significant Events after the Balance Sheet Date

On May 28, 2025, the Group's board of directors approved the purchase of corporate bonds within a limit of US$45 million. Transactions were completed on July 14, 2025, July 15, 2025 and August 7, 2025, involving the amounts of US$22,577 thousand, US$2,421 thousand, and US$14,983 thousand, respectively, totaling thirteen corporate bonds.

11. 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

	June 30, 2025	December 31, 2024	June 30, 2024
Financial assets			
Financial assets at amortised cost			
Cash and cash equivalents	$ 5,123,732	$ 5,868,770	$ 6,345,754
Financial assets at amortised cost	-	262,280	-
Accounts receivable	-	122	-
Other receivables	20,260	22,142	1,275
Guarantee deposits paid	32,589	35,269	28,624
	$ 5,176,581	$ 6,188,583	$ 6,375,653

	June 30, 2025	December 31, 2024	June 30, 2024
Financial liabilities			
Financial liabilities at amortised cost			
Other payables	$ 73,521	$ 146,494	$ 55,124
Lease liability	$ 282,761	$ 311,518	$ 332,820

B. Financial risk management policies

(a) The Group's daily operations are affected by a number of financial risks, including market risks (including exchange rate risks), credit risk and liquidity 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 co-operation 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, and investment of excess liquidity.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. The Group mainly operates in Taiwan and United States of America and is exposed to foreign exchange risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the NTD and USD. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities. The Group manages its foreign exchange risk by performing regular reviews of the Group's net foreign exchange exposures.

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

	June 30, 2025		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 5,988	29.120	$ 174,360
Financial liabilities			
Monetary items			
USD:NTD	$ 518	29.120	$ 15,098

	December 31, 2024		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 14,885	32.785	$ 487,999
Financial liabilities			
Monetary items			
USD:NTD	$ 343	32.785	$ 11,241

	June 30, 2024			
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	
(Foreign currency: functional currency)				
Financial assets				
Monetary items				
USD:NTD	$ 8,960	32.570	$ 291,828	
Financial liabilities				
Monetary items				
USD:NTD	$ 36	32.570	$ 1,186	

iii. The total exchange (loss) gain, including realised and unrealised arising from significant foreign exchange variation on the monetary items held by the Group for the six months ended June 30, 2025 and 2024 amounted to ($7,692) and $17,618, respectively.

iv. Analysis of foreign currency market risk arising from significant foreign exchange variation:

	Six months ended June 30, 2025		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss (NTD)	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 1,744	$ -
Financial liabilities			
Monetary items			
USD:NTD	1%	$ 151	$ -

	Six months ended June 30, 2024		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss (NTD)	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 2,918	$ -
Financial liabilities			
Monetary items			
USD:NTD	1%	$ 12	$ -

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms and the contract cash flows of financial assets stated at amortised cost.

ii. For banks and financial institutions, the Group only accepts institutions with stable credit quality as trading counterparts. 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. The Group adopts the assumptions under IFRS 9, the default occurs when the contract payments are past due over 90 days.

iv. The Group adopts following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:
If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

v. The indicators used by the Group to determine credit impairment of debt instrument are as follows:
  (i) The issuer encounters major financial difficulties and the probability of going bankrupt or other financial reorganization increased.
  (ii) The active market for the financial assets disappears due to financial difficulties of the issuer.

vi. The Group wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Group will continue executing the recourse procedures to secure their rights.

vii. The Group used the forecastability to adjust historical and timely information to assess the default possibility of accounts receivable. On June 30, 2025, December 31, 2024 and June 30, 2024, the expected loss rates used by the Group are not considered significant.

(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.

ii. 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 for non-derivative financial liabilities The amounts disclosed in the table are the contractual undiscounted cash flows.

June 30, 2025	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Non-derivative financial liabilities				
Other payables	$ 73,521	$ -	$ -	$ -
Lease liability	56,498	57,128	152,462	32,912

December 31, 2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Non-derivative financial liabilities				
Other payables	$ 146,494	$ -	$ -	$ -
Lease liability	57,802	57,784	157,283	58,159

June 30, 2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Non-derivative financial liabilities				
Other payables	$ 55,124	$ -	$ -	$ -
Lease liability	53,783	57,700	160,914	83,353

(3) Fair value information

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

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

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

Level 3: Unobservable inputs for the asset or liability.

B. Financial instruments not measured at fair value

The carrying amounts of the Group's financial instruments not measured at fair value, including cash and cash equivalents, financial assets at amortised cost-current, accounts receivable, other receivables, refundable deposits, and other payables, are approximate to their fair values.

C. The related information on financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities is as follows: None.

D. For the six months ended June 30, 2025 and 2024, there were no transfer between Level 1 and Level 2.

E. For the six months ended June 30, 2025 and 2024, there were no changes in Level 3.

F. For the six months ended June 30, 2025 and 2024, there were no transfers in or out of Level 3.

G. The Finance and Accounting Department is in charge of engaging external appraisers to conduct 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 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: None.

12. Supplementary Disclosures

(1) Significant transactions information

A. Loans to others: None.

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

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

D. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 1.

E. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 2.

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

(2) Information on investees

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

(3) Information on investments in Mainland China

None.

13. Segment Information

(1) General information

The Group operates business only in a single industry. The Board of Directors, who allocates resources and assesses performance of the Group as a whole, has identified that the Group has only one reportable operating segment.

(2) Measurement of segment information

The accounting policies of the Group's operating segment are the same as the summary description of the significant accounting policies described in the notes to the consolidated financial statements. The profit and loss of the operating segment is measured by the after-tax profit and loss and used as the basis for evaluating the performance of the operating segment.

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

The Group is a single reportable unit, for the reportable information is the same as the financial statements.

(4) Reconciliation for segment income (loss)

The net loss from segment reported to the chief operating decision-maker is measured in a manner consistent with that in the statement of comprehensive income.

(5) Geographical information

Geographical information for the six months ended June 30, 2025 and 2024 is as follows:

	Non-current assets		Revenue	
	June 30,		Six months ended June 30,	
	2025	2024	2025	2024
US	$ 28,383	$ 42,779	$ -	$ -
TW	572,419	560,500	185	311
	$ 600,802	$ 603,279	$ 185	$ 311

(6) Major customer information

Major customer information of the Group for the six months ended June 30, 2025 and 2024 is as follows:

	Six months ended June 30,	
	2025	2024
	Revenue	Revenue
Company A	$ 185	$ 311

Acepodia, Inc. and Subsidiaries
Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more
Six months ended June 30, 2025

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

			Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
Acepodia Biotech, Inc.	Acepodia Biotechnologies, Ltd.	Fellow subsidiary	Service revenue	$ 204,481	100%	90 days	The prices and terms to related parties were not significantly different from transactions with third parties, except for particular transactions with no similar transactions to compare with. For these transactions, the prices and terms were determined in accordance with mutual agreements.		$ 198,346	100%	

Acepodia, Inc. and Subsidiaries

Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more

June 30, 2025

Table 2

Expressed in thousands of NTD

(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at June 30, 2025	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Acepodia Biotech, Inc.	Acepodia Biotechnologies, Ltd.	Fellow subsidiary	$ 198,346	0.97	$ -	Not applicable	$ -	$ -

Acepodia, Inc. and Subsidiaries
Significant inter-company transactions during the reporting period
Six months ended June 30, 2025

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 4)
0	Acepodia, Inc.	Acepodia Biotechnologies, Ltd.	Parent company to subsidiary	Service expense	$ 3,883	Note 3	2099%
0	Acepodia, Inc.	Acepodia Biotechnologies, Ltd.	Parent company to subsidiary	Other payables	2,007	Note 3	0%
1	Acepodia Biotech, Inc.	Acepodia Biotechnologies, Ltd.	Subsidiary to subsidiary	Service revenue	204,481	Note 3	110530%
1	Acepodia Biotech, Inc.	Acepodia Biotechnologies, Ltd.	Subsidiary to subsidiary	Account receivables	198,346	Note 3	3%

Note 1: 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 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):
(1)Parent company to subsidiary.
(2)Subsidiary to parent company.
(3)Subsidiary to subsidiary.

Note 3: The transaction terms of significant inter-company transactions are similar with the normal transaction term except for circumstances in which there are no similar transactions for reference and the terms will be negotiated and determined by both parties.

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

Acepodia, Inc. and Subsidiaries
Information on investees
Six months ended June 30, 2025

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at June 30, 2025	Initial investment amount: Balance as at December 31, 2024	Shares held as at June 30, 2025: Number of shares	Shares held as at June 30, 2025: Ownership	Shares held as at June 30, 2025: Book value	Net profit (loss) of the investee for the six months ended June 30, 2025	Investment income (loss) recognized by the Company for the six months ended June 30, 2025	Footnote
Acepodia, Inc.	Acepodia Biotech, Inc.	U.S.A	Biotechnology research and development	$ 626,155	$ 626,155	2,000	100%	$ 440,305	$ 15,928	$ 15,928	
Acepodia, Inc.	Acepodia Biotechnologies, Ltd.	Taiwan	Biotechnology research and development	2,900,000	2,900,000	290,000,000	100%	505,775	(429,111)	(429,111)	