Energenesis Biomedical Co., Ltd. and Subsidiaries

Consolidated Financial Statements for the Six Months Ended June 30, 2025 and 2024 and Independent Auditors’ Review Report

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Energenesis Biomedical Co., Ltd.

Opinion

We have reviewed the accompanying consolidated balance sheets of Energenesis Biomedical Co., Ltd. and its subsidiaries (the "Group") as of June 30, 2025 and 2024, and the related consolidated statements of comprehensive income, for the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024, the consolidated statements of changes in equity and cash flows for the six months then ended, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements"). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

We conducted our reviews in accordance with the Standards on Review Engagements of the Republic of China 2410 "Review of Interim 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 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 caused 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 June 30, 2025 and 2024, and of its consolidated financial performance and its consolidated cash flows for the six months ended June 30, 2025 and 2024 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.

The engagement partners on the reviews resulting in this independent auditors’ report are Shu-Chuan Yeh and Hui-Min Huang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

August 8, 2025

<u>*Notice to Readers*</u>

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to review such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors’ review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors’ review report and consolidated financial statements shall prevail.

ENERGENESIS BIOMEDICAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

	June 30, 2025		December 31, 2024		June 30, 2024	
ASSETS	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	$ 434,396	41	$ 404,506	52	$ 201,068	27
Financial assets at fair value through profit or loss - current (Note 7)	30,214	3	-	-	30,159	4
Financial assets at amortized cost - current (Note 8)	490,000	46	260,474	34	400,474	53
Accounts receivables (Notes 9 and 21)	1,057	-	852	-	781	-
Other receivables	575	-	1,145	-	570	-
Current tax assets (Note 23)	2,154	-	1,549	-	1,286	-
Inventories (Note 10)	901	-	750	-	585	-
Prepayments (Note 12)	17,962	2	18,430	2	18,372	3
Other current assets	20	-	40	-	40	-
Total current assets	977,279	92	687,746	88	653,335	87
NON-CURRENT ASSETS						
Property, plant and equipment (Notes 13 and 17)	64,056	6	65,686	8	66,967	9
Right-of-use assets (Note 14)	11,589	1	10,106	1	8,352	1
Intangible assets (Note 15)	7,351	1	13,670	2	19,993	2
Other non-current assets (Note 16)	4,767	-	3,430	1	5,039	1
Total non-current assets	87,763	8	92,892	12	100,351	13
TOTAL	$ 1,065,042	100	$ 780,638	100	$ 753,686	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Contract liabilities - current (Note 21)	$ 108	-	$ -	-	$ -	-
Accounts payables	297	-	311	-	130	-
Other payables (Notes 18 and 28)	17,040	2	30,709	4	18,856	2
Lease liabilities - current (Note 14)	4,860	-	4,556	-	5,180	1
Other current liabilities	239	-	256	-	249	-
Total current liabilities	22,544	2	35,832	4	24,415	3
NON-CURRENT LIABILITIES						
Lease liabilities - non-current (Note 14)	6,690	1	5,473	1	3,065	1
Total liabilities	29,234	3	41,305	5	27,480	4
EQUITY						
Ordinary shares	886,580	83	764,940	98	762,240	101
Capital collected in advance	-	-	140,760	18	-	-
Capital surplus	525,240	49	64,619	8	55,476	7
Accumulated deficit	(375,682)	(35)	(231,080)	(29)	(91,510)	(12)
Other equity	(330)	-	94	-	-	-
Total equity	1,035,808	97	739,333	95	726,206	96
TOTAL	$ 1,065,042	100	$ 780,638	100	$ 753,686	100

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

ENERGENESIS BIOMEDICAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Loss Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Note 21)	$ 2,064	100	$ 1,630	100	$ 3,277	100	$ 3,038	100
OPERATING COSTS (Notes 10 and 22)	468	23	401	25	701	22	704	23
GROSS PROFIT	1,596	77	1,229	75	2,576	78	2,334	77
OPERATING EXPENSES (Notes 15, 22, 25 and 28)								
Selling and marketing	4,970	241	6,814	418	11,681	356	9,910	326
General and administrative	15,599	756	13,911	853	30,745	938	31,314	1,031
Research and development	33,450	1,620	34,665	2,127	113,369	3,460	70,118	2,308
Total operating expenses	54,019	2,617	55,390	3,398	155,795	4,754	111,342	3,665
OPERATING LOSS	(52,423)	(2,540)	(54,161)	(3,323)	(153,219)	(4,676)	(109,008)	(3,588)
NON-OPERATING INCOME AND EXPENSES (Note 22)								
Interest income	3,927	190	3,421	210	7,707	235	7,448	245
Other revenue	40	2	68	4	53	2	83	3
Other gains and losses	928	45	2,011	123	1,062	32	10,093	332
Finance costs	(101)	(5)	(57)	(3)	(205)	(6)	(126)	(4)
Total non-operating income and expenses	4,794	232	5,443	334	8,617	263	17,498	576
LOSS BEFORE INCOME TAX	(47,629)	(2,308)	(48,718)	(2,989)	(144,602)	(4,413)	(91,510)	(3,012)
INCOME TAX EXPENSE (Note 23)	-	-	-	-	-	-	-	-
NET LOSS	(47,629)	(2,308)	(48,718)	(2,989)	(144,602)	(4,413)	(91,510)	(3,012)
OTHER COMPREHENSIVE INCOME								
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translation of financial statements of foreign operations	(476)	(23)	-	-	(424)	(13)	-	-
TOTAL COMPREHENSIVE LOSS	$ (48,105)	(2,331)	$ (48,718)	(2,989)	$ (145,026)	(4,426)	$ (91,510)	(3,012)

(Continued)

ENERGENESIS BIOMEDICAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Loss Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
NET LOSS ATTRIBUTABLE TO:								
Owners of the Company	$ (47,629)	(2,308)	$ (48,718)	(2,989)	$ (144,602)	(4,413)	$ (91,510)	(3,012)
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO:								
Owners of the Company	$ (48,105)	(2,331)	$ (48,718)	(2,989)	$ (145,026)	(4,426)	$ (91,510)	(3,012)
LOSS PER SHARE (IN DOLLARS; Note 24)								
Basic	$ (0.54)		$ (0.64)		$ (1.64)		$ (1.20)	

The accompanying notes are an integral part of the consolidated financial statements. (Concluded)

ENERGENESIS BIOMEDICAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

	Ordinary Shares (Note 20)	Capital Collected in Advance (Note 20)	Capital Surplus (Notes 20 and 25)	Accumulated Deficit (Note 20)	Other Equity: Exchange Differences on Translation of Foreign Financial Statements	Total Equity
BALANCE ON JANUARY 1, 2024	$ 760,250	$ 502	$ 393,898	$ (350,667)	$ -	$ 803,983
Capital surplus used to offset against accumulated deficit	-	-	(350,667)	350,667	-	-
Net loss for the six months ended June 30, 2024	-	-	-	(91,510)	-	(91,510)
Total comprehensive loss for the six months ended June 30, 2024	-	-	-	(91,510)	-	(91,510)
Issuance of ordinary shares under employee share options	1,990	(502)	5,968	-	-	7,456
Recognition of compensation cost of employee share options	-	-	6,277	-	-	6,277
BALANCE ON JUNE 30, 2024	$ 762,240	$ -	$ 55,476	$ (91,510)	$ -	$ 726,206
BALANCE ON JANUARY 1, 2025	$ 764,940	$ 140,760	$ 64,619	$ (231,080)	$ 94	$ 739,333
Issuance of ordinary shares for cash	120,000	(140,760)	449,548	-	-	428,788
Net loss for the six months ended June 30, 2025	-	-	-	(144,602)	-	(144,602)
Other comprehensive loss for the six months ended June 30, 2025	-	-	-	-	(424)	(424)
Total comprehensive loss for the six months ended June 30, 2025	-	-	-	(144,602)	(424)	(145,026)
Issuance of ordinary shares under employee share options	1,640	-	1,929	-	-	3,569
Recognition of compensation cost of employee share options	-	-	9,144	-	-	9,144
BALANCE ON JUNE 30, 2025	$ 886,580	$ -	$ 525,240	$ (375,682)	$ (330)	$ 1,035,808

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

ENERGENESIS BIOMEDICAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Six Months Ended June 30	
	2025	**2024**
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before income tax	$ (144,602)	$ (91,510)
Adjustments for:		
Depreciation expense	4,896	5,106
Amortization expense	6,324	6,324
Financial costs	205	126
Interest income	(7,679)	(7,418)
Compensation cost of employee share options	9,144	6,277
Reversal of write-down of inventories	(29)	(15)
Gain on changes in lease term	-	(24)
Net changes in operating assets and liabilities:		
Financial assets at fair value through profit or loss	(30,214)	(30,159)
Accounts receivables	(205)	146
Other receivables	706	(16)
Inventories	(122)	163
Prepayments	606	(1,012)
Other current assets	20	-
Contract liabilities - current	108	-
Accounts payables	(14)	(211)
Other payables	(13,833)	3,131
Other current liabilities	(17)	7
Cash used in operations	(174,706)	(109,085)
Interest received	7,543	7,506
Interest paid	(205)	(126)
Income tax paid	(605)	(591)
Net cash used in operating activities	(167,973)	(102,296)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at amortized cost	(430,000)	(310,000)
Disposal of financial assets at amortized cost	200,474	362,114
Acquisition of property, plant and equipment	(44)	(90)
Increase in refundable deposits	(1,475)	-
Decrease in refundable deposits	-	400
Payments for intangible assets	(5)	-
Net cash (used in) generated from investing activities	(231,050)	52,424

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ENERGENESIS BIOMEDICAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Six Months Ended June 30	
	2025	**2024**
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of the principal portion of lease liabilities	$ (3,020)	$ (3,124)
Issuance of ordinary shares for cash	428,788	-
Issuance of ordinary shares under employee share options	3,569	7,456
Net cash generated from financing activities	429,337	4,332
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(424)	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	29,890	(45,540)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	404,506	246,608
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	$ 434,396	$ 201,068

The accompanying notes are an integral part of the consolidated financial statements. (Concluded)

ENERGENESIS BIOMEDICAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

1. GENERAL INFORMATION

Energenesis Biomedical Co., Ltd. (the "Company") was incorporated in the Republic of China (ROC) in August 28, 2012, approved by Ministry of Economic Affairs. The Company mainly engaged in the research and development of new drugs.

The Company's shares have been listed on the Taiwan Stock Exchange since June 2023.

The consolidated financial statements are presented in the Company's functional currency, the New Taiwan dollar (NTD).

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the board of directors on August 8, 2025.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRS Accounting Standards") endorsed and issued into effect by the Financial Supervisory Commission (FSC)

   The initial application of the amendments to the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have a material impact on the Group's accounting policies.

b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2026

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" - the amendments to the application guidance of derecognition of financial liabilities	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"	January 1, 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"	January 1, 2023

   As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact of the application of the amendments on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note)
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
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027

Note: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

IFRS 18 “Presentation and Disclosure in Financial Statements”

IFRS 18 will supersede IAS 1 “Presentation of Financial Statements”. The main changes comprise:

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.

- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.

- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as “other” only if it cannot find a more informative label.

- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the other impacts of the above amended standards and interpretations on the Group’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. 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 IAS 34 “Interim Financial Reporting” as endorsed and issued into effect by the FSC.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

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

3) Level 3 inputs are unobservable inputs for an asset or liability.

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries). When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those of the Group. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation.

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. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. 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 and attributed to the owners of the Company.

See Note 11 and Table 2 for details subsidiaries (including percentages of ownership and main businesses).

d. Other material accounting policies

Except for the following, please refer to the consolidated financial statements for the year ended December 31, 2024.

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period’s pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

When developing material accounting estimates, the same critical accounting judgments and key sources of estimation uncertainty of consolidated financial statements have been followed in these consolidated financial statements as those applied in the preparation of the consolidated financial statements for the year ended December 31, 2024. Please refer to the consolidated financial statements for the year ended December 31, 2024.

6. CASH AND CASH EQUIVALENTS

	June 30, 2025	December 31, 2024	June 30, 2024
Petty cash	$ 26	$ 27	$ 27
Bank deposits	90,370	197,876	55,916
Cash equivalents (with original maturities of 3 months or less)			
Time deposits	294,000	206,603	145,125
Repurchase agreements of commercial papers	50,000	-	-
	$ 434,396	$ 404,506	$ 201,068

The interest rate intervals of cash and cash equivalents at the end of the reporting period were as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Bank deposits	0.03%-1.10%	0.03%-1.10%	0.05%-1.45%
Time deposits	1.46%-1.75%	1.285%-4.90%	1.28%-5.40%
Repurchase agreements of commercial papers	1.20%	-	-

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	June 30, 2025	December 31, 2024	June 30, 2024
Financial assets at fair value through profit or loss (FVTPL) - current			
Non-derivative financial assets			
Beneficiary certificate	$ 30,214	$ -	$ 30,159

8. FINANCIAL ASSETS AT AMORTIZED COST

	June 30, 2025	December 31, 2024	June 30, 2024
Current			
Time deposits with original maturities of more than 3 months	$ 490,000	$ 260,474	$ 400,474
At amortized cost			
Gross carrying amount	$ 490,000	$ 260,474	$ 400,474
Allowance for impairment loss	-	-	-
Amortized cost	$ 490,000	$ 260,474	$ 400,474

As of June 30, 2025, December 31, 2024 and June 30, 2024, the interest rates for time deposits with an original maturities of more than 3 months were 1.445%-1.76%, 1.275%-1.70% and 1.275%-1.70%, respectively.

The credit risks of the financial instruments, including time deposits, are evaluated and monitored by the Group's finance department. The Group always chooses banks with high credit ratings to deal with.

9. ACCOUNTS RECEIVABLES

	June 30, 2025	December 31, 2024	June 30, 2024
At amortized cost			
Gross carrying amount	$ 1,058	$ 853	$ 782
Less: Allowance for impairment loss	(1)	(1)	(1)
	$ 1,057	$ 852	$ 781

The average credit period of the customers from public sectors, tertiary institutions and hospitals is 180 days, and the average credit periods of other customers are 30-60 days approximately. No interest is charged on accounts receivables.

To maintain the quality of accounts receivables, the Group had set up processes for managing operating credit risks. The risk assessments of individual customers include factors of customers' financial position, accounts aging analysis and historical transaction records, which may affect customers' ability to pay. The Group also will apply some credit-enhancing instruments at the right time, for instance, asking customers to prepay, so as to reduce the credit risks of specific customers.

In addition, the Group reviews the recoverable amount of each individual accounts receivables at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of lifetime expected loss provision for all accounts receivables. The expected credit losses on accounts receivables are estimated by reference to past default experience of the debtor and an analysis of the debtor's current financial position, and economic conditions of the industry. The Group comprehensively considered the age of accounts receivables, the rating of customers, and the protective measures of accounts receivables to estimate the expected credit loss rate.

The following table details the loss allowance of accounts receivables.

June 30, 2025

	Not Past Due	1 to 90 Days Past Due	91 to 120 Days Past Due	Over 120 Days Past Due	Total
Gross carrying amount	$ 1,058	$ -	$ -	$ -	$ 1,058
Loss allowance (Lifetime ECLs)	(1)	-	-	-	(1)
Amortized cost	$ 1,057	$ -	$ -	$ -	$ 1,057

December 31, 2024

	Not Past Due	1 to 90 Days Past Due	91 to 120 Days Past Due	Over 120 Days Past Due	Total
Gross carrying amount	$ 853	$ -	$ -	$ -	$ 853
Loss allowance (Lifetime ECLs)	(1)	-	-	-	(1)
Amortized cost	$ 852	$ -	$ -	$ -	$ 852

June 30, 2024

	Not Past Due	1 to 90 Days Past Due	91 to 120 Days Past Due	Over 120 Days Past Due	Total
Gross carrying amount	$ 782	$ -	$ -	$ -	$ 782
Loss allowance (Lifetime ECLs)	(1)	-	-	-	(1)
Amortized cost	$ 781	$ -	$ -	$ -	$ 781

For the six months ended June 30, 2025 and 2024, the Group did not recognize expected credit loss. The loss allowance of accounts receivables is both $1 thousand on June 30, 2025, December 31, 2024 and June 30, 2024.

10. INVENTORIES

	June 30, 2025	December 31, 2024	June 30, 2024
Raw materials	$ 690	$ 549	$ 392
Finished goods	211	201	193
	$ 901	$ 750	$ 585

For the three months and six months ended June 30, 2025 and 2024, the costs of goods sold were $130 thousand, $152 thousand, $249 thousand and $259 thousand, including reversal of write-down of inventories of $33 thousand, $8 thousand, $29 thousand and $15 thousand, respectively.

11. SUBSIDIARIES

The consolidated entities as of June 30, 2025, December 31, 2024 and June 30, 2024 were as follows:

			Proportion of Ownership (%)		
Investor	Investee	Nature of Activities	June 30, 2025	December 31, 2024	June 30, 2024
Energenesis Biomedical Co., Ltd.	Energenesis Biomedical (HK) Co., Limited	Consultation on pharmaceutical technology	100	100	100

In order to meet operational needs and advancing the licensing and commercialization of innovative pharmaceuticals in China, the Company resolved by the board of directors to establish a subsidiary in Hong Kong, wholly-owned by the company with a capital of HK$1,000 thousand. The registration for establishment was completed on June 3, 2024 and the initial investment of HK$1,000 thousand was remitted in an equivalent amount of US$ on September 23, 2024.

In order to meet the needs of operation and development of the future, by using AI to develop drugs and explore new mechanisms for existing drugs' new indications worldwide, to accelerate drug repurposing and shorten the time to market for new drugs, the Company resolved by the board of directors to establish a subsidiary in Taiwan on June 20, 2025, wholly-owned by the company with a capital of $50,000 thousand. As of June 30, 2025, the registration for establishment had not been completed.

12. PREPAYMENTS

	June 30, 2025	December 31, 2024	June 30, 2024
Overpaid sales tax	$ 14,937	$ 14,264	$ 13,757
Prepaid expense	3,015	4,166	4,544
Prepayment for purchases	10	-	71
	$ 17,962	$ 18,430	$ 18,372

13. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Equipment	Leasehold Improvements	Other Equipment	Total
Cost						
Balance on January 1, 2024	$ 54,030	$ 7,055	$ 20,335	$ 4,995	$ 4,923	$ 91,338
Additions	-	-	90	-	-	90
Balance on June 30, 2024	$ 54,030	$ 7,055	$ 20,425	$ 4,995	$ 4,923	$ 91,428
Accumulated depreciation						
Balance on January 1, 2024	$ -	$ (2,494)	$(11,556)	$ (4,995)	$ (3,482)	$(22,527)
Depreciation expenses	-	(169)	(1,414)	-	(351)	(1,934)
Balance on June 30, 2024	$ -	$ (2,663)	$(12,970)	$ (4,995)	$ (3,833)	$(24,461)
Carrying amount on June 30, 2024	$ 54,030	$ 4,392	$ 7,455	$ -	$ 1,090	$ 66,967
Cost						
Balance on January 1, 2025	$ 54,030	$ 7,055	$ 21,063	$ 4,995	$ 4,949	$ 92,092
Additions	-	-	208	-	-	208
Disposals	-	-	(182)	-	-	(182)
Balance on June 30, 2025	$ 54,030	$ 7,055	$ 21,089	$ 4,995	$ 4,949	$ 92,118
Accumulated depreciation						
Balance on January 1, 2025	$ -	$ (2,832)	$(14,394)	$ (4,995)	$ (4,185)	$(26,406)
Depreciation expenses	-	(169)	(1,316)	-	(353)	(1,838)
Disposals	-	-	182	-	-	182
Balance on June 30, 2025	$ -	$ (3,001)	$(15,528)	$ (4,995)	$ (4,538)	$(28,062)
Carrying amount on December 31, 2024 and January 1, 2025	$ 54,030	$ 4,223	$ 6,669	$ -	$ 764	$ 65,686
Carrying amount on June 30, 2025	$ 54,030	$ 4,054	$ 5,561	$ -	$ 411	$ 64,056

The above items of property, plant and equipment used by the Group are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Main buildings	50 years
Subsidiary equipment	10 years
Equipment	2-10 years
Leasehold improvements	2-3 years
Other equipment	2-7 years

14. LEASE ARRANGEMENTS

a. Right-of-use assets

	June 30, 2025	December 31, 2024	June 30, 2024
Carrying amount			
Buildings	$ 3,143	$ 5,108	$ 7,464
Transportation equipment	8,446	4,998	888
	$ 11,589	$ 10,106	$ 8,352

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Additions to right-of-use assets	$ -	$ -	$ 4,541	$ 3,288
Depreciation charge for right-of-use assets				
Buildings	$ 1,099	$ 1,119	$ 2,198	$ 2,238
Transportation equipment	465	444	860	934
	$ 1,564	$ 1,563	$ 3,058	$ 3,172

b. Lease liabilities

	June 30, 2025	December 31, 2024	June 30, 2024
Carrying amounts			
Current	$ 4,860	$ 4,556	$ 5,180
Non-current	$ 6,690	$ 5,473	$ 3,065

Range of discount rates for lease liabilities was as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Buildings	1.433%-2.8361%	1.433%-2.8361%	1.433%-2.8361%
Transportation equipment	3.1936%-4.0098%	3.1936%	1.00%-4.0025%

c. Material leasing activities and terms

The Group leases certain office, parking spaces and transportation equipment for operating with lease terms of 2-5 years. These arrangements do not contain renewal or purchase options at the end of the lease terms.

d. Other lease information

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Expenses relating to short-term leases	$ 46	$ 41	$ 93	$ 90
Expenses relating to low-value asset leases	$ 20	$ 13	$ 30	$ 19
Total cash outflow for leases	$ (1,699)	$ (1,676)	$ (3,348)	$ (3,359)

The Group qualifies leases of parking spaces as short-term leases and leases of certain equipment as low-value asset leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

15. INTANGIBLE ASSETS

	Patent Right	Computer Software	Total
Cost			
Balance on January 1 and June 30, 2024	$ 126,000	$ 1,055	$ 127,055
Accumulated amortization			
Balance on January 1, 2024	$ 99,750	$ 988	$ 100,738
Amortization expenses	6,300	24	6,324
Balance on June 30, 2024	$ 106,050	$ 1,012	$ 107,062
Carrying amount on June 30, 2024	$ 19,950	$ 43	$ 19,993

(Continued)

	Patent Right	Computer Software	Total
Cost			
Balance on January 1, 2025	$ 126,000	$ 1,055	$ 127,055
Additions	-	5	5
Balance on June 30, 2025	$ 126,000	$ 1,060	$ 127,060
Accumulated amortization			
Balance on January 1, 2025	$ 112,350	$ 1,035	$ 113,385
Amortization expenses	6,300	24	6,324
Balance on June 30, 2025	$ 118,650	$ 1,059	$ 119,709
Carrying amount on December 31, 2024 and January 1, 2025	$ 13,650	$ 20	$ 13,670
Carrying amount on June 30, 2025	$ 7,350	$ 1	$ 7,351

(Concluded)

The Group issued technology shares in exchange for Professor Han-Min Chen's patent right through resolution by the board of directors on January 18, 2016.

Intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Patent right	10 years
Computer software	3 years

An analysis of amortization expenses by functions:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
General and administrative expenses	$ 12	$ 12	$ 24	$ 24
Research and development expenses	3,150	3,150	6,300	6,300
	$ 3,162	$ 3,162	$ 6,324	$ 6,324

16. OTHER ASSETS

	June 30, 2025	December 31, 2024	June 30, 2024
Non-current			
Refundable deposits	$ 4,630	$ 3,155	$ 4,625
Long-term prepaid expense	137	275	414
	$ 4,767	$ 3,430	$ 5,039

17. BORROWINGS

To enhance operational capital and facilitate financial flexibility, the Group's board of directors resolved to apply for a credit line of $80,000 thousand from a bank on March 6, 2023. The Chairman of the board, Mr. Jen-Yi Chiu, serves as the joint guarantor, and as collateral for $72,000 thousand in according to the terms on April 6, 2023. The loan facility has expired, and the mortgage on the previously pledged real estate in Neihu was released in June 2024, along with the termination of the joint guarantee provided by Chairman Jen-Yi Chiu.

18. OTHER PAYABLES

	June 30, 2025	December 31, 2024	June 30, 2024
Current			
Other payables			
Payables for salaries and bonuses	$ 6,797	$ 9,138	$ 6,489
Payables for contract research and development expenses	3,569	15,928	6,636
Payables for service	3,238	1,999	1,952
Payables for equipment	164	-	-
Others	3,272	3,644	3,779
	$ 17,040	$ 30,709	$ 18,856

19. RETIREMENT BENEFIT PLANS

The Group adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, the Group makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

20. EQUITY

a. Share capital

Ordinary shares

	June 30, 2025	December 31, 2024	June 30, 2024
Shares authorized (in thousands of shares)	150,000	150,000	150,000
Shares authorized (in thousands of dollars)	$ 1,500,000	$ 1,500,000	$ 1,500,000
Shares issued and fully paid (in thousands of shares)	88,658	76,494	76,224
Shares issued and fully paid (in thousands of dollars)	$ 886,580	$ 764,940	$ 762,240

The issued shares have a par value of $10 and have the rights of voting and receiving dividends.

The board of directors of the Company passed a resolution on July 9, 2024 to increase the cash capital resolved to issue 12,000 thousand shares with the price of the issue at premium was set at $48, and approved under Order No. 1130360830 issued by the FSC on November 19, 2024, and determined that January 7, 2025 to be the record date of the issuance of new shares. As of December 31, 2024, the received share capital amounted to $140,760 thousand and was recorded under prepaid share capital. The remaining share capital, net of related underwriting fee and amounting to $428,788 thousand, was fully collected on January 7, 2025, and the change of registration was completed on February 6, 2025.

On May 24, 2024, the shareholders' meetings resolved to approve proposal for amendment to the articles of incorporation, the total capital has been revised to $1,500,000 thousand. The authorized shares include revised from 7,000 thousand shares to 12,000 thousand shares reserved for the exercise of employee stock options.

For enhance the overall effectiveness of the business strategy, improve the financial structure, and increase the equity ratio, the Company planned to issue ordinary shares through private placement for capital increase. The proposal was approved at the shareholders' meetings held on May 23, 2025, May 24, 2024, and May 26, 2023, respectively. The Company planned to conduct three rounds within a period with limits of less than 10,000 thousand shares from the date of the shareholders' meeting resolutions with the option to postpone or cancel the issuance and approved at the shareholders' meetings on May 24, 2024 and May 26, 2023 was canceled and discontinued within the remaining period. The decision was resolved by the Company's board of directors on April 11, 2025 and February 29, 2024, because of the upcoming deadline, and the absence of eligible candidates selected yet report after the annual shareholders' meeting on May 23, 2025 and May 24, 2024.

In 2023, the Company's employee exercised 38 thousand shares granted on July 26, 2018, with exercise prices of $13.2 per share on the record date of February 29 2024. therefore under capital collected in advance and unregistered before December 31, 2023 and transfer to share capital ordinary in 2024.

For the six months ended June 30, 2024, the Company's employees exercised 25 thousand shares granted on July 26, 2018, and 136 thousand shares granted on September 1, 2021, with exercise prices of $13.2 and $52.4 per share, respectively. The common stock capital was recorded as of June 30, 2024, and the registration of the change has been completed.

In 2024, the Company's employee exercised 69 thousand shares granted on July 18, 2017, 61 thousand shares granted on July 18, 2017, 165 thousand shares granted on July 26, 2018 and 136 thousand shares granted on September 1, 2021 with exercise prices of $10, $12, $13.2 and $52.4 per share, respectively, converted to ordinary shares and registered completely before December 31, 2024.

For the six months ended June 30, 2025, the Company's employee exercised 123 thousand shares granted on July 26, 2018, 26 thousand shares granted on September 1, 2021 and 15 thousand shares granted on January 2, 2022 with exercise prices of $12.9, $51.1 and $43.6 per share, respectively. converted to ordinary shares and registered completely before June 30, 2025.

b. Capital surplus

	June 30, 2025	December 31, 2024	June 30, 2024
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital*			
Issuance of ordinary shares	$ 477,785	$ 24,112	$ 20,276
May not be used for any purpose			
Employee share options	47,455	40,507	35,200
	$ 525,240	$ 64,619	$ 55,476

* Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and to once a year).

The Company offset deficit with capital surplus of $350,667 thousand, which was approved in the shareholders' meetings on May 24, 2024.

For the six months ended June 30, 2025 and 2024, the adjustments of various capital surplus are as follows:

	Issuance of Ordinary Shares	Employee Share Options	Total
Balance on January 1, 2024	$ 362,245	$ 31,653	$ 393,898
Offset deficit with capital surplus	(350,667)	-	(350,667)
Recognition of compensation cost of employee share options	-	6,277	6,277
Issuance of ordinary shares under employee share options	8,698	(2,730)	5,968
Balance on June 30, 2024	$ 20,276	$ 35,200	$ 55,476
Balance on January 1, 2025	$ 24,112	$ 40,507	$ 64,619
Issuance of ordinary shares	449,548	-	449,548
Recognition of compensation cost of employee share options	-	9,144	9,144
Issuance of ordinary shares under employee share options	4,125	(2,196)	1,929
Balance on June 30, 2025	$ 477,785	$ 47,455	$ 525,240

c. Retained earnings and dividends policy

Under the dividends policy as set forth in the Articles, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of compensation of employees and remuneration of directors and supervisors, refer to compensation of employees and remuneration of directors in Note 22-f.

The Company proposed approval at the shareholders' meeting on May 23, 2025 to the statements of deficit compensation and the Company had a deficit to be compensated for 2024.

21. REVENUE

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Revenue from the sale of goods	$ 1,164	$ 1,167	$ 2,201	$ 2,043
Revenue from the rendering of services	900	463	1,076	995
	$ 2,064	$ 1,630	$ 3,277	$ 3,038

The Group's board of directors resolved to sign an exclusive licensing agreement with TRPHARM FZ-LLC (hereinafter referred to as "TRPHARM") on November 10, 2023, to grant commercialization rights for ENERGI-F703 (hereinafter referred to as "F703") for the treatment of diabetic foot ulcers in Turkey and priority rights in the Middle East, the Commonwealth of Independent States (CIS), and North African markets. The Group will continue to be responsible for the development of F703 and obtain its regulatory approval. The manufacturing and supply of the drug will be handled by the Group and sold to TRPHARM at an agreed transfer price.

The Group's board of directors resolved to sign an exclusive licensing agreement with Pharma Bavaria International (hereinafter referred to as "PBI") wholly owned subsidiary PBI Portugal Unipessoal Lda. (hereinafter referred to as "PBI Portugal") on October 11, 2024, to grant commercialization rights for ENERGI-F703 (hereinafter referred to as "F703") for the treatment of diabetic foot ulcers in Portugal and Middle East; the African and Central American markets will be opened based on the development milestones, as mutually agreed upon by both parties. The Group will continue to be responsible for the development of F703 and obtaining its regulatory approval. The manufacturing and supply of the drug will also be managed by our group, with sales to PBI Portugal conducted at a mutually agreed transfer price. The profit-sharing arrangement stipulates that 50% of the gross profit, after deducting marketing expenses and distribution costs, will be allocated accordingly. By collaborating with the renowned German pharmaceutical PBI, our group aims to accelerate entry into the EU pharmaceutical market and expand the global licensing of F703.

Contract balances

	June 30, 2025	December 31, 2024	June 30, 2024	January 1, 2024
Accounts receivables (Note 9)	$ 1,057	$ 852	$ 781	$ 927
Contract liabilities - current				
Sale of goods	$ 108	$ -	$ -	$ -

22. NET LOSS FOR THE PERIOD

Net loss attributable to:

a. Operating costs

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Costs of service rendered	$ 338	$ 249	$ 452	$ 445
Costs of goods sold	130	152	249	259
	$ 468	$ 401	$ 701	$ 704

b. Interest income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Bank deposits	$ 3,883	$ 3,368	$ 7,621	$ 7,303
Repurchase agreements of commercial papers	29	40	58	115
Others	15	13	28	30
	$ 3,927	$ 3,421	$ 7,707	$ 7,448

c. Other gains and losses

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Net foreign exchange gains	$ 813	$ 1,909	$ 848	$ 9,910
Gain on financial assets at FVTPL	115	102	214	159
Gain on changes in lease term	-	-	-	24
	$ 928	$ 2,011	$ 1,062	$ 10,093

d. Finance costs

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Interest on lease liabilities	$ (101)	$ (57)	$ (205)	$ (126)

e. Depreciation and amortization

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
An analysis of depreciation by function				
Operating expenses	$ 2,485	$ 2,532	$ 4,896	$ 5,106
An analysis of amortization by function				
Operating expenses	$ 3,162	$ 3,162	$ 6,324	$ 6,324

Refer to Note 15 for information relating to the line items in which any amortization expense of intangible assets is included.

f. Employee benefits expense

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Post-employment benefits (Note 19)				
Defined benefit plan	$ 457	$ 420	$ 875	$ 860
Share-based payments				
Equity-settled	5,163	3,774	9,144	6,277
Other employee benefits	12,486	11,514	27,521	26,354
Total employee benefits expense	$ 18,106	$ 15,708	$ 37,540	$ 33,491
An analysis of employee benefits expense by function				
Operating expenses	$ 18,040	$ 15,666	$ 37,429	$ 33,417
Operating costs	66	42	111	74
	$ 18,106	$ 15,708	$ 37,540	$ 33,491

The Company accrues compensation of employees and remuneration of directors and supervisors at rates of no less than 1% and no higher than 2%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors and supervisors. In accordance with the amendment to the Securities and Exchange Act in August 2024, the Company has amended its Articles of Incorporation, which was approved at the 2025 shareholders' meeting, to stipulate that compensation of employees, and remuneration of directors of employee compensation shall be accrued at rates of 3% to 5% (of the total employee compensation, no less than 5% shall be allocated to staff-level employees), and remuneration of directors shall be accrued at a rate of no more than 2%, of the current year's profit before income tax.

Because of net loss for the six months ended June 30, 2025 and 2024, the Company did not estimate the amounts of compensation of employees (including compensation for staff-level employees) and remuneration of directors and supervisors.

If there is a change in the amounts before the annual financial statements are authorized for issue, the differences are adjusted to profit and loss, on the contrary, recorded as a change in the accounting estimate.

Information on the compensation of employees and remuneration of directors and supervisors resolved by the Company's board of directors for 2025 and 2024 is available at the Market Observation Post System website of the Taiwan Stock Exchange.

23. INCOME TAXES

a. Major components of income tax expense are as follows

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Current tax				
In respect of the current year	$ -	$ -	$ -	$ -
Deferred tax				
In respect of the current year	-	-	-	-
Income tax expense recognized in profit or loss	$ -	$ -	$ -	$ -

b. Current tax assets and liabilities

	June 30, 2025	December 31, 2024	June 30, 2024
Current tax assets			
Tax refund receivable	$ 2,154	$ 1,549	$ 1,286

c. Income tax assessments

Before the annual consolidated financial statements are authorized for issue, the latest year of income tax return that tax authorities had examined and cleared was 2022.

24. LOSS PER SHARE

Unit: NT$ Per Share

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Basic loss per share	$ (0.54)	$ (0.64)	$ (1.64)	$ (1.20)

The loss and weighted average number of ordinary shares outstanding used in the computation of loss per share were as follows:

Net Loss for the Period

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	**2024**	**2025**	**2024**
Loss used in the computation of basic earnings per share	$ (47,629)	$ (48,718)	$ (144,602)	$ (91,510)

The weighted average number of ordinary shares outstanding (in thousands of shares) was as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	**2024**	**2025**	**2024**
Weighted average number of ordinary shares used in the computation of basic loss per share	88,658	76,224	88,156	76,165

The employee share options are potentially dilutive ordinary shares. Since the Company bear net loss during the six months ended June 30, 2025 and 2024, they were anti-dilutive and excluded from the computation of diluted loss per share.

25. SHARE-BASED PAYMENT ARRANGEMENTS-EMPLOYEE SHARE OPTION PLAN

The board of directors approved the issuance of employee share options totaling 1,800 options, with each option granted at not less than the current market value, on March 30, 2018. Each option entitles the holder with the right to subscribe for one thousand ordinary shares of the Company. From the date of the resolution passed by the board of directors, the Company may issue them once or multiple times within one year. The issuances of employee share options in 1,620 options were approved by the board of directors on July 26, 2018, which were also their grant dates. The options were granted at an exercise price equal to $14 (adjusted to $12.9) of the Company's ordinary shares at the grant date. According to the Company's regulations on issuance and execution of employee share options, the options granted are valid for 7 years and exercisable at less than 50% after the second anniversary from the grant date, less than 75% after the third anniversary, and 100% after the fourth anniversary. For any subsequent changes in the Company's ordinary shares, the exercise price will be adjusted accordingly.

The board of directors approved the issuance of employee share options totaling 2,000 options, with each option granted at not less than the current market value, on June 18, 2021. Each option entitles the holder with the right to subscribe for one thousand ordinary shares of the Company. From the date of the notification of effective registration from the Competent Authority, the Company may issue them once or multiple times within one year. The registration was approved by the FSC on July 6, 2021. In addition, on August 12, 2021 and December 17, 2021, the board of directors approved the grant of 1,862 and 50 employee share options, which also served as their grant dates, respectively. The options were granted at an exercise price equal to $54.33 (adjusted to $51.1) and $46.01 (adjusted to $43.6) of the Company's ordinary shares at the grant date. According to the Company's regulations on issuance and execution of employee share options, the options granted are valid for 7 years and exercisable at less than 50% after the second anniversary from the grant date, less than 75% after the third anniversary, and 100% after the fourth anniversary. For any subsequent changes in the Company's ordinary shares, the exercise price will be adjusted accordingly.

The board of directors approved the issuance of employee share options totaling 1,088 options, with each option granted at not less than the current market value, on July 28, 2023. Each option entitles the holder with the right to subscribe for one thousand ordinary shares of the Company. From the date of the notification of effective registration from the Competent Authority, the Company may issue them once or multiple times within two years. The registration was approved by the FSC on August 25, 2023. In addition, on October 5, 2023, the board of directors approved the grant of 1,088 employee share options, which also served as their grant dates. The options were granted at an exercise price equal to $60 (adjusted to $58.5) of the Company's ordinary shares at the grant date. According to the Company's regulations on issuance and execution of employee share options granted are valid for 7 years and exercisable at less than 50% after the second anniversary from the grant date, less than 75% after the third anniversary, and 100% after the fourth anniversary. For any subsequent changes in the Company's ordinary shares, the exercise price will be adjusted accordingly.

The board of directors approved the issuance of employee share options totaling 1,200 options, with each option granted at not less than the current market value, on August 9, 2024. Each option entitles the holder with the right to subscribe for one thousand ordinary shares of the Company. From the date of the notification of effective registration from the Competent Authority, the Company may issue them once or multiple times within two years. The registration was approved by the FSC on September 6, 2024. In addition, on October 11, 2024, the board of directors approved the grant of 1,200 employee share options, which also served as their grant dates. The options were granted at an exercise price equal to $52.9 (adjusted to $51.6) of the Company's ordinary shares at the grant date. According to the Company's regulations on issuance and execution of employee share options granted are valid for 7 years and exercisable at less than 50% after the second anniversary from the grant date, less than 75% after the third anniversary, and 100% after the fourth anniversary. For any subsequent changes in the Company's ordinary shares, the exercise price will be adjusted accordingly.

Information on employee share options was as follows:

	For the Six Months Ended June 30			
	2025		2024	
	Number of Options (In Thousands of Units)	**Weighted-average Exercise Price ($)**	**Number of Options (In Thousands of Units)**	**Weighted-average Exercise Price ($)**
Employee share options				
Balance on January 1	3,639	$ 51.63	3,107	$ 47.73
Options forfeited	(123)	54.25	(122)	54.58
Options exercised	(164)	21.76	(161)	46.31
Balance on June 30	3,352	51.61	2,824	47.52
Options exercisable, end of the period	1,005	45.40	1,124	33.13

Information on outstanding options for the reporting date was as follows:

1,200 Options Granted at October 11, 2024		1,088 Options Granted at October 5, 2023	
Range of Exercise Price ($)	**Weighted-average Remaining Contractual Life (In Years)**	**Range of Exercise Price ($)**	**Weighted-average Remaining Contractual Life (In Years)**
$51.6	6.29	$58.5	5.27

50 Options Granted at January 2, 2022		1,862 Options Granted at September 1, 2021	
Range of Exercise Price ($)	Weighted-average Remaining Contractual Life (In Years)	Range of Exercise Price ($)	Weighted-average Remaining Contractual Life (In Years)
$43.6	3.51	$51.1	3.17

1,620 Options Granted at July 26, 2018	
Range of Exercise Price ($)	Weighted-average Remaining Contractual Life (In Years)
$12.9	0.06

Options granted are priced using the Black-Scholes pricing model, and the inputs to the model are as follows:

	1,200 Options Granted at October 11, 2024	1,088 Options Granted at October 5, 2023	50 Options Granted at January 2, 2022	1,862 Options Granted at September 1, 2021
Grant-date share price	$52.90	$60.00	$44.81	$50.41
Original exercise price	$52.90	$60.00	$46.01	$54.33
Adjusted exercise price	51.60	58.50	$43.60	$51.10
Expected volatility	41.74%	57.09%	46.30%	45.61%
Expected life (in years)	4.875	4.875	4.875	4.875
Expected dividend yield	0%	0%	0%	0%
Risk-free interest rate	1.43%	1.20%	0.58%	0.31%

	1,620 Options Granted at July 26, 2018
Grant-date share price	$23.38
Original exercise price	$14.00
Adjusted exercise price	$12.90
Expected volatility	37.86%
Expected life (in years)	4.875
Expected dividend yield	0%
Risk-free interest rate	0.71%

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Compensation costs	$ 5,163	$ 3,774	$ 9,144	$ 6,277

26. CAPITAL MANAGEMENT

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance, so as to maximize shareholder returns and support future operational funds, capital expenditures, research and development expenses, and other needs.

27. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments not measured at fair value

The management considers that the book value of financial assets and financial liabilities which are not measured at fair value approximates their fair value.

b. Fair value of financial instruments measured at fair value on a recurring basis

June 30, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss (FVTPL) - current				
Beneficiary certificate	$ 30,214	$ -	$ -	$ 30,214

June 30, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss (FVTPL) - current				
Beneficiary certificate	$ 30,159	$ -	$ -	$ 30,159

As of December 31, 2024, the Group does not have financial instruments measured at fair value.

There were no transfers between Levels 1 and 2 for the six months ended June 30, 2025 and 2024.

c. Categories of financial instruments

	June 30, 2025	December 31, 2024	June 30, 2024
Financial assets			
FVTPL	$ 30,214	$ -	$ 30,159
Financial assets at amortized cost (1)	930,658	670,132	607,518
Financial liabilities			
Financial liabilities at amortized cost (2)	17,337	31,020	18,986

1) The balances include financial assets at amortized cost, which comprise cash and cash equivalents, debt investments, accounts receivables, other receivables and refundable deposits.

2) The balances include financial liabilities at amortized cost, which comprise accounts payables and other payables.

d. Financial risk management objectives and policies

The purpose of the Group's financial risk management is to manage financial risks associated with operational activities, such as market risk, credit risk, and liquidity risk.

To minimize these risks, the Group recognizes, estimates and seeks related strategies to hedge the market uncertainty, so as to minimize the negative effects on the Group's financial position and performance.

The Group's significant financial activities are implemented after the approval of the board of directors. During the time of implementing financial plans, following the regulations of the Group's policies is needed.

1) Market risk

a) Foreign currency risk

The carrying amounts of the Group's foreign currency-denominated monetary assets and monetary liabilities at the end of the period are set out in Note 30.

<u>Sensitivity analysis</u>

The Group is mainly exposed to U.S. dollars. The sensitivity analysis below was determined based on the Group's exposure to exchange risks. For foreign currency monetary instruments in circulation, the analysis was prepared assuming the amount of each asset and liability outstanding at the end of the period. The sensitivity rate used when reporting foreign currency risk internally to key management personnel and representing management's assessment of the reasonably possible change in foreign exchange rates is 1%.

If U.S. dollars currency had been 1% higher/lower and all other variables were held constant, the Group's pre-tax loss for the six months ended June 30, 2025 and 2024 would have decreased/increased by $18 thousand and $932 thousand, respectively.

b) Interest rate risk

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	June 30, 2025	**December 31, 2024**	**June 30, 2024**
Fair value interest rate risk			
Financial assets	$ 774,000	$ 381,103	$ 459,625
Financial liabilities	11,550	10,029	8,245
Cash flow interest rate risk			
Financial assets	150,272	283,749	141,789

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates. For floating rate assets and liabilities, the analysis was prepared assuming the amount of each asset and liability outstanding at the end of the period. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 1% higher/lower and all other variables were held constant, the Group's loss before income tax for the six months ended June 30, 2025 and 2024 would have decreased/increased by $751 thousand and $709 thousand, respectively.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. At the end of the period, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to the failure of the counterparty to discharge its obligation, could be equal to the total of the carrying amount of the respective recognized financial assets as stated in the balance sheets.

The Group will review the recoverable amount of accounts receivables one by one at the end of the period to ensure that appropriate impairment losses have been recognized for accounts receivables which are deemed irrecoverable. Accordingly, the management believed that the credit risk has significantly reduced.

In addition, the Group always chooses those financial institutions and enterprises with good credit ratings, so there is no expectation of emerging significant credit risk.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents as well as holding positions in highly liquid financial assets deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The Group's management of liquidity risk is aimed at maintaining the necessary cash and cash equivalents, as well as holding positions in highly liquid financial assets, to support day-to-day working capital requirements. For managing funding gaps, effective arrangements for sourcing and using funds are made to achieve optimal capital allocation. This is done to maintain financial flexibility and effectively control liquidity risk for the Group.

The Group's non-interest-bearing financial liabilities classified as current liabilities have a maturity of less than one year. Also, there are no non-demand financial liabilities. The following table details the Group's remaining contractual maturities for its interest-bearing financial liabilities with agreed-upon repayment periods. The table only includes principal cash flows, no interest.

June 30, 2025

	On Demand or Less than 1 Month	**1-3 Months**	**3 Months to 1 Year**	**1-5 Years**	**5+ Years**
Non-derivative financial liabilities					
Lease liabilities	$ 399	$ 802	$ 3,659	$ 6,690	$ -

December 31, 2024

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-derivative financial liabilities					
Lease liabilities	$ 431	$ 866	$ 3,259	$ 5,473	$ -

June 30, 2024

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-derivative financial liabilities					
Lease liabilities	$ 524	$ 1,051	$ 3,605	$ 3,065	$ -

28. TRANSACTIONS WITH RELATED PARTIES

Besides information disclosed elsewhere in the other notes, details of transactions between the Group and other related parties are disclosed as follows.

a. Related party name and category

Related Party Name	Related Party Category
Mr. Paul J. Cassingham	Related party in substance (the secondary relatives by marriage of key executives)

b. Operating expenses

	For the Three Months Ended June 30		For the Six Months Ended June 30	
Related Party Category/Name	**2025**	**2024**	**2025**	**2024**
Related party in substance				
Mr. Paul J. Cassingham	$ 150	$ 150	$ 300	$ 300

The related party in substance renders legal and authorized consulting services. The content of the service contract was decided by mutual agreement between both parties.

c. Other payables - service fee

Related Party Category/Name	June 30, 2025	December 31, 2024	June 30, 2024
Related party in substance			
Mr. Paul J. Cassingham	$ 50	$ 50	$ 50

d. Remuneration of key management personnel

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Short-term employee benefits	$ 6,241	$ 6,012	$ 13,430	$ 12,059
Share-based payments	2,371	1,681	4,717	3,362
Post-employment benefits	183	181	366	362
	$ 8,795	$ 7,874	$ 18,513	$ 15,783

The remuneration of directors and key executives, as determined by the remuneration committee, is based on the performance of individuals and market trends.

29. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, unrecognized commitments of the Group at the end of the period were as follows:

a. The Group has outsourced services related to preclinical trial activities. Payments are made according to the schedule or upon completion of each stage as specified in the contract. As of June 30, 2024, the total contract prices was $32,466 thousand, and unrecognized contract amounts was $3,140 thousand.

b. The Group has outsourced services related to clinical trial activities. Payments are made according to the schedule or upon completion of each stage as specified in the contract. As of June 30, 2025, December 31, 2024 and June 30, 2024, the total contract prices were $709,316 thousand (US$23,585 thousand), $566,090 thousand (US$18,749 thousand) and $471,123 thousand (US$15,735 thousand), and unrecognized contract amounts were $325,826 thousand (US$11,031 thousand), $256,286 thousand (US$8,581 thousand) and $233,949 thousand (US$7,971 thousand), respectively.

c. The Group has outsourced the manufacturing of clinical trial drug. Payments are made according to the schedule or upon completion of each stage as specified in the contract. As of June 30, 2025, December 31, 2024 and June 30, 2024, the total contract prices were $34,303 thousand (EUR383 thousand), $34,303 thousand (EUR383 thousand) and $21,157 thousand, and unrecognized contract amounts were $16,369 thousand (EUR342 thousand), $20,233 thousand (EUR342 thousand) and $8,473 thousand, respectively.

30. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies on June 30, 2025, December 31, 2024 and June 30, 2024 were as follows:

December 31, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 2,118	32.785 (USD:NTD)	$ 69,424
Financial liabilities			
Monetary items			
USD	396	32.785 (USD:NTD)	$ 12,996

June 30, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 3,070	32.45 (USD:NTD)	$ 99,637
Financial liabilities			
Monetary items			
USD	199	32.45 (USD:NTD)	$ 6,452

For the three months and six months ended June 30, 2025 and 2024, realized and unrealized net foreign exchange gains were $813 thousand, $1,909 thousand, $848 thousand and $9,910 thousand, respectively. No assets and liabilities denominated in foreign currencies on June 30, 2025.

31. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions:

1) Financing provided to others: None.

2) Endorsements/guarantees provided: None.

3) Significant marketable securities held: Table 1.

4) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital: None.

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

6) Intercompany relationships and significant intercompany transactions: None.

b. Information on investees: Table 2.

c. Information on investments in mainland China

1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: None.

2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses:

a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period: None.

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period: None.

c) The amount of property transactions and the amount of the resultant gains or losses: None.

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: None.

e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to the financing of funds: None.

f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services: None.

32. SEGMENT INFORMATION

The Group engages in businesses related to biologic experimentation and analysis, as well as new drug development which are belongs to a single operating segment. And the segment information which provides operational decision-makers to review has the same basis of measurement as the financial reports. So the financial information of the operating segment can refer to the consolidated financial reports for the six months ended June 30, 2025 and 2024.

ENERGENESIS BIOMEDICAL CO., LTD. AND SUBSIDIARIES

SIGNIFICANT MARKETABLE SECURITIES HELD
JUNE 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with Issuers of Securities	Financial Statement Account	June 30, 2025				Note
				Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Energenesis Biomedical Co., Ltd.	Mutual funds - beneficial certificates Fubon Chi-Hsiang Money Market Fund	-	Financial assets at fair value through profit or loss (FVTPL) - current	1,835,940.6	$ 30,214	-	$ 30,214	Note

Note: Calculated based on the net asset value of fund as of June 30, 2025.

ENERGENESIS BIOMEDICAL CO., LTD. AND SUBSIDIARIES

NAMES, LOCATIONS, AND OTHER INFORMATION OF INVESTEES ON WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCE
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of June 30, 2025			Net Income of the Investee	Share of Profit	Note
				June 30, 2025	December 31, 2024	Shares (In Thousands)	Percentage of Ownership (%)	Carrying Amount			
Energenesis Biomedical Co., Ltd.	Energenesis Biomedical (HK) Co., Limited.	Hong Kong	Consultation on pharmaceutical technology	$ 4,110 (US$ 128)	$ 4,110 (US$ 128)	$ -	100	$ 3,552	($ 48) (US$ 2)	($ 48) (US$ 2)	Note

Note: The registration for establishment was completed on June 3, 2024, and the investment fund of HK$1,000 thousand was received its equivalent amount of US$ in September 2024.