Gongwin Biopharm Holdings Company Limited and Subsidiaries

CONSOLIDATED FINANCIAL STATEMENTS AND

INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2025 AND 2024

(Stock code 6617)

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Not reviewed or audited by independent certified independent accountants.

Gongwin Biopharm Holdings Company Limited AND SUBSIDIARIES

Consolidated Financial Report and Accounting Audit Report for 2025 and 2024

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Independent Auditors' Report

To Gongwin Biopharm Holdings Company Limited:

Opinion

We have audited the accompanying consolidated balance sheets of Gongwin Biopharm Holdings Company Limited and its subsidiaries (the "Group") as of December 31, 2025 and 2024, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and auditing standards generally accepted in 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 Code of Professional Ethics for Certified Public Accountants 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 consolidated financial statements of the Group for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Group's consolidated financial statements for the year ended December 31, 2025 are stated as follows:

Existence of Bank Deposits

Description of the Matter

As of December 31, 2025, the balance of cash and cash equivalents of the Group was NT$968,902 thousand, representing 35% of total consolidated assets. In addition, the balance of time deposits that do not meet the criteria of being short-term, highly liquid, readily convertible to known amounts of cash and subject to an insignificant risk of changes in value (classified as "Financial assets at amortized cost – current") was NT$391,695 thousand, representing 14% of total consolidated assets. Due to the high proportion of these assets relative to total consolidated assets, we have identified the existence of bank deposits as one of the key audit matters for the current year.

How our audit addressed the matter

The principal audit procedures performed in respect of the above key audit matter were as follows:

1. Sent confirmation letters to banks regarding bank accounts and special agreements with financial institutions to verify the existence of bank deposits and the related rights and obligations.
2. Verified the authenticity of the necessary information of the banks to which confirmation letters were sent.
3. Obtained year-end bank reconciliation statements and inspected unusual reconciliation items.

4. Performed sample testing on significant cash receipts and disbursements to confirm the transactions were for business purposes.
5. Confirmed that the classification of time deposits was in accordance with the policies described in Notes 4(6) or 4(9) to the consolidated financial statements.

Recognition of Revenue from Licensing Agreements

Description of the Matter

The Group is primarily engaged in the research, development, and licensing of new drugs. Since the identification of performance obligations in customer contracts and the satisfaction of conditions for recognizing various contract revenues involve significant judgment and have a material impact on the consolidated financial reports, we have identified the recognition of revenue from licensing agreements as one of the key audit matters for the current year.

For the accounting policies regarding the recognition of licensing revenue, please refer to Note 4(26) of the consolidated financial statements. For significant judgments applied in the accounting policies for licensing revenue recognition, please refer to Note 5(1).

How our audit addressed the matter

The principal audit procedures performed in respect of the above key audit matter were as follows:

1. Obtained management’s policies for recognizing licensing revenue and confirmed that the recognition of licensing revenue had been appropriately reviewed and approved.
2. Obtained signed licensing agreements and evaluated whether management's identification of performance obligations and the timing of revenue recognition were consistent with the contents of the signed contracts.
3. Confirmed that the performance obligations and the timing of revenue recognition identified by management complied with IFRS 15 "Revenue from Contracts with Customers."
4. Based on the results of the aforementioned procedures, confirmed that the revenue or contract liabilities recognized were consistent with the recorded amounts.

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 Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, 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 auditing standards generally accepted in 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 auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain 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.

Gongwin Biopharm Holdings Company Limited and Subsidiaries
Consolidated Balance Sheets
December 31,2025 and 2024

(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31,2025 Amount	%	December 31, 2024 Amount	%
	Current Assets					
1100	Cash and cash equivalents	6(1)	$ 968,902	35	$ 893,468	27
1110	Financial assets at fair value through profit	6(2)(18)				
	or loss – current		463,034	17	466,785	14
1136	Current financial assets at amortized cost	6(3)&8	391,695	14	1,029,587	31
1150	Notes receivable, net	6(4)	5,250	-	-	-
1170	Accounts receivable, net	6(4)	11,278	-	14,172	-
1200	Other receivables		8,098	-	12,182	-
1220	Current income tax assets		247	-	125	-
130X	Inventories	6(6)	888	-	3,586	-
1410	Prepayments		18,617	1	12,894	-
1479	Other current assets- others		419	-	22	-
11XX	**Total Current Assets**		1,868,428	67	2,432,821	72
	Non-current Assets					
1517	Financial assets at fair value through profit	6(5)(18)				
	or loss– non-current		487,243	18	497,806	15
1600	Property, plant and equipment	6(7)&8	309,288	11	315,656	9
1755	Right-of-use assets	6(8)	11,563	-	15,235	-
1760	Investment property, net	6(9)&8	118,697	4	119,317	4
1780	Intangible assets		826	-	371	-
1920	Refundable deposits		979	-	980	-
15XX	**Total non-current assets**		928,596	33	949,365	28
1XXX	**Total assets**		$ 2,797,024	100	$ 3,382,186	100

(Continued)

Gongwin Biopharm Holdings Company Limited and Subsidiaries

Consolidated Balance Sheets

December 31,2025 and 2024

(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2025 Amount	%	December 31, 2024 Amount	%
	Current Liabilities					
2100	Short-term borrowings	6(10)	$ 117,366	4	$ 110,629	3
2170	Accounts payable		130	-	207	-
2200	Other payables	6(11)	42,665	1	51,166	2
2220	Other payables- related parties	7(3)	1,232	-	972	-
2230	Current income tax liabilities		15,869	1	15,703	-
2280	Lease liabilities- current		3,124	-	3,213	-
2300	Other current liabilities		30	-	270	-
21XX	**Total Current Liabilities**		180,416	6	182,160	5
	Non-current Liabilities					
2527	Contractual Guarantees - non-current	6(17)	47,099	2	40,521	1
2580	Lease liabilities - non-current		9,250	-	12,906	1
2630	Long-term deferred revenue	6(19)	3,308	-	4,493	-
2645	Guarantee deposits received		39,124	2	41,756	1
25XX	**Non-current liabilities**		98,781	4	99,676	3
2XXX	**Total Liabilities**		279,197	10	281,836	8
	Equity					
	Equity attributable to owners of parent					
	Share capital	6(14)				
3110	Common stock		1,275,061	46	1,275,061	38
	Capital surplus	6(15)				
3200	Capital surplus		3,499,715	125	3,499,715	103
	Unappropriated retained earnings	6(16)				
3350	Unappropriated retained earnings		(1,645,982)	(59)	(1,528,755)	(45)
	Other equity					
3400	Other equity		(64,875)	(3)	27,142	1
3500	Treasury shares	6(14)	(532,981)	(19)	(166,609)	(5)
31XX	**Total Equity Attributable to Owners of parent**		2,530,938	90	3,106,554	92
36XX	**Non-controlling Interests**		(13,111)	-	(6,204)	-
3XXX	**Total Equity**		2,517,827	90	3,100,350	92
	Significant contingent liabilities and unrecognized Contract commitments	9				
3X2X	**Total Liabilities and Equity**		$ 2,797,024	100	$ 3,382,186	100

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

Gongwin Biopharm Holdings Company Limited and Subsidiaries
Consolidated Statements of Comprehensive Income
Years Ended Dec.31, 2025 and 2024

Expressed in thousands of New Taiwan dollars,
(Except for Earnings Per Share Amount)

	Item	Notes	Year 2025 Amount	Year 2025 %	Year 2024 Amount	Year 2024 %
4000	Operating revenue	6(17)	$ 36,446	100	$ 32,040	100
5000	Operating costs	6(6)&7(3)	(10,358)	(29)	(23,360)	(73)
5900	Gross Profit		26,088	71	8,680	27
	Operating Expenses	6(7)(8)(12)(13)(22) &7(3)				
6100	Selling expenses		(51,967)	(143)	(36,759)	(115)
6200	General and administrative expenses		(63,580)	(174)	(64,801)	(202)
6300	R&D expenses		(119,473)	(328)	(63,267)	(198)
6450	Impairment gain (expected credit impairment loss)	12(2)	1,640	5	(5,910)	(18)
6000	Total operating expenses		(233,380)	(640)	(170,737)	(533)
6900	Operating Loss		(207,292)	(569)	(162,057)	(506)
	Non-operating Income and Expenses					
7100	Interest income	6(3)(5)(18)	70,813	194	64,619	202
7010	Other income	6(19)	4,351	12	4,095	13
7020	Other gains and losses	6(2)(20)	16,419	45	5,789	18
7050	Finance costs	6(8)(21)	(5,160)	(14)	(4,302)	(14)
7000	Total Non-operating Income &Expenses		86,423	237	70,201	219
7900	**Net Loss Before Tax**		(120,869)	(332)	(91,856)	(287)
7950	Income tax expense	6(23)	(158)	-	(131)	-
8200	**Net Loss for the Year**		($ 121,027)	(332)	($ 91,987)	(287)
	Other Comprehensive Income (OCI)					
	Items that will not be reclassified:					
8316	Unrealized valuation gain (loss) on investments in equity instruments at fair value through other comprehensive income (FVOCI)	6(5)	($ 75)	-	$ 58	-
8341	Exchange differences on translation of foreign financial statements		(76,191)	(209)	54,255	169
8310	Other comprehensive income that will not be reclassified to profit or loss		(76,266)	(209)	54,313	169
	Items that may be reclassified subsequently to profit or loss					
8361	Exchange differences on translation of foreign financial statements		(27,254)	(75)	27,810	87
8367	Unrealized gain (loss) on equity FVOCI	6(5)	11,241	31	(33,577)	(105)
8360	Total items that may be reclassified subsequently to profit or loss		(16,013)	(44)	(5,767)	(18)
8300	**Total OCI (Net of Tax)**		($ 92,279)	(253)	$ 48,546	151
8500	**Total Comprehensive Loss**		($ 213,306)	(585)	($ 43,441)	(136)
	Net Loss Attributable to;					
8610	Owners of the parent		($ 114,126)	(313)	($ 82,548)	(258)
8620	Non-controlling interests		(6,901)	(19)	(9,439)	(29)
			($ 121,027)	(332)	($ 91,987)	(287)
	Comprehensive Loss Attributable to:					
8710	Owners of parent		($ 206,143)	(565)	($ 34,054)	(107)
8720	Non-controlling interests		(7,163)	(20)	(9,387)	(29)
			($ 213,306)	(585)	($ 43,441)	(136)
	Loss per share	6(24)				
9750	Basic Loss Per Share		($ 0.92)		($ 0.68)	

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

Gongwin Biopharm Holdings Company Limited and Subsidiaries
Consolidated Statements of Changes in Equity
Years 2024 and 2025

Expressed in thousands of New Taiwan dollars

	Notes	Equity attributable to owners of parent											
		Capital Reserves					Other equity						
		Common stock	Capital surplus	Changes in ownership interests in subsidiaries	Capital surplus - donated assets	Capital surplus - employee stock options	Accumulated deficit	Unrealized gains (losses) on financial assets at fair value through other comprehensive income	Exchange differences on translation of foreign financial statements	Treasury stock	Total	Non-controlling interests	Total equity
2024													
Balance at January 1,2024		$ 1,133,361	$ 1,642,477	$ 1,341	$ 355	$ -	($ 1,440,689)	($ 862)	($ 20,490)	$ -	$ 1,315,493	($ 3,676)	$ 1,311,817
Net loss for the period		-	-	-	-	-	(82,548)	-	-	-	(82,548)	(9,439)	(91,987)
Other comprehensive income (loss) for the period		-	-	-	-	-	-	(33,519)	82,013	-	48,494	52	48,546
Total comprehensive income (loss) for the period		-	-	-	-	-	(82,548)	(33,519)	82,013	-	(34,054)	(9,387)	(43,441)
Changes in non-controlling interests – Capital increase in subsidiary	4(3)&6(25)	-	-	(1,341)	-	-	(5,518)	-	-	-	(6,859)	6,859	-
Compensation cost of employee stock options	6(13)	-	-	-	-	9,361	-	-	-	-	9,361	-	9,361
Exercise of employee stock options	6(13)	-	9,361	-	-	(9,361)	-	-	-	-	-	-	-
Cash capital increase	6(14)	141,700	1,847,522	-	-	-	-	-	-	-	1,989,222	-	1,989,222
Buyback of treasury shares	6(14)	-	-	-	-	-	-	-	-	(166,609)	(166,609)	-	(166,609)
Balance at December 31, 2024		$ 1,275,061	$ 3,499,360	$ -	$ 355	$ -	($ 1,528,755)	($ 34,381)	$ 61,523	($ 166,609)	$ 3,106,554	($ 6,204)	$ 3,100,350
2025													
Balance at January 1,2025		$ 1,275,061	$ 3,499,360	$ -	$ 355	$ -	($ 1,528,755)	($ 34,381)	$ 61,523	($ 166,609)	$ 3,106,554	($ 6,204)	$ 3,100,350
Net loss for the period		-	-	-	-	-	(114,126)	-	-	-	(114,126)	(6,901)	(121,027)
Other comprehensive income (loss) for the period		-	-	-	-	-	-	11,166	(103,183)	-	(92,017)	(262)	(92,279)
Total comprehensive income (loss) for the period		-	-	-	-	-	(114,126)	11,166	(103,183)	-	(206,143)	(7,163)	(213,306)
Acquisition of subsidiary shares from non-controlling interests	6(25)	-	-	-	-	-	(3,101)	-	-	-	(3,101)	256	(2,845)
Buyback of treasury shares	6(14)	-	-	-	-	-	-	-	-	(366,372)	(366,372)	-	(366,372)
Balance at December 31, 2025		$ 1,275,061	$ 3,499,360	$ -	$ 355	$ -	($ 1,645,982)	($ 23,215)	($ 41,660)	($ 532,981)	$ 2,530,938	($ 13,111)	$ 2,517,827

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

Gongwin Biopharm Holdings Company Limited and Subsidiaries

Consolidated Statements of Cash Flows

For the Years Ended December 31,2025 and 2024

Expressed in thousands of New Taiwan dollars

	Notes	2025	2024
Cash flows from operating activities			
Net loss before tax		($ 120,869)	($ 91,856)
Adjustments			
Income and expenses with no cash flow effect			
Expected credit reversal gain(loss)	12(2)	(1,640)	5,910
Depreciation expense	6(22)	11,579	11,517
Amortization expense	6(22)	143	69
Interest expense	6(21)	5,160	4,302
Compensation cost of employee stock options	6(13)	-	9,361
Interest income		(70,813)	(64,619)
Government grant income	6(19)	(1,150)	(1,226)
Net gain on financial assets at fair value through profit or loss	6(20)	(19,207)	(11,105)
Loss on disposal of property, plant and equipment	6(20)	77	3
Changes in operating assets and liabilities			
Net changes in operating assets			
Notes receivable		(5,250)	-
Accounts receivable		4,451	(9,077)
Inventories		2,698	8,341
Prepayments		(5,723)	(1,533)
Other current assets		(397)	16
Net changes in operating liabilities			
Accounts payable		(77)	(80)
Other payables		(8,590)	(1,460)
Other payables – related parties		260	283
Contract liabilities – non-current		5,000	-
Other current liabilities		(240)	5
Cash used in operations		(204,588)	(141,149)
Interest paid		(5,008)	(4,295)
Interest received		73,964	58,115
Income tax paid		(122)	(79)
Net cash used in operating activities		(135,754)	(87,408)
Cash flows from investing activities			
Acquisition of financial assets at fair value through profit or loss		-	(657,800)
Disposal of financial assets at fair value through profit or loss		3,819	196,073
Acquisition of financial assets at amortized cost		(708,252)	(1,842,968)
Disposal of financial assets at amortized cost		1,307,592	1,668,324
Acquisition of property, plant and equipment	6(7)	(1,864)	(205,888)
Acquisition of intangible assets		(593)	(241)
Acquisition of financial assets at fair value through other comprehensive income – non-current		-	(356,269)
Increase in refundable deposits		(110)	(1,138)
Decrease in refundable deposits		87	1,450
Net cash provided by (used in) investing activities		600,679	(1,198,457)
Cash flows from financing activities			
Increase in short-term borrowings	6(27)	127,791	270,040
Decrease in short-term borrowings	6(27)	(121,788)	(237,449)
Repayment of lease principal	6(27)	(3,057)	(2,692)
Cash capital increase	6(14)	-	1,989,222
Increase in guarantee deposits received		4,034	29,013
Decrease in guarantee deposits received		(6,631)	(19,859)
Acquisition of subsidiary shares from non-controlling interests	6(25)	(2,805)	-
Buyback of treasury shares	6(26)	(386,155)	(146,842)
Net cash (used in) provided by financing activities		(388,611)	1,881,433
Effect of exchange rate changes on cash and cash equivalents		(880)	24,311
Net increase in cash and cash equivalents		75,434	619,879
Cash and cash equivalents at beginning of year		893,468	273,589
Cash and cash equivalents at end of year		$ 968,902	$ 893,468

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

(Gongwin Biopharm Holdings Company Limited) and its subsidiaries
Consolidated Financial Statement Notes
For the year 2025 and the year 2024

Expressed in thousands of NTD
(Except as otherwise indicated)

I. Company History

Gongwin Biopharm Holdings Company Limited (hereinafter referred to as "the Company") was established on March 27, 2014, in the British Cayman Islands, primarily to undertake organizational restructuring for the application of over-the-counter trading of stocks on the Taipei Exchange. The Company acquired all of the shares of PTS International, Inc. on December 31, 2015, according to the agreement on share exchange, and after the restructuring, the Company became the holding company of all merged entities.

The main business activities of the company and the entities controlled by the company (hereinafter referred to as "the Group") include pharmaceutical research and development, drug testing, pharmaceutical technology consulting, biotechnology services, technology transfer, and the sale of new drugs. The company has been approved by the Republic of China (Taiwan) Securities Over-the-Counter Trading Center to list its stock on the OTC market on June 18, 2024.

II. Date and procedures for Approval of financial statement

This consolidated financial report was released after being approved by the board of directors on March 12, 2026.。

III. Application of New and Amended Standards and Interpretations

1. Impact of adopting new or amended International Financial Reporting Standards (IFRS) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

The following table summarizes the new, amended, and revised IFRS standards and interpretations endorsed by the FSC that are applicable for the year 2025:

New Standards, Interpretations and Amendments	Effective Date Issued by IASB
Amendments to IAS 21: "Lack of Exchangeability	January 1, 2025

The Group has assessed that the aforementioned standards and interpretations do not have a material impact on the Group’s consolidated financial position and financial performance.

2. Impact of new or amended IFRS endorsed by the FSC but not yet adopted

The following table summarizes the new, amended, and revised IFRS standards and interpretations endorsed by the FSC that are applicable for the year 2026:

New/Amended/Revised Standards and Interpretations	Effective Date Issued by IASB
Amendments to IFRS 9 and IFRS 7: "Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments to IFRS 9 and IFRS 7: "Contracts for Renewable Electricity"	January 1, 2026
IFRS 17: "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17: "Insurance Contracts"	January 1, 2023
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 Group has assessed that the aforementioned standards and interpretations will not have a material impact on the Group's consolidated financial position and performance; the relevant impact amounts will be disclosed upon completion of the assessment.

3. Impact of IFRS issued by the International Accounting Standards Board (IASB) but not yet endorsed by the FSC

The following table summarizes the new, amended, and revised IFRS standards and interpretations issued by the IASB but not yet included in the FSC's endorsement:

New/Amended/Revised Standards and Interpretations	Effective Date Issued 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 IASB
IFRS 18: "Presentation and Disclosure in Financial Statements"	January 1, 2027 (Note)
IFRS 19: "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027
Amendments to IAS 21: "Translation to a Highly Inflationary Currency"	January 1, 2027

Note: In a press release dated September 25, 2025, the FSC announced that public companies will adopt IFRS 18 "Presentation and Disclosure in Financial Statements" starting from the 2028 fiscal year. Furthermore, companies wishing to adopt IFRS 18 early may do so after the FSC has endorsed the standard.

Except for the items listed below, the Group has assessed that the aforementioned standards and interpretations will not have a material impact on the Group's consolidated financial position

and performance; relevant impact amounts will be disclosed upon completion of the assessment:

IFRS 18 "Presentation and Disclosure in Financial Statements" IFRS 18 replaces IAS 1 "Presentation of Financial Statements." It updates the structure of the statement of comprehensive income, introduces new disclosures for Management-defined Performance Measures (MPMs), and enhances the principles for aggregation and disaggregation applied in the primary financial statements and the notes.

IV. Summary of Significant 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. Statement of Compliance

The consolidated financial statements have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations (collectively, "IFRSs") endorsed and issued into effect by the Financial Supervisory Commission (FSC).

2. Basis of Preparation

(1.) Except for the following significant items, these consolidated financial statements have been prepared under the historical cost convention:

A. Financial assets at fair value through profit or loss (FVTPL).
B. Financial assets at fair value through other comprehensive income (FVOCI).

(2.) The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. For items involving a high degree of judgment or complexity, or items where assumptions and estimates are significant to the consolidated financial statements, please refer to Note 5.

3. Basis of Consolidation

(1). Principles for preparation of consolidated financial statements:

A. The Group includes all subsidiaries in the consolidated financial statements. Subsidiaries are entities (including structured entities) controlled by the Group. The Group controls an entity when it 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. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are de-consolidated from the date that control ceases.

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

C. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is also attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

D. Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions (i.e., transactions with owners in their capacity as owners). Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity.

(2). Subsidiaries included in the consolidated financial statements:

Investor	Subsidiary		Ownership%		
Name	Name	Nature of Business	Dec 31,2025	Dec 31,2024	Note
The Company	PTS International, Inc.	Investment holding	100%	100%	(1)
The Company	Gongwin Biopharm Co., Ltd.	Pharmaceutical R&D, drug testing, and biotech services	100%	100%	(2)
Gongwin Biopharm Co., Ltd.	Gongwin Pet Biopharm Co., Ltd.	Development of animal medicine and pet healthcare business	100%	100%	(3)
Gongwin Biopharm Co., Ltd.	Gongwin Medical Device Co.,Ltd	Wholesale and retail of medical devices	100%	100%	(4)
PTS International, Inc.	PTS Asia Limited	Investment holding	100%	100%	(5)
PTS Asia Limited	Beijing Vision Drugs Development Limited	Pharmaceutical R&D, technical consultation/services, and investment management	100%	100%	(6)
Beijing Vision Drugs Development Limited	Tianjin Chase Sun Jiandakang Pharmaceutical Technology Co.,Ltd	Pharmaceutical R&D, technical consultation/services, and drug sales	75.36%	74.4%	(7)

A. PTS International, Inc.: Established in Texas, USA, in April 2000, primarily as an investment holding company. It invested in PTS Asia Limited in November 2000. The Company acquired 100% of its shares on December 31, 2015, via a share exchange agreement.
B. Gongwin Biopharm Co., Ltd.: Directly invested by the Company and established in Taiwan in September 2014, primarily engaged in pharmaceutical R&D, drug testing, and biotechnology services.
C. Gongwin Pet Bio-Medical Co., Ltd.: Established in Taiwan in October 2021, primarily engaged in pet-related medical businesses and animal drug development.
D. Gongwin Medical Equipment Co., Ltd.: Established in Taiwan in August 2024, primarily engaged in the wholesale and retail of medical devices.
E. PTS Asia Limited: Established in Hong Kong in November 2000, primarily as an investment holding company.
F. Beijing Jian Da Kang New Drug Development Co., Ltd.: Registered in the PRC in January 2005, primarily engaged in pharmaceutical R&D, consulting, technical services, and investment management. It is a direct investment of PTS Asia Limited.
G. Tianjin Hongji Jian Da Kang Pharmaceutical Technology Co., Ltd. ("Tianjin Hongji"): Registered in the PRC in April 2012. Beijing Jian Da Kang originally held 75% through cash and technology contribution. Following various capital increases and share acquisitions (including a purchase from Nanshan Research Institute in Q1 2025), Beijing Jian Da Kang's ownership increased to 75.36%.

(3). Subsidiaries not included in the consolidated financial statements: None.
(4). Adjustments for subsidiaries with different accounting periods: None.
(5). Significant restrictions: None.
(6). Subsidiaries with non-controlling interests that are material to the Group: None.

4. Foreign Currency Translation

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 USD; however, these consolidated financial statements are presented in New Taiwan Dollars (NTD) as the reporting currency to comply with local regulatory requirements.

(1). Foreign currency transactions and balances:

A. Foreign currency transactions are translated into the functional currency using the spot exchange rates prevailing at the dates of the transactions or valuation. Exchange

differences resulting from the settlement of such transactions are recognized in profit or loss.

B. Monetary assets and liabilities denominated in foreign currencies are retranslated at the spot exchange rates prevailing at the balance sheet date. Exchange differences are recognized in profit or loss.
C. Non-monetary items measured at fair value are translated using the exchange rates at the date when the fair value was determined.
D. All exchange gains and losses are presented in the statement of comprehensive income within "Other gains and losses.

(2). Translation of foreign operations:

A. The operating results and financial position of all Group entities that have a functional currency different from the presentation currency are translated as follows:
    a. Assets and liabilities are translated at the closing rate at the date of that balance sheet;
    b. Income and expenses are translated at average exchange rates for the period; and
    c. All resulting exchange differences are recognized in other comprehensive income.
B. When the Group disposes of a part of its interest in a foreign operation that is a subsidiary, the Group reattributes the proportionate share of the cumulative exchange differences recognized in other comprehensive income (OCI) to the non-controlling interests (NCI) of that foreign operation. However, if the Group loses control over a foreign operation that is a subsidiary—even if it retains a partial interest in the former subsidiary—such a transaction is treated as a disposal of the Group's entire interest in the foreign operation.

5. Classification Criteria for Current and Non-Current Assets and Liabilities

(1). Assets that meet any of the following criteria are classified as current assets:

A. The asset is expected to be realized, or is intended to be sold or consumed, within the normal operating cycle.
B. The asset is held primarily for the purpose of trading.
C. The asset is expected to be realized within twelve months after the reporting period.
D. The asset is cash or a cash equivalent, unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Group classifies all assets that do not meet the above criteria as non-current.

(2). Liabilities that meet any of the following criteria are classified as current liabilities:

A. The liability is expected to be settled within the normal operating cycle.
B. The liability is held primarily for the purpose of trading.
C. The liability is due to be settled within twelve months after the reporting period.
D. The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

The Group classifies all liabilities that do not meet the above criteria as non-current.

6. Cash Equivalents

Cash equivalents are 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 aforementioned definition and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

7. Financial Assets at Fair Value Through Profit or Loss (FVTPL)

(1). These are financial assets that are not measured at amortized cost or at fair value through other comprehensive income.

(2). For regular way purchases or sales of financial assets at fair value through profit or loss, the Group applies trade date accounting.

(3). At initial recognition, the Group measures these financial assets at fair value. Relevant transaction costs are recognized in profit or loss. Subsequently, they are measured at fair value, and any gain or loss is recognized in profit or loss.

(4). The Group recognizes dividend income in profit or loss when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

8. Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI)

(1). This category refers to an irrevocable election made at initial recognition to present subsequent changes in the fair value of an investment in an equity instrument that is not held for trading in other comprehensive income; or debt instrument investments that meet both of the following conditions:

A. The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
B. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(2). For regular way purchases or sales of financial assets at fair value through other comprehensive income, the Group applies trade date accounting.

(3). At initial recognition, the Group measures these financial assets at their fair value plus transaction costs. Subsequently, they are measured at fair value:

A. Changes in fair value are recognized in other comprehensive income. Upon derecognition, the cumulative gain or loss previously recognized in other comprehensive income is not subsequently reclassified to profit or loss but is instead transferred to retained earnings. Dividend income is recognized in profit or loss when the right to receive payment is established, economic benefits are probable, and the amount can be measured reliably.

B. Changes in fair value are recognized in other comprehensive income. However, impairment losses, interest income, and foreign exchange gains or losses identified before derecognition are recognized in profit or loss. Upon derecognition, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss.

9. Financial Assets at Amortized Cost

(1). This category refers to financial assets that meet both of the following conditions:

A. The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows.

B. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(2). For regular way purchases or sales of financial assets at amortized cost, the Group applies trade date accounting.

(3). At initial recognition, the Group measures these financial assets at their fair value plus transaction costs. Subsequently, interest income is recognized over the period of circulation using the effective interest method through an amortization process, and impairment losses are recognized. Upon derecognition, any gain or loss is recognized in profit or loss.

(4). Time deposits held by the Group that do not qualify as cash equivalents are measured at the investment amount, as their holding periods are short and the impact of discounting is immaterial.

10. Accounts and Notes Receivable

(1). These refer to accounts and notes for which the Group has an unconditional right to receive the amount of consideration in exchange for goods or services transferred per contract terms.

(2). For short-term accounts and notes receivable that do not bear interest, the Group measures them at the original invoice amount, as the impact of discounting is immaterial.

11. Impairment of Financial Assets

At each balance sheet date, for debt instrument investments measured at fair value through other comprehensive income and financial assets measured at amortized cost, the Group considers all reasonable and supportable information (including forward-looking information). For those whose credit risk has not increased significantly since initial recognition, the loss allowance is measured at an amount equal to 12-month expected credit losses. For those whose credit risk has increased significantly since initial recognition, the loss allowance is measured at an amount equal to lifetime expected credit losses. For accounts receivable or contract assets that do not contain a significant financing component, the loss allowance is measured at an amount equal to lifetime expected credit losses.

12. Derecognition of Financial Assets

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

13. Inventories

Inventories are measured at the lower of cost and net realizable value. Cost is determined using the weighted-average method. The cost of finished goods and work in progress comprises raw materials, supplies, direct labor, other direct costs, and production-related manufacturing overheads, excluding borrowing costs. The item-by-item approach is used in the application of the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

14. Property, Plant, and Equipment (PP&E)

(1). Property, plant, and equipment are initially recorded at acquisition cost.

(2). 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. The carrying amount of any replaced part is derecognized. All other repairs and maintenance are recognized in profit or loss as incurred.

(3). Subsequent measurement of property, plant, and equipment adopts the cost model. With the exception of land, which is not depreciated, other assets are depreciated using the straight-line method over their estimated useful lives. If the components of property, plant, and equipment are significant, they are depreciated separately.

(4). The Group reviews the residual values, useful lives, and depreciation methods of each asset at the end of each financial year. If the expectations for residual value

and useful life differ from previous estimates, or if there is a significant change in the expected pattern of consumption of the future economic benefits embodied in the asset, the changes are accounted for as a change in accounting estimate in accordance with IAS 8, "Accounting Policies, Changes in Accounting Estimates and Errors," effective from the date of the change. The useful lives of the assets are as follows:

Buildings and structures	5 to 40 years
Office equipment	2 to 8 years
Electronic equipment	2 to 10 years
Production equipment	8 to 16 years
Transportation equipment	5 years

15. Investment Property

Investment property is initially recognized at acquisition cost, and subsequent measurement adopts the cost model. With the exception of land, investment property is depreciated using the straight-line method over its estimated useful life, which is 26 years.

16. Leasing Transactions – Lessee: Right-of-Use Assets / Lease Liabilities

(1). Leased assets are recognized as right-of-use assets and lease liabilities on the date they become available for use by the Group. For lease contracts that qualify as short-term leases or leases of low-value underlying assets, lease payments are recognized as an expense over the lease term using the straight-line method.

(2). Lease liabilities are recognized at the lease commencement date at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate. Lease payments include fixed payments less any lease incentives receivable. Subsequently, lease liabilities are measured at amortized cost using the interest method, with interest expense recognized over the lease term. When there is a change in the lease term or lease payments that is not caused by a contract modification, the lease liability is remeasured, and the amount of the remeasurement is adjusted against the right-of-use asset.

(3). Right-of-use assets are recognized at cost at the lease commencement date. The cost includes:

A. The initial measurement amount of the lease liability;
B. Any lease payments made at or before the commencement date; and
C. Any initial direct costs incurred. ◦

Subsequently, right-of-use assets are measured using the cost model. Depreciation

expense is recognized from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. When the lease liability is remeasured, the right-of-use asset is adjusted for any remeasurement of the lease liability.

17. Intangible Assets

Intangible assets primarily consist of computer software, which are amortized on a straight-line basis over an estimated useful life of 2 to 5 years. ◦

18. Impairment of Non-financial Assets

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. An impairment loss is recognized when the recoverable amount is lower than its carrying amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use.

When the circumstances that led to the recognition of an impairment loss in prior years no longer exist or have decreased, the impairment loss is reversed. However, the increased carrying amount of an asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined (net of depreciation or amortization) had no impairment loss been recognized for the asset in prior years.

19. Borrowings

Borrowings refer to short-term loans from banks. The Group measures borrowings initially at fair value, net of transaction costs. Subsequently, any difference between the proceeds (net of transaction costs) and the redemption value is recognized as interest expense in profit or loss over the period of the borrowings using the effective interest method.

20. Accounts and Notes Payable

(1). These refer to obligations incurred for the purchase of raw materials, goods, or services on credit, as well as notes payable arising from both operating and non-operating activities

(2). For short-term accounts and notes payable that do not bear interest, the Group measures them at the original invoice amount, as the impact of discounting is immaterial ◦

21. Derecognition of Financial Liabilities

The Group derecognizes a financial liability when the obligation specified in the contract is discharged, cancelled, or expires.

22. Employee Benefits

(1). Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the service rendered and are recognized as an expense when the relevant service is provided.

(2). Pensions

Defined contribution plans

For defined contribution plans, the amount of the pension fund to be contributed is recognized as pension cost for the current period on an accrual basis. Prepaid contributions are recognized as an asset to the extent that the prepayment will lead to a cash refund or a reduction in future payments.

(3). Employee compensation and directors' and supervisors' remuneration

Employee compensation and directors' and supervisors' remuneration are recognized as expenses and liabilities when the Group has a legal or constructive obligation and the amount can be reasonably estimated. Any subsequent difference between the actual amount distributed as resolved and the estimated amount is treated as a change in accounting estimate.

23. Employee Share-based Payments

(1). For 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. This value is recognized as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of the equity instruments shall reflect the impact of market vesting conditions and non-vesting conditions. The compensation cost recognized is adjusted based on the number of awards expected to meet service conditions and non-market vesting conditions, until the final amount recognized is based on the actual number of awards vested on the vesting date.

(2). For the aforementioned share-based payment arrangements, the grant date is defined as the date on which both the subscription price and the number of shares are determined.

24. Income Tax

(1). Income tax expense comprises current and deferred tax. Except for income tax related to items recognized in other comprehensive income or directly in equity, which are recognized in other comprehensive income or directly in equity

respectively, income tax is recognized in profit or loss.

(2). The Group calculates current income tax based on the tax rates enacted or substantively enacted at the balance sheet date in the countries where the Group operates and generates taxable income. Management periodically evaluates the status of income tax filings with respect to applicable tax regulations and, where appropriate, estimates income tax liabilities based on the amounts expected to be paid to the tax authorities. The income tax on undistributed earnings, levied in accordance with the Income Tax Act, is recognized as an expense for the year following the year in which the earnings are generated, after the earnings distribution proposal is approved by the shareholders' meeting.

(3). 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. Deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred tax is also not recognized if it arises from the initial recognition of an asset or liability in a transaction (other than a business combination) that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss) and does not give rise to equal taxable and deductible temporary differences. For temporary differences arising from investments in subsidiaries, deferred tax is not recognized if the Group is able to control the timing of the reversal of the temporary difference 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 substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

(4). 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 utilized. At each balance sheet date, the Group reassesses unrecognized and recognized deferred tax assets.

25. Share Capital

(1). 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.

(2). Where the Company repurchases the Company’s equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the

Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is recognized as an adjustment to equity. ◦

26. Revenue Recognition

The Group identifies performance obligations in contracts with customers, allocates the transaction price to each performance obligation, and recognizes revenue when each performance obligation is satisfied.

1. Sales of Goods

Sales revenue is derived from the sale of raw materials and finished pharmaceutical products. Revenue and accounts receivable are recognized when the products are delivered to the location designated by the customer, as the customer has at that point obtained the right to set prices and use the goods, bears the primary responsibility for resale, and assumes the risks of obsolescence.

2. Licensing Agreement Revenue

Upfront payments and research and development milestone payments received in accordance with contracts are recognized as contract liabilities upon receipt. These are subsequently recognized as revenue when products are supplied to the customer in the future or when the pharmaceutical distribution rights expire.

27. Government Grants

Government grants are recognized at fair value when there is reasonable assurance that the entity will comply with the conditions attached to the grants and that the grants will be received. If a government grant is intended to compensate the Group for expenses incurred, the grant is recognized in profit or loss on a systematic basis over the periods in which the related costs are incurred. Government grants related to property, plant, and equipment are recognized as non-current liabilities and are credited to profit or loss on a straight-line basis over the estimated useful lives of the related assets.

28. Operating Segments

Information on the Group's operating segments is reported in a manner consistent with the internal management reports provided to the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources to and assessing the performance of the operating segments. The Board of Directors has been identified as the chief operating decision-maker of the Group.

V. Critical Accounting Judgments, Estimates, and Key Sources of Estimation Uncertainty

In the preparation of these consolidated financial statements, management has exercised its judgment to determine the accounting policies to be adopted and has made accounting estimates and assumptions based on reasonable expectations of future events given the circumstances at the balance sheet date. The resulting significant accounting estimates and assumptions may differ from the actual results. These estimates and assumptions are continually evaluated and adjusted based on historical experience and other factors. There is a risk that these estimates and assumptions could lead to material adjustments to the carrying amounts of assets and liabilities within the next financial year. The descriptions of critical accounting judgments, estimates, and estimation uncertainty are as follows:

1. Critical Judgments in Applying Accounting Policies

Revenue Recognition

The Group identifies and determines the performance obligations of each contract based on the terms of the customer contracts and assesses whether the performance obligations are satisfied over time or at a point in time.

Upon assessment, under the Group's sales licensing agreements, the customer does not benefit from the Group’s ongoing research and development activities as they occur. Instead, the customer consumes the benefits provided by the Group’s performance only when the Group actually supplies the goods. Therefore, the Group has determined that the customer acquires a significant right, and the licensing agreement revenue should be recognized in the future as the customer exercises that right.

2. Critical Accounting Estimates and Assumptions

Impairment Assessment of Tangible and Intangible Assets (Excluding Goodwill)

In the process of assessing asset impairment, the Group relies on subjective judgment to determine the independent cash flows of specific asset groups, the useful lives of assets, and potential future income and expenses based on asset usage patterns and industry characteristics. Any changes in estimates resulting from shifts in economic conditions or Group strategies may lead to significant impairment losses in the future.

VI. Explanatory Notes on Significant Accounting Items

1. Cash and Cash Equivalents

	Dec 31,2025	Dec 31, 2024
Cash on hand and petty cash	$ 426	$ 441
Demand deposits	462,065	630,347
Time deposits	506,411	262,680
Total	$ 968,902	$ 893,468

(1). The financial institutions with which the Group transacts have high credit quality. Furthermore, the Group deals with multiple financial institutions to diversify credit risk; therefore, the probability of default is expected to be very low.

(2). None of the Group's cash and cash equivalents were pledged as collateral.

2. Financial Assets at Fair Value Through Profit or Loss (FVTPL)

Item	December 31, 2025	December 31, 2024
Current items：		
Mandatorily measured at FVTPL		
Foreign open-ended funds	$ 434,154	$ 456,620
Valuation adjustments	28,880	10,165
Total	$ 463,034	$ 466,785

(1). The breakdown of amounts recognized in profit or loss in relation to financial assets at FVTPL is as follows:

	Year 2025	Year 2024
Mandatorily measured at FVTPL		
Foreign open-ended funds	$ 19,207	$ 11,105

(2). None of the Group's financial assets at FVTPL were pledged as collateral.

(3). For information regarding the credit risk of financial assets at FVTPL, please refer to Note 12(2).

3. Financial Assets at Amortized Cost

Item	December 31, 2025	December 31, 2024
Current items：		
Time deposits with original maturities of over 3 months	$ 391,695	$ 1,029,587
Interest rate range	1.05%~3.80%	1.40%~5.20%

(1). The breakdown of amounts recognized in profit or loss in relation to financial assets at amortized cost is as follows:

	Year 2025	Year 2024
Interest income	$ 26,385	$ 39,999

(2). Without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk that best represents the Group's financial assets at amortized cost as of December 31, 2025 and 2024 was $391,695 and $1,029,587, respectively.

(3). For information regarding certain financial assets at amortized cost pledged as collateral, please refer to Note 8.

(4). For information regarding the credit risk of financial assets at amortized cost, please refer to Note 12(2). The Group transacts with financial institutions with high credit quality for its investments in certificates of deposit; therefore, the probability of default is expected to be very low.

4. Notes and Accounts Receivable

	December 31, 2025	December 31, 2024
Notes receivable	$ 5,250	$ -
Accounts receivable	$ 15,534	$ 20,120
Less: allowance for uncollectible account	(4,256)	(5,948)
	$ 11,278	$ 14,172

(1). None of the Group's accounts and notes receivable were pledged as collateral.

(2). The aging analysis of accounts and notes receivable is as follows:

	December 31,2025		December 31, 2024	
	Accounts Receivable	Notes Receivable	Accounts Receivable	Notes Receivable
Not past due	$ 10,139	$ 5,250	$ 9,557	$ -
Up to 30 days past due	1,208	-	1,647	-
31-90 days past due	1,799	-	2,234	-
91-180 days past due	439	-	5,592	-
181-365 days past due	1,068	-	1,090	-
Over 365 days past due	881	-	-	-
	$ 15,534	$ 5,250	$ 20,120	$ -

The aging analysis above is based on the number of days past due.

(3). The balances of accounts and notes receivable as of December 31, 2025, and December 31, 2024, were generated from contracts with customers. Additionally,

there were no balances of accounts or notes receivable from contracts with customers as of January 1, 2024.

(4). Without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk that best represents the Group's notes receivable as of December 31, 2025 and 2024 was $5,250 and $0, respectively; the maximum exposure to credit risk that best represents the Group's accounts receivable as of December 31, 2025 and 2024 was $11,278 and $14,172, respectively.

(5). For information regarding the credit risk of accounts and notes receivable, please refer to Note 12(2).

5. Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI)

Item	December 31, 2025	December 31, 2024
Non-current items：		
Equity instruments		
Foreign unlisted stocks	$ 5,616	$ 5,616
Valuation adjustments	(2,342)	(2,267)
Subtotal	3,274	3,349
Debt instruments		
Corporate bonds	504,842	526,572
Valuation adjustments	(20,873)	(32,115)
Subtotal	483,969	494,457
Total	$ 487,243	$ 497,806

(1). The breakdown of amounts recognized in profit or loss and other comprehensive income in relation to financial assets at FVOCI is as follows:

	Year 2025	Year 2024
Equity instruments at fair value through other comprehensive income		
Fair value changes recognized in other comprehensive income	($ 75)	$ 58
Debt instruments at fair value through other comprehensive income		
Fair value changes recognized in other comprehensive income	$ 11,241	($ 33,577)
Interest income recognized in profit or loss	$ 22,572	$ 14,941

(2). The Group has elected to classify equity investments held for strategic purposes as

financial assets at FVOCI. The fair value of these investments as of December 31, 2025 and 2024 was $3,274 and $3,349, respectively. In addition, debt instruments held by the Group are classified as financial assets at FVOCI as they meet the criteria set forth in Note 4(8). The fair value of these debt instrument investments as of December 31, 2025 and 2024 was $483,869 and $494,457, respectively.

(3). None of the Group's financial assets at fair value through other comprehensive income (FVOCI) were pledged as collateral.

(4). For information regarding the credit risk of financial assets at FVOCI, please refer to Note 12(2).

6. Inventories

	December 31, 2025		
	Cost	Allowance for Obsolescence	Book value
Finished goods	$ 7,823	(7,228)	$ 595
Raw materials	325	(92)	233
Supplies	64	(4)	60
Total	$ 8,212	($ 7,324)	$ 888

	December 31, 2024		
	Cost	Allowance for Obsolescence	Book value
Finished goods	$ 16,904	($ 15,217)	$ 1,687
Work in progess	352	-	352
Raw materials	1,453	-	1,453
Supplies	94	-	94
Total	$ 18,803	($ 15,217)	$ 3,586

(1). None of the inventories listed above were pledged as collateral or security.

(2). The cost of inventories recognized as an expense for the current period is as follows：

	Year 2025	Year 2024
Cost of inventories sold	$ 1,019	$ 530
Unallocated fixed manufacturing overhead	7,566	7,709
Inventory write-downs and obsolescence losses	1,657	15,121
Other inventory costs	116	-
Total Cost of Revenue	$ 10,358	$ 23,360

7. Property, Plant, and Equipment(PP&E)

	Year 2025							
	Land	Buildings	Office Equipment	Electronic Equipment	Production Equipment	Transportation Equipment	Equipment Under Inspection	Total
Jan 1, 2025								
Cost	$ 228,646	$ 75,289	$ 1,440	$ 23,506	$ 33,009	$ 4,708	$ 11,295	$ 377,893
Accumulated Depreciation	-	(16,384)	(1,174)	(16,603)	(27,177)	(899)	-	(62,237)
	$ 228,646	$ 58,905	$ 266	$ 6,903	$ 5,832	$ 3,809	$ 11,295	$ 315,656
Jan 1, 2025	$ 228,646	$ 58,905	$ 266	$ 6,903	$ 5,832	$ 3,809	$ 11,295	$ 315,656
Additions	-	895	33	766	94	-	76	1,864
Disposals	-	-	(5)	-	(72)	-	-	(77)
Transfers	-	-	-	-	383	-	(383)	-
Depreciation	-	(2,669)	(78)	(2,212)	(2,155)	(825)	-	(7,939)
Net exchange Difference	-	7	(3)	1	(70)	(149)	(2)	(216)
Dec 31, 2025	$ 228,646	$ 57,138	$ 213	$ 5,458	$ 4,012	$ 2,835	$ 10,986	$ 309,288
Dec 31, 2025								
Cost	$ 228,646	$ 76,224	$ 1,402	$ 24,273	$ 32,385	$ 4,559	$ 10,986	$ 378,475
Accumulated Depreciation	-	(19,086)	(1,189)	(18,815)	(28,373)	(1,724)	-	(69,187)
	$ 228,646	$ 57,138	$ 213	$ 5,458	$ 4,012	$ 2,835	$ 10,986	$ 309,288

	Year 2024								
	Land	Buildings	Office Equipment	Electronic Equipment	Production Equipment	Transportation Equipment	Leasehold Improvements	Equipment Under Inspection	Total
Jan 1, 2024									
Cost	$ 49,693	$ 52,945	$ 1,376	$ 23,333	$ 31,381	$ 1,099	$ 3,753	$ 6,239	$ 169,819
Accumulated Depreciation	-	(10,172)	(1,143)	(14,130)	(23,839)	(595)	(3,753)	-	(53,632)
	$ 49,693	$ 42,773	$ 233	$ 9,203	$ 7,542	$ 504	$ -	$ 6,239	$ 116,187
Jan 1, 2024	$ 49,693	$ 42,773	$ 233	$ 9,203	$ 7,542	$ 504	$ -	$ 6,239	$ 116,187
Addition	178,953	17,576	94	173	427	3,609	-	5,056	205,888
Disposal	-	-	(3)	-	-	-	-	-	(3)
Depreciation	-	(2,251)	(68)	(2,472)	(2,410)	(301)	-	-	(7,502)
Net exchange diff.	-	807	10	(1)	273	(3)	-	-	1,086
Dec 31, 2024	$ 228,646	$ 58,905	$ 266	$ 6,903	$ 5,832	$ 3,809	$ -	$ 11,295	$ 315,656
Dec 31, 2024									
Cost	$ 228,646	$ 75,289	$ 1,440	$ 23,506	$ 33,009	$ 4,708	$ -	$ 11,295	$ 377,893
Accumulated depreciation	-	(16,384)	(1,174)	(16,603)	(27,177)	(899)	-	-	(62,237)
	$ 228,646	$ 58,905	$ 266	$ 6,903	$ 5,832	$ 3,809	$ -	$ 11,295	$ 315,656

For information regarding property, plan, and equipment pledged as collateral, please refer to Note 8.

8. Leasing Arrangements -Lessee

(1). The underlying assets leased by the Group are buildings and structures and photocopiers, with lease terms ranging from 1 to 5 years. Lease contracts are individually negotiated and contain a wide range of different terms and conditions. No restrictions are imposed other than the leased assets may not be used as security for borrowing purposes.

(2). The Group's leases for certain photocopiers qualify as leases of low-value underlying assets.

(3). Information regarding the carrying amount and recognized depreciation expense of right-of-use assets is as follows:

	Net book value	
	Dec 31, 2025	Dec 31, 2024
Buildings	$ 11,563	$ 15,207
Office equipment(photocopier)	-	28
	$ 11,563	$ 15,235

	Year 2025	Year 2024
Buildings	$ 2,992	$ 3,361
Office equipment(photocopier)	28	33
	$ 3,020	$ 3,394

(4). The Group's additions to right-of-use assets for the years 2025 and 2024 were $0 and $15,947, respectively.

(5). Information regarding profit or loss items related to lease contracts is as follows:

	Year 2025	Year 2024
Items affecting profit or loss		
Interest expense on lease liabilities	$ 321	$ 164
Expenses relating to short-term leases	1,948	2,241
Expenses relating to leases of low-value assets	43	43

(6). The Group's total cash outflow for leases for the years 2025 and 2024 was $5,369 and $5,140, respectively.

9. Investment Property

	Land	Buildings	Total
Jan 1, 2025			
Cost	$ 105,303	$ 16,135	$ 121,438
Accumulated Depreciation & Impairment	-	(2,121)	(2,121)
	$ 105,303	$ 14,014	$ 119,317
Year 2025			
Jan 1, 2025	$ 105,303	$ 14,014	$ 119,317
Depreciation expense	-	(620)	(620)
Dec 31,2025	$ 105,303	$ 13,394	$ 118,697
Dec 31, 2025			
Cost	$ 105,303	$ 16,135	$ 121,438
Accumulated depreciation & impairment	-	(2,741)	(2,741)
	$ 105,303	$ 13,394	$ 118,697

	Land	Buildings	Total
Jan 1, 2024			
Cost	$ 105,303	$ 16,135	$ 121,438
Accumulated Depreciation & Impairment	-	(1,500)	(1,500)
	$ 105,303	$ 14,635	$ 119,938
Year 2024			
Jan 1, 2024	$ 105,303	$ 14,635	$ 119,938
Depreciation expense	-	(621)	(621)
Dec 31, 2024	$ 105,303	$ 14,014	$ 119,317
Dec 31, 2024			
Cost	$ 105,303	$ 16,135	$ 121,438
Accumulated depreciation & impairment	-	(2,121)	(2,121)
	$ 105,303	$ 14,014	$ 119,317

(1). Rental income and direct operating expenses form investment property：

	Year 2025	Year 2024
Rental income from investment property	$ 2,627	$ 2,552
Direct operating expenses from investment property genrating rental income	$ 620	$ 621
Direct operating expenses from investement property not generating rental income	$ -	$ -

(2). The fair value of the investment property held by the Group as of December 31, 2025 and 2024 was $138,586 and $140,488, respectively. These values were derived using transaction prices of similar properties in the vicinity and are classified as Level 3 fair value.

10. Short-term borrowings

Bank borrowings	December 31, 2025	December 31, 2024
Bank loans		
Secured borrowings	$ 117,366	$ 110,629
Interest rate range	4.25%	1.90%~4.50%

Note：For information regarding collateral and pledges for short-term borrowings, please refer to Note 8。

11. Other payables

	December 31, 2025	December 31, 2024
Accrued research and development expenses	$ 20,502	$ 11,917
Accrued salaries and bonuses	9,462	8,250
Accrued professional service fees	7,041	7,374
Payables for purchase of treasury shares	-	19,767
Accrued marketing and promotion expenses	164	294
Others	5,496	3,564
	$ 42,665	$ 51,166

12. Pensions

(1). The Company's domestic subsidiaries have established a defined contribution pension plan in accordance with the "Labor Pension Act," applicable to employees with R.O.C. nationality. For employees who elect to participate in the labor pension system under the Act, the domestic subsidiaries contribute 6% of their monthly wages to individual pension accounts at the Bureau of Labor Insurance. Pension benefits are paid either as monthly installments or as a lump sum, based on the accumulated amounts in the individual's account and investment returns.

(2). The Group's subsidiaries in Mainland China participate in the pension insurance system prescribed by the government of the People's Republic of China. A certain percentage of the total monthly wages of local employees is contributed as pension insurance. The government is responsible for managing and distributing the pensions for each employee; the Group has no further obligations beyond these monthly contributions.

(3). For the years 2025 and 2024, the pension costs recognized by the Group under the aforementioned plans were $4,044 and $3,596, respectively.

13. Share-based payments

(1). For the years ended December 31,2025 and 2024, the Group's share-based payment arrangements were as follows：

Type of arrangement	Grant date	Share-based payment arrangement (1,000 shares)	Contract period	Vesting conditions
Employee stock options for capital increase	June 3, 2024	348	N/A	Vested immediately

(2). Details of the aforementioned share-based payment arrangements are as follows:

	Year 2024	
	Quantity (1000 shares)	Weighted average exercise price (TWD)
Balance at January 1	-	$ -
Options granted during the period	348	141.16
Options exercised during the period	(348)	141.16
Balance at December 31(outstanding)	-	-
Balance at December 31 (exercisable)	-	

Year 2025: Not applicable.

(3). For the years ended December 31, 2025 and 2024, the weighted-average share price at the date of exercise for the stock options exercised was $0 and $154.99, respectively.

(4). As of December 31, 2025 and 2024, there were no stock options outstanding.

(5). The Group used the Black-Scholes option-pricing model to estimate the fair value of stock options granted on the grant date. The relevant information is as follows:

Type of arrangement	Grant date	Stock price at grant date (TWD)	Exercise price (TWD)	Expected volatility	Expected life (years)	Expected dividend yield	Risk-free interest rate	Fair value per unit (TWD)
Employee stock options for capital increase	2024.06.03	168.04	141.16	36.04%	0 年	0%	1.22%	26.90

Note: Expected volatility is estimated based on the standard deviation of stock returns over a sample period equivalent to the expected life of the stock options, using the most recent historical stock prices.

(6). Liabilities arising from share-based payment transactions are as follows:

	Year 2025	Year 2024
Equity-settled share-based payments	$ -	$ 9,361

14. Share Capital

(1). As of December 31, 2025, the Company's authorized capital was $1,500,000, divided into 150,000 thousand shares, with a par value of $10 per share. The paid-in capital was $1,275,061. All proceeds from the shares issued by the Company have been fully received.

(2). The reconciliation of the Company's ordinary shares outstanding at the beginning and end of the period is as follows:

Unit: 1000 shares

	Year 2025	Year 2024
January 1	126,059	113,336
Cash capital increase	-	14,170
Buyback of treasury shares	(3,439)	(1,447)
December 31	122,620	126,059

(3). On April 8, 2024, the Company's Board of Directors resolved to issue 14,170 thousand ordinary shares through a cash capital increase. The issuance was declared effective by the Taipei Exchange (TPEx) on May 3, 2024. The total proceeds of $2,000,222 from the aforementioned capital increase were fully received on June 14, 2024, with the capital increase base date set as June 17, 2024. The registration procedures for this cash capital increase were completed by the end of July 2024. Additionally, the Capital Surplus – Share Premium arising from this issuance was originally $1,858,522. In accordance with IFRSs, underwriting fees of $11,000 related to the cash capital increase were recognized as a deduction from Capital Surplus – Share Premium, resulting in a net balance of $1,847,522.

(4). Treasury Shares

A. Reason for share repurchase and quantity:

		December 31, 2025	
Name of Entity	Reason for repurchase	Shares(1000s)	Carrying amount (TWD)
The company	To be transferred to employees	4,886	$ 532,981

		December 31, 2024	
Name of Entity	Reason for repurchase	Shares(1000s)	Carrying amount (TWD)
The company	To be transferred to employees	1,447	$ 166,609

B. In accordance with the Securities and Exchange Act, the number of shares repurchased shall not exceed 10% of the total number of issued shares of the Company. The total amount for the repurchase of shares shall not exceed the amount of retained earnings plus the share premium and realized capital surplus.

C. Treasury shares held by the Company shall not be pledged in accordance with the Securities and Exchange Act, nor shall they be entitled to shareholder rights prior to being transferred.

D. According to the Securities and Exchange Act, shares repurchased for the purpose of transfer to employees shall be transferred within five years from the date of repurchase. Shares not transferred within the prescribed period shall be deemed as unissued shares of the Company, and the Company shall perform amendment registration to cancel such shares.

15. Capital Surplus

In accordance with the Company Act, capital surplus derived from the excess of the issuance price over the par value of share capital and donations received may be used to offset accumulated deficits. If the Company has no accumulated deficits, such surplus may be distributed as new shares or cash in proportion to the shareholders' existing holdings. Furthermore, pursuant to the Securities and Exchange Act, when the aforementioned capital

surplus is capitalized, the total yearly amount capitalized shall not exceed 10% of the paid-in capital. The Company shall not use capital surplus to offset capital deficits unless the legal reserve is insufficient to cover such deficits.

16. Accumulated Deficits

(1). Earnings Distribution and Dividend Policy as prescribed in the Company's Articles of Incorporation:

A. As the Company is in its growth stage, its dividend policy is formulated based on requirements for capital expenditures, business expansion, and sound financial planning for sustainable development. Dividends will be distributed to shareholders in the form of cash dividends and/or stock dividends, taking into account the Company's future capital expenditure budgets and funding requirements.

B. Unless otherwise provided by the laws and regulations governing listed/OTC companies in the Republic of China (Taiwan), if the Company has earnings upon the final annual closing, the Board of Directors shall draft an earnings distribution proposal in the following manner and order, and submit it to the shareholders' meeting for resolution:

a. Provision for estimated taxes payable in accordance with the law;
b. Offsetting accumulated deficits from prior years (if any);
c. Setting aside 10% as a legal reserve in accordance with the laws governing listed/OTC companies, unless the legal reserve has reached the amount of the Company's paid-in capital;
d. Setting aside a special reserve in accordance with the laws governing listed/OTC companies or requirements of the competent authorities; and
e. The remaining balance of the current year's earnings after deducting items (a) through (d), plus the accumulated unappropriated earnings from previous periods, shall constitute the distributable earnings. The Board of Directors may propose a dividend distribution plan for these distributable earnings, to be resolved and approved by the annual general meeting of shareholders. Dividends may be distributed as cash and/or stock. Subject to the laws of the Cayman Islands, the minimum dividend amount shall be at least 20% of the current year's earnings after deducting items (a) through (d). The proportion of cash dividends shall not be less than 20% of the total dividends distributed to shareholders, up to a maximum of 100%.

(2). The Company held its Annual General Meetings on June 16, 2025, and June 21, 2024, during which the following proposals for the offsetting of deficits for the years 2024 and 2023 were resolved and approved:

	Year 2024	Year 2023
Accumulated Deficit	$ 1,528,755	$ 1,440,689

17. Operating Revenue

	Year 2025	Year 2024
Revenue from contracts with customers		
Sales Revenue	$ 36,446	$ 32,040

(1). The Group's sales revenue is derived from the sale of raw materials for topical skin application, experimental drugs for pets, cosmetics, and finished products of the new drug "Toluenesulfonamide Injection" to external customers. Revenue is recognized at a point in time.

(2). Contract Liabilities

The Group's contract liabilities related to revenue from contracts with customers are recognized as follows:

	Dec 31, 2025	Dec 31, 2024	Jan 1, 2024
Contract Liabilities - Non-current：			
Upfront and Milestone Payments from Licensing Agreements	$ 47,099	$ 40,521	$ 39,565

(3). In December 2016, the Group entered into a PTS drug licensing agreement with a partner. The primary terms included an upfront payment and milestone payments totaling USD 1,000 thousand upon signing and following the achievement of specified development milestones. Additionally, the Group may receive up to USD 1,000 thousand in further milestone payments based on the drug's development and marketing progress. Upon obtaining drug approval in the licensed territories, the Group will be responsible for production, while the partner will manage sales; the Group is further entitled to royalties calculated as a percentage of sales revenue. As of December 31, 2019, the Group had received an upfront payment of USD 450 thousand (approximately NTD 14,780 thousand), recorded under "Contract liabilities – non-current." As of December 31, 2025, no further milestone payments have been received.

(4). Gongwin Biopharm Co., Ltd. (hereinafter "Gongwin Taiwan"), a subsidiary of the Company, signed a development and sales licensing agreement for topical skin application raw materials with a partner in May 2019. Under the agreement, Gongwin Taiwan is entitled to receive milestone payments totaling $13,000. The partner is required to meet annual minimum purchase quantities of raw materials within a specified period and is granted the right to manufacture and sell products globally within the scope of the contract. Furthermore, the partner was required to

complete a 15% equity transfer to Gongwin Taiwan within 90 days of signing. As of December 31, 2025, Gongwin Taiwan had received an upfront payment of $1,950, a second-stage milestone payment of $3,250, and a third-stage milestone payment of $2,600 (recorded under "Contract liabilities – non-current"). The equity transfer was completed in the fourth quarter of 2019, and the 15% equity interest obtained is presented under "Financial assets at fair value through other comprehensive income – non-current.

(5). In November 2022, Gongwin Taiwan entered into a distribution and licensing agreement for animal medicine with a partner. The primary terms of the agreement include an upfront payment received upon signing, followed by milestone payments totaling USD 2,000 thousand to be collected according to the development schedule. Gongwin Taiwan agreed to subsidize the partner's actual equine (horse) clinical trial expenses up to a maximum of USD 200 thousand. Furthermore, if clinical trials are conducted for another species, Gongwin Taiwan agreed to provide an additional subsidy for actual expenses incurred, also up to a maximum of USD 200 thousand. Upon the drug obtaining regulatory approval (drug license) in the licensed territories, Gongwin Taiwan will sell the medicine to the partner, who will then be responsible for sales within those territories. The partner is committed to a minimum annual purchase volume of the animal medicine over a specified period. In December 2022, Gongwin Taiwan received the upfront payment of USD 400 thousand (recorded under "Contract liabilities – non-current"). As of December 31, 2025, no further milestone payments have been received.

(6). In November 2025, Gongwin Taiwan signed a development and sales licensing agreement with a partner for a product targeting central airway obstruction (CAO) in lung cancer. The primary terms allow Gongwin Taiwan to collect milestone payments totaling NTD 35,000 thousand. The partner agreed to bear 50% of Gongwin Taiwan’s bridging clinical trial expenses to facilitate obtaining the drug license for the product in Taiwan. Additionally, Gongwin Taiwan and the partner intend to establish a joint venture (the "New Company") with each party holding a 50% equity interest. The New Company will hold exclusive distribution rights for the product in Taiwan. As of December 31, 2025, the New Company had not yet been incorporated. Prior to December 31, 2025, Gongwin Taiwan had received the upfront payment in the form of a note receivable with a face value of NTD 5,250 thousand, maturing on May 31, 2026 (recorded under "Contract liabilities – non-current")

18. Interest Income

	Year 2025	Year 2024
Interest on bank deposits	$ 21,856	$ 9,672
Interest income from financial assets at amortized cost	26,385	39,999
Interest income from financial assets at fair value through other comprehensive income	22,572	14,941
Other interest income	-	7
	$ 70,813	$ 64,619

19. Other Income

	Year 2025	Year 2024
Government grant income(note)	$ 1,150	$ 1,226
Rental income	2,637	2,552
Other income	564	317
	$ 4,351	$ 4,095

Note: From 2012 to 2014, Tianjin Hongri Jiandakang Co., Ltd. received government grants totaling RMB 14,900 thousand from the Tianjin Municipal Government for technological innovation initiatives.
Per the agreement, these grants must be used to subsidize equipment procurement and related expenditures for approved projects; therefore, the funds were recorded as restricted assets upon receipt. When the dedicated funds are actually disbursed, Tianjin Hongri Jiandakang Co., Ltd. recognizes government grant income in installments based on the nature of the expenditures.
Accordingly, the Group recognized government grant income of $1,150 and $1,226 for the years 2025 and 2024, respectively. As of December 31, 2025 and 2024, the balances of related long-term deferred income were $3,307 and $4,493, respectively, which are recognized annually over the estimated useful lives of the subsidized equipment. All related grant funds were fully utilized by 2018.

20. Other gains and losses

	Year 2025	Year 2024
Foreign exchange losses, net	($ 1,458)	($ 4,692)
Gains on financial assets at fair value through profit or loss	19,207	11,105
Depreciation expense – investment property	(620)	(621)
Losses on disposal of property, plant and equipment	(77)	(3)
Others	(633)	-
	$ 16,419	$ 5,789

21. Finance costs

	Year 2025	Year 2024
Interest on bank borrowings	$ 4,832	$ 4,138
Interest on lease liabilities	321	164
others	7	-
	$ 5,160	$ 4,302

22. Expenses by nature

	Year 2025	Year 2024
Employee benefit expenses	$ 77,441	$ 80,738
Depreciation expenses (note)	$ 11,579	$ 11,517
Amortization expenses	$ 143	$ 69

Note: includes depreciation of right-of-use assets and investment properties.

	Year 2025	Year 2024
Salary expenses	$ 64,890	$ 60,309
Employee stock options	-	9,361
Insurance expenses	4,903	4,433
Post-employment benefits	4,044	3,596
Other personnel expenses	3,604	3,039
	$ 77,441	$ 80,738

(1). According to the Company's Articles of Incorporation, if there is a profit for the current year, the Company shall, after offsetting accumulated deficits, distribute no less than 5.8% as employee remuneration and no more than 3.2% as directors' remuneration.

(2). As the Company incurred accumulated deficits for the years 2025 and 2024, no employee or directors' remuneration was estimated or accrued.

Information regarding the remuneration approved by the Company's Board of Directors is available on the Market

23. Income Tax

(1). Income Tax Expense

Components of income tax expense:

	Year 2025	Year 2024
Current income tax：		
Current tax expense	$ 169	$ 58
Surtax on unappropriated earnings	7	-
Underestimated (overestimated) prior years' tax	(18)	73
Deferred Income tax：		
Origination and reversal of temporary differences	-	-
Total income tax expense	$ 158	$ 131

(2). The expiration dates of the Group's unused tax losses and the corresponding unrecognized deferred tax assets are as follows:

	December 31, 2025			
Entity Name	Year of origin	Unused amount	Unrecognized deferred tax assets	Expiry year
Beijing Vision Drugs Development Limited	2021	1,787	1,787	2026
〃	2022	-	-	2027
〃	2023	6,082	6,082	2028
〃	2024	7,653	7,653	2029
〃	2025	5,424	5,424	2030

	December 31, 2025			
Entity Name	Year of origin	Unused amount	Unrecognized deferred tax assets	Expiry year
Tianjin Chase Sun Jiandakang Pharmaceutical Technology Co.,Ltd	2021	12,282	12,282	2026
〃	2022	20,040	20,040	2027
〃	2023	17,093	17,093	2028
〃	2024	12,919	12,919	2029
〃	2025	28,719	28,719	2030
Gongwin Biopharm Co.,Ltd	2016	55,692	55,692	2026
〃	2017	70,541	70,541	2027
〃	2018	81,698	81,698	2028
〃	2019	77,875	77,875	2029
〃	2020	72,603	72,603	2030
〃	2021	78,940	78,940	2031
〃	2022	80,364	80,364	2032
〃	2023	76,557	76,557	2033
〃	2024	84,276	84,276	2034
〃	2025	140,262	140,262	2035
PTS International Inc.	2006	20,878	20,878	2026
〃	2007	17,844	17,844	2027
〃	2008	13,236	13,236	2028
〃	2009	12,675	12,675	2029
〃	2010	7,963	7,963	2030
〃	2011	153	153	2031
〃	2012	31,957	31,957	2032
〃	2013	6,379	6,379	2033
〃	2014	10,922	10,922	2034
〃	2015	2,589	2,589	2035
〃	2016	1,351	1,351	2036
〃	2018	871	871	No expiry
〃	2019	880	880	No expiry
〃	2020	395	395	No expiry
〃	2021	294	294	No expiry
〃	2022	344	344	No expiry
〃	2023	336	336	No expiry
〃	2024	337	337	No expiry
〃	2025	2,115	2,115	No expiry
		$ 1,062,326	$ 1,062,326	

	December 31, 2024			
Entity Name	Year of origin	Unused amount	Unrecognized deferred tax assets	Expiry year
Beijing Vision Drugs Development Limited	2020	$ 2,060	$ 2,060	2025
〃	2021	1,784	1,784	2026
〃	2022	-	-	2027
〃	2023	6,073	6,073	2028
〃	2024	6,791	6,791	2029
Tianjin Chase Sun Jiandakang Pharmaceutical Technology Co.,Ltd	2020	$ 19,577	$ 19,577	2025
〃	2021	13,484	13,484	2026
〃	2022	22,001	22,001	2027
〃	2023	18,765	18,765	2028
〃	2024	14,184	14,184	2029
Gongwin Biopharm Co.,Ltd	2015	$ 18,214	$ 18,214	2025
〃	2016	55,692	55,692	2026
〃	2017	70,541	70,541	2027
〃	2018	81,698	81,698	2028
〃	2019	77,875	77,875	2029
〃	2020	72,603	72,603	2030
〃	2021	78,940	78,940	2031
〃	2022	80,364	80,364	2032
〃	2023	75,260	75,260	2033
〃	2024	94,231	94,231	2034

December 31, 2024

Entity Name	Year of origin	Unused amount	Unrecognized deferred tax assets	Expiry year
PTS International Inc.				
	2005	$ 41,224	$ 41,224	2025
〃	2006	23,357	23,357	2026
〃	2007	19,963	19,963	2027
〃	2008	14,808	14,808	2028
〃	2009	14,180	14,180	2029
〃	2010	8,908	8,908	2030
〃	2011	172	172	2031
〃	2012	35,751	35,751	2032
〃	2013	7,136	7,136	2033
〃	2014	12,218	12,218	2034
〃	2015	2,896	2,896	2035
〃	2016	1,512	1,512	2036
〃	2018	975	975	No expiry
〃	2019	984	984	No expiry
〃	2020	442	442	No expiry
〃	2021	328	328	No expiry
〃	2022	385	385	No expiry
〃	2023	375	375	No expiry
〃	2024	378	378	No expiry
		$ 1,049,501	$ 1,049,501	

(3). The income tax returns of the subsidiary, Gongwin Biopharm Pettech Co., Ltd., have been assessed and approved by the tax authorities through the year 2023. The income tax returns of the subsidiary, Gongwin Biopharm Co., Ltd., have been assessed and approved by the tax authorities through the year 2022.

(4). The amounts of deductible temporary differences for which no deferred tax assets have been recognized in the consolidated balance sheets are as follows:

	Dec 31, 2025	Dec 31, 2024
Deductible Temporary Differences	$ 8,837	$ 5,291

24. Loss per share

	Year 2025		
	After-tax amount	Weighted average Number of shares outstanding (thousands of share)	Loss per share (TWD)
Basic loss per share			
Net loss attributable to owners of the parent	($ 114,126)	123,430	($ 0.92)

	Year 2024		
	After-tax amount	Weighted average Number of shares outstanding (thousands of share)	Loss per share (TWD)
Basic loss per share			
Net loss attributable to owners of the parent	($ 82,548)	120,790	($ 0.68)

25. Transactions with Non-controlling interests

The impact of the Group's acquisition of equity from minority shareholders on the Group's ownership interest is as follows:

In February 2025, the Group's subsidiary, Beijing Jiandakang, purchased equity in Tianjin Hongjian from Nanshan Research Institute for RMB 625 thousand (equivalent to NTD 2,805 thousand). As a result of this acquisition, the Group's ownership interest increased by 0.96%. This transaction resulted in an increase in non-controlling interests of $256 and a decrease in equity attributable to owners of the parent of $3,101.

The impact of changes in the equity of Tianjin Hongjian on the equity attributable to owners of the parent for the years 2025 and 2024 is as follows:

	Year 2025	Year 2024
Beijing VD's capital increase and subscription amount	($ 2,805)	($ 7,093)
Amount of controlling interest in Tianjin Chase Sun acquired	(256)	(102)
Exchange differences on translation of financial statements of foreign operating entities	(40)	336
Decrease in equity attributable to the parent company's owners	($ 3,101)	($ 6,859)
Capital reserve – change in ownership interest in subsidiaries recognized	$ -	($ 1,341)
Increase in losses to be made up by the parent company	(3,101)	(5,518)
Total	($ 3,101)	($ 6,859)

26. Supplemental Information on Cash Flows

Financing activities with partial cash payments:

	Year 2025	Year 2024
Treasury stock repurchases	$ 366,371	$ 166,609
Add: Payable for treasury shares, beginning of period	19,767	-
Less: Payable for treasury shares, end of period	-	(19,767)
Effect of exchange rate changes	17	-
Cash paid during the period	$ 386,155	$ 146,842

27. Changes in Liabilities from Financing Activities

	Short-term borrowings	Lease liabilities	Total Liabilities from Financing
January 1, 2025	$ 110,629	$ 16,119	$ 126,748
Changes in financing cash flows	6,003	(3,057)	2,946
Net exchange differences	734	(688)	46
December 31, 2025	$ 117,366	$ 12,374	$ 129,740

	Short-term borrowings	Lease liabilities	Total Liabilities from Financing
January 1, 2024	$ 75,023	$ 2,147	$ 77,170
Changes in financing cash flows	32,591	(2,692)	29,899
Other non-cash changes:			
Increase in lease liabilities	-	15,947	15,947
Net exchange differences	3,015	717	3,732
December 31, 2024	$ 110,629	$ 16,119	$ 126,748

VII. Related Party Transactions

1. Parent and Ultimate Controlling Party

The Company's shares are widely held by the public; therefore, there is no ultimate parent company or ultimate controlling party.

2. Names and Relationships of Related Parties

Related party name	Relationship with the group
Tianjin Chasesun Pharmaceutical Co.,Ltd (hereinafter referred to as Chasesun pharmaceutical)	shareholder holding a 12.5% equity interest in Tianjin Chasesun
Guangdong Nanshan Institute of medical innovation (hereinafter referred to as Nanshan Institute)	shareholder holding a 1.54% equity interest in Tianjin Chasesun
Tianjin Chasesun Kangrentang Pharmaceutical Sales Co., Ltd (hereinafter referred to as Chasesun Kangrentang)	A 100%-owned subsidiary of Chasesun Pharmaceutical.

3. Significant Transactions with Related Parties

1. Cost of goods sold- purchases

	Year 2025	Year 2024
Chasesun pharmaceutical	$ -	$ 447

Purchases from the aforementioned related parties consist of raw materials for the production of new drugs. As there are no comparable transactions for raw materials of similar new drugs, the transaction prices and payment terms are based on mutual agreements between the parties.

2. Cost of goods sold – processing fees

	Year 2025	Year 2024
Chasesun pharmaceutical	$ -	$ 5,517

Subcontracting expenses paid to the aforementioned related parties are for the outsourced production of new drugs. As there are no comparable subcontracting prices for similar new drugs, the transaction prices and payment terms are based on mutual agreements between the parties.

3. Operating expenses – selling and marketing expenses

	Year 2025	Year 2024
Chasesun pharmaceutical	$ 659	$ 151
Chasesun Kangrentang	703	679
	$ 1,362	$ 830

These represent fees paid to Chase Sun Pharmaceutical for the collection of adverse drug reaction (ADR) information following the sale of new drugs, as well as outsourced promotion service fees paid to Hong Kang.

4. Prepayments

	Dec 31, 2025	Dec 31, 2024
Chasesun Pharmaceutical	$ 2,111	$ -

Prepayments to the aforementioned related parties are for the procurement of raw materials for new drugs. As there are no comparable transaction prices for raw materials of similar new drugs, the transaction prices and terms are based on mutual agreements.

5. Other payables

	Dec 31, 2025	Dec 31, 2024
Chasesun Kangrentang	$ 1,232	$ 972

These balances primarily consist of unpaid outsourced promotion service fees and other related expenses due to Hong Kang.

6. Acquisition of Non-controlling Interests from Related Parties

In February 2025, the Group's subsidiary, Beijing Jiandakang, repurchased the outstanding paid-in capital of Tianjin Hongjian totaling RMB 625 thousand from Nanshan Research Institute for RMB 625 thousand (equivalent to NTD 2,805 thousand).

4. Key Management Personnel Compensation

	Year 2025	Year 2024
Salaries and short-term employee benefits	$ 24,344	$ 24,005
Share-based payments	-	4,358
Total	$ 24,344	$ 28,363

VIII. Pledged Assets

The details of the Group's assets provided as collateral are as follows:

	Book value		
Asset items	Dec 31, 2025	Dec 31, 2024	Purpose of collateral
Land, property, and buildings	$ -	$ 196,147	Collateral for short-term financing facilities
Time Deposits (Classified as financial assets at amortized cost – current)	157,400	180,593	〃
	$ 157,400	$ 376,740	

IX. Significant Contingent Liabilities and Unrecognized Contractual Commitments

1. Contingencies

None.

2. Commitments

In addition to the commitments described in Note 7(4), the Group's other commitments are as follows:

(1). As of December 31, 2025 and 2024, the contracted but not yet incurred capital expenditures for property, plant, and equipment amounted to $876 and $1,317, respectively.

(2). As of December 31, 2025 and 2024, the contracted but not yet incurred expenditures for outsourced research and pilot production amounted to $130,152 and $121,607, respectively.

(3). The Company's subsidiary, Gongwin Biopharm Co., Ltd. ("Gongwin Taiwan"), entered into a joint clinical trial development agreement with a partner. Under the agreement, Gongwin Taiwan is required to pay a total of $50,000 (including tax) to the partner in installments based on the agreed progress. Furthermore, if the actual settled expenses for the joint clinical trials exceed $140,000, the excess portion shall be borne equally (50% each) by Gongwin Taiwan and the partner. As of December 31, 2025, the partner has not yet requested payment of the related funds from Gongwin Taiwan.

(4). The Company's subsidiary, Tianjin Hongri Jiandakang Pharmaceutical Technology Co., Ltd. ("Tianjin Hongjian"), has obtained a Drug Registration Certificate for "Toluenesulfonamide Injection" following a review by the Center for Drug Evaluation (CDE) of the National Medical Products Administration (NMPA) of China, in accordance with the Drug Administration Law of the People's Republic of China.

However, within five years of the product’s launch, Tianjin Hongjian is required to provide the following:

a. A mass balance study;

b. A comparative metabolic analysis between animals and humans;

c. A comparative study on the effects of anhydrous ethanol versus the product on tissue denaturation and necrosis.

Failure to complete the aforementioned studies within the five-year period may result in penalties imposed by the NMPA. In severe cases of non-compliance, the drug registration may be suspended. As of March 12, 2026, Tianjin Hongjian is actively working to complete these requirements. All studies have been completed with the exception of the mass balance study, which is scheduled to be verified through future human clinical trials.

X. Significant Disaster Loss

None.

XI. Significant Subsequent Events

None.

XII. Others

1. Capital Management

The Group manages its capital to ensure that entities within the Group will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance.

The capital structure of the Group consists of net debt (borrowings offset by cash and cash equivalents) and equity (comprising share capital, capital surplus, retained earnings, and other equity items).

Key management personnel of the Group periodically review the capital structure, considering the cost of each class of capital and the risks associated with each. Based on recommendations from key management, the Group balances its overall capital structure through the issuance of new shares (cash capital increase) and the incurrence of new debt.。

2. Financial Instruments

(1). Categories of financial instruments

	Dec 31, 2025	Dec 31, 2024
Financial assets		
Financial Assets at Financial Assets at Fair Value Through Profit or Loss		
Financial Assets at Financial Assets at Fair Value Through Other Comprehensive Income	$ 463,034	$ 466,785
Financial Assets at Amortized Cost		
Investments in Debt Instruments	$ 483,969	$ 494,457
Investments in Equity Instruments	3,274	3,349
	$ 487,243	$ 497,806
Cash and Cash Equivalents	$ 968,902	$ 893,468
Notes Receivable	5,250	-
Accounts Receivable	11,278	14,172
Other Receivables	8,098	12,182
Financial assets at amortized cost	391,695	1,029,587
Refundable Deposits	979	980
	$ 1,386,202	$ 1,950,389

	Dec 31, 2025	Dec 31, 2024
Financial liabilities		
Financial liabilities at amortized cost		
Short-term Borrowings	$ 117,366	$ 110,629
Accounts Payable	130	207
Other Payables (including related parties)	43,897	52,138
Guarantee Deposits Received	39,124	41,756
	$ 200,517	$ 204,730
Lease Liabilities	$ 12,374	$ 16,119

(2). Risk Management Policies

A. The Group's daily operations are exposed to various financial risks, including market risk (exchange rate and interest rate risk), credit risk, and liquidity risk.

B. Risk management is carried out by the Group's Finance Department under policies approved by the Board of Directors. The Finance Department identifies, evaluates, and hedges financial risks in close cooperation with the Group's operating units.

(3). Nature and Extent of Significant Financial Risks

A. Market Risk

Foreign Exchange Risk

a. The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD, NTD, and RMB. Such risk arises from future commercial transactions and recognized assets and liabilities.

b. Management has set up a policy requiring Group companies to manage their foreign exchange risk against their functional currency. Each company shall hedge its entire foreign exchange risk exposure through the Group's Finance Department.

c. The Group's businesses involve several non-functional currencies; therefore, it is affected by exchange rate fluctuations. Information on foreign currency-denominated assets and liabilities with significant exchange rate impact is as follows:

	Dec 31, 2025			Year 2025 Sensitivity Analysis	
	Foreign Currency (in thousands)	Exchange Rate	Carrying Amount (TWD)	Magnitude of Variation	Impact on Profit or Loss
(Foreign Currency: Functional Currency)					
Financial Assets					
Monetary Items					
TWD : USD	$ 22,624	0.0318	$ 22,624	1%	$ 226
USD : TWD	571	31.480	17,975	1%	180
USD : CNY	4,667	7.0062	146,918	1%	1,469
Non-monetary Items					
USD : TWD	104	31.480	3,274	-	-

As of December 31, 2025, the Group had no significant foreign currency-denominated financial liabilities.

	Dec 31, 2024			Year 2024	
	Foreign Currency (in thousands)	Exchange Rate		Foreign Currency (in thousands)	Exchange Rate
(Foreign Currency: Functional Currency)					
Financial Assets					
Monetary Items					
TWD : USD	$ 85,241	0.0305	$ 85,241	1%	$ 852
USD : TWD	662	32.835	21,737	1%	217
USD : CNY	2,178	7.3184	71,514	1%	715
Non-monetary Items					
USD : TWD	102	32.835	3,449	-	-

As of December 31, 2024, the Group had no significant foreign currency-denominated financial liabilities.

d. Total exchange losses (including realized and unrealized) recognized for the years 2025 and 2024 were $1,458 and $4,692, respectively. Due to the immateriality of these amounts, exchange gains or losses are not disclosed by major foreign currency.

Price Risk

a. The Group is exposed to equity price risk through its financial assets at FVTPL and FVOCI. To manage its price risk arising from investments in equity instruments, the Group diversifies its portfolio in accordance with set limits.

b. The Group primarily invests in foreign open-ended funds and equity instruments issued by foreign companies. If the prices of these equity instruments had increased/decreased by 1%, with all other variables held constant, the impact would be as follows:

Net loss after tax for 2025 and 2024 would decrease/increase by $4,630 and $4,668, respectively.

Other comprehensive income for 2025 and 2024 would increase/decrease by $33 and $33, respectively.。

Cash Flow and Fair Value Interest Rate Risk

a. Interest rate risk arises primarily from short-term borrowings issued at

floating rates, exposing the Group to cash flow interest rate risk. This is partially offset by cash held at floating rates. Borrowings are mainly denominated in NTD and RMB.

b. Borrowings are measured at amortized cost and are repriced annually per contract; thus, the Group is exposed to future market interest rate fluctuations.

c. If interest rates had been 0.1% higher/lower, with all other variables held constant, the net loss after tax for 2025 and 2024 would have increased/decreased by $117 and $111, respectively.

B. Credit Risk

a. As of December 31, 2025 and 2024, although the Group held investments in foreign open-ended funds and debt instruments, the counterparties are reputable companies; thus, no significant credit risk is expected. Similarly, for time deposits and other receivables (primarily interest receivable), the counterparties are high-credit-quality financial institutions.

b. Accounts and Notes Receivable:

(a) Credit risk refers to the risk of financial loss if a customer fails to meet its contractual obligations. According to the Group's credit policy, each operating entity must perform management and credit risk analysis for every new customer before setting payment and delivery terms. Internal risk control evaluates customer credit quality by considering their financial position, past transaction experience, and other factors.

(b) For the years 2025 and 2024, no credit limits were exceeded, and management does not expect any material losses from non-performance by counterparties.

(c) Default is considered to have occurred when contract payments are past due over 9 or 12 months, depending on customer type and terms.

(d) Financial assets are written off after recourse procedures if there is no reasonable expectation of recovery. The Group continues legal proceedings for recovery to protect its claims. As of December 31, 2025, there were no written-off claims currently subject to enforcement activity.

(e) The Group groups accounts receivable by customer characteristics and uses a provision matrix under the simplified approach to estimate expected credit losses (ECL).

(f) There is no significant allowance for notes receivable. For accounts receivable, the Group incorporates forward-looking considerations into the loss rates established based on historical and current information：

Dec 31, 2025	Expected loss rate	Gross carrying amount	Loss allowance
Not past due	0%~75.00%	$ 15,389	$ 1,566
Past due within 30 days	0%~91.67%	1,208	494
Past due 31-90 days	0%~78.03%	1,799	484
Past due 91-180 days	0%~100%	439	223
Past due 181-365 days	50%~100%	1,068	608
Past due over 365 days	100%	881	881
Total		$ 20,784	$ 4,256

Dec 31, 2025	Expected loss rate	Gross carrying amount	Loss allowance
Not past due	0%~6.19%	$ 9,557	$ 1,419
Past due within 30 days	0%~40.17%	1,647	224
Past due 31-90 days	0%~54.01%	2,234	451
Past due 91-180 days	0%~76.20%	5,592	3,231
Past due 181-365 days	50%~94.43%	1,090	623
Past due over 365 days	100%	-	-
Total		$ 20,120	$ 5,948

The movement table of the allowance for uncollectible accounts for accounts receivable under the simplified approach is as follows:

	Year 2025
	Accounts receivable
January 1	$ 5,948
Impairment loss(recognized)/ reversed	(1,640)
Effect of foreign exchange rates	(52)
December 31	$ 4,256

	Year 2024
	Accounts receivable
January 1	$ -
Impairment loss(recognized)/ reversed	5,910
Effect of foreign exchange rates	38
December 31	$ 5,948

C. Liquidity Risk

a. Cash flow forecasting is performed by each operating entity of the Group and summarized by the Group's Finance Department. The Group's Finance Department monitors the forecast of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs.

b. Undrawn Borrowing Facilities:

	Dec 31, 2025	Dec 31, 2024
Secured Bank Borrowing Facilities		
－Utilized Amount	$ 117,366	$ 110,629
－Unutilized Amount	17,429	203,843
	$ 134,795	$ 314,472

c. The following table analyzes the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The contractual cash flow amounts disclosed in the table are undiscounted.

Dec 31, 2025	Within 1 year	Over 1 year	total
Non-derivative Financial Liabilities:			
Short-term borrowings	$ 121,602	$ -	$ 121,602
Accounts payable	130	-	130
Other payables (incl. related parties)	43,897	-	43,897
Other payables (incl. Related parties)	3,348	9,487	12,835

Dec 31, 2025	Within 1 year	Over 1 year	total
Non-derivative Financial Liabilities:			
Short-term borrowings	$ 113,761	$ -	$ 113,761
Accounts payable	207	-	207
Other payables (incl. related parties)	52,138	-	52,138
Other payables (incl. Related parties)	3,478	13,222	16,700

3. Fair Value Information

(1) The definitions of the levels in the fair value hierarchy used to measure the fair value of financial and non-financial instruments are as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. An active market is 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 values of the Group's investments in foreign USD-denominated corporate bonds and foreign open-ended funds are classified under this level.

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

Level 3: Unobservable inputs for the asset or liability. The Group's investments in foreign unlisted stocks are classified under this level.

2. Financial Instruments Not Measured at Fair Value

None.

3. The Group classifies its assets and liabilities based on their nature, characteristics, risks, and the basis of the fair value hierarchy. Related information is as follows:

(1) Information classified by the nature of assets and liabilities:

Dec 31, 2025	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurement				
Financial assets at FVTPL				
Foreign open-ended funds	$ 463,034	$ -	$ -	$ 463,034
Financial assets at FVTOCI				
Financial assets at FVTOCI Debt securities	$ 483,969	$ -	$ -	$ 483,969
Financial assets at FVTOCI Equity securities	$ -	$ -	$ 3,274	$ 3,274

Dec 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurement				
Financial assets at FVTPL				
Foreign open-ended funds	$ 466,785	$ -	$ -	$ 466,785
Financial assets at FVTOCI				
Financial assets at FVTOCI Debt securities	$ 494,457	$ -	$ -	$ 494,457
Financial assets at FVTOCI Equity securities	$ -	$ -	$ 3,349	$ 3,349

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

For financial instruments where market quotes are used as fair value inputs (i.e., Level 1), the methods are categorized by the characteristics of the instruments as follows:

	Open-ended funds	Corporate bonds
Market quote basis	Net asset value	Weighted average price per 100 face value

4. There were no transfers between Level 1 and Level 2 for the years ended December 31, 2025 and 2024.

5. The following table presents the changes in Level 3 instruments for the years ended December 31, 2025 and 2024:

	Financial Assets (FVTOCI - Equity Securities)	
Financial assets	Year 2025	Year 2024
Balance as of January 1	$ 3,349	$ 3,291
Unrealized gains/(losses) on equity instruments measured at FVTOCI	(75)	58
Balance as of December 31	$ 3,274	$ 3,349

6. There were no transfers into or out of Level 3 for the years ended December 31, 2025 and 2024.

7. The valuation techniques and inputs used for Level 3 fair value measurements are based on the present value of discounted future cash flows to determine the fair value.

8. The Group has carefully assessed and selected the valuation models and parameters used; however, the use of different models or parameters may result in different valuation outcomes. For financial assets classified as Level 3, if the valuation parameters were to increase or decrease by 1%, the impact on other comprehensive income for the years 2025 and 2024 would be $33 and $33, respectively.

9. Quantitative information regarding the significant unobservable inputs used in Level 3 fair value measurements and the sensitivity analysis for changes in these inputs is as follows:

	Dec 31, 2025 Fair value	Evaluation technology	Significant unobservable input value	Interval	Relationship between input value and fair value
Non-derivative equity instruments：					
Non-listed over-the-counter (OTC) company stock	$ 3,274	Discounted cash flow method	Revenue growth rate after mass production after the application process for pharmaceutical cosmetics is completed	100%~665%	The higher the operating income growth rate, the higher the fair value

	Dec 31, 2024 Fair value	Evaluation technology	Significant unobservable input value	Interval	Relationship between input value and fair value
Non-derivative equity instruments：					
Non-listed over-the-counter (OTC) company stock	$ 3,349	Discounted cash flow method	Revenue growth rate after mass production after the application process for pharmaceutical cosmetics is completed	100%~803.8%	Relationship between input value and fair value

XIII. Supplementary Disclosures

(The following transactions between the Company and its consolidated subsidiaries have been eliminated in the preparation of the consolidated financial statements; the information provided below is for reference only.)

1. Information on Significant Transactions

(1) Loans to others: None.

(2) Endorsements and guarantees provided for others: Please refer to Table 1.

(3) Significant marketable securities held at the end of the period (excluding investment in subsidiaries, associates, and joint ventures): Please refer to Table 2.

(4) Cumulative purchases or sales of the same marketable securities amounting to at least NTD 300 million or 20% of paid-in capital: None.

(5) Receivables from related parties amounting to at least NTD 100 million or 20% of paid-in capital: None.

(6) Intercompany relationships and significant transactions between parent and subsidiaries: No transactions reached the threshold of NTD 100 million.

2. Information on Investees

Names, locations, and other relevant information of investees (excluding investees in Mainland China): Please refer to Table 3.

3. Information on Investments in Mainland China

(1) Basic information: Please refer to Table 4.

(2) Significant transactions, either directly or indirectly through a third-area enterprise, with investees in Mainland China: No transactions reached the threshold of NTD 100 million.

XIV. Segment Information

1. General Information

The Group operates primarily in a single industry, which is the development of new drugs. The Group’s chief operating decision-maker (CODM) evaluates performance and allocates

resources on a consolidated basis; therefore, the Group has been identified as having a single reportable segment.

2. Measurement of Segment Information

The accounting policies of the Group's operating segment are consistent with the summary of significant accounting policies described in Note 4 of the consolidated financial statements. Segment profit or loss is measured based on net profit (loss) after tax, which serves as the basis for assessing segment performance.

3. Reconciliation of Segment Profit or Loss

As the segment assets, liabilities, and net loss after tax presented to the CODM are measured consistently with those in the consolidated balance sheet and consolidated statement of comprehensive income, no reconciliation is required.

4. Geographical Information

The geographical information of the Group for the years 2025 and 2024 is as follows:

	Year 2025		Year 2024	
	Revenue (note)	Non-current assets	Revenue (note)	Non-current assets
Taiwan	$ 1,376	$ 414,952	$ -	$ 422,468
Hong Kong and Mainland china	35,070	25,422	31,928	28,111
Singapore	-	-	112	-
Total	$ 36,446	$ 440,374	$ 32,040	$ 450,579

Note: Revenue is categorized based on the country where the customer is located.

5. Major Customer Information

Information on individual customers that accounted for 10% or more of the Group's operating revenue on the consolidated statement of comprehensive income for the years 2025 and 2024 is as follows:

	Year 2025	Year 2024
	revenue	revenue
Customers A	$ 2,150	$ 5,933
Customers B	13,787	4,780
Customers C	7,176	4,642
Customers D	4,849	3,228

Gongwin Biopharm Holdings Company Limited and Subsidiaries

Provision of endorsements and guarantees to others

January 1 to December 31, 2025

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Endorser/guarantor	Party being endorsed/ guaranteed: Company name	Party being endorsed/ guaranteed: Relationship with the endorser/guarantor (Note 2)	Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of Decmber 31, 2024 (Note 3)	Outstanding endorsement/ guarantee amount at December 31, 2024	Actual amount drawn down	Amount of endorsements /guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements /guarantees to the party in Mainland China	Footnote
0	Gongwin Biopharm Co., Ltd.	Tianjin Chase Sun Jiandakang Pharmaceutical Technology Co., Ltd.	2	$ $759,281	$ 330,540 (USD 10,500 thousands)	$ 157,400 (USD 5,000 thousands)	$ 117,366 (CNY 26,121 thousands)	$ 157,400 (USD 5,000 thousands)	6.22%	$ 1,012,375	Y	N	Y	-

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows
(1) The Company is '0'.
(2) The subsidiaries are numbered in order starting from '1'.
Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories; fill in the number of category each case belongs to:
(1) Having business relationship.
(2) The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.
(3) The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.
(4) The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.
(5) Mutual guarantee of the trade made by the endorsed/guaranteed company or joint contractor as required under the construction contract.
(6) Due to joint venture, all shareholders provide endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.
(7) Joint guarantee of the performance guarantee for pre-sold home sales contract as required under the Consumer Protection Act.
Note 3:
1. The total amount of the Company's external endorsements and guarantees shall not exceed 40% of the Company's net worth; the total amount of the Company's and its subsidiaries' external endorsements and guarantees shall not exceed 40% of the Company's net worth, with the net worth to be determined based on the most recent financial statements audited or certified by a certified public accountant.
2. The Company's endorsement and guarantee limit for a single enterprise shall not exceed 30% of the Company's net worth; the total amount of the Company's and its subsidiaries' endorsement and guarantee limit for a single enterprise shall not exceed 30% of the Company's net worth. However, this limit does not apply to inter-company endorsements and guarantees where the Company directly or indirectly holds 100% of the voting shares.
Note 4: Conversion is based on the US dollar central bank exchange rate as of December 31, 2025. ◦

Gongwin Biopharm Holdings Company Limited and Subsidiaries

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

Year ended December 31, 2025

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Holding company name	Type and name of marketable securities	Relationship with the holding company	Financial statement account	December 31, 2025				
				Number of shares	Carrying amount (Foreign currencies in Thousands)	Percentage of Ownership	Fair value (Foreign currencies in Thousands	Note
Gongwin Biopharm Co., Ltd.	Stock BEST FRIEND	-	Financial assets at fair value through other comprehensive income - non-current	180,000	$ 3274	15%	$ 3274	-
Gongwin Biopharm Holdings Co., Ltd.	Foreign open-end funds US Dollar Liquidity Fund	-	Financial assets at fair value through profit or loss - current	117,535	463,034	N/A	463,034	-
〃	bonds TAISEM CORP	-	Financial assets at fair value through other comprehensive income - non-current	-	126,230	N/A	126,230	-
〃	bonds APPLE	-	〃	-	70,629	N/A	70,629	-
〃	bonds META	-	〃	-	69,787	N/A	69,787	-
〃	bonds ABT	-	〃	-	59,535	N/A	59,535	-
〃	bonds UNITED HEALTH GROUP	-	〃	-	38,800	N/A	38,800	-
〃	bonds Toyota	-	〃	-	32,125	N/A	32,125	-
〃	bonds Anheuser-Busch InBev	-	〃	-	31,251	N/A	31,251	-
〃	bonds Amazon	-	〃	-	14,529	N/A	14,529	-
〃	bonds AT&T	-	〃	-	14,390	N/A	14,390	-
〃	bonds Walmart	-	〃	-	13,344	N/A	13,344	-
〃	bonds Pepsi	-	〃	-	13,349	N/A	13,349	-

Information on Investee Companies, Including Name and Location, of Gongwin Biopharm Holdings Company Limited and Its Subsidiaries (Excluding Investee Companies in Mainland China)

January 1 to December 31, 2025

Table 3

Unit: NT$1,000

(Unless otherwise specified)

Investor	Investee	Location	Main business activities	Initial Investment amount (Note 1)		Shares held as at December 31, 2025			Investee Company's Profit or Loss for the Period (Note 2)	Recognized Investment Gain or Loss for the Period (Note 2)	Remarks
				End of Current Period	End of Previous Year	Number of Shares	Ownership Percentage	Book Value (Note 1)			
The company	Gongwin Biopharm Holdings Co., Ltd.	Taiwan	Pharmaceutical R&D, Drug Testing, and Biotechnology Services	$ 1,477,105	$ 1,326,126	143,597,800	100%	$ 612,993	($145,256)	($145,256)	Subsidiary
				(USD 46,922 thousand)	(USD 42,126 thousand)			(USD 19472 thousand)			
Gongwin Biopharm Holdings Co., Ltd.	Gongwin Pet Biopharm Co., Ltd.	Taiwan	Pet Healthcare Business for Veterinary Drug Development	30,000	30,000	3,000,000	100%	30,700	386	386	Subsidiary
Gongwin Biopharm Holdings Co., Ltd.	Gongwin Medical Device Co., LTD.	Taiwan	Wholesale and Retail Business of Medical Devices	1,000	1,000	100,000	100%	852	303	303	Subsidiary
The company	PTS International,Inc.	United States	General Investment Business	963,729	812,625	90,684,600	100%	124,900	(31,029)	(31,029)	Subsidiary
				(USD 30,614 thousand)	(USD 25,814 thousand)			(USD 3,968 thousand)	(USD 994 thousand)	(USD 994 thousand)	
PTS International,Inc.	PTS Asia Limited	Hong Kong	General Investment Business	667,470	516,366	165,357,500	100%	122,864	(28,931)	(28,931)	Subsidiary
				(USD 21,203 thousand)	(USD 16,403 thousand)			(USD 3,903 thousand)	(USD 926 thousand)	(USD 926 thousand)	

Note 1: Translated at the USD central exchange rate as of December 31, 2025.

Note 2: Translated at the average USD exchange rate from January to December 2025.

Basic Information on Mainland China Investments of Gongwin Biopharm Holdings Company Limited and Its Subsidiaries

January 1 to December 31, 2025

Table 4

Unit: NT$1,000

(Unless otherwise specified)

Name of Invested Company in Mainland China	Main Business Activities	Paid-in Capital (Note 4)	Investment Method (Note 1)	Cumulative Investment Amount Remitted from Taiwan at Beginning of Period	Investment Amount Remitted or Recovered During the Period		Cumulative Investment Amount Remitted from Taiwan at End of Period	Profit or Loss of Invested Company for the Period (Note 5)	Shareholding Ratio of Direct or Indirect Investment by the Company	Recognized Investment Gain or Loss for the Period (Notes 2 and 5)	Book Value of Investment at End of Period (Note 4)	Cumulative Investment Gains Remitted Back as of the End of the Period	Remarks
					Remitted	Recovered							
Beijing Vision Drugs Development Limited	Pharmaceutical R&D, Medical Technology Consulting, Technical Services, and Investment Management	$ 464,312	2	$ -	$ -	$ -	$ -	($28,876)	100%	($28,876)	$107,853	$ -	-
		(USD 14,750 thousand)						(CNY 6,663 thousand)		(CNY 6,663 thousand)	(USD 3,426 thousand)		
Tianjin Chase Sun Jiandakang Pharmaceutical Technology Co., Ltd	Pharmaceutical R&D, Medical Technology Consulting, Technical Services, and New Drug Sales	$ 292,058	2	-	-	-	-	($27,911)	75.36%	($21,011)	($103,004)	-	-
		(CNY 65,000 thousand)						(CNY 6,440 thousand)		(CNY 4,848 thousand)	(CNY 22,925 thousand)		

		Investment Limit for Indirect Investment in Mainland China	
Company Name	Cumulative Investment Amount Remitted from Taiwan to Mainland China as of Period-End (Note 3)	Investment Amount Approved by the Investment Commission, Ministry of Economic Affairs	Investment Limit in Mainland China as Specified by the Investment Commission, Ministry of Economic Affairs
-	$ -	$ -	$ -

Note 1: Investment methods are classified into the following three types. Please indicate the corresponding type number only:
1. Direct investment in Mainland China.
2. Reinvestment in Mainland China through a company in a third region (please specify the investing company in the third region).
3. Other methods.

Note 2: The investment gain or loss is calculated based on the financial statements audited by the Company's certified public accountant.
Note 3: No investment funds have been remitted from Taiwan to Mainland China.
Note 4: Amounts are translated using the central exchange rates for USD and CNY as of December 31, 2025.
Note 5: Amounts are translated using the average exchange rates for USD and CNY from January to December 2025.