Energenesis Biomedical Co., Ltd. and Subsidiaries

Consolidated Financial Statements for the Three Months Ended March 31, 2026 and 2025 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 March 31, 2026 and 2025, and the related consolidated statements of comprehensive income, the consolidated statements of changes in equity and cash flows for the three months then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (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 March 31, 2026 and 2025, and of its consolidated financial performance and its consolidated 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.

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

May 8, 2026

<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)

	March 31, 2026		December 31, 2025		March 31, 2025	
ASSETS	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	$ 580,630	66	$ 673,102	71	$ 438,114	39
Financial assets at fair value through profit or loss - current (Note 7)	-	-	-	-	30,099	3
Financial assets at amortized cost - current (Note 8)	195,000	22	165,000	18	540,474	48
Accounts receivable (Notes 9 and 20)	755	-	1,394	-	431	-
Other receivables	352	-	484	-	646	-
Current tax assets (Note 22)	2,486	-	2,181	-	1,816	-
Inventories (Note 10)	834	-	864	-	892	-
Prepayments (Note 12)	21,784	3	21,383	2	18,404	2
Other current assets	28	-	23	-	40	-
Total current assets	801,869	91	864,431	91	1,030,916	92
NON-CURRENT ASSETS						
Property, plant and equipment (Note 13)	64,102	7	63,929	7	64,795	6
Right-of-use assets (Note 14)	13,214	1	14,786	2	13,153	1
Intangible assets (Note 15)	12	-	1,063	-	10,508	1
Other non-current assets (Note 16)	4,560	1	4,773	-	4,761	-
Total non-current assets	81,888	9	84,551	9	93,217	8
TOTAL	$ 883,757	100	$ 948,982	100	$ 1,124,133	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Contract liabilities (Note 20)	$ 15	-	$ -	-	$ -	-
Accounts payable	61	-	393	-	289	-
Other payables (Notes 17 and 27)	20,990	2	37,213	4	31,767	3
Lease liabilities - current (Note 14)	5,224	1	5,552	1	5,163	-
Other current liabilities	320	-	264	-	245	-
Total current liabilities	26,610	3	43,422	5	37,464	3
NON-CURRENT LIABILITIES						
Lease liabilities - non-current (Note 14)	8,074	1	9,287	1	7,919	1
Total liabilities	34,684	4	52,709	6	45,383	4
EQUITY						
Ordinary shares	888,080	100	888,080	94	884,940	79
Capital collected in advance	-	-	-	-	3,569	-
Capital surplus	536,353	61	534,090	56	518,148	46
Accumulated deficit	(535,790)	(61)	(489,482)	(52)	(328,053)	(29)
Other equity	17	-	(66)	-	146	-
Treasury shares	(39,587)	(4)	(36,349)	(4)	-	-
Total equity	849,073	96	896,273	94	1,078,750	96
TOTAL	$ 883,757	100	$ 948,982	100	$ 1,124,133	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 March 31			
	2026		2025	
	Amount	%	Amount	%
OPERATING REVENUE (Note 20)	$ 1,391	100	$ 1,213	100
OPERATING COSTS (Notes 10 and 21)	349	25	233	19
GROSS PROFIT	1,042	75	980	81
OPERATING EXPENSES (Notes 15, 21, 24 and 27)				
Selling and marketing	4,247	305	6,711	553
General and administrative	19,040	1,369	15,146	1,249
Research and development	28,557	2,053	79,919	6,588
Total operating expenses	51,844	3,727	101,776	8,390
OPERATING LOSS	(50,802)	(3,652)	(100,796)	(8,309)
NON-OPERATING INCOME AND EXPENSES (Note 21)				
Interest income	3,262	234	3,780	312
Other revenue	27	2	13	1
Other gains and losses	1,319	95	134	11
Finance costs	(114)	(8)	(104)	(9)
Total non-operating income and expenses	4,494	323	3,823	315
LOSS BEFORE INCOME TAX	(46,308)	(3,329)	(96,973)	(7,994)
INCOME TAX EXPENSE (Note 22)	-	-	-	-
NET LOSS	(46,308)	(3,329)	(96,973)	(7,994)
OTHER COMPREHENSIVE INCOME				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of financial statements of foreign operations	83	6	52	4
TOTAL COMPREHENSIVE LOSS	$ (46,225)	(3,323)	$ (96,921)	(7,990)
LOSS PER SHARE (IN DOLLARS; Note 23)				
Basic	$ (0.53)		$ (1.11)	

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

ENERGENESIS BIOMEDICAL CO., LTD. AND SUBSIDIARIES

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

	Ordinary Shares (In Thousands) (Note 19)	Capital Collected in Advance (Note 19)	Capital Surplus (Notes 19 and 24)	Accumulated Deficit (Note 19)	Other Equity Exchange Differences on Translation of Foreign Financial Statements	Treasury Shares (Note 19)	Total Equity
BALANCE AT 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 three months ended March 31, 2025	-	-	-	(96,973)	-	-	(96,973)
Other comprehensive income for the three months ended March 31, 2025	-	-	-	-	52	-	52
Total comprehensive loss for the three months ended March 31, 2025	-	-	-	(96,973)	52	-	(96,921)
Recognition of compensation cost of employee share options	-	-	3,981	-	-	-	3,981
Issuance of ordinary shares under employee share options	-	3,569	-	-	-	-	3,569
BALANCE AT MARCH 31, 2025	$ 884,940	$ 3,569	$ 518,148	$ (328,053)	$ 146	$ -	$ 1,078,750
BALANCE AT JANUARY 1, 2026	$ 888,080	$ -	$ 534,090	$ (489,482)	$ (66)	$ (36,349)	$ 896,273
Purchase of treasury shares	-	-	-	-	-	(3,238)	(3,238)
Net loss for the three months ended March 31, 2026	-	-	-	(46,308)	-	-	(46,308)
Other comprehensive income for the three months ended March 31, 2026	-	-	-	-	83	-	83
Total comprehensive loss for the three months ended March 31, 2026	-	-	-	(46,308)	83	-	(46,225)
Recognition of compensation cost of employee share options	-	-	2,263	-	-	-	2,263
BALANCE AT MARCH 31, 2026	$ 888,080	$ -	$ 536,353	$ (535,790)	$ 17	$ (39,587)	$ 849,073

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 Three Months Ended March 31	
	2026	**2025**
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before income tax	$ (46,308)	$ (96,973)
Adjustments for:		
Depreciation	2,514	2,411
Amortization	1,051	3,162
Financial cost	114	104
Interest income	(3,247)	(3,767)
Compensation cost of employee share options	2,263	3,981
Loss on disposals of property, plant and equipment	23	-
Write-down of (reversal of) inventories	(41)	4
Net changes in operating assets and liabilities:		
Financial assets at fair value through profit or loss	-	(30,099)
Accounts receivable	639	421
Other receivables	15	717
Inventories	71	(146)
Prepayments	(441)	95
Other current assets	(5)	-
Contract liabilities	15	-
Accounts payable	(332)	(22)
Other payables	(9,220)	1,058
Other current liabilities	56	(11)
Cash used in operations	(52,833)	(119,065)
Interest received	3,364	3,549
Interest paid	(114)	(104)
Income tax paid	(305)	(267)
Net cash used in operating activities	(49,888)	(115,887)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at amortized cost	(50,000)	(350,000)
Disposal of financial assets at amortized cost	20,000	70,000
Acquisition of property, plant and equipment	(385)	(26)
Increase in refundable deposits	(44)	(1,400)
Net cash used in investing activities	(30,429)	(281,426)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of the principal portion of lease liabilities	(1,541)	(1,488)
Issuance of ordinary shares for cash	-	428,788
Issuance of ordinary shares under employee share options	-	3,569
Purchase of treasury shares	(10,697)	-
Net cash (used in) generated from financing activities	(12,238)	430,869

(Continued)

ENERGENESIS BIOMEDICAL CO., LTD. AND SUBSIDIARIES

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

	For the Three Months Ended March 31	
	2026	**2025**
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	$ 83	$ 52
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(92,472)	33,608
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	673,102	404,506
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	$ 580,630	$ 438,114

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

(In Thousands of New Taiwan Dollars)

1. GENERAL INFORMATION

Energenesis Biomedical Co., Ltd. (the "Company") was incorporated in the Republic of China (ROC) on August 28, 2012 and 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 May 8, 2026.

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 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 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 1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027 (Note 2)
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027
Amendments to IAS 21 "Translation to a Hyperinflationary Presentation Currency"	January 1, 2027

Note 1: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: On September 25, 2025, the FSC announced that IFRS 18 will take effect starting from January 1, 2028. Domestic entities could elect to apply IFRS 18 for an earlier period after the endorsement of IFRS 18 by the FSC.

IFRS 18 "Presentation and Disclosure in Financial Statements"

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

- To classify items of income and expenses presented in the statement of profit or loss into the operating, investing, financing, income taxes and discontinued operations categories, the Group shall assess whether it has specified main business activities of investing in particular types of assets and providing financing to customers.

- 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.

In addition, the following consequential amendments have been made to IAS 7 "Statement of Cash Flows":

- The Group shall use operating profit or loss as the starting point when presenting cash flows from operating activities under the indirect method.

- Interest and dividends received by the Group shall be classified as investing activities, while interest and dividends paid shall be classified as financing activities. However, if, after assessment, the Group has a specific main operating activity, it shall determine how to classify dividends received, interest received and interest paid in the statement of cash flows by referring to how it classifies dividend income, interest income and interest expense in the statement of profit or loss. The total of each of these cash flows shall be classified in a single category in the statement of cash flows.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the 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 shareholders of the parent.

See Note 11 and Table 1 for details of 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, 2025.

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, 2025. Please refer to the consolidated financial statements for the year ended December 31, 2025.

6. CASH AND CASH EQUIVALENTS

	March 31, 2026	December 31, 2025	March 31, 2025
Petty cash	$ 46	$ 47	$ 29
Bank deposits	56,433	145,336	71,352
Cash equivalents (with original maturities of 3 months or less)			
Time deposits	424,000	527,719	366,733
Repurchase agreements of commercial papers	100,151	-	-
	$ 580,630	$ 673,102	$ 438,114

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

	March 31, 2026	December 31, 2025	March 31, 2025
Bank deposits	0.03%-0.705%	0.03%-0.705%	0.03%-1.10%
Time deposits	1.60%-1.67%	1.62%-4.00%	1.285%-4.15%
Repurchase agreements of commercial papers	1.28%-3.70%	-	-

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 31, 2026	December 31, 2025	March 31, 2025
Financial assets at fair value through profit or loss (FVTPL) - current			
Non-derivative financial assets			
Beneficiary certificate	$ -	$ -	$ 30,099

8. FINANCIAL ASSETS AT AMORTIZED COST

	March 31, 2026	December 31, 2025	March 31, 2025
Current			
Time deposits with original maturities of more than 3 months	$ 195,000	$ 165,000	$ 540,474
At amortized cost			
Gross carrying amount	$ 195,000	$ 165,000	$ 540,474
Allowance for impairment loss	-	-	-
Amortized cost	$ 195,000	$ 165,000	$ 540,474

As of March 31, 2026, December 31, 2025 and March 31, 2025, the interest rates for time deposits with original maturities of more than 3 months were 1.525%-1.70%, 1.525%-1.69% and 1.275%-1.76%, 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 RECEIVABLE

	March 31, 2026	December 31, 2025	March 31, 2025
At amortized cost			
Gross carrying amount	$ 756	$ 1,395	$ 432
Less: Allowance for impairment loss	(1)	(1)	(1)
	$ 755	$ 1,394	$ 431

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 receivable.

To maintain the quality of accounts receivable, 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 receivable 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 receivable. The expected credit losses on accounts receivable 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 receivable, the rating of customers, and the protective measures of accounts receivable to estimate the expected credit loss rate.

The following table details the loss allowance of accounts receivable.

March 31, 2026

	Not Past Due	1 to 90 Days Past Due	91 to 120 Days Past Due	Over 120 Days Past Due	Total
Gross carrying amount	$ 740	$ 16	$ -	$ -	$ 756
Loss allowance (Lifetime ECLs)	-	(1)	-	-	(1)
Amortized cost	$ 740	$ 15	$ -	$ -	$ 755

December 31, 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	$ 1,395	$ -	$ -	$ -	$ 1,395
Loss allowance (Lifetime ECLs)	(1)	-	-	-	(1)
Amortized cost	$ 1,394	$ -	$ -	$ -	$ 1,394

March 31, 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	$ 432	$ -	$ -	$ -	$ 432
Loss allowance (Lifetime ECLs)	(1)	-	-	-	(1)
Amortized cost	$ 431	$ -	$ -	$ -	$ 431

For the three months ended March 31, 2026 and 2025, the Group did not recognize expected credit loss. The loss allowance of accounts receivable is both $1 thousand on March 31, 2026, December 31, 2025 and March 31, 2025.

10. INVENTORIES

	March 31, 2026	December 31, 2025	March 31, 2025
Raw materials	$ 487	$ 527	$ 683
Finished goods	347	337	209
	$ 834	$ 864	$ 892

For the three months ended March 31, 2026 and 2025, the costs of goods sold were $143 thousand and $119 thousand, including (write-down) reversal of inventories of $41 thousand and $(4) thousand, respectively.

11. SUBSIDIARIES

The consolidated entities as of March 31, 2026, December 31, 2025 and March 31, 2025 were as follows:

			Proportion of Ownership (%)		
Investor	Investee	Nature of Activities	March 31, 2026	December 31, 2025	March 31, 2025
Energenesis Biomedical Co., Ltd.	Energenesis Biomedical (HK) Co., Limited	Consultation on pharmaceutical technology	100	100	100
Energenesis Biomedical Co., Ltd.	Repurgenesis Co., Ltd.	Artificial intelligence technology services	100	100	-

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. The registration of establishment was completed on August 12, 2025.

12. PREPAYMENTS

	March 31, 2026	December 31, 2025	March 31, 2025
Overpaid sales tax	$ 16,272	$ 16,023	$ 14,469
Prepaid expense	5,350	5,321	3,935
Prepayment for purchases	162	39	-
	$ 21,784	$ 21,383	$ 18,404

13. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Equipment	Leasehold Improvements	Other Equipment	Total
Cost						
Balance at January 1, 2025	$ 54,030	$ 7,055	$ 21,063	$ 4,995	$ 4,949	$ 92,092
Additions	-	-	26	-	-	26
Disposals	-	-	(182)	-	-	(182)
Balance at March 31, 2025	$ 54,030	$ 7,055	$ 20,907	$ 4,995	$ 4,949	$ 91,936
Accumulated depreciation						
Balance at January 1, 2025	$ -	$ (2,832)	$ (14,394)	$ (4,995)	$ (4,185)	$ (26,406)
Depreciation expenses	-	(84)	(656)	-	(177)	(917)
Disposals	-	-	182	-	-	182
Balance at March 31, 2025	$ -	$ (2,916)	$ (14,868)	$ (4,995)	$ (4,362)	$ (27,141)
Carrying amount at March 31, 2025	$ 54,030	$ 4,139	$ 6,039	$ -	$ 587	$ 64,795
Cost						
Balance at January 1, 2026	$ 54,030	$ 7,055	$ 22,269	$ 5,125	$ 5,309	$ 93,788
Additions	-	-	637	121	380	1,138
Disposals	-	-	(65)	-	-	(65)
Balance at March 31, 2026	$ 54,030	$ 7,055	$ 22,841	$ 5,246	$ 5,689	$ 94,861
Accumulated depreciation						
Balance at January 1, 2026	$ -	$ (3,170)	$ (16,894)	$ (5,013)	$ (4,782)	$ (29,859)
Depreciation expenses	-	(84)	(747)	(18)	(93)	(942)
Disposals	-	-	42	-	-	42
Balance at March 31, 2026	$ -	$ (3,254)	$ (17,599)	$ (5,031)	$ (4,875)	$ (30,759)
Carrying amount at December 31, 2025 and January 1, 2026	$ 54,030	$ 3,885	$ 5,375	$ 112	$ 527	$ 63,929
Carrying amount at March 31, 2026	$ 54,030	$ 3,801	$ 5,242	$ 215	$ 814	$ 64,102

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	2-10 years

14. LEASE ARRANGEMENTS

a. Right-of-use assets

	March 31, 2026	December 31, 2025	March 31, 2025
Carrying amount			
Buildings	$ 6,164	$ 7,271	$ 4,242
Transportation equipment	7,050	7,515	8,911
	$ 13,214	$ 14,786	$ 13,153

	For the Three Months Ended March 31	
	2026	2025
Additions to right-of-use assets	$ -	$ 4,541
Depreciation charge for right-of-use assets		
Buildings	$ 1,107	$ 1,099
Transportation equipment	465	395
	$ 1,572	$ 1,494

b. Lease liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
Carrying amounts			
Current	$ 5,224	$ 5,552	$ 5,163
Non-current	$ 8,074	$ 9,287	$ 7,919

Range of discount rate for lease liabilities was as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Buildings	2.8361%-3.163%	2.8361%-3.163%	1.433%-2.8361%
Transportation equipment	3.1936%-4.0098%	3.1936%-4.0098%	3.1936%-4.0098%

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 March 31	
	2026	2025
Expenses relating to short-term leases	$ 95	$ 47
Expenses relating to low-value asset leases	$ 20	$ 10
Total cash outflow for leases	$ (1,770)	$ (1,649)

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 at January 1 and March 31, 2025	$ 126,000	$ 1,055	$ 127,055
Accumulated amortization			
Balance at January 1, 2025	$ 112,350	$ 1,035	$ 113,385
Amortization expenses	3,150	12	3,162
Balance at March 31, 2025	$ 115,500	$ 1,047	$ 116,547
Carrying amount at March 31, 2025	$ 10,500	$ 8	$ 10,508

(Continued)

	Patent Right	Computer Software	Total
Cost			
Balance at January 1 and March 31, 2026	$ 126,000	$ 1,027	$ 127,027
Accumulated amortization			
Balance at January 1, 2026	$ 124,950	$ 1,014	$ 125,964
Amortization expenses	1,050	1	1,051
Balance at March 31, 2026	$ 126,000	$ 1,015	$ 127,015
Carrying amount at December 31, 2025 and January 1, 2026	$ 1,050	$ 13	$ 1,063
Carrying amount at March 31, 2026	$ -	$ 12	$ 12

(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 March 31	
	2026	2025
General and administrative expenses	$ 1	$ 12
Research and development expenses	1,050	3,150
	$ 1,051	$ 3,162

16. OTHER ASSETS

	March 31, 2026	December 31, 2025	March 31, 2025
Non-current			
Refundable deposits	$ 4,520	$ 4,476	$ 4,555
Long-term prepaid expense	40	-	206
Prepayments for equipment	-	297	-
	$ 4,560	$ 4,773	$ 4,761

17. OTHER PAYABLES

	March 31, 2026	December 31, 2025	March 31, 2025
Current			
Payables for salaries and bonuses	$ 8,686	$ 12,394	$ 6,194
Payables for contract research and development expenses	5,109	8,846	19,204
Payables for service	2,475	2,792	2,253
Payables for equipment	456	-	-
Payable for purchase of treasury shares	-	7,459	-
Others	4,264	5,722	4,116
	$ 20,990	$ 37,213	$ 31,767

18. 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.

19. EQUITY

a. Share capital

Ordinary shares

	March 31, 2026	December 31, 2025	March 31, 2025
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)	88,808	88,808	88,494
Shares issued and fully paid (in thousands of dollars)	$ 888,080	$ 888,080	$ 884,940

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.

To 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 resolved by the board of directors on April 10, 2026, and approved at the shareholders' meetings held on May 23, 2025, and May 24, 2024, respectively. The Company planned to conduct three rounds within a year 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 the private placement proposal approved by the board of directors of the Company on April 10, 2026 is still awaiting resolution at the shareholders' meetings on May 22, 2026. Approved at the shareholders' meetings on May 23, 2025 and May 24, 2024 was canceled and discontinued within the remaining period. The decision was resolved by the Company's board of directors on April 10, 2026 and April 11, 2025, that the private placements will not be further pursued during the remaining period after being reported to the annual shareholders' meetings on May 22, 2026 and May 23, 2025, respectively.

For the three months ended March 31, 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. These shares were recorded under capital collected in advance and unregistered before March 31, 2025.

In 2025, the Company's employee exercised 273 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 December 31, 2025.

b. Capital surplus

	March 31, 2026	**December 31, 2025**	**March 31, 2025**
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (Note)			
Issuance of ordinary shares	$ 480,055	$ 480,055	$ 473,660
Expired employee share options	1,494	-	-
May not be used for any purpose			
Employee share options	54,804	54,035	44,488
	$ 536,353	$ 534,090	$ 518,148

Note: 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).

For the three months ended March 31, 2026 and 2025, the adjustments of various capital surplus are as follows:

	Issuance of Ordinary Shares	Expired Employee Share Options	Employee Share Options	Total
Balance at 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	-	-	3,981	3,981
Balance at March 31, 2025	$ 473,660	$ -	$ 44,488	$ 518,148
Balance at January 1, 2026	$ 480,055	$ -	$ 54,035	$ 534,090
Recognition of compensation cost of employee share options	-	1,494	769	2,263
Balance at March 31, 2026	$ 480,055	$ 1,494	$ 54,804	$ 536,353

The Company proposed at the board of directors meeting on February 26, 2026 to offset the accumulated deficit with capital surplus - issuance of ordinary shares $480,055 thousand. The proposal is still pending approval at the shareholders' meeting scheduled for May 22, 2026.

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 21-f.

The Company proposed at the board of directors meeting on February 26, 2026 to the statements of deficit compensation. No earnings were available for distribution as the Company had a deficit to be compensated for 2025. This proposal remains pending approval at the shareholders' meeting scheduled for May 22, 2026.

d. Treasury shares

Purpose of Buy-back	Shares Transferred to Employees (In Thousands of Shares)
Number of shares at January 1, 2025 and March 31, 2025	-
Number of shares at January 1, 2026	830
Increase during the period	70
Number of shares at March 31, 2026	900

The board of directors of the Company resolved to repurchase shares from the centralized market on November 24, 2025 to transfer them to employees. The buyback period was from November 25, 2025 to January 24, 2026. The Company repurchased a total of 900 thousand treasury shares and 830 thousand treasury shares as of March 31, 2026 and December 31, 2025, respectively, for $39,587 thousand and $36,349 thousand, respectively.

Under the Securities and Exchange Act, the Company shall neither pledge Treasury Shares nor exercise shareholders' rights on these shares, such as the rights to dividends and to vote.

20. REVENUE

	For the Three Months Ended March 31	
	2026	**2025**
Revenue from the sale of goods	$ 1,094	$ 1,037
Revenue from the rendering of services	297	176
	$ 1,391	$ 1,213

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 the 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

	March 31, 2026	**December 31, 2025**	**March 31, 2025**	**January 1, 2025**
Accounts receivable (Note 9)	$ 755	$ 1,394	$ 431	$ 852
Contract liabilities - current				
Sale of goods	$ 15	$ -	$ -	$ -

21. NET LOSS FOR THE PERIOD

Net loss attributable to:

a. Operating costs

	For the Three Months Ended March 31	
	2026	2025
Costs of goods sold	$ 143	$ 119
Costs of service rendered	206	114
	$ 349	$ 233

b. Interest income

	For the Three Months Ended March 31	
	2026	2025
Bank deposits	$ 3,085	$ 3,738
Repurchase agreements of commercial papers	162	29
Others	15	13
	$ 3,262	$ 3,780

c. Other gains and losses

	For the Three Months Ended March 31	
	2026	2025
Net foreign exchange gains	$ 1,342	$ 35
Loss on disposals of property, plant and equipment	(23)	-
Gain on financial assets at FVTPL	-	99
	$ 1,319	$ 134

d. Finance costs

	For the Three Months Ended March 31	
	2026	2025
Interest on lease liabilities	$ (114)	$ (104)

e. Depreciation and amortization

	For the Three Months Ended March 31	
	2026	**2025**
An analysis of depreciation by function		
Operating expenses	$ 2,514	$ 2,411
An analysis of amortization by function		
Operating expenses	$ 1,051	$ 3,162

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

f. Employee benefits expense

	For the Three Months Ended March 31	
	2026	**2025**
Post-employment benefits (Note 18)		
Defined benefit plans	$ 664	$ 418
Share-based payments		
Equity-settled	2,263	3,981
Other employee benefits	19,816	15,035
Total employee benefits expense	$ 22,743	$ 19,434
An analysis of employee benefits expense by function		
Operating expenses	$ 22,664	$ 19,389
Operating costs	79	45
	$ 22,743	$ 19,434

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 three months ended March 31, 2026 and 2025, 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 2026 and 2025 is available at the Market Observation Post System website of the Taiwan Stock Exchange.

22. INCOME TAXES

a. Major components of income tax expense are as follows

	For the Three Months Ended March 31	
	2026	2025
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

	March 31, 2026	December 31, 2025	March 31, 2025
Current tax assets			
Tax refund receivable	$ 2,486	$ 2,181	$ 1,816

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 2023.

23. LOSS PER SHARE

Unit: NT$ Per Share

	For the Three Months Ended March 31	
	2026	2025
Basic loss per share	$ (0.53)	$ (1.11)

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 March 31	
	2026	2025
Loss used in the computation of basic earnings per share	$ (46,308)	$ (96,973)

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

	For the Three Months Ended March 31	
	2026	2025
Weighted average number of ordinary shares used in the computation of basic loss per share	87,924	87,649

The employee share options are potentially dilutive ordinary shares. Since the Company incurred a net loss during the three months ended March 31, 2026 and 2025, they were anti-dilutive and excluded from the computation of diluted loss per share.

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

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 grand dates were set September 1, 2021 and January 2, 2022, the board of directors approved the grant of 1,862 and 50 employee share options, 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, 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 1,200 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, 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.

Information on employee share options was as follows:

	For the Three Months Ended March 31			
	2026		2025	
	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 at January 1	3,202	$ 53.42	3,639	$ 51.63
Options expired	(135)	53.46	(123)	54.25
Options exercised	-	-	(164)	21.76
Balance at March 31	3,067	53.42	3,352	51.61
Options exercisable, end of the period	1,523	53.09	992	45.32

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	5.54	$58.5	4.52

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	2.76	$51.1	2.42

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%

	For the Three Months Ended March 31	
	2026	**2025**
Compensation costs	$ 2,263	$ 3,981

25. 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.

26. 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

March 31, 2025

	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through profit or loss (FVTPL) - current				
Beneficiary certificate	$ 30,099	$ -	$ -	$ 30,099

As of March 31, 2026 and December 31, 2025, the Group does not have financial instruments measured at fair value.

There were no transfers between Levels 1 and 2 during January 1 - March 31, 2025.

c. Categories of financial instruments

	March 31, 2026	**December 31, 2025**	**March 31, 2025**
Financial assets			
FVTPL	$ -	$ -	$ 30,099
Financial assets at amortized cost (1)	781,257	844,456	984,220
Financial liabilities			
Financial liabilities at amortized cost (2)	21,051	37,606	32,056

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

2) The balances include financial liabilities at amortized cost, which comprise accounts payable 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 year are set out in Note 29.

Sensitivity analysis

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 year. 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 three months ended March 31, 2026 and 2025 would have decreased/increased by $594 thousand and $(68) 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 year were as follows:

	March 31, 2026	**December 31, 2025**	**March 31, 2025**
Fair value interest rate risk			
Financial assets	$ 659,151	$ 632,719	$ 821,233
Financial liabilities	13,298	14,839	13,082
Cash flow interest rate risk			
Financial assets	116,335	205,238	157,225

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 year. 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 three months ended March 31, 2026 and 2025 would have decreased/increased by $291 thousand and $393 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 year, 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 receivable one by one at the end of the year to ensure that appropriate impairment losses have been recognized for accounts receivable 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.

March 31, 2026

	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	$ 516	$ 1,037	$ 3,671	$ 8,074	$ -

December 31, 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	$ 512	$ 1,029	$ 4,011	$ 9,287	$ -

March 31, 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	$ 510	$ 1,022	$ 3,631	$ 7,919	$ -

27. 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

Related Party Category/Name	For the Three Months Ended March 31 2026	2025
Related party in substance		
Mr. Paul J. Cassingham	$ 150	$ 150

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	March 31, 2026	December 31, 2025	March 31, 2025
Related party in substance			
Mr. Paul J. Cassingham	$ 50	$ 50	$ 50

d. Remuneration of key management personnel

	For the Three Months Ended March 31	
	2026	2025
Short-term employee benefits	$ 5,345	$ 7,189
Share-based payments	830	2,346
Post-employment benefits	81	366
	$ 6,256	$ 9,901

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

28. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

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

a. 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 March 31, 2026, December 31, 2025 and March 31, 2025, the total contract prices were $842,647 thousand (US$23,585 thousand), $850,828 thousand (US$23,585 thousand) and $772,879 thousand (US$23,585 thousand), and unrecognized contract amounts were $381,711 thousand (US$9,816 thousand), $394,376 thousand (US$10,091 thousand) and $371,536 thousand (US$11,476 thousand), respectively.

b. 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 March 31, 2026, December 31, 2025 and March 31, 2025, the total contract prices were $50,435 thousand (EUR594 thousand), $50,435 thousand (EUR594 thousand) and $35,206 thousand (EUR383 thousand), and unrecognized contract amounts were $25,680 thousand (EUR448 thousand), $26,676 thousand (EUR475 thousand) and $19,882 thousand (EUR342 thousand), respectively.

29. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies on March 31, 2026, December 31, 2025 and March 31, 2025 were as follows:

March 31, 2026

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 1,949	31.995 (USD:NTD)	$ 62,364
Financial liabilities			
Monetary items			
USD	92	31.995 (USD:NTD)	$ 2,935

December 31, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 3,332	31.43 (USD:NTD)	$ 104,739
Financial liabilities			
Monetary items			
USD	171	31.43 (USD:NTD)	$ 5,380

March 31, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 295	33.205 (USD:NTD)	$ 9,782
Financial liabilities			
Monetary items			
USD	499	33.205 (USD:NTD)	$ 16,564

For the three months ended March 31, 2026 and 2025, realized and unrealized net foreign exchange gains were $1,342 thousand and $35 thousand, respectively.

30. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions:

1) Financing provided to others: None.

2) Endorsements/guarantees provided: None.

3) Significant marketable securities held: None.

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) Other: Intercompany relationships and significant intercompany transactions: None.

b. Information on investees: Table 1.

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 year, 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 year: None.

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the year: 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 year 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.

31. SEGMENT INFORMATION

The Group engages in businesses related to biologic experimentation and analysis, as well as new drug development which belong to a single operating segment. The segment information reviewed by operational decision-makers has the same basis of measurement as the consolidated financial statements. Accordingly, the operating segment information may refer to the consolidated financial statements for the three months ended March 31, 2026 and 2025.

ENERGENESIS BIOMEDICAL CO., LTD. AND SUBSIDIARIES

NAMES, LOCATIONS, AND OTHER INFORMATION OF INVESTEES ON WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCE
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of March 31, 2026			Net Income of the Investee	Share of Profit	Note
				March 31, 2026	December 31, 2025	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)	1,000	100	$ 4,711	$ -	$ -	
	Repurgenesis Co., Ltd.	Taiwan	Artificial intelligence technology services	50,000	50,000	5,000	100	37,888	(5,641)	(5,641)	