Stock Code : 8432

TSH BIOPHARM CORPORATION LTD.
AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REVIEW REPORT
MARCH 31, 2026 AND 2025

Address：3F.-1, No. 3-1, Park St., Nangang Dist., Taipei City 115, Taiwan (R.O.C.)

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

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INDEPENDENT AUDITORS' REVIEW REPORT

To the Board of Directors of TSH Biopharm Corporation Ltd.

Introduction

We have reviewed the accompanying consolidated balance sheets of TSH Biopharm Corporation Ltd. and its subsidiaries (the "Group") as of March 31, 2026 and 2025, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 2026 and 2025, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and International Accounting Standard (IAS) No.34, "Interim Financial Reporting" as endorsed by the Financial Supervisory Commission (FSC) of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

We conducted our reviews in accordance with the Standard on Review Engagements 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity". A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing of the Republic of China and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2026 and 2025, and of its consolidated financial performance and its cash flows for the three months ended March 31, 2026 and 2025, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

KPMG
Taipei, Taiwan (Republic of China)
May 5, 2026

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

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)

TSH Biopharm Corporation Ltd. and Subsidiaries

Consolidated Balance Sheets

March 31, 2026, December 31, 2025 and March 31, 2025

(Expressed in thousands of New Taiwan dollars)

	Assets	31-Mar-26 Amount	%	31-Dec-25 Amount	%	31- Mar-25 Amount	%
	Current assets:						
1100	Cash and cash equivalents (notes 6(1) and (19))	$ 559,662	28	464,539	24	507,625	27
1120	Current financial assets at fair value through other comprehensive income (notes 6(2)、(19) and 13)	22,603	1	30,743	2	54,835	3
1150	Notes receivable, net (notes 6(3)、(16) and (19))	12,264	1	13,173	1	12,348	1
1170	Accounts receivable, net (notes 6(3)、(16) and (19))	195,700	10	291,805	15	217,019	12
1180	Accounts receivable from related parties (notes 6(3)、(16)、(19) and 7)	1,093	-	7,365	-	5,531	-
1220	Current income tax assets	440	-	372	-	231	-
1200	Other receivables (note 6(19))	3,193	-	1,978	-	2,326	-
130x	Inventories (notes 6(4))	138,217	7	155,741	8	183,164	10
1410	Prepayments	16,957	1	18,536	1	15,561	1
1476	Other financial assets-current (notes 6(1)、(9)、(19) and 8)	487,000	25	437,000	22	332,000	18
1479	Other current assets –other (note 6(9))	2,076	-	1,768	-	1,583	-
		1,439,205	73	1,423,020	73	1,332,223	72
	Non-current assets:						
1517	Non-current financial assets at fair value through other comprehensive income (notes 6(2)、(19) and 13)	181,081	9	179,145	9	190,235	10
1600	Property, plant and equipment (notes 6(6))	16,382	1	17,218	1	19,887	1
1755	Right-of-use assets (notes 6 (7))	16,886	1	18,426	1	20,027	1
1780	Intangible assets (notes 6 (8))	292,656	15	289,477	15	295,873	16
1840	Deferred income tax assets(notes 6 (13))	2,668	-	2,668	-	4,015	-
1915	Prepayment for equipment	7,192	-	7,192	-	4,430	-
1920	Refundable deposits paid (notes 6(9)、(19) and 7)	10,208	-	9,609	1	9,001	-
1995	Other non-current assets (notes 6(9) and 9)	16,679	1	4,699	-	2,069	-
		543,752	27	528,434	27	545,537	28
	Total assets	**$ 1,982,957**	**100**	**1,951,454**	**100**	**1,877,760**	**100**

	Liabilities and Equity	31-Mar-26 Amount	%	31-Dec-25 Amount	%	31- Mar-25 Amount	%
	Current liabilities:						
2130	Contract liabilities-current (note 6(16))	$ 8,143	-	3,242	-	1,637	-
2150	Notes payable (notes 6(19))	8,636	-	7,796	-	7,931	-
2170	Accounts payable (notes 6(19))	18,218	1	14,978	1	30,838	2
2180	Accounts payable to related parties (notes 6(19) and 7)	17,308	1	25,851	1	50,598	3
2200	Other payables (notes 6(10)、(19) and 7)	91,646	5	108,062	6	80,307	4
2230	Current income tax liabilities	39,795	2	26,676	1	41,632	2
2280	Current lease liabilities (notes 6 (11)、(19)、(22) and 7)	11,066	1	11,945	1	10,498	1
2300	Other current liabilities	28,508	1	28,541	1	3,786	-
		223,320	11	227,091	11	227,227	12
	Non-current liabilities:						
2580	Non-current lease liabilities (notes 6 (11)、(19)、(22) and 7)	6,071	-	6,695	-	9,569	-
	Total liabilities	229,391	11	233,786	11	236,796	12
	Equity (note 6(14))：						
3100	Capital stock	383,981	19	383,981	20	383,981	20
3200	Capital surplus	459,613	23	459,613	24	459,554	24
	Retained earnings：						
3310	Legal reserve	158,200	8	158,200	8	126,073	7
3350	Unappropriated retained earnings	461,717	23	423,000	22	385,018	21
3400	Other equity	11,610	1	17,815	1	49,616	3
	Equity attributable to owners of the parent company	1,475,121	74	1,442,609	75	1,404,242	75
36xx	Non-controlling interest (notes 6(5))	278,445	15	275,059	14	236,722	13
	Total equity	1,753,566	89	1,717,668	89	1,640,964	88
	Total liabilities and equity	**$ 1,982,957**	**100**	**1,951,454**	**100**	**1,877,760**	**100**

See accompanying notes to financial statements.

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)

TSH Biopharm Corporation Ltd. and Subsidiaries

Consolidated Statements of Comprehensive Income

For the Three Months Ended March 31, 2026 and 2025

(Expressed in thousands of New Taiwan dollars, except for Earnings per share)

		Three Month Ended March 31,			
		2026		2025	
		AMOUNT	%	AMOUNT	%
4000	**Operating revenue** (notes 6(16) and 7)	$ 285,817	100	$ 287,118	100
5000	**Operating costs** (notes 6(4)、(12) and 7)	129,295	45	136,795	48
	Gross profit	156,522	55	150,323	52
6000	**Operating expenses (notes 6(3)、(11)、(12)、(17)、7 and 12):**				
6100	Selling expenses	72,739	25	74,616	26
6200	Administrative expenses	24,347	9	25,574	9
6300	Research and development expenses	7,732	3	7,249	2
6450	Gain on reversal of expected credit loss	(1,272)	-	1	-
		103,546	37	107,440	37
	Operating income	52,976	18	42,883	15
	Non-operating income and expenses (notes 6(11)、(18) and 7):				
7100	Interest income	1,889	1	1,219	-
7010	Other income	176	-	159	-
7020	Other gains and losses	402	-	1,110	-
7050	Finance costs	(221)	-	(196)	-
		2,246	1	2,292	-
	Profit before tax	55,222	19	45,175	15
7950	**Less : Income tax expense (note 6(13))**	(13,119)	(5)	(9,399)	(3)
	Profit for the year	42,103	14	35,776	12
8300	**Other comprehensive income**				
8310	**Components of other comprehensive income that will not be reclassified to profit or loss**				
8316	Unrealized gains (losses) from investments in equity instruments at fair value through other comprehensive income	(6,205)	(2)	(18,158)	(6)
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that will not be reclassified to profit or loss	(6,205)	(2)	(18,158)	(6)
8360	**Components of other comprehensive income that may be reclassified subsequently to profit or loss**				
8361	Exchange differences on translation of foreign financial statements	-	-	378	-
8399	Income tax related to components of other comprehensive income that may be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that may be reclassified subsequently to profit or loss	-	-	378	-
8300	**Other comprehensive income (after tax)**	(6,205)	(2)	(17,780)	(6)
8500	**Total comprehensive income**	**$ 35,898**	12	**$ 17,996**	6
	Profit attributable to:				
8610	Equity holders of the parent company	$ 38,717	13	$ 30,413	10
8620	Non-controlling interest	3,386	1	5,363	2
		$ 42,103	14	**$ 35,776**	12
	Total comprehensive income attributable to:				
8710	Equity holders of the parent company	$ 32,512	11	$ 12,450	4
8720	Non-controlling interest	3,386	1	5,546	2
		$ 35,898	12	$ 17,996	6
	Earnings per share (note 6(15))				
9750	**Basic earnings per share**	**$**	**1.01**		**0.79**
9850	**Diluted earnings per share**	**$**	**1.01**		**0.79**

See accompanying notes to financial statements.

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)

TSH Biopharm Corporation Ltd. and Subsidiaries
Consolidated Statements of Changes in Equity
For the Three Months Ended March 31, 2026 and 2025

(Expressed in thousands of New Taiwan dollars)

	Ordinary share capital	Capital surplus	Retained Earnings: Legal reserve	Retained Earnings: Special reserve	Retained Earnings: Unappropriated retained earnings	Other Equity Interest: Cumulative translation differences of foreign operations	Other Equity Interest: Unrealized gain(loss) on financial assets at fair value through other comprehensive income	Equity attributable to owners of the parent company	Non-controlling interest	Total equity
Balance at January 1, 2025	$ 383,981	459,554	126,073	-	354,605	(195)	67,774	1,391,792	231,176	1,622,968
Net income for the period	-	-	-	-	30,413	-	-	30,413	5,363	35,776
Other comprehensive income for the period	-	-	-	-	-	195	(18,158)	(17,963)	183	(17,780)
Total comprehensive income for the period	-	-	-	-	30,413	195	(18,158)	12,450	5,546	17,996
Balance at March 31, 2025	**$ 383,981**	**459,554**	**126,073**	**-**	**385,018**	**-**	**49,616**	**1,404,242**	**236,722**	**1,640,964**
Balance at January 1, 2026	$ 383,981	459,613	158,200	-	423,000	-	17,815	1,442,609	275,059	1,717,668
Net income for the period	-	-	-	-	38,717	-	-	38,717	3,386	42,103
Other comprehensive income for the period	-	-	-	-	-	-	(6,205)	(6,205)	-	(6,205)
Total comprehensive income for the period	-	-	-	-	38,717	-	(6,205)	32,512	3,386	35,898
Balance at March 31, 2026	**$ 383,981**	**459,613**	**158,200**	**-**	**461,717**	**-**	**11,610**	**1,475,121**	**278,445**	**1,753,566**

See accompanying notes to financial statements.

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)

TSH Biopharm Corporation Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
For the Three Months Ended March 31, 2026 and 2025

(Expressed in thousands of New Taiwan dollars)

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Cash flows from operating activities:		
Profit before tax	$ 55,222	45,175
Adjustments:		
Adjustments to reconcile profit		
Depreciation	4,079	4,033
Amortization	2,808	2,406
Expected credit losses (gain on reversal)	(1,272)	1
Interest expense	221	196
Interest income	(1,889)	(1,219)
Gain on disposal of subsidiaries	-	(1,113)
Total adjustment to reconcile profit	3,947	4,304
Changes in operating assets and liabilities:		
Decrease (increase) in notes receivable	909	(1,325)
Decrease (increase) in accounts receivable (including relate parties)	103,649	(21,891)
Decrease (increase) in other receivables(including related parties)	(164)	682
Decrease (increase) in inventories	17,524	(7,089)
Decrease (increase) in prepayments	1,579	(550)
Increase in other current assets	(308)	(1,171)
Increase in contract liabilities	4,901	607
Increase (decrease) in notes payable	840	(8,601)
Increase (decrease) in accounts payable(including related parties)	(5,303)	26,613
Decrease in other payables	(16,416)	(10,363)
Increase (decrease) in other current liabilities	(33)	326
Total changes in operating assets and liabilities	107,178	(22,762)
Total adjustments	111,125	(18,458)
Cash flows from operations	166,347	26,717
Interest received	837	393
Interest paid	(221)	(196)
Income tax paid	(68)	(25)
Net cash flows from operating activities	166,895	26,889

(Continued)

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)

TSH Biopharm Corporation Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
For the Three Months Ended March 31, 2026 and 2025

(Expressed in thousands of New Taiwan dollars)

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Cash flows from (used in) investing activities:		
Disposal of subsidiaries	-	1,471
Acquisition of property, plant and equipment	-	(935)
Acquisition of intangible assets	(4,213)	(4,505)
Increase in guarantee deposits paid	(599)	(251)
Increase in other financial assets - current	(50,000)	(100,000)
Increase in other non-current assets	(13,754)	-
Increase in prepayment for equipment	-	(400)
Net cash flows from (used in) investing activities	(68,566)	(104,620)
Cash flows used in financing activities:		
Payments of lease liabilities	(3,206)	(2,986)
Net cash flows used in financing activities	(3,206)	(2,986)
Net increase in cash and cash equivalents	95,123	(80,717)
Cash and cash equivalents at beginning of period	464,539	588,342
Cash and cash equivalents at end of period	$ **559,662**	**507,625**

See accompanying notes to financial statements.

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)
TSH Biopharm Corporation Ltd. and Subsidiaries
Notes to the Consolidated Financial Statements
For the Three Months Ended March 31, 2026 and 2025
(Expressed in thousands of New Taiwan dollars, unless otherwise specified)

1. History and organization

TSH Biopharm Corporation Ltd. (the "Company") was incorporated on September 21, 2010. The Company's registered office address is 3F.-1, No. 3-1, Park St., Nangang Dist., Taipei City 115, Taiwan (R.O.C.). The shares of the Company have been listed on the Taipei Exchange ("TPEx") since April 2012. The main activity of the Company and its subsidiaries (the "Group") is in sale of a variety of pharmaceuticals, chemical drugs and engaged in biotechnology services.

2. Approval date and procedures of the financial statements

The accompanying consolidated financial statements were authorized for issue by the Board of Directors on May 5, 2026.

3. Application of new standards, amendments and interpretations

(1) Impact of adoption of new, revised or amended standards and interpretations endorsed by the Financial Supervisory Commission, ROC ("FSC").

The Group believes that the adoption of the following IFRSs from January 1, 2026 would not have any material impact on its consolidated financial statements.

- IFRS 17 "Insurance Contracts" and amendments to IFRS 17 "Insurance Contracts"
- Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"
- Annual Improvements to IFRS Accounting Standards
- Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"

(2) The impact of IFRS issued by IASB but not yet endorsed by the FSC

The IASB has issued standards and interpretations that have not yet been endorsed by the FSC. The potential impact on the Group is as follows:

Standards or Interpretations	Main amendment	Effective date per IASB
IFRS 18 " Presentation and Disclosure in Financial Statements"	The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities.	January 1, 2027 note: On September 25, 2025, the FSC issued a press release announcing that Taiwan will adopt IFRS 18 beginning in 2028. Entities that need to adopt the new standard earlier may do so with the endorsement of the FSC.

Standards or Interpretations	Main amendment	Effective date per IASB
	• A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’ s main business activities. • Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. • Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.	

The Group is currently evaluating the impact of the aforementioned standards and interpretations on the financial position and operating results of the consolidated company. Relevant impacts will be disclosed upon completion of the assessment.

The Group anticipates that the following additional yet to be endorsed new releases and amendments will not have a significant impact on the consolidated financial statements.

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures” and amendments to IFRS 19
- Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”

4. Summary of significant accounting policies

(1) Statement of compliance

The accompanying consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as "the Regulations") and IAS 34, Interim Financial Reporting, as endorsed and issued into effect by the FSC. These consolidated financial statements do not present all the disclosures required for a complete set of annual consolidated financial statements prepared under the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as "the Regulations") and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations endorsed and issued into effect by the Financial Supervisory Commission, R.O.C. (hereinafter referred to as "IFRSs endorsed by FSC").

Excepted for the accounting policies mentioned below, the material accounting policies adopted in the interim financial statements is the same as those in the financial statements for the year ended December 31, 2025 and have been applied consistently to all periods presented in the consolidated financial statements. For the related information, please refer to Note 4 of the financial statements for the year ended December 31, 2025.

(2) Basis of consolidation

A. Subsidiaries included in the consolidated financial statements:

			Percentage of Ownership			
Name of Investor	Name of subsidiary	Main Business Activities	March 31, 2026	December 31, 2025	March 31, 2025	Note
TSH Biopharm Corporation Ltd.	Chuang Yi Biotech Co. Ltd.	Selling of health food	51.60%	51.60%	51.60%	
TSH Biopharm Corporation Ltd.	Top Pharma Medical-wares Co., Ltd.	Selling of medicine and dietary supplement	51.00%	51.00%	51.00%	

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

(3) Income taxes

The Group measures and discloses interim period income tax expense in accordance with paragraph B12 of IAS 34, Interim Financial Reporting.

Income tax expense for the period is best estimated by multiplying pre-tax income of the interim period by a projected annual effective tax rate, and is recognized as current tax expense.

Income taxes that are recognized directly in equity or other comprehensive income are measured in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding tax bases at the tax rates that are expected to be applied in the year in which the asset is realized or the liability is settled.

5. Significant accounting assumptions and judgments, and major sources of estimation uncertainty

The preparation of the consolidated financial statements in conformity with the Regulations and IAS 34, Interim Financial Reporting, as endorsed and issued into effect by the FSC requires management to make judgments and estimates about the future, including climate-related risks and opportunities, that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing the consolidated financial statements, critical accounting judgments and key sources of estimations and assumptions uncertainty used by management in the application of accounting policies are consistent with those described in Note 5 of the consolidated financial statements for the year ended December 31, 2025.

6. Explanation of significant accounts

Except as described below, the description of significant accounts in the accompanying consolidated financial statements is not materially different from those described in Note 6 of the consolidated financial statements for the year ended December 31, 2025.

(1) Cash and cash equivalents

		March 31, 2026	December 31, 2025	March 31, 2025
Petty cash	$	180	180	170
Cash in banks		559,482	464,359	507,455
	$	559,662	464,539	507,625

A. The above cash and cash equivalents were not pledged as collateral.

B. Time deposits which do not meet the definition of cash equivalents are accounted for under other financial assets-current. As of March 31, 2026, December 31, 2025 and March 31 2025, the amount of time deposits were $477,000 thousand, $427,000 thousand and $327,000 thousand respectively.

C. Please refer to note 6(19) for the foreign currency risk and sensitivity analysis of the financial assets of the Group.

(2) Financial assets at fair value through other comprehensive income

		March 31, 2026	December 31, 2025	March 31, 2025
Equity instruments at fair value through other comprehensive income :				
Current	$	22,603	30,743	54,835
Non - current		181,081	179,145	190,235
	$	203,684	209,888	245,070

A. Equity instruments at fair value through other comprehensive income

The Group holds such equity investments as long-term strategic investment that is not held for trading purposes; thus, they are designated as equity investment measured at fair value through other comprehensive income.

There were no disposals of strategic investments and transfers of any cumulative gain or loss within equity relating to these investments for the three-month periods ended March 31, 2026 and 2025.

B. Please refer to note 6(19) for credit and market risk information.

C. The above financial assets were not pledged as collateral.

(3) Notes receivable and accounts receivable (including related parties)

	March 31, 2026	December 31, 2025	March 31, 2025
Notes receivable	$ 12,304	13,208	12,389
Accounts receivable-measured at amortized cost	198,910	302,564	225,043
Less: Allowance for expected credit losses	(2,157)	(3,429)	(2,534)
	$ 209,057	**312,343**	**234,898**

The Group applies the simplified approach to provide for its expected credit losses, which permit the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, notes and accounts receivable have been grouped based on shared credit risk characteristics and the days past due, as well as forward looking information. The loss allowance provision was determined as follows:

	March 31, 2026		
	Gross carrying amount	**Weighted-average loss rate**	**Loss allowance provision**
Not past due	$ 210,574	1%~1.02%	2,147
Past due 1~60 days	640	0.99%~1%	10
	$ 211,214		**2,157**

	December 31, 2025		
	Gross carrying amount	**Weighted-average loss rate**	**Loss allowance provision**
Not past due	$ 311,640	0.94%~1.45%	3,194
Past due 1~60 days	4,110	1%~12.53%	235
Past due 61~120 days	13	1%	-
Past due 121~180 days	9	2%	-
	$ 315,772		**3,429**

	March 31, 2025		
	Gross carrying amount	**Weighted-average loss rate**	**Loss allowance provision**
Not past due	$ 232,223	0.98%~1%	2,482
Past due 1~60 days	5,208	1%	52
Past due 121~180 days	1	2%	-
	$ 237,432		**2,534**

The movement in the allowance for notes and accounts receivable was as follows:

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Balance at the beginning of the period	$ 3,429	2,533
Impairment losses	-	1
Impairment losses reversed	(1,272)	-
Balance at the end of the period	**$ 2,157**	**2,534**

The aforementioned notes and account receivables of the Group had not been pledged as collateral as of March 31 2026, December 31, 2025 and March 31,2025.

(4) Inventories

	March 31, 2026	December 31, 2025	March 31, 2025
Merchandise	$ 49,772	60,916	96,689
Work in progress and finished goods	48,317	56,898	54,724
Raw materials and supplies	44,879	41,614	48,761
Less: Allowance for inventory market decline and obsolescence	(4,751)	(3,687)	((17,010)
	$ 138,217	**155,741**	**183,164**

The details of cost of goods sold were as follows:

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Cost of goods sold	$ 128,231	138,735
Losses on inventory market decline (gain on reversal) and obsolescence	1,064	(1,940)
	$ 129,295	**136,795**

A. The reversal of previously recognized inventory write-downs for the period from January 1 to March 31, 2025, was due to an increase in the net realizable value of inventories, primarily resulting from heightened consumer market demand that helped absorb existing inventory.
B. As of March 31, 2026, December 31, 2025 and March 31, 2025, the Group had not pledged any inventories as collateral.

(5) Material non-controlling interests of subsidiaries

The material non-controlling interests of subsidiaries were as follows:

Subsidiaries	Main operation place	Percentage of non- controlling interests		
		March 31, 2026	December 31, 2025	March 31, 2025
Chuang Yi Biotech Co. Ltd.	Taiwan	48.40%	48.40%	48.40%
Top Pharma Medical-wares Co., Ltd.	〃	49.00%	49.00%	49.00%

The following information of the aforementioned subsidiaries have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. Included in these information are the fair value adjustment made during the acquisition and relevant difference in accounting principles between the Group as at the acquisition date. Intragroup transactions were not eliminated in this information.

A. Chuang Yi Biotech Co. Ltd.'s collective financial information

	March 31, 2026	December 31, 2025	March 31, 2025
Current assets	$ 400,372	402,654	354,216
Non-current assets	34,106	32,816	39,201
Current liabilities	(50,131)	(51,505)	(57,957)
Non- current liabilities	-	-	(1,310)
Net assets	$ 384,347	383,965	334,150
Net assets attributed to non-controlling interests	$ 186,024	185,839	161,729

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Sales revenue	$ 40,124	74,088
Net income	383	4,661
Other comprehensive income	-	378
Comprehensive income	$ 383	5,039
Gain (loss) attributable to non-controlling interests	$ 185	2,256
Comprehensive income, attributable to non-controlling interests	$ 185	2,493
Net cash flows from operating activities	$ 107,447	2,090
Net cash flows from investing activities	(53,469)	(96,500)
Net cash flows from financing activities	(434)	(425)
Net increase (loss) in cash and cash equivalents	$ 53,544	(94,835)

B. Top Pharma Medical-wares Co., Ltd.'s collective financial information

	March 31, 2026	December 31, 2025	March 31, 2025
Current assets	$ 231,127	230,753	200,332
Non-current assets	268,518	268,646	268,067
Current liabilities	(57,062)	(62,725)	(61,628)
Non- current liabilities	(6,071)	(6,695)	(5,825)
Net assets	$ 436,512	429,979	400,946
Net assets attributed to non-controlling interests	$ 92,421	89,220	74,993

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Sales revenue	$ 74,358	72,292
Net income	6,533	6,342
Other comprehensive income	-	-
Comprehensive income	$ 6,533	6,342
Gain (loss) attributable to non-controlling interests	$ 3,201	3,107
Net cash flows from operating activities	$ 8,199	(3,370)
Net cash flows from investing activities	(743)	6,847
Net cash flows from financing activities	(1,969)	(1,769)
Net increase (loss) in cash and cash equivalents	$ 5,487	1,708

(6) Property, plant and equipment

	Land	Building and construction	Machinery equipment	Office equipment	Other equipment	Total
Book value：						
Balance on January 1, 2026	$ 5,846	3,046	3,907	660	3,759	17,218
Balance on March 31, 2026	$ 5,846	2,947	3,499	547	3,543	16,382
Balance on January 1, 2025	$ 5,846	3,439	5,851	1,112	3,741	19,989
Balance on March 31, 2025	$ 5,846	3,341	5,254	992	4,454	19,887

During the three-month periods ended March 31, 2026 and 2025, there was no significant change of addition, disposal, impairment loss and subsequent reversal in the Group's property, plant and equipmen. Please refer to Note12(1) for the depreciation amount, and Note 6(7) of the consolidated financial statements for the year ended December 31, 2025 for further details.

(7) Right-of-use assets

The details of changes in the cost and depreciation of leased buildings and transportation-related costs of the Group are as follows:

	Building and construction	Transportation Equipment	Total
Cost：			
Balance on January 1, 2026	$ 15,961	16,251	32,212
Additions	770	933	1,703
Disposals	(393)	(752)	(1,145)
Balance on March 31, 2026	**$ 16,338**	**16,432**	**32,770**
Balance on January 1, 2025	$ 14,928	15,291	30,219
Additions	394	2,228	2,622
Balance on March 31, 2025	**$ 15,322**	**17,519**	**32,841**
Accumulated depreciation：			
Balance on January 1, 2026	$ 6,141	7,645	13,786
Depreciation	1,923	1,320	3,243
Disposals	(393)	(752)	(1,145)
Balance on March 31, 2026	**$ 7,671**	**8,213**	**15,884**
Balance on January 1, 2025	$ 4,068	5,726	9,794
Depreciation	1,690	1,330	3,020
Balance on March 31, 2025	**$ 5,758**	**7,056**	**12,814**
Book value：			
Balance on January 1, 2026	**$ 9,820**	**8,606**	**18,426**
Balance on March 31, 2026	**$ 8,667**	**8,219**	**16,886**
Balance on January 1, 2025	**$ 10,860**	**9,565**	**20,425**
Balance on March 31, 2025	**$ 9,564**	**10,463**	**20,027**

(8) Intangible assets

The details of changes in the cost, amortization, and impairment losses of intangible assets of the Group are as follows:

	Computer software	Patent and drug permit license	Drug distribution license	Goodwill	Others	Total
Cost：						
Balance on January 1, 2026	$ 8,965	24,020	70,000	247,898	77	350,960
Additions	743	3,470	-	-	-	4,213
Reclassification	-	1,774	-	-	-	1,774
Disposals	(3,436)	-	-	-	(25)	(3,461)
Balance on March 31, 2026	$ 6,272	29,264	70,000	247,898	52	353,486
Balance on January 1, 2025	$ 6,880	14,600	70,000	247,898	77	339,455
Additions	1,208	3,297	-	-	-	4,505
Reclassification	-	6,122	-	-	-	6,122
Balance on March 31, 2025	$ 8,088	24,019	70,000	247,898	77	350,082
Accumulated depreciation and impairment losses:						
Balance on January 1, 2026	$ 5,694	14,249	41,465	-	75	61,483
Amortisation	306	916	1,585	-	1	2,808
Disposals	(3,436)	-	-	-	(25)	(3,461)
Balance on March 31, 2026	$ 2,564	15,165	43,050	-	51	60,830
Balance on January 1, 2025	$ 4,916	11,696	35,124	-	67	51,803
Amortisation	406	413	1,585	-	2	2,406
Balance on March 31, 2025	$ 5,322	12,109	36,709	-	69	54,209
Book value：						
Balance on January 1, 2026	$ 3,271	9,771	28,535	247,898	2	289,477
Balance on March 31, 2026	$ 3,708	14,099	26,950	247,898	1	292,656
Balance on January 1, 2025	$ 1,964	2,904	34,876	247,898	10	287,652
Balance on March 31, 2025	$ 2,766	11,910	33,291	247,898	8	295,873

According to International Accounting Standard No. 36, goodwill acquired in a business combination should be tested for impairment at least annually. Based on the results of the impairment test performed by the Group as of December 31, 2025, no impairment loss on goodwill was recognized. Please refer to Note 6(9) to the 2025 consolidated financial statements for further details. As of March 30, 2026, the Group evaluated whether there were any indicators of impairment for the relevant cash-generating units by assessing their operating revenue and operating net profit performance for the first quarter of 2026. Based on the assessment, no impairment indicators were identified.

(9) Other current assets and other non-current assets

The details of other current assets and other non-current assets were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Other current financial assets	$ 487,000	437,000	332,000
Other current assets	2,076	1,768	1,583
Long-term prepayments	16,679	4,699	2,069
Refundable deposits	10,208	9,609	9,001
	$ 515,963	**453,076**	**344,653**

A. Other current financial assets were time deposits which did not meet the definition of cash equivalents. For further credit and market risk information, please refer to note 6(19).

B. The long-term prepayments primarily serve to acquire intangible assets, representing payments made before the intangible assets are ready for use. Please refer to Note 9 for detailed explanations regarding related unrecognized contractual commitments.

(10) Other payables

The details of other payables were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Salaries and compensation of employees and directors	$ 50,775	64,740	42,351
Research expenses	2,910	1,426	3,819
Commission	1,626	1,705	1,478
Others	36,335	40,191	32,659
	$ 91,646	**108,062**	**80,307**

(11) Lease liabilities

The carrying amounts of lease liabilities were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Current	**$ 11,066**	**11,945**	**10,498**
Non-current	**$ 6,071**	**6,695**	**9,569**

For the maturity analysis, please refer to note 6(20) financial instruments.

The amounts recognized in profit or loss were as follows:

	Three Months Ended March 31,	
	2026	2025
Interest on lease liabilities	**$ 199**	**196**
Expenses of short-term leases	**$ 386**	**394**
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	**$ 26**	**23**

The amounts recognized in the statement of cash flows for the Group were as follows:

	Three Months Ended March 31,		
		2026	2025
Total cash outflow for leases	**$**	**3,817**	**3,599**

A. Real estate and transportation equipment leases

The Group leased buildings for its office and plant with lease term of 2 to 13.5 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

The lease payment of the plant contract is calculated on basis of the purchase quantity of the plant leased by the Group during the lease period. It is a variable lease payment that is not included in the measurement of the lease liability. Therefore, the Group will pay the relevant lease payment during the lease period to recognize the expense.

B. Other leases

The Group lease office equipment with lease term of 0.5 to 5 years, these leases are leases of short-term or low-value items. The Group has elected not to recognize right-of-use assets and lease liabilities for these leases.

(12) Employee benefits

Defined contribution plans

The Group allocates 6% of each employee's monthly wages to the labor pension personal account at the Bureau of Labor Insurance in accordance with the provisions of the Labor Pension Act. Under these defined contribution plans, the Group allocates a fixed amount to the Bureau of Labor Insurance without additional legal or constructive obligation.

The pension expenses of the Group under the defined contribution plan are as follows and have been contributed to the Bureau of Labor Insurance.

	Three Months Ended March 31,		
		2026	2025
Cost of goods sold	$	100	93
Selling expenses		2,181	1,831
Administrative expenses		536	530
Research and development expenses		121	110
	$	2,938	2,564

(13) Income taxes

A. Income tax expense

Details of the Group's income tax expenses are as follows:

	Three Months Ended March 31,		
		2026	2025
Current income tax expense			
Current period	$	13,119	9,399
Income tax expenses	**$**	**13,119**	**9,399**

B. Status of income tax assessment

The Group’ s tax returns for the years through 2024 were assessed by the Taipei National Tax Administration.

(14) Capital and other equity

As of March 31, 2026, December 31, 2025, and March 31, 2025, the authorized capital of the Group amounted to $1,000,000 thousand, with par value of $10 per share, which consisting of 100,000 thousand shares of stock. The paid-in capital was $383,981 thousand which consisting of 38,398 thousand shares. All proceeds from shares issued have been collected.

A. Capital surplus

The balances of capital surplus were as following:

		March 31, 2026	December 31, 2025	March 31, 2025
Share Capital	$	458,977	458,977	458,977
Others		636	633	577
	$	459,613	459,613	459,554

According to the R.O.C. Company Act, capital surplus can only be used to offset a deficit, and only the realized capital surplus can be used to increase the common stock or be distributed as cash dividends. The aforementioned realized capital surplus includes capital surplus resulting from premium on issuance of capital stock and earnings from donated assets received. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, capital increases by transferring capital surplus in excess of par value should not exceed 10% of the total common stock outstanding.

B. Retained earnings

The Group's article of incorporation stipulates that Group's net earnings should first be used to offset the prior years' deficits, if any, before paying any income taxes. Of the remaining balance, 10% is to be appropriated as legal reserve, until the accumulated legal reserve equals the Group's paid-in capital. In addition, a special reserve in accordance with applicable laws and regulations shall also be set aside. Then, any remaining profit, together with any undistributed retained earnings, shall be distributed according to the proposal by the Board of Directors and submitted to the stockholders’ meeting for approval.

To enhance the Group’s financial structure and maintain investors’ equity, the Group adopts a stable dividends policy in which earnings distribution cannot be less than 50% of distributable earnings, and cash dividends payment has to be over than 50% of the distribution.

(A) Legal reserve

When a Group incurs no loss, it may, pursuant to a resolution by a shareholders’ meeting, distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of capital may be distributed.

(B) Special reserve

The Group has set aside the same amount of special surplus reserve in accordance with the requirements of the Financial Supervisory Commission's Order No. 1010012865 dated April 6, 2012. When distributing the distributable surplus, the Group will record the deduction for other shareholders' equity that occurred in the current year. The difference between the net amount of the item and the special surplus reserve balance mentioned in the previous paragraph shall be included in the special surplus reserve from the profit and loss of the current period and the undistributed surplus of the previous period. The special surplus reserve shall not be distributed. If the amount of deductions from other shareholders' equity is subsequently reversed, the reversed portion of the earnings may be distributed.

(C) Earnings distribution

The Company's appropriation of earnings for 2025 was proposed by the Board of Directors on March 5, 2026, and the appropriation of earnings for 2024 was approved by the shareholders at the annual general meeting held on May 28, 2025. The dividends distributed to owners were as follows:

	2025		2024	
	Amount per share (dollars)	**Total amount**	**Amount per share (dollars)**	**Total amount**
Dividends distributed to ordinary shareholders:				
Cash	$ 2.61	**100,219**	2.12	**81,404**

C. Other equity interests

	Exchange differences on translation of foreign financial statements	Unrealized gains on financial assets measured at fair value through other comprehensive income	Total
Balance on January 1, 2026	$ -	17,815	17,815
Unrealized gains on financial assets measured at fair value through other comprehensive income	-	(6,205)	(6,205)
Balance on March 31, 2026	**$ -**	**11,610**	**11,610**
Balance on January 1, 2025	($ 195)	67,774	67,579
Disposal of subsidiaries	195	-	195
Unrealized gains on financial assets measured at fair value through other comprehensive income	-	(18,158)	(18,158)
Banlance on March 31, 2025	**$ -**	**49,616**	**49,616**

D. Non-controlling interests

		Three Months Ended March 31,	
		2026	2025
Begininig balance	$	275,059	231,176
Attributable to non-controlling interests:			
Net income		3,386	5,363
Disposal of subsidiaries		-	183
Ending balance	**$**	**278,445**	**236,722**

(15) Earnings per share

The calculation of basic earnings per share and diluted earnings per share were as follows:

		Three Months Ended March 31,	
		2026	2025
Basic earnings per share			
Net income attributable to ordinary shareholders	$	**38,717**	**30,413**
Weighted-average number of ordinary shares		38,398	38,398
	$	**1.01**	**0.79**
Diluted earnings per share			
Net income attributable to ordinary shareholders (after adjustment of dilutive potential ordinary shares)	**$**	**38,717**	**30,413**
Weighted-average number of ordinary shares		38,398	38,398
Effect of dilutive potential ordinary shares			
Effect of employee share bonus		68	43
Weighted-average number of ordinary shares (after adjustment of dilutive potential ordinary shares)		**38,466**	**38,441**
	$	**1.01**	**0.79**

(16) Revenue from contracts with customers

A. Disaggregation of revenue

		Three Months Ended March 31,	
		2026	2025
Major products/service lines:			
Pharmaceuticals	$	267,885	232,464
Vaccine	(	3)	38,141
Test		15,634	12,899
Services		2,301	3,614
	$	**285,817**	**287,118**

B. Contract balances

		March 31, 2026	December 31, 2025	March 31, 2025
Notes receivable	$	12,304	13,208	12,389
Accounts receivable (included related parties)		198,910	302,564	225,043
Less: Allowance for expected credit losses	(	2,157)(	3,429)(	2,534)
Total	**$**	**209,057**	**312,343**	**234,898**
Contract liabilities	**$**	**8,143**	**3,242**	**1,637**

For details on notes receivable, accounts receivable and allowance for expected credit losses, please refer to note 6 (3).

The amount of revenue recognized for the three months periods ended March 31, 2026 and 2025 that were included in the contract liability balance at the beginning of the period were $760 thousand and $180 thousand respectively.

(17) Remuneration to employees and directors

On May 28, 2025, the shareholders' meeting resolved to amend the Articles of Incorporation. According to the amended provisions, if the Group has profits in a given fiscal year, 2% to 8% shall be allocated as employee compensation (among which, compensation to grassroots employees shall not be less than 0.05%), and up to 2% may be allocated as remuneration for directors and supervisors. However, if the Group has accumulated losses, such losses must be covered before any allocation is made.The recipients of employee compensation, whether in stock or cash, may include employees of subsidiaries who meet certain criteria.Under the previous version of the Articles, if the Group had profits in a given fiscal year, 2% to 8% was to be allocated as employee compensation, to be distributed in stock or cash as resolved by the board of directors. The recipients could include employees of controlling or subsidiary companies who met certain criteria. The Group could also allocate up to 2% of such profits as directors' remuneration, which could only be distributed in cash. The distribution plans for employee compensation and directors' remuneration were to be reported to the shareholders' meeting.However, if there were accumulated losses, such losses must first be covered before allocating employee compensation and directors' remuneration according to the aforementioned percentages.

For the three months ended March 31, 2025 and 2024, the Group estimated its employee compensation and directors' remuneration both amounting to $1,046 thousand and $796 thousand respectively. The estimated amounts mentioned above are calculated based on the net profit before tax, excluding the remuneration to employees and directors of each period, multiplied by the percentage of remuneration to employees, directors and supervisors as specified in the Group's articles of incorporation. These compensation and remunerations recognized as operating expenses during the period.

If there is a difference between the actual distribution amount and the estimated amount in the following year, it will be accounted for as an adjustment according to accounting estimates, and such difference will be recognized in the profit or loss for the following year. In the event that the board of directors decides to issue stock as employee compensation, the basis for calculating the number of shares for stock-based compensation is determined based on the closing price of common shares on the day before the board of directors' decision, taking into account any adjustments for dividends and rights issues.

For the fiscal year 2025, the Group accrued $3,609 thousand as employee compensation and $1,985 thousand as directors' remuneration. For the fiscal year 2024, the Group accrued $2,902 thousand as employee compensation and $1,814 thousand as directors' remuneration. The amounts are identical to those of the actual distrubutions. Related information is available on the Market Observation Post System website.

(18) Non-operating income and expenses

A. Interest income

The details of interest income were as follows:

	Three Months Ended March 31,	
	2026	**2025**
Interest income from bank deposits	**$ 1,889**	**1,219**

B. Other income

The details of other income were as follows:

	Three Months Ended March 31,	
	2026	**2025**
Rent income	$ 41	36
Other income-other	135	123
	$ 176	**159**

C. Other gains and losses

The details of other gains and losses were as follows:

	Three Months Ended March 31,	
	2026	**2025**
Foreign exchange gains	$ 591	244
Gains on disposals of investments	-	1,113
Others	(189)	(247)
Other gains and losses(net)	**$ 402**	**1,110**

D. Finance costs

The details of finance costs were as follows:

	Three Months Ended March 31,	
	2026	2025
Interest expenses – Lease Liabilities	$ 199	196
Other finance costs – Interest expenses	22	-
	$ 221	**196**

(19) Financial instruments

Except as described below, there were no significant changes in the fair value of financial instruments and the exposure to credit risk, liquidity risk, and market risk arising from financial instruments of the Group. Please refer to Note 6(20) of the consolidated financial statements for 2025 for relevant information.

A. Credit risk

(A) Credit risk exposure

The carrying amount of financial assets represents the maximum amount exposed to credit risk.

(B) Concentration of credit risk

The Group has a customer base that includes hospitals, medical centers, pharmacies, and clinics, which results in the Group having no significant concentration of credit risk. The Group regularly assesses the likelihood of accounts receivable collection and recognize allowance for doubtful accounts, and the impairment losses are always within management's expectations.

(C) Credit risk of accounts receivables and debt securities

For credit risk exposure of notes and accounts receivables, please refer to note 6 (3).

Other financial assets at amortized cost includes other receivables and time deposits. All of these financial assets are considered to have low risk, and thus, the impairment provision recognized during the period was limited to 12 months expected losses. Regarding how the financial instruments are considered to have low credit risk, please refer to note 4 (7). There were no recognition and reversal of impairment losses for the three-month periods ended March 31, 2026 and 2025. The balance as of March 31, 2026 and 2025 are both zero.

B. Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments.

	Carrying amount	Contractual cash flows	Within a year	2~3 years	4~5 years
March 31, 2026					
Non-derivative financial liabilities					
Notes and accounts payable (including related parties)	$ 135,808	135,808	135,808	-	-
Lease liabilities	17,137	17,868	11,624	6,244	-
	$ 152,945	**153,676**	**147,423**	**6,244**	**-**
December 31, 2025					
Non-derivative financial liabilities					
Notes and accounts payable (including related parties)	$ 156,687	156,687	156,687	-	-
Lease liabilities	18,640	19,455	12,544	6,911	-
	$ 175,327	**176,142**	**169,231**	**6,911**	**-**
March 31, 2025					
Non-derivative financial liabilities					
Notes and accounts payable (including related parties)	$ 169,674	169,674	169,674	-	-
Lease liabilities	20,067	20,929	11,063	9,866	-
	$ 189,741	**190,603**	**180,737**	**9,866**	**-**

The Group does not expect the cash flows included in the maturity analysis to occur significantly earlier or at significantly different amounts.

C. Currency risk

(A) Exposure to foreign currency risk

The Group's significant exposure to foreign currency risk were as follows:

	March 31, 2026			December 31, 2025			March 31, 2025		
	Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD
Financial assets									
Monetary items									
USD	$ 1,293	31.995	41,357	116	31.430	3,644	79	33.205	2,636
HKD	-	-	-	343	4.038	1,385	342	4.268	1,461

(B) Sensitivity analysis

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents that is denominated in foreign currency. A strengthening (weakening) 1% of the TWD against the USD, CNY, and HKD as of March 31, 2026 and 2025 would have decreased the net profit after tax by $331 and $33 thousand, respectively. The analysis assumes that all other variables remain constant. The analysis is performed on the same basis for both periods.

(C) Foreign exchange gain and loss on monetary items

Due to the variety of functional currencies in the Group, exchange gain or loss information on monetary items is disclosed on an aggregated basis. For the periods from January 1 to March 31, 2026 and 2025, the foreign exchange gains and losses (including both realized and unrealized) amounted to gains of $591 thousand and $244 thousand, respectively.

(D) Interest rate risk : None.

(E) Other market price risk

The sensitivity analysis for the changes in the securities price at the reporting date were performed using the same basis for the profit and loss with all other variable factors remaining constant as illustrated below:

	Three Months Ended March 31,			
	2026		2025	
Prices of securities at the reporting date	**Other comprehensive income after tax**	**Net income**	**Other comprehensive income after tax**	**Net income**
Increasing 10%	**$ 20,368**	**-**	**24,507**	**-**
Decreasing 10%	**($ 20,368)**	**-**	**(24,507)**	**-**

D. Fair value of financial instruments

(A) Categories of financial instruments and fair value hierarchy

The fair value of financial assets at fair value through other comprehensive income is measured on a recurring basis. The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy, were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required:

	March 31, 2026				
		Fair Value			
	Book Value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income					
Domestic listed stocks	$ 181,081	181,081	-	-	181,081
Domestic OTC stocks	22,603	22,603	-	-	22,603
Foreign unlisted stocks	-	-	-	-	-
Subtotal	203,684	203,684	-	-	203,684
Financial assets measured at amortized cost					
Cash and cash equivalents	$ 559,662	-	-	-	-
Notes and accounts receivable (including related parties)	209,057	-	-	-	-
Other receivables	3,193	-	-	-	-
Other financial assets	487,000	-	-	-	-
Refundable deposits	10,208	-	-	-	-
Subtotal	1,269,120	-	-	-	-
Total	**$ 1, 472,804**	**203,684**	**-**	**-**	**203,684**
Financial liabilities at amortized cost					
Notes and accounts payable (including related parties)	$ 44,162	-	-	-	-
Other payables (including related parties)	91,646	-	-	-	-
Lease liabilities	17,137	-	-	-	-
Total	**$ 152,945**	**-**	**-**	**-**	**-**

	December 31, 2025				
		Fair Value			
	Book Value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income					
Domestic listed stocks	$ 179,145	179,145	-	-	179,145
Domestic OTC stocks	30,743	30,743	-	-	30,743
Foreign unlisted stocks	-	-	-	-	-
Subtotal	209,888	209,888	-	-	209,888
Financial assets measured at amortized cost					
Cash and cash equivalents	$ 464,539	-	-	-	-
Notes and accounts receivable (including related parties)	312,343	-	-	-	-
Other receivables	1,978	-	-	-	-
Other financial assets	437,000	-	-	-	-
Refundable deposits	9,609	-	-	-	-
Subtotal	1,225,469	-	-	-	-
Total	**$ 1,435,357**	**209,888**	**-**	**-**	**209,888**
Financial liabilities at amortized cost					
Notes and accounts payable (including related parties)	$ 48,625	-	-	-	-
Other payables(including related parties)	108,062	-	-	-	-
Lease liabilities	18,640				
Total	**$ 175,327**	**-**	**-**	**-**	**-**

	March 31, 2025				
		Fair Value			
	Book Value	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through other comprehensive income					
Domestic listed stocks	$ 179,756	179,756	-	-	179,756
Domestic OTC stocks	54,835	54,835	-	-	54,835
Foreign unlisted stocks	10,479	-	-	10,479	10,479
Subtotal	245,070	234,591	-	10,479	245,070
Financial assets measured at amortized cost					
Cash and cash equivalents	$ 507,625	-	-	-	-
Notes and accounts receivable (including related parties)	234,898	-	-	-	-
Other receivables	2,326	-	-	-	-
Other financial assets	332,000	-	-	-	-
Refundable deposits	9,001	-	-	-	-
Subtotal	1,085,850	-	-	-	-
Total	**$ 1,330,920**	**234,591**	**-**	**10,479**	**245,070**
Financial liabilities at amortized cost					
Notes and accounts payable (including related parties)	$ 89,367	-	-	-	-
Other payables (including related parties)	80,307	-	-	-	-
Lease liabilities	20,067	-	-	-	-
Total	**$ 189,741**	-	-	-	-

(B) Fair value hierarchy

In measuring its assets and liabilities, the Group maximizes the use of relevant observable market inputs whenever possible.The different levels have been defined as follows:

a. Level 1: quoted prices (unadjusted) in active markets for identified assets or liabilities.

b. Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

c. Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(C) Valuation techniques for financial instruments not measured at fair value

The Group estimates its financial instruments, that are not measured at fair value, by methods and assumption as follows:

Cash and cash equivalents, accounts receivables, other financial assets, notes payable and accounts payable are either close to their expiry date, or their future receivable or payable are close to their carrying value; thus, their fair value are estimated from the book value of the balance sheet date.

(D) Valuation techniques for financial instruments measured at fair value

(D.1) Non-derivative financial instruments

Financial instruments traded in active markets are based on quoted market prices. The quoted price of a financial instrument obtained from main exchanges and on-the-run bonds from Taipei Exchange can be used as a basis to determine the fair value of the listed companies' equity instrument and debt instrument of the quoted price in an active market.

If a quoted price of a financial instrument can be obtained in time and often from exchanges, brokers, underwriters, industrial union, pricing institute, or authorities, and such price can reflect those actual trading and frequently happen in the market, then the financial instrument is considered to have a quoted price in an active market. If a financial instrument is not in accordance with the definition mentioned above, then it is considered to be without a quoted price in an active market. In general, market with low trading volume or high bid-ask spreads is an indication of a non-active market.

The fair value of the financial instruments held by the Group are determined by reference to the market quotation.

If the financial instruments held by the Group have no active market, their fair values are listed as follows according to their categories and attributes:

- Equity instruments without public quotation: The fair value is measured by using the transaction prices of the stocks of companies engaged in the same or similar businesses in the active market, the value multipliers implied by these prices, and related transaction information to determine the value of the financial instruments, as well as adjusted for considering liquidity discount.

(E) Transfer between levels

There was no change in valuation techniques for financial instruments measured at fair value for the three-month periods ended March 31, 2026 and 2025, so there was no transfer between levels.

(F) Reconciliation of level 3 fair values:

	Fair value through other comprehensive income Equity instruments without quoted price
Balance as of January 1, 2026	$ -
Balance as of March 31, 2026	**$ -**
Balance as of January 1, 2025	$ 10,479
Balance as of March 31, 2025	**$ 10,479**

(G) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

The Group's financial instruments that use Level 3 inputs to measure fair value include financial assets at fair value through other comprehensive income - equity investments.

The majority of fair values of the Group are classified as Level 3, with only a single significant unobservable input, while equity investments without active market are characterized by multiple significant unobservable inputs. The significant unobservable inputs of the equity investments without an active market are individually, and there is no correlation between them.

Quantified information of significant unobservable inputs was as follows:

Item	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Financial assets at fair value through other comprehensive income — equity investments without an active market	Comparable companies method	·Discount for lack of market liquidity (as of March 31, 2026, December 31, 2025 and March 31, 2025, the rate were 30%, 41.4%, and 30%, respectively)	·The greater degree of lack of market liquidity is, the lower the fair value is.

(H) Fair value measurements in Level 3 – sensitivity analysis of reasonably possible alternative assumptions

The Group's measurement on the fair value of financial instruments is deemed reasonable. However, use of different valuation models or assumptions may lead to different results. The following is the effect on other comprehensive income from financial assets categorized within Level 3 if the inputs used to valuation models have changed:

			Recognized in other comprehensive income	
	Input value	**Degree of variation**	**Favourable change**	**Unfavourable change**
March 31, 2026				
Financial assets at fair value through other comprehensive income				
Equity investments without an active market	Market liquidity discount rate	1%	-	-
December 31, 2025				
Financial assets at fair value through other comprehensive income				
Equity investments without an active market	Market liquidity discount rate	1%	-	-
March 31, 2025				
Financial assets at fair value through other comprehensive income				
Equity investments without an active market	Market liquidity discount rate	1%	105	(105)

The favorable and unfavorable effects represent the changes in fair value, and fair value is based on a variety of unobservable inputs calculated using a valuation technique. The analysis above only reflects the effects of changes in a single input, and it does not include the interrelationships with another input.

(20) Financial risk management

There have been no significant changes to the financial risk management objectives and policies of the Group as disclosed in Note 6(21) of the financial statements for the year ended December 31, 2025.

(21) Capital management

The capital management objectives, policies, and procedures of the consolidated company remain consistent with those disclosed in the consolidated financial statements for the year ended December 31, 2025. Additionally, there have been no significant changes to the aggregated quantitative data for items related to capital management as disclosed in the consolidated financial statements for the year ended December 31, 2025. Please refer to Note 6(22) of the consolidated financial statements for the year ended Decmber 31, 2025 for relevant information.

(22) Investing and financing activities not affecting current cash flow

The Group's investing and financing activities which did not affect the current cash flow for the three-month periods ended March 31, 2026 and 2025, were as follows:

A. Acquisition of right-of-use assets under leases, please refer to note 6(7).

B. Reconciliation of liabilities arising from financing activities were as follows:

			Non-cash changes	
	January 1, 2026	**Cash flow**	**Others**	**March 31, 2026**
Lease liabilities	**$ 18,640**	**(3,206)**	**1,703**	**17,137**

			Non-cash changes	
	January 1, 2025	**Cash flow**	**Others**	**March 31, 2025**
Lease liabilities	**$ 20,431**	**(2,986)**	**2,622**	**20,067**

7. Related-party transactions

(1) Parent company and ultimate controlling company

TTY Biopharm Company Limited is both the parent company and the ultimate controlling party of the Group. It owns 56.48% of all shares outstanding of the Group, and has issued the consolidated financial statements available for public use.

(2) Names and relationship with related parties

The followings are entities that have transactions with related party during the periods covered in the financial statements.

Name of related parties	Relationship with the Group
TTY Biopharm Company Limited	Parent company
American Taiwan Biopharm(Thailand)	Other related party

(3) Significant related-party transactions

A. Operating revenue

The amounts of significant sales by the Group to its related parties were as follows:

	Three Months Ended March 31,	
	2026	2025
Parent company- TTY Biopharm Company Limited	$ 2,301	4,183
Other related parties	2,157	2,606
	$ 4,458	**6,789**

The selling price and payment terms to related parties were not significantly different from those of sales to third parties. The collection terms for sales to related parties were month-end 60-90 days, or 14 days after the date of shipment. The collection terms for commission were month-end 30 and 90 days.

B. Purchases

The amounts of significant purchases by the Group from related parties were as follows:

	Three Month Ended March 31,	
	2026	2025
Parent company - TTY Biopharm Company Limited	**$ 27,832**	**60,219**

The pricing and payment terms with related parties were not materially different from those of purchases with third parties. The payment terms for purchases from related parties were month-end 30-90 days.

C. Receivables from related parties

The amounts of receivables from related parties were as follows:

Items	Related Party Categories	March 31, 2026	December 31, 2025	March 31, 2025
Accounts receivable	Parent company	$ 1,093	7,365	3,256
Accounts receivable	Other related party	-	-	2,275
Other receivables	Parent company	-	433	-
		$ 1,093	**7,798**	**5,531**

D. Payables to related parties

The amounts of payables to related parties were as follows:

Items	Related Party Categories	March 31, 2026	December 31, 2025	March 31, 2025
Accounts payable	Parent company - TTY	$ 17,308	25,851	50,598
Other payables	Parent company	1,022	3,046	3,855
		$ 18,330	**28,897**	**54,453**

E. Contract liabilities

The amounts of contract liabilities from related parties were as follows:

Items	Related Party Categories	March 31, 2026	December 31, 2025	March 31, 2025
Contract liabilities	Parent company	$ -	-	500

F. Lease

The Group leases offices and equipments from the parent company, and the details were as follows:

Items	March 31, 2026	December 31, 2025	March 31, 2025
Guarantee deposits paid	$ 838	838	805
Lease liabilities	$ 3,744	4,982	8,660

Items	Three Months Ended March 31, 2026	2025
Interest paid	$ 20	42

G. Others

The operating expenses paid by the Group to the parent company due to the operating and business transactions were as follows:

Items	Three Months Ended March 31, 2026	2025
Operating expenses	$ 1,812	1,577

(4) Key management personnel compensation

Compensation of key management personnel comprises:

Items	Three Months Ended March 31, 2026	2025
Short-term employee benefits	$ 13,433	12,853
Post-employment benefits	300	282
	$ 13,733	13,135

8. Pledged assets:

The details of the book value of assets pledged as collateral by the Group are as follows:

Items	Pledged Collateral	March 31, 2026	December 31, 2025	March 31, 2025
Other financial assets- current	Agency distribution payment	$ 10,000	10,000	5,000

9. Significant commitments and contingencies

As of March 31, 2026, December 31, 2025 and March 31, 2025, the unrecognized contractual commitments of the Group were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Contract with other units for research and development	$ 17,498	21,038	18,587
Acquisition of intangible assets	$ 28,896	6,392	3,689

10. Losses due to major disasters: None.

11. Subsequent events: None.

12. Others

(1) The followings are the summary of employee benefits, depreciation, and amortization by function :

By function / By item	Three Month Ended March 31, 2026 Operating cost	2026 Operating expenses	2026 Total	2025 Operating cost	2025 Operating expenses	2025 Total
Employee benefits						
Salary	1,975	52,060	54,035	2,527	51,657	54,184
Labor and health insurance	193	4,196	4,389	186	4,239	4,425
Pension	100	2,838	2,938	93	2,471	2,564
Others	92	2,126	2,218	274	2,845	3,119
Depreciation	765	3,314	4,079	718	3,315	4,033
Amortization	-	2,808	2,808	-	2,406	2,406

(2) Others:

The Group donated $2,657 thousand and $3,765 thousand to related medical foundation and associations to support non-profit organizations developing drugs, promoting disease prevention and correct dosages for the three months ended March 31, 2026 and 2025, respectively.

(3) Seasonality of operations

The operations of the Group are not affected by seasonal or cyclical factors.

13. Other disclosures

(1) Information on significant transactions

The following is the information on significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the Group

A. Loans to other parties: None.

B. Guarantees and endorsements for other parties: None.

C. Securities held as of March 31, 2026 (excluding those investments in subsidiaries, associates and joint ventures):

(In Thousands of New Taiwan Dollars/Thousands shares)

Name of holder	Category and name of security	Relationship with Group	Account title	Ending balance Shares/Units (thousands)	Carrying value	Percentage of ownership (%)	Fair value	Note
TSH Biopharm Corporation Ltd.	Lumosa Therapeutics Co., Ltd.	-	Current financial assets at fair value through other comprehensive income	158	22,603	0.09 %	22,603	
〃	Fubon Financial Holding Co., Ltd. Preferred stock B	-	Non-current financial assets at fair value through other comprehensive income	2,500	156,250	0.38 %	156,250	
〃	Union Bank of Taiwan Preferred stock A	-	〃	400	21,840	0.20 %	21,840	
〃	Fubon Financial Holding Co., Ltd. Preferred stock C	-	〃	58	2,991	0.02%	2,991	
〃	CellMax Ltd.	-	〃	1,593	-	- %	-	

D. Related-party transactions for purchases and sales with amounts exceeding the lower of NT$100 million or 20% of the capital stock: None.

E. Receivables from related parties with amounts exceeding the lower of NT$100 million or 20% of the capital stock: None.

F. Business relationships and significant intercompany transactions:

Number	Trader's name	Counterparty	Relationship with the trader	Transaction details			
				Account title	Amount	Transaction conditions	Ratio of combined total revenue or total assets
0	TSH Biopharm Corporation Ltd	Top Pharma Medical-wares Co., Ltd	1	Sales revenue	19,311	According to the contract terms	6.76%
0	TSH Biopharm Corporation Ltd	Top Pharma Medical-wares Co., Ltd.	1	Notes receivable	4,957	〃	0.25%
0	TSH Biopharm Corporation Ltd	Top Pharma Medical-wares Co., Ltd.	1	Accounts receivable	5,968	〃	0.30%

Note 1、The numbering format is as follows：

1. 0 Representing the parent company.
2. Subsidiaries numbered sequentially starting from Arabic numeral 1.

Note 2、Types of relationships with the trader are indicated as follows:

1. Parent company to subsidiary.
2. Subsidiary to parent company
3. Subsidiary to subsidiary

Note 3、When preparing consolidated financial statements, all amounts have been fully offset.

Note 4、Individual amounts not exceeding $1,000 thousand will not be disclosed, and their corresponding transactions will no longer be disclosed.

(2) Information on investees:

Information on the Group's investees for the three months ended March 31, 2026, is as follows:

(In Thousands of New Taiwan Dollars/Thousands shares)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of March 31, 2026			Net Income (losses) of the investee	The amount of investment gain or loss recognized in the current period.	Footnote
				March 31, 2026	December 31, 2025	Shares	Percentage of Ownership	Carrying Value			
TSH Biopharm Corporation Ltd.	Chuang Yi Biotech Co. Ltd.	Taiwan	Selling of health food	200,262	200,262	16,590	51.60%	198,323	383	198	
TSH Biopharm Corporation Ltd.	Top Pharma Medical-wares Co., Ltd.	Taiwan	Selling of medicine and dietary supplement	301,451	301,451	3,794	51.00%	342,426	6,533	3,332	

Note 1 : The aforementioned transactions were eliminated in the preparation of consolidated financial statements.

Note 2 : For changes in subsidiaries included in the consolidated financial statements, please refer to Note 4(2).

(3) Information on investment in mainland China : None.

14. Segment information

(1) General information

The Group' s operating segments required to be disclosed are categorized as Domestic Cardiovascular Business Unit, Gastrointestinal Drugs Business Unit, and Investment Business Unit, etc.

The segments' profit is measured at profit before tax. The Group assesses performance of the segments based on the segments' profit. The operating segments' accounting policies are similar to those described in Note 4 "significant accounting policies"

(2) Information about reportable segments and their measurement and reconciliations

The Group's operating segment information and reconciliation are as follows:

Three Months Ended March 31, 2026	Domestic Cardiovascular and Gastrointestinal Drugs	Investment	Adjustment and elimination	Total
Revenue				
Revenue from external customer	$ 171,349	114,468	-	285,817
Interdepartmental revenue	19,310	14	(19,324)	-
Total	$ 190,659	114,482	(19,324)	285,817
Reportable segment profit or loss	$ 45,672	9,550	-	55,222

Three Months Ended March 31, 2025	Domestic Cardiovascular and Gastrointestinal Drugs	Investment	Adjustment and elimination	Total
Revenue				
Revenue from external customer	$ 140,756	146,362	-	287,118
Interdepartmental revenue	19,437	18	(19,455)	-
Total	$ 160,193	146,380	(19,455)	287,118
Reportable segment profit or loss	$ 31,952	13,223	-	45,175
Reportable segment assets				
March 31, 2026	$ 1,604,268	919,438	(540,749)	1,982,957
December 31, 2025	$ 1,557,349	932,307	(538,203)	1,951,453
March 31, 2025	$ 1,518,146	856,866	(497,252)	1,877,760