

OBI PHARMA, INC. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
SEPTEMBER 30, 2025 AND 2024

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

INDEPENDENT AUDITORS' REVIEW REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of OBI PHARMA, INC.

Introduction

We have reviewed the accompanying consolidated balance sheets of OBI PHARMA, INC. and subsidiaries (the "Group") as at September 30, 2025 and 2024, and the related consolidated statements of comprehensive income for the three months and nine months then ended, as well as the related consolidated statements of changes in equity and of cash flows for the nine months then ended, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of these 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" that came into effect as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of review

We conducted our reviews in accordance with the Standard on Review Engagements 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. 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 causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at September 30, 2025 and 2024, and of its consolidated financial performance for the three months and nine months then ended and its consolidated cash flows for the nine months then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” that came into effect as endorsed by the Financial Supervisory Commission.

Teng, Sheng-Wei

Liang, Hua-Ling

For and on Behalf of PricewaterhouseCoopers, Taiwan

November 10, 2025

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

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

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

Assets			September 30, 2025		December 31, 2024		September 30, 2024	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 907,535	24	\$ 1,732,050	31	\$ 684,789	17
1110	Current financial assets at fair value through profit or loss	6(2)	-	-	89	-	228	-
1136	Current financial assets at amortised cost	6(4)	673,700	18	1,398,700	25	720,500	18
1140	Current contract assets	6(19)	468	-	-	-	-	-
1150	Notes receivable, net		72	-	-	-	-	-
1170	Accounts receivable, net		3,865	-	4,200	-	4,922	-
1200	Other receivables		13,197	-	19,005	-	20,787	-
130X	Inventories		26,070	1	27,725	-	24,513	1
1410	Prepayments	6(5)	272,150	7	258,014	5	241,867	6
11XX	Total current assets		1,897,057	50	3,439,783	61	1,697,606	42
Non-current assets								
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)	8,026	-	9,017	-	9,789	-
1535	Financial assets at amortised cost - non-current	6(4) and 8	16,400	-	12,900	-	-	-
1550	Investments accounted for using equity method	6(6)	785,580	21	937,933	17	985,477	25
1600	Property, plant and equipment	6(7) and 8	691,277	18	778,643	14	800,608	20
1755	Right-of-use assets	6(8)	342,144	9	386,442	7	400,101	10
1780	Intangible assets	6(9)	51,321	1	62,840	1	65,109	2
1900	Other non-current assets	8	37,403	1	26,134	-	40,303	1
15XX	Total non-current assets		1,932,151	50	2,213,909	39	2,301,387	58
1XXX	Total assets		\$ 3,829,208	100	\$ 5,653,692	100	\$ 3,998,993	100

(Continued)

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

Liabilities and Equity		Notes	September 30, 2025		December 31, 2024		September 30, 2024	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
Current liabilities								
2100	Current borrowings	6(10) and 8	\$ 41,856	1	\$ 412	-	\$ 286	-
2130	Current contract liabilities	6(19)	6,655	-	7,783	-	6,216	-
2150	Notes payable		-	-	540	-	540	-
2170	Accounts payable		1,874	-	2,900	-	1,184	-
2200	Other payables	6(12)	60,868	2	297,833	5	43,456	1
2230	Current income tax liabilities		1,747	-	10,394	-	1,325	-
2250	Current provisions	6(13)	130,716	4	-	-	-	-
2280	Current lease liabilities		53,737	1	55,116	1	54,698	2
2320	Long-term liabilities, current portion	6(11) and 8	71,575	2	34,091	1	34,091	1
2399	Other current liabilities		2,443	-	3,301	-	3,357	-
21XX	Total current liabilities		<u>371,471</u>	<u>10</u>	<u>412,370</u>	<u>7</u>	<u>145,153</u>	<u>4</u>
Non-current liabilities								
2540	Long-term borrowings	6(11) and 8	47,537	1	48,220	1	56,742	1
2550	Non-current provisions	6(13)	6,105	-	6,008	-	5,976	-
2580	Non-current lease liabilities		323,588	9	366,787	7	380,555	10
25XX	Total non-current liabilities		<u>377,230</u>	<u>10</u>	<u>421,015</u>	<u>8</u>	<u>443,273</u>	<u>11</u>
2XXX	Total liabilities		<u>748,701</u>	<u>20</u>	<u>833,385</u>	<u>15</u>	<u>588,426</u>	<u>15</u>
Equity								
Equity attributable to owners of parent								
	Share capital	6(16)						
3110	Common stock		2,631,594	69	2,631,594	46	2,294,394	57
	Capital surplus	6(15)(17)(28)						
3200	Capital surplus		9,113,453	238	9,100,741	161	7,257,270	182
	Retained earnings	6(18)						
3350	Accumulated deficit		(9,512,401)	(248)	(7,879,039)	(139)	(7,151,217)	(179)
3400	Other equity interest		(19,723)	(1)	(12,089)	-	(13,272)	-
3500	Treasury shares	6(16)(17)(28)	(26,528)	(1)	(26,533)	(1)	(26,533)	(1)
31XX	Equity attributable to owners of the parent		<u>2,186,395</u>	<u>57</u>	<u>3,814,674</u>	<u>67</u>	<u>2,360,642</u>	<u>59</u>
36XX	Non-controlling interest	4(3) and 6(28)	894,112	23	1,005,633	18	1,049,925	26
3XXX	Total equity		<u>3,080,507</u>	<u>80</u>	<u>4,820,307</u>	<u>85</u>	<u>3,410,567</u>	<u>85</u>
Significant Contingent Liabilities and 6(9) and 9								
Unrecognised Contract Commitments								
Significant Events after the Balance Sheet Date 11								
3X2X	Total liabilities and equity		<u>\$ 3,829,208</u>	<u>100</u>	<u>\$ 5,653,692</u>	<u>100</u>	<u>\$ 3,998,993</u>	<u>100</u>

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

OBI PHARMA, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except for loss per share amounts)

Items	Notes	Three months ended September 30				Nine months ended September 30			
		2025		2024		2025		2024	
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(19)	\$ 10,522	2	\$ 22,979	4	\$ 37,738	2	\$ 51,130	3
5000 Operating costs		(32,785)	(6)	(38,058)	(7)	(99,410)	(5)	(106,297)	(6)
5900 Gross loss		(22,263)	(4)	(15,079)	(3)	(61,672)	(3)	(55,167)	(3)
Operating expenses	6(7)(8)(9) (14)(15)(24)(25) and 7								
6200 Administrative expenses		(68,349)	(13)	(79,046)	(14)	(224,481)	(13)	(241,531)	(14)
6300 Research and development expenses		(405,998)	(78)	(439,932)	(78)	(1,402,401)	(79)	(1,353,098)	(79)
6450 Expected credit losses	12(2)	-	-	-	-	(3,067)	-	-	-
6000 Total operating expenses		(474,347)	(91)	(518,978)	(92)	(1,629,949)	(92)	(1,594,629)	(93)
6900 Operating loss		(496,610)	(95)	(534,057)	(95)	(1,691,621)	(95)	(1,649,796)	(96)
Non-operating income and expenses									
7100 Interest income	6(20)	6,091	1	6,963	1	24,502	1	32,598	2
7010 Other income	6(21) and 7	27,911	5	71	-	47,486	3	10,434	1
7020 Other gains and losses	6(22)	(7,227)	(1)	(1,301)	-	4,809	-	68,707	4
7050 Finance costs	6(23)	(3,147)	(1)	(2,702)	-	(10,088)	-	(7,859)	(1)
7060 Share of loss of associates and joint ventures accounted for using equity method	6(6)	(58,861)	(11)	(48,675)	(9)	(155,046)	(9)	(185,778)	(11)
7000 Total non-operating income and expenses		(35,233)	(7)	(45,644)	(8)	(88,337)	(5)	(81,898)	(5)
7900 Loss before tax		(531,843)	(102)	(579,701)	(103)	(1,779,958)	(100)	(1,731,694)	(101)
7950 Income tax benefit	6(26)	12,623	2	17,906	3	6,883	-	13,661	1
8200 Loss for the period		(\$ 519,220)	(100)	(\$ 561,795)	(100)	(\$ 1,773,075)	(100)	(\$ 1,718,033)	(100)
Other comprehensive income (loss)									
Components of other comprehensive income (loss) that will not be reclassified to profit or loss									
8316 Unrealised valuation gain or loss from equity investment instruments measured at fair value through other comprehensive income	6(3)	\$ 515	-	(\$ 755)	-	(\$ 991)	-	(\$ 832)	-
Components of other comprehensive income (loss) that will be reclassified to profit or loss									
8361 Financial statements translation differences of foreign operations		5,452	1	(1,162)	-	(7,582)	-	3,591	-
8370 Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss		431	-	222	-	363	-	378	-
8300 Other comprehensive income (loss) for the period, net		<u>\$ 6,398</u>	<u>1</u>	<u>(\$ 1,695)</u>	<u>-</u>	<u>(\$ 8,210)</u>	<u>-</u>	<u>\$ 3,137</u>	<u>-</u>
8500 Total comprehensive loss for the period		(\$ 512,822)	(99)	(\$ 563,490)	(100)	(\$ 1,781,285)	(100)	(\$ 1,714,896)	(100)
Loss attributable to:									
8610 Owners of the parent		(\$ 468,319)	(90)	(\$ 519,288)	(93)	(\$ 1,633,362)	(92)	(\$ 1,582,204)	(92)
8620 Non-controlling interest		(50,901)	(10)	(42,507)	(7)	(139,713)	(8)	(135,829)	(8)
Total		(\$ 519,220)	(100)	(\$ 561,795)	(100)	(\$ 1,773,075)	(100)	(\$ 1,718,033)	(100)
Comprehensive loss attributable to:									
8710 Owners of the parent		(\$ 461,921)	(89)	(\$ 520,983)	(93)	(\$ 1,641,572)	(92)	(\$ 1,578,346)	(92)
8720 Non-controlling interest		(50,901)	(10)	(42,507)	(7)	(139,713)	(8)	(136,550)	(8)
Total		(\$ 512,822)	(99)	(\$ 563,490)	(100)	(\$ 1,781,285)	(100)	(\$ 1,714,896)	(100)
Loss per share (in dollars)	6(27)								
9750 Basic and diluted loss per share		(\$ 1.78)		(\$ 2.27)		(\$ 6.21)		(\$ 6.90)	

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

OBI PHARMA, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent									
		Other equity interest									
					Financial statements translation differences of foreign operations	Unrealised losses from financial assets measured at fair value through other comprehensive income	Other equity, others	Treasury stocks	Total	Non-controlling interest	Total equity
	Notes	Share capital - common stock	Additional paid-in capital	Accumulated deficit							
<u>Nine months ended September 30, 2024</u>											
		\$ 2,294,394	\$ 7,127,750	(\$ 5,569,013)	\$ 2,300	(\$ 16,560)	(\$ 5,607)	(\$ 26,533)	\$ 3,806,731	\$ 1,146,711	\$ 4,953,442
		-	-	(1,582,204)	-	-	-	-	(1,582,204)	(135,829)	(1,718,033)
		-	-	-	4,690	(832)	-	-	3,858	(721)	3,137
		-	-	(1,582,204)	4,690	(832)	-	-	(1,578,346)	(136,550)	(1,714,896)
Share-based payment transactions	6(15)(17)(25)(28)	-	16,599	-	-	-	-	-	16,599	23,075	39,674
Compensation cost of employee restricted stocks	6(15)(25)	-	-	-	-	-	-	-	-	-	-
Forfeiture of share options	6(15)(17)(28)	-	1,519	-	-	-	3,134	-	3,134	-	3,134
Changes in equity of associates accounted for using equity method	6(17)	-	-	-	-	-	-	-	1,519	(1,519)	-
Disposal of subsidiaries	4(3)	-	111,402	-	(397)	-	-	-	111,402	-	111,402
Balance at September 30, 2024		\$ 2,294,394	\$ 7,257,270	(\$ 7,151,217)	\$ 6,593	(\$ 17,392)	(\$ 2,473)	(\$ 26,533)	\$ 2,360,642	\$ 1,049,925	\$ 3,410,567
<u>Nine months ended September 30, 2025</u>											
		\$ 2,631,594	\$ 9,100,741	(\$ 7,879,039)	\$ 7,031	(\$ 18,164)	(\$ 956)	(\$ 26,533)	\$ 3,814,674	\$ 1,005,633	\$ 4,820,307
		-	-	(1,633,362)	-	-	-	-	(1,633,362)	(139,713)	(1,773,075)
		-	-	-	(7,219)	(991)	-	-	(8,210)	-	(8,210)
		-	-	(1,633,362)	(7,219)	(991)	-	-	(1,641,572)	(139,713)	(1,781,285)
Share-based payment transactions	6(15)(17)(25)(28)	-	8,167	-	-	-	-	-	8,167	11,533	19,700
Compensation cost of employee restricted stocks	6(15)(25)	-	-	-	-	-	-	-	-	-	-
Subsidiary employees exercising stock options	6(15)(17)(28)	-	-	-	-	-	576	-	576	-	576
Forfeiture of share options	6(15)(17)(28)	-	267	-	-	-	-	-	267	93	360
Subsidiary capital collected in advance	6(28)	-	1,964	-	-	-	-	-	1,964	(1,964)	-
Changes in equity of associates accounted for using equity method	6(17)	-	-	-	-	-	-	-	-	18,535	18,535
Changes in equity of associates accounted for using equity method	6(17)	-	-	-	-	-	-	-	-	-	-
Changes in shares of the Company held by subsidiaries treated as treasury shares	6(16)	-	2,314	-	-	-	-	-	2,314	-	2,314
		-	-	-	-	-	-	5	5	(5)	-
Balance at September 30, 2025		\$ 2,631,594	\$ 9,113,453	(\$ 9,512,401)	(\$ 188)	(\$ 19,155)	(\$ 380)	(\$ 26,528)	\$ 2,186,395	\$ 894,112	\$ 3,080,507

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

OBI PHARMA, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

		Nine months ended September 30	
	Notes	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(\$ 1,779,958)	(\$ 1,731,694)
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(7)(8)(24)	158,924	149,586
Amortisation	6(9)(24)	15,169	13,478
Interest expense	6(23)	10,088	7,859
Loss (gain) on financial assets at fair value through profit or loss	6(2)(22)	89	(1)
Interest income	6(20)	(24,502)	(32,598)
Losses (gains) on disposal of property, plant and equipment	6(22)	242	(43,720)
Compensation cost for share-based payment transactions	6(15)	20,259	42,981
Share of loss of associates accounted for using equity method	6(6)	155,046	185,778
Gain on disposal of investments	6(22)	-	(397)
Losses on lease modification	6(22)	3,005	-
Property, plant and equipment transferred to expenses		-	399
Expected credit losses	12(2)	3,067	-
Changes in operating assets and liabilities			
Changes in operating assets			
Current contract assets	(	468)	-
Notes receivable, net	(	72)	-
Accounts receivable, net	(	2,888)	1,555
Other receivables		1,171	4,628
Inventories		1,655	1,419
Prepayments	(	14,136)	(22,259)
Changes in operating liabilities			
Current contract liabilities	(	1,128)	(69)
Notes payable	(	540)	540
Accounts payable	(	1,026)	411
Other payables	(	232,121)	(48,249)
Other payables to related parties		-	(16)
Current provisions		130,716	-
Other current liabilities	(	858)	104
Cash outflow generated from operations	(	1,558,266)	(1,470,265)
Interest received		26,096	37,548
Interest paid	(	9,991)	(11,890)
Income tax received		1,279	13,406
Net cash flows used in operating activities	(	1,540,882)	(1,431,201)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at amortised cost	(	690,100)	(653,800)
Proceeds from disposal of financial assets at amortised cost		1,411,600	1,816,128
Decrease in cash from disposal of subsidiaries	6(29)	-	(30,414)
Acquisition of property, plant and equipment	6(29)	(33,568)	(98,510)
Proceeds from disposal of property, plant and equipment		140	144,632
Acquisition of intangible assets	6(9)	(3,650)	(3,217)
Increase in prepayments for business facilities (shown as 'other non-current assets')	(	1,942)	(6,292)
(Increase) decrease in refundable deposits (shown as 'other non-current assets')	(	11,234)	7,237
Net cash flows from investing activities		671,246	1,175,764
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease principal	6(8)(30)	(44,604)	(32,188)
Increase in short-term borrowings		71,070	286
Repayment of short-term borrowings	(	29,626)	(4,305)
Increase in long-term debt		75,000	100,000
Repayment of long-term debt	(	38,199)	(30,167)
Decrease in guarantee deposits received	6(30)	-	(3)
Subsidiary employees exercising stock options	6(28)	360	-
Subsidiary capital collected in advance	6(28)	18,535	-
Net cash flows from financing activities		52,536	33,623
Effect due to changes in exchange rate	(	7,415)	(7,326)
Net decrease in cash and cash equivalents	(	824,515)	(214,488)
Cash and cash equivalents at beginning of period		1,732,050	899,277
Cash and cash equivalents at end of period	\$	907,535	\$ 684,789

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

OBI PHARMA, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANISATION

OBI PHARMA, INC. (the “Company”) was established on April 29, 2002 upon approval by the Ministry of Economic Affairs. The Company conducted the initial public offering in May 2012, and traded its shares on the Emerging Stock Market of the Taipei Exchange (formerly GreTai Securities Market) since March 23, 2015. The Company and its subsidiaries (collectively referred herein as the “Group”) are primarily engaged in new drugs research.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These consolidated financial statements were authorized for issuance by the Board of Directors on November 10, 2025.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS[®]”) Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

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

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

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

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

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 9 and IFRS 7, 'Amendments to the classification and measurement of financial instruments'	January 1, 2026
Amendments to IFRS 9 and IFRS 7, 'Contracts referencing nature-dependent electricity'	January 1, 2026
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

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

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

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

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

Note : The FSC has announced in a press release on September 25, 2025 that public companies will apply IFRS 18 starting from the fiscal year 2028. Additionally, entities can choose to adopt IFRS 18 earlier based on their requirements after the FSC endorses IFRS 18.

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

IFRS 18, 'Presentation and disclosure in financial statements'

IFRS 18, 'Presentation and disclosure in financial statements' replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

(1) Compliance statement

- A. The consolidated financial statements of the Group have been prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and the International Accounting Standard 34, ‘Interim financial reporting’ that came into effect as endorsed by the FSC.
- B. These consolidated financial statements are to be read in conjunction with the consolidated financial statements for the year ended December 31, 2024.

(2) Basis of preparation

- A. Except for the financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income, these consolidated financial statements have been prepared under the historical cost convention.
- B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC® Interpretations, and SIC® Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

- A. Basis for preparation of consolidated financial statements:

The basis for preparation of these consolidated financial statements is the same with the basis used for the consolidated financial statements for the year ended December 31, 2024.

- B. Subsidiaries included in the consolidated financial statements and movements for the period are as follows:

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2025	December 31, 2024	September 30, 2024	
The Company	OBI Pharma Limited	Investing and trading	-	-	-	Note 1
The Company	OBI Pharma USA, Inc.	Biotechnology development	100.00	100.00	100.00	
The Company	OBI Pharma Australia Pty Ltd.	Biotechnology development	100.00	100.00	100.00	
The Company	Odeon Therapeutics (Cayman) Limited	Investing and trading	-	-	-	Note 2

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2025	December 31, 2024	September 30, 2024	
The Company	Amaran Biotechnology Inc.	Manufacture and wholesale of western pharmaceuticals as well as research and development of biotechnology	70.68	70.70	70.70	
The Company	Obigen Pharma, Inc.	Biotechnology development	51.94	51.94	51.94	
Odeon Therapeutics (Cayman) Limited	Odeon Therapeutics (Hong Kong) Limited	Investing and trading	-	-	-	Note 2
Odeon Therapeutics (Hong Kong) Limited	Odeon (Shanghai) Therapeutics Co. Ltd.	Biotechnology development	-	-	-	Note 2

Note 1 : On May 8, 2023, the Board of Directors of the Company resolved to liquidate OBI Pharma Limited, and the liquidation procedures were completed in March 2024.

Note 2 : On May 10, 2024, the Board of Directors of the Company resolved to terminate the exclusive licensing agreement in China (including Hong Kong and Macao) of OBI-833 (Globo H Adagloxad Simolenin) and OBI-999 (Globo H Antibody Drug Conjugate) entered into by the Company and Odeon Therapeutics (Hong Kong) Limited on February 22, 2022. Additionally, the Company signed a contract with Odeon Therapeutics (Hong Kong) Limited on the same day. The primary terms stated that any licenses and other rights granted by the Company to Odeon Therapeutics (Hong Kong) in the past will terminate and revert to the Company and the 6,000 thousand preferred shares of Odeon Therapeutics (Cayman) Limited (hereafter referred to as "Odeon") held by the Company shall be returned according to the agreement. Consequently, the Company lost its control over Odeon and its subsidiaries.

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

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

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group:

As of September 30, 2025, December 31, 2024 and September 30, 2024, the non-controlling interest amounted to \$894,112, \$1,005,633 and \$1,049,925, respectively. The information on non-controlling interest and respective subsidiaries is as follows:

Name of subsidiary	Principal place of business	Non-controlling interest						Description
		September 30, 2025		December 31, 2024		September 30, 2024		
		Amount	Ownership	Amount	Ownership	Amount	Ownership	
Amaran Biotechnology Inc.	Taiwan	\$ 137,621	29.32%	\$ 171,832	29.30%	\$ 183,585	29.30%	Note
Obigen Pharma, Inc.	Taiwan	756,491	48.06%	833,801	48.06%	866,340	48.06%	

Note: Shares of the Company held by subsidiaries are treated as treasury shares. Thus, the non-controlling interest as of September 30, 2025, December 31, 2024 and September 30, 2024 decreased by \$11,002, \$10,997 and \$10,997, respectively.

Summarised financial information of the subsidiaries:

Balance sheets

	Amaran Biotechnology Inc.		
	September 30, 2025	December 31, 2024	September 30, 2024
Current assets	\$ 79,631	\$ 107,907	\$ 122,163
Non-current assets	511,392	542,149	556,959
Current liabilities	(138,867)	(76,880)	(58,855)
Non-current liabilities	(122,731)	(124,985)	(134,026)
Total net assets	<u>\$ 329,425</u>	<u>\$ 448,191</u>	<u>\$ 486,241</u>
	Obigen Pharma, Inc.		
	September 30, 2025	December 31, 2024	September 30, 2024
Current assets	\$ 713,709	\$ 837,865	\$ 874,942
Non-current assets	873,069	956,309	980,697
Current liabilities	(30,617)	(37,369)	(24,768)
Non-current liabilities	(70,425)	(81,711)	(85,437)
Total net assets	<u>\$ 1,485,736</u>	<u>\$ 1,675,094</u>	<u>\$ 1,745,434</u>

Statements of comprehensive income

	Amaran Biotechnology Inc.	
	Three months ended September 30,	
	2025	2024
Revenue	\$ 11,427	\$ 31,165
Loss before tax	(44,380)	(27,021)
Income tax benefit	-	-
Loss for the period	(44,380)	(27,021)
Other comprehensive loss	-	-
Total comprehensive loss for the period	<u>(\$ 44,380)</u>	<u>(\$ 27,021)</u>
Comprehensive loss attributable to non-controlling interest	<u>(\$ 12,492)</u>	<u>(\$ 9,121)</u>

Amaran Biotechnology Inc.		
Nine months ended September 30,		
	2025	2024
Revenue	\$ 53,444	\$ 69,363
Loss before tax	(131,521)	(103,509)
Income tax benefit	-	-
Loss for the period	(131,521)	(103,509)
Other comprehensive loss	-	-
Total comprehensive loss for the period	(\$ 131,521)	(\$ 103,509)
Comprehensive loss attributable to non-controlling interest	(\$ 35,995)	(\$ 30,854)

Obigen Pharma, Inc.		
Three months ended September 30,		
	2025	2024
Revenue	\$ -	\$ -
Loss before tax	(79,926)	(69,473)
Income tax benefit	-	-
Loss for the period	(79,926)	(69,473)
Other comprehensive loss	-	-
Total comprehensive loss for the period	(\$ 79,926)	(\$ 69,473)
Comprehensive loss attributable to non-controlling interest	(\$ 38,409)	(\$ 33,386)

Obigen Pharma, Inc.		
Nine months ended September 30,		
	2025	2024
Revenue	\$ -	\$ -
Loss before tax	(215,827)	(201,485)
Income tax benefit	-	-
Loss for the period	(215,827)	(201,485)
Other comprehensive loss	-	-
Total comprehensive loss for the period	(\$ 215,827)	(\$ 201,485)
Comprehensive loss attributable to non-controlling interest	(\$ 103,718)	(\$ 96,825)

Statements of cash flows

		Amaran Biotechnology Inc.	
		Nine months ended September 30,	
		2025	2024
Net cash used in operating activities	(\$	68,904)	(\$ 45,297)
Net cash used in investing activities	(	25,855)	(9,610)
Net cash provided by financing activities		77,070	85,055
Net (decrease) increase in cash and cash equivalents	(	17,689)	30,148
Cash and cash equivalents at beginning of period		67,843	54,256
Cash and cash equivalents at end of period	\$	50,154	\$ 84,404

		Obigen Pharma, Inc.	
		Nine months ended September 30,	
		2025	2024
Net cash used in operating activities	(\$	141,871)	(\$ 111,607)
Net cash provided by (used in) investing activities		131,790	(8,276)
Net cash provided by (used in) financing activities		7,463	(9,357)
Net decrease in cash and cash equivalents	(	2,618)	(129,240)
Cash and cash equivalents at beginning of period		148,862	204,544
Cash and cash equivalents at end of period	\$	146,244	\$ 75,304

(4) Income tax

The interim period income tax expense is recognised based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

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

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	September 30, 2025	December 31, 2024	September 30, 2024
Cash on hand	\$ 202	\$ 182	\$ 182
Checking accounts and demand deposits	412,333	471,868	254,792
Time deposits	495,000	1,260,000	429,815
	<u>\$ 907,535</u>	<u>\$ 1,732,050</u>	<u>\$ 684,789</u>

A. The Group transacts with a variety of financial institutions all with high credit quality to disperse

credit risk, so it expects that the probability of counterparty default is remote.

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

(2) Financial assets at fair value through profit or loss

Items	September 30, 2025	December 31, 2024	September 30, 2024
Current item:			
Financial assets mandatorily measured at fair value			
Foreign listed stocks	\$ 1,394	\$ 1,394	\$ 1,394
Valuation adjustment	(1,394)	(1,305)	(1,166)
	<u>\$ -</u>	<u>\$ 89</u>	<u>\$ 228</u>

A. The Group recognised (losses) gains of \$0, \$3, (\$89) and \$1 on financial assets at fair value through profit or loss for the three months and nine months ended September 30, 2025 and 2024, respectively.

B. The Group has no financial assets at fair value through profit or loss pledged to others as collateral.

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

Items	September 30, 2025	December 31, 2024	September 30, 2024
Non-current item:			
Unlisted stocks	\$ 27,181	\$ 27,181	\$ 27,181
Valuation adjustment	(19,155)	(18,164)	(17,392)
	<u>\$ 8,026</u>	<u>\$ 9,017</u>	<u>\$ 9,789</u>

A. The Group has elected to classify equity investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to \$8,026, \$9,017, and \$9,789 as at September 30, 2025, December 31, 2024 and September 30, 2024, respectively.

B. Amounts recognised in other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	Three months ended September 30,	
	2025	2024
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive income (loss)	<u>\$ 515</u>	<u>(\$ 755)</u>

	Nine months ended September 30,	
	2025	2024
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive loss	(\$ 991)	(\$ 832)

C. As at September 30, 2025, December 31, 2024 and September 30, 2024, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at fair value through other comprehensive income held by the Group was the closing book value.

(4) Financial assets at amortised cost

Items	September 30, 2025	December 31, 2024	September 30, 2024
Current items:			
Time deposits with original maturity period of more than three months	\$ 673,700	\$ 1,398,700	\$ 720,500
Non-current items:			
Pledged time deposits	\$ 16,400	\$ 12,900	\$ -

A. Amounts recognised in profit or loss in relation to financial assets at amortised cost are listed below:

	Three months ended September 30,	
	2025	2024
Interest income	\$ 2,995	\$ 2,850
	Nine months ended September 30,	
	2025	2024
Interest income	\$ 14,492	\$ 13,873

B. As at September 30, 2025, December 31, 2024 and September 30, 2024, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortised cost held by the Group was the closing book value.

C. Information relating to credit risk of financial assets at amortised cost is provided in Note 12(2). The counterparties of the Group's investments in certificates of deposits are financial institutions with high credit quality, so the Group expects that the probability of counterparty default is remote.

D. The Group has pledged certain financial assets measured at amortised cost as collateral as described in Note 8.

(5) Prepayments

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Tax overpaid retained for offsetting the future tax payable	\$ 243,905	\$ 227,333	\$ 214,051
Others	28,245	30,681	27,816
	<u>\$ 272,150</u>	<u>\$ 258,014</u>	<u>\$ 241,867</u>

(6) Investments accounted for using equity method

A. Details of investments accounted for using the equity method:

	<u>2025</u>	<u>2024</u>
At January 1	\$ 937,933	\$ 1,059,648
Share of profit or loss of investments accounted for using equity method	(155,046)	(185,778)
Others	2,693	111,607
At September 30	<u>\$ 785,580</u>	<u>\$ 985,477</u>

B. The basic information of the associate that is material to the Group is as follows:

Company name	Principal place of business	Shareholding ratio			Nature of relationship	Method of measurement
		September 30, 2025	December 31, 2024	September 30, 2024		
AP Biosciences, Inc.	Taiwan	27.21%	27.32%	27.36%	Holding at least 20% of the voting rights	Equity method

C. The summarised financial information of the associate that is material to the Group is as follows:

Balance sheet

	AP Biosciences, Inc.		
	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Current assets	\$ 1,318,819	\$ 1,581,454	\$ 1,720,181
Non-current assets	2,152,562	2,422,547	2,494,623
Current liabilities	(71,086)	(36,536)	(69,789)
Non-current liabilities	(455,947)	(520,414)	(542,738)
Total net assets	<u>\$ 2,944,348</u>	<u>\$ 3,447,051</u>	<u>\$ 3,602,277</u>

	AP Biosciences, Inc.		
	September 30, 2025	December 31, 2024	September 30, 2024
Share in associate's net assets	\$ 801,174	\$ 941,831	\$ 985,495
Goodwill	14,695	14,695	14,695
Others	(30,289)	(18,593)	(14,713)
Carrying amount of the associate	<u>\$ 785,580</u>	<u>\$ 937,933</u>	<u>\$ 985,477</u>

Statement of comprehensive income

	AP Biosciences, Inc.	
	Three months ended September 30,	
	2025	2024
Revenue	\$ -	\$ -
Loss for the period from continuing operations	(215,822)	(177,889)
Other comprehensive (loss) income, net of tax	(906)	810
Total comprehensive loss	<u>(\$ 216,728)</u>	<u>(\$ 177,079)</u>

	AP Biosciences, Inc.	
	Nine months ended September 30,	
	2025	2024
Revenue	\$ -	\$ -
Loss for the period from continuing operations	(566,777)	(560,458)
Other comprehensive (loss) income, net of tax	(1,155)	1,246
Total comprehensive loss	<u>(\$ 567,932)</u>	<u>(\$ 559,212)</u>

- D. The fair value of the Group's material associate, AP Biosciences, Inc., with quoted market prices as of September 30, 2025, December 31, 2024 and September 30, 2024 amounted to \$2,686,437, \$1,150,700 and \$1,313,957, respectively.
- E. AP Biosciences, Inc.'s stock options were exercised in the first three quarters of 2025 and the year of 2024 and it increased its capital by issuing 20,000 thousand new common stocks in June 2024. However, the Company did not acquire shares proportionally to its interest. Consequently, the Company's shareholding ratio decreased to 27.21%, 27.32% and 27.36% as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively.
- F. The Group is the single major shareholder of AP Biosciences, Inc. Considering that the relevant power of the Group and related parties over AP Biosciences, Inc. does not enable the Group to direct relevant activities, the Group has no control but only has significant influence on the entity.

(7) Property, plant and equipment

The Group's property, plant and equipment are mainly for its own use. Details are as follows:

	Buildings and structures	Machinery and lab equipment	Office equipment	Other equipment	Leasehold improvements	Unfinished construction and equipment under acceptance	Total
<u>At January 1, 2025</u>							
Cost	\$ 344,485	\$ 1,034,563	\$ 43,405	\$ 2,205	\$ 276,845	\$ 10,071	\$ 1,711,574
Accumulated depreciation and impairment	(124,997)	(708,986)	(31,488)	(1,588)	(59,910)	(5,962)	(932,931)
	<u>\$ 219,488</u>	<u>\$ 325,577</u>	<u>\$ 11,917</u>	<u>\$ 617</u>	<u>\$ 216,935</u>	<u>\$ 4,109</u>	<u>\$ 778,643</u>
<u>2025</u>							
At January 1	\$ 219,488	\$ 325,577	\$ 11,917	\$ 617	\$ 216,935	\$ 4,109	\$ 778,643
Additions (Note 3)	-	28,125	294	-	305	-	28,724
Reclassifications (Note 1)	-	6,016	-	-	-	(4,109)	1,907
Disposal	-	-	(300)	-	(82)	-	(382)
Depreciation	(11,927)	(73,902)	(3,832)	(162)	(27,750)	-	(117,573)
Net exchange differences	-	(20)	(17)	-	(5)	-	(42)
At September 30	<u>\$ 207,561</u>	<u>\$ 285,796</u>	<u>\$ 8,062</u>	<u>\$ 455</u>	<u>\$ 189,403</u>	<u>\$ -</u>	<u>\$ 691,277</u>
<u>At September 30, 2025</u>							
Cost	\$ 344,485	\$ 1,065,225	\$ 41,782	\$ 2,205	\$ 276,795	\$ 5,962	\$ 1,736,454
Accumulated depreciation and impairment	(136,924)	(779,429)	(33,720)	(1,750)	(87,392)	(5,962)	(1,045,177)
	<u>\$ 207,561</u>	<u>\$ 285,796</u>	<u>\$ 8,062</u>	<u>\$ 455</u>	<u>\$ 189,403</u>	<u>\$ -</u>	<u>\$ 691,277</u>

	Buildings and structures	Machinery and lab equipment	Office equipment	Other equipment	Leasehold improvements	Unfinished construction and equipment under acceptance	Total
<u>At January 1, 2024</u>							
Cost	\$ 343,201	\$ 987,506	\$ 32,074	\$ 2,141	\$ 181,237	\$ 66,456	\$ 1,612,615
Accumulated depreciation and impairment	(109,125)	(610,725)	(28,385)	(1,250)	(54,316)	(5,962)	(809,763)
	<u>\$ 234,076</u>	<u>\$ 376,781</u>	<u>\$ 3,689</u>	<u>\$ 891</u>	<u>\$ 126,921</u>	<u>\$ 60,494</u>	<u>\$ 802,852</u>
<u>2024</u>							
At January 1	\$ 234,076	\$ 376,781	\$ 3,689	\$ 891	\$ 126,921	\$ 60,494	\$ 802,852
Additions (Note 3)	597	29,692	8,282	-	58,022	1,301	97,894
Reclassifications (Note 1)	634	4,624	5,198	-	58,029	(60,033)	8,452
Disposals	-	-	-	-	(577)	-	(577)
Depreciation charge	(11,898)	(74,408)	(3,917)	(271)	(17,536)	-	(108,030)
Net exchange differences	-	(1)	13	-	5	-	17
At September 30	<u>\$ 223,409</u>	<u>\$ 336,688</u>	<u>\$ 13,265</u>	<u>\$ 620</u>	<u>\$ 224,864</u>	<u>\$ 1,762</u>	<u>\$ 800,608</u>
<u>At September 30, 2024</u>							
Cost	\$ 344,432	\$ 1,020,544	\$ 44,147	\$ 2,141	\$ 275,547	\$ 7,724	\$ 1,694,535
Accumulated depreciation and impairment	(121,023)	(683,856)	(30,882)	(1,521)	(50,683)	(5,962)	(893,927)
	<u>\$ 223,409</u>	<u>\$ 336,688</u>	<u>\$ 13,265</u>	<u>\$ 620</u>	<u>\$ 224,864</u>	<u>\$ 1,762</u>	<u>\$ 800,608</u>

Note 1: The reclassifications resulted from a transfer from prepayments for business facilities (shown as ‘other non-current asset’) to property, plant, and equipment.

Note 2: Information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.

Note 3: Refer to Note 6(29).

Note 4: The Group’s machinery and lab equipment, office equipment and leasehold improvements have been fully depreciated and then derecognised. Therefore, for the nine months ended September 30, 2025 and 2024, cost and accumulated depreciation of property, plant and equipment decreased by \$4,518, \$24,382, \$4,518 and \$23,805, respectively.

(8) Leasing arrangements - lessee

- A. The Group leases various assets including land and office space. Rental contracts are typically made for periods of 1 to 14 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.
- B. Short-term leases with a lease term of 12 months or less comprise offices. Low-value assets comprise photocopiers.
- C. The book value of right-of-use assets and the depreciation are as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
	Carrying amount	Carrying amount	Carrying amount
Land use right	\$ 74,785	\$ 76,843	\$ 77,529
Buildings	266,500	309,008	321,892
Transportation equipment (Business vehicles)	859	591	680
	<u>\$ 342,144</u>	<u>\$ 386,442</u>	<u>\$ 400,101</u>

	Three months ended September 30,	
	2025	2024
	Depreciation	Depreciation
Land use right	\$ 686	\$ 686
Buildings	12,882	13,069
Transportation equipment (Business vehicles)	79	89
	<u>\$ 13,647</u>	<u>\$ 13,844</u>

	Nine months ended September 30,	
	2025	2024
	Depreciation	Depreciation
Land use right	\$ 2,058	\$ 2,097
Buildings	39,037	39,193
Transportation equipment (Business vehicles)	256	266
	<u>\$ 41,351</u>	<u>\$ 41,556</u>

- D. Information on profit or loss in relation to lease contracts is as follows:

	Three months ended September 30,	
	2025	2024
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 2,081	\$ 2,428
Expense on short-term lease contracts	729	28
Expense on leases of low-value assets	150	118
Losses on lease modification	2,923	-

	Nine months ended September 30,	
	2025	2024
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 6,544	\$ 7,245
Expense on short-term lease contracts	1,796	3,369
Expense on leases of low-value assets	416	330
Losses on lease modification	3,005	-

- E. The Group has recognised additions to right-of-use assets of \$0, \$0, \$1,125 and \$0 for the three months and nine months ended September 30, 2025 and 2024, respectively.
- F. For the nine months ended September 30, 2024, the Group recognised a decrease in right-of-use assets and lease liabilities both in the amount of \$4,420 after remeasurement of lease liabilities due to lease modification.
- G. For the nine months ended September 30, 2025, as the lease contract was early terminated, the Group recognised a decrease in right-of-use assets and lease liabilities in the amount of \$3,833 and \$828, respectively. Loss on lease modification was shown as other gains and losses.
- H. For the nine months ended September 30, 2025 and 2024, the Group's total cash outflow for leases were \$53,360 and \$43,132, of which \$44,604 and \$32,188 represents principal of lease liabilities, respectively.
- I. Extension options
- Extension options are included in the Group's lease contracts pertaining to land. These terms and conditions are the lessor's general practice and are in line with the plan and utilisation of the effective resources of the Group.
 - Extension options are included in the Group's lease contracts pertaining to certain offices based on the terms of the industrial park. The Group has the priority to lease the premises if it has no significant violation of the lease. These terms and conditions are in line with the plan and utilisation of the effective resources of the Group.
 - In determining the lease term, the Group takes into consideration all facts and circumstances that create an economic incentive to exercise an extension option. The assessment of lease period is reviewed if a significant event occurs which affects the assessment.

(9) Intangible assets

	Patent					
	OBI-3424 AKR1C3 enzyme prodrug	Trop 2 monoclonal antibody	Trademarks	Software	Total	
<u>At January 1, 2025</u>						
Cost	\$ 90,693	\$ 41,648	\$ 1,823	\$ 13,903	\$ 148,067	
Accumulated amortisation	(66,508)	(12,495)	(956)	(5,268)	(85,227)	
	<u>\$ 24,185</u>	<u>\$ 29,153</u>	<u>\$ 867</u>	<u>\$ 8,635</u>	<u>\$ 62,840</u>	
<u>2025</u>						
At January 1	\$ 24,185	\$ 29,153	\$ 867	\$ 8,635	\$ 62,840	
Additions	-	-	10	3,640	3,650	
Amortisation	(6,802)	(3,124)	(137)	(5,106)	(15,169)	
At September 30	<u>\$ 17,383</u>	<u>\$ 26,029</u>	<u>\$ 740</u>	<u>\$ 7,169</u>	<u>\$ 51,321</u>	
<u>At September 30, 2025</u>						
Cost	\$ 90,693	\$ 41,648	\$ 1,833	\$ 15,761	\$ 149,935	
Accumulated amortisation	(73,310)	(15,619)	(1,093)	(8,592)	(98,614)	
	<u>\$ 17,383</u>	<u>\$ 26,029</u>	<u>\$ 740</u>	<u>\$ 7,169</u>	<u>\$ 51,321</u>	
	Patent					
	OBI-833 Next- generation cancer	OBI-3424 AKR1C3 enzyme prodrug	Trop 2 monoclonal antibody	Trademarks	Software	Total
<u>At January 1, 2024</u>						
Cost	\$ 1,500	\$ 90,693	\$ 41,648	\$ 1,823	\$ 9,380	\$ 145,044
Accumulated amortisation	(1,500)	(57,439)	(8,330)	(774)	(3,817)	(71,860)
	<u>\$ -</u>	<u>\$ 33,254</u>	<u>\$ 33,318</u>	<u>\$ 1,049</u>	<u>\$ 5,563</u>	<u>\$ 73,184</u>
<u>2024</u>						
At January 1	\$ -	\$ 33,254	\$ 33,318	\$ 1,049	\$ 5,563	\$ 73,184
Additions	-	-	-	-	3,217	3,217
Reclassifications (Note 1)	-	-	-	-	2,186	2,186
Amortisation	-	(6,802)	(3,123)	(136)	(3,417)	(13,478)
At September 30	<u>\$ -</u>	<u>\$ 26,452</u>	<u>\$ 30,195</u>	<u>\$ 913</u>	<u>\$ 7,549</u>	<u>\$ 65,109</u>
<u>At September 30, 2024</u>						
Cost	\$ -	\$ 90,693	\$ 41,648	\$ 1,823	\$ 13,521	\$ 147,685
Accumulated amortisation	-	(64,241)	(11,453)	(910)	(5,972)	(82,576)
	<u>\$ -</u>	<u>\$ 26,452</u>	<u>\$ 30,195</u>	<u>\$ 913</u>	<u>\$ 7,549</u>	<u>\$ 65,109</u>

Note 1: The reclassifications resulted from a transfer from prepayments (shown as ‘other non-current asset’) to intangible assets.

Note 2: The Group’s patent and software has been fully amortised and then derecognised. Therefore,

for the nine months ended September 30, 2025 and 2024, cost and accumulated amortisation of intangible assets both decreased by \$1,782 and \$2,850, respectively.

A. Details of amortisation on intangible assets are as follows:

	Three months ended September 30,	
	2025	2024
Administrative expenses	\$ 695	\$ 297
Research and development expenses	4,464	4,101
	<u>\$ 5,159</u>	<u>\$ 4,398</u>
	Nine months ended September 30,	
	2025	2024
Administrative expenses	\$ 2,914	\$ 1,019
Research and development expenses	12,255	12,459
	<u>\$ 15,169</u>	<u>\$ 13,478</u>

- B. In 2010, the Company acquired patents named “next-generation cancer vaccine” (OBI-833) and “reagent for cancer screening” (OBI-868). The contract states that the Company must pay royalty fees based on the achieved milestones. In 2013, the Company paid royalty fees of \$1,500 separately for both projects. The Company decided to terminate OBI-833, a novel cancer active immunotherapy, on May 12, 2025, and notified Academia Sinica to terminate the licensing agreement in accordance with the termination clause in the third quarter of 2025.
- C. On May 31, 2017, the Company entered into an agreement with Threshold Pharmaceuticals, Inc. to acquire the global IP right (excluding Mainland China, Hong Kong, Macao, Taiwan, Japan, South Korea, Singapore, Malaysia, Thailand, Turkey and India) and patent regarding the innovative micromolecule drug TH-3424, which was then renamed OBI-3424.
- D. On December 8, 2021, the Company and Biosion, Inc. (hereafter referred to as “Biosion”) entered into an exclusive authorisation contract of humanised Trop2 monoclonal antibody (product No. BSI-04702). The authorisation includes global exclusive right, except for Mainland China, Hong Kong and Macao. Under the contract, the Company will pay signing bonus to Biosion, milestone payment based on the progress of the research and development, and royalties based on a certain percentage of sales amount after the product has been launched in the market. As of September 30, 2025, the Company has not launched any products related to the aforementioned technology license. The maximum unpaid royalties for the subsequent trial phases as stipulated in the contract totaled USD 69,000 thousand.
- E. The Group has no intangible assets pledged to others.

(10) Short-term borrowings

Type of borrowings	September 30, 2025	Interest rate	Collateral
Bank borrowings			
Secured borrowings			Buildings located at No. 19, Shengyi 5th Rd., Zhubei City, Hsinchu County (Note)
	\$ 41,856	2.31%	
Type of borrowings	December 31, 2024	Interest rate	Collateral
Bank borrowings			
Secured borrowings			Buildings located at No. 19, Shengyi 5th Rd., Zhubei City, Hsinchu County (Note)
	\$ 412	2.31%	
Type of borrowings	September 30, 2024	Interest rate	Collateral
Bank borrowings			
Secured borrowings			Buildings located at No. 19, Shengyi 5th Rd., Zhubei City, Hsinchu County (Note)
	\$ 286	2.297%	

Note : Refer to Note 8 for details.

(11) Long-term borrowings

Type of borrowings	Borrowing period and repayment term	Interest rate	Collateral	September 30, 2025	December 31, 2024	September 30, 2024
Long-term bank borrowings						
Secured borrowings	Borrowing period is from January 31, 2024 to January 31, 2027; interest is payable monthly (Note 2)	Note 3	Note 1	\$ 17,500	\$ 26,250	\$ 29,167
Secured borrowings	Borrowing period is from May 17, 2024 to May 17, 2027; interest is payable monthly (Note 4)	Note 5	Note 1	39,242	56,061	61,666

Type of borrowings	Borrowing period and repayment term	Interest rate	Collateral	September 30, 2025	December 31, 2024	September 30, 2024
Non-financial institution borrowings						
Secured borrowings	Borrowing period is from April 30, 2025 to April 30, 2027; interest is payable monthly (Note 6)	Note 6	Note 1	7,975	-	-
Secured borrowings	Borrowing period is from May 15, 2025 to May 15, 2027; interest is payable monthly (Note 7)	Note 7	Note 1	54,395	-	-
Less: Current portion				(71,575)	(34,091)	(34,091)
				<u>\$ 47,537</u>	<u>\$ 48,220</u>	<u>\$ 56,742</u>

Note 1: Refer to Note 8 for details.

Note 2: The Group negotiated the borrowing contract with the bank whereby the principal is payable quarterly starting from April 2024.

Note 3: It was calculated based on the floating interest rate on the facility of two-year time deposits less than NT\$5 million, as posted by the Chunghwa Post Co., Ltd. plus 0.5%. On September 30, 2025, December 31, 2024 and September 30, 2024, the interest rates were all 2.22%.

Note 4: The Group negotiated the borrowing contract with the bank whereby the principal is payable quarterly starting from August 2024.

Note 5: It was calculated based on the floating interest rate on the facility of one-year time deposits, as posted by the Mega International Commercial Bank plus 0.8%. On September 30, 2025, December 31, 2024, and September 30, 2024, the interest rates were all 2.52%.

Note 6: The Group negotiated the borrowing contract with Chailease Specialty Finance Co., Ltd. whereby the principal is payable monthly starting from May 2025. The Group issued monthly post-dated checks as collateral, and the effective interest rate for the loan was 7.41%.

Note 7: The Group negotiated the borrowing contract with Chailease Specialty Finance Co., Ltd. whereby the principal is payable monthly starting from June 2025. The Group issued monthly post-dated checks as collateral, and the effective interest rate for the loan was 6.78%.

(12) Other payables

	September 30, 2025	December 31, 2024	September 30, 2024
Accrued clinical trials cost	\$ 18,615	\$ 77,700	\$ 170
Wages and salaries payable	9,697	13,689	13,837
Accrued consulting and service fee	5,278	31,491	5,571
Payable on equipment	3,646	8,490	3,218
Accrued clinical materials expense	3,518	96,973	642
Outsourced research expenses payable	3,888	32,042	3,747
Others	16,226	37,448	16,271
	<u>\$ 60,868</u>	<u>\$ 297,833</u>	<u>\$ 43,456</u>

(13) Provisions

	Decommissioning liabilities	Others (Note)	Total
At January 1, 2025	\$ 6,008	\$ -	\$ 6,008
Additional provisions	97	166,234	166,331
Used	-	(35,518)	(35,518)
At September 30, 2025	<u>\$ 6,105</u>	<u>\$ 130,716</u>	<u>\$ 136,821</u>
	Decommissioning liabilities	Others (Note)	Total
At January 1, 2024	\$ 5,882	\$ -	\$ 5,882
Additional provisions	94	-	94
At September 30, 2024	<u>\$ 5,976</u>	<u>\$ -</u>	<u>\$ 5,976</u>

The provision analysis is as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Current	\$ 130,716	\$ -	\$ -
Non-current	<u>\$ 6,105</u>	<u>\$ 6,008</u>	<u>\$ 5,976</u>

Note : The Company's Phase III clinical trial of its active cancer immunotherapy, OBI-822, for the triple negative breast cancer, received recommendation from the Data and Safety Monitoring Board (DSMB) in April 2025 regarding the second interim analysis, that the Company terminate the study. Following thorough internal evaluation, the Company has decided to follow the DSMB recommendation and to terminate the trial. Further, the Company will redirect its resources to focus on the development of next-generation Antibody-Drug Conjugates (ADCs). The Company's active cancer immunotherapy, OBI-833, was terminated upon the approval of the Board of Directors on May 12, 2025, due to rapidly tightened competition in the pharmaceuticals market and unpredictability of clinical trials. Further, the Company will redirect its resources to focus on the development of next-generation Antibody-Drug Conjugates (ADCs). Based on the contracted research

agreement with CROs (Contract research organizations) and historical trial-related cost data, the Company estimates the total costs associated with the termination of the trial to be \$166,234 and has recognised provisions in the second quarter of 2025.

(14) Pension

- A. The Company and its domestic subsidiaries have established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The pension costs under the defined contribution pension plans of the Group for the three months and nine months ended September 30, 2025 and 2024 were \$3,481, \$4,065, \$11,618 and \$11,773, respectively.
- B. OBI Pharma Australia Pty Ltd. and OBI Pharma Limited were not required to set up a policy for employee pension plans. Odeon Therapeutics (Cayman) Limited, Odeon Therapeutics (Hong Kong) Limited and Odeon Therapeutics (Shanghai) Limited did not have any employees and thus did not recognise pension costs. For the pension plan based on local government regulations, OBI Pharma USA, Inc. recognised pension costs of \$860, \$1,155, \$3,030, and \$2,957 for the three months and nine months ended September 30, 2025 and 2024, respectively.

(15) Share-based payment

- A. Information on share-based payments made by the Company and the subsidiaries is as follows:
- (a) The options were granted to qualified employees of the Company and the subsidiaries which the Company holds over 50% equity interest by issuing new shares of the Company when exercised. The options are valid for 10 years. The major contents were as follows:

Type of agreement	Grant date	No. of units	Subscription share per unit	Vesting conditions	Weighted-average remaining contract period (years)
Employee stock option plan (Note 1)	2014.02.21	1,744,000	1	After two years of service, employees can exercise options at a certain percentage based on the schedule	-
“	2014.03.26	575,000	1	“	-
“	2015.05.06	2,861,000	1	“	-
“	2015.08.04	75,000	1	“	-
“	2015.11.06	353,000	1	“	0.10
“	2015.12.15	13,000	1	“	0.21
“	2016.03.25	1,377,000	1	“	0.48
“	2017.03.09	3,145,000	1	“	1.44
“	2017.05.12	20,000	1	“	1.61
“	2017.08.11	20,000	1	“	1.86
“	2017.11.10	130,000	1	“	2.11
“	2018.01.19	1,685,000	1	“	2.30

Type of agreement	Grant date	No. of units	Subscription share per unit	Vesting conditions	Weighted-average remaining contract period (years)
Employee stock option plan (Note 1)	2019.09.06	1,125,000	1	After two years of service, employees can exercise options at a certain percentage based on the schedule	3.93
"	2019.11.08	385,000	1	"	4.11
"	2020.08.05	510,000	1	"	4.85
"	2021.11.05	3,859,000	1	"	6.10
"	2022.03.18	320,000	1	"	6.46
"	2022.05.06	143,000	1	"	6.60
"	2022.08.08	639,000	1	"	6.86
"	2023.08.07	725,000	1	"	7.85
"	2024.03.11	200,000	1	"	8.44
"	2024.05.10	50,000	1	"	8.61
"	2024.08.02	1,800,000	1	"	8.84
"	2025.03.10	175,000	1	"	9.44
"	2025.05.12	50,000	1	"	9.61
Cash capital increase reserved for employee subscription (Note 1)	2024.10.14	1,500,000	1	Immediately vested	-
Restricted stocks to employees (Note 2)	2022.10.25	160,000	1	After two years of service and achieving certain performance level, restricted stocks can be vested at a certain percentage (Note 3)	-

Note 1: The above share-based payment arrangements are equity-settled.

Note 2: The restricted shares issued by the Company cannot be sold, pledged, transferred, donated, collateralized, or disposed in any other method during the vesting period. However, the rights to distribution of dividends, bonuses and capital surplus, and subscription rights to cash capital increase are not restricted.

Note 3: The employee restricted shares granted to an executive can only be vested if (1) the executive remains employed by the Company on the last date of each vesting period; (2) during the vesting period, the executive may not breach any agreement with the Company or violate the Company's work rules; and (3) executive performance metrics set up by the Company are met (that is, a performance rating of at least "Exceed" or above for the year immediately preceding the expiration of each vesting period.).

The vesting conditions of granted employee restricted shares are as follows:

- a. 50% of restricted shares are vested to employees who remain employed by the Company two years from the grant date;

- b. 25% of restricted shares are vested to employees who remain employed by the Company three years from the grant date;
- c. 25% of restricted shares are vested to employees who remain employed by the Company four years from the grant date.

(b) The options were granted to qualified employees of the subsidiary, Amaran Biotechnology Inc., issuing new shares of the subsidiary when exercised. The options are valid for 10 years. The major contents were as follows:

Type of agreement	Grant date	No. of units	Subscription share per unit	Vesting conditions	Weighted-average remaining contract period (years)
Employee stock option plan (Note)	2014.01.15	920	1,000	After one year of service, employees can exercise options at a certain percentage based on the schedule	-
"	2014.05.02	310	1,000	"	-
"	2014.09.03	270	1,000	"	-
"	2015.02.12	255	1,000	"	-
"	2015.05.27	300	1,000	"	-
"	2015.09.09	70	1,000	"	-
"	2015.12.15	235	1,000	"	0.20
"	2016.03.02	2,382	1,000	"	0.41
"	2016.09.02	45	1,000	"	0.92
"	2017.01.01	179	1,000	"	1.25
"	2017.04.01	34	1,000	"	1.50
"	2017.06.01	60	1,000	"	1.66
"	2018.03.23	1,090	1,000	"	2.47
"	2018.09.18	60	1,000	"	2.96
"	2019.01.01	65	1,000	"	3.25
"	2019.03.01	65	1,000	"	3.41
"	2019.10.01	210	1,000	"	4.00
"	2020.04.01	250	1,000	"	4.50
"	2020.05.01	120	1,000	"	4.58
"	2021.07.01	110	1,000	"	5.75
"	2021.08.01	115	1,000	"	5.83
"	2021.09.01	15	1,000	"	5.92
"	2021.10.01	1,139	1,000	"	6.00
"	2022.04.01	135	1,000	"	6.50
"	2022.05.01	60	1,000	"	6.58
"	2022.06.01	15	1,000	"	6.67
"	2023.01.01	41	1,000	"	7.25
"	2024.01.01	1,900	1,000	"	8.25
"	2024.06.01	30	1,000	"	8.67
"	2024.08.01	20	1,000	"	8.84
"	2024.10.01	30	1,000	"	9.00
"	2024.12.01	20	1,000	"	9.17

Note: The above share-based payment arrangements are equity-settled.

- (c) The options were granted by the subsidiary, Obigen Pharma, Inc., to qualified employees of the subsidiary and the Company by issuing new shares of the subsidiary when exercised. The options are valid for 8-10 years. The major contents were as follows:

Type of agreement	Grant date	No. of units	Subscription share per unit	Vesting conditions	Weighted-average remaining contract period (years)
Employee stock option plan (Note)	2021.12.09	1,568,000	1	After two years of service, employees can exercise options at a certain percentage based on the schedule	6.20
"	2022.03.23	163,000	1	"	6.47
"	2022.10.28	269,000	1	"	7.07
"	2023.05.26	427,000	1	"	7.65
"	2023.05.26	1,855,000	1	After six months of service, employees can exercise options	5.65
"	2023.12.06	573,000	1	After two years of service, employees can exercise options at a certain percentage based on the schedule	8.18
"	2024.03.20	445,000	1	After six months of service, employees can exercise options	6.47
"	2024.12.10	1,014,000	1	After two years of service, employees can exercise options at a certain percentage based on the schedule	9.19
"	2025.02.18	1,000,000	1	"	9.39

Note: The above share-based payment arrangement is equity-settled.

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

(a) The Company's employee stock option plan:

	Nine months ended September 30,			
	2025		2024	
	No. of units	Weighted-average exercise price (in dollars)	No. of units	Weighted-average exercise price (in dollars)
Options outstanding at beginning of the period	10,945,287	\$ 143.05	10,610,595	\$ 169.55
Options granted	225,000	54.18	2,050,000	60.32
Options forfeited or expired	(2,121,928)	173.04	(1,704,017)	169.18
Options outstanding at end of the period	<u>9,048,359</u>	133.81	<u>10,956,578</u>	149.17
Options exercisable at end of the period	<u>6,841,265</u>		<u>7,148,285</u>	
Options authorised but not granted at end of the period	<u>-</u>		<u>225,000</u>	

(b) Restricted stocks to employees:

	Nine months ended September 30,	
	2025	2024
	No. of shares	No. of shares
Stocks outstanding at January 1 and September 30	<u>\$ 80,000</u>	<u>\$ 160,000</u>

(c) The employee stock option plan of subsidiary, Amaran Biotechnology Inc.:

	Nine months ended September 30,			
	2025		2024	
	No. of units	Weighted-average exercise price (in dollars)	No. of units	Weighted-average exercise price (in dollars)
Options outstanding at beginning of the period	4,520	\$ 29.33	3,293	\$ 35.66
Options granted	-	-	1,950	20.00
Options exercisable	(18)	20.00	-	-
Options forfeited or expired	(525)	23.52	(385)	23.44
Options outstanding at end of the period	<u>3,977</u>	30.14	<u>4,858</u>	30.34
Options exercisable at end of the period	<u>2,801</u>		<u>2,740</u>	
Options authorised but not granted at end of the period	<u>2,000</u>		<u>50</u>	

(d) The employee stock option plan of subsidiary, Obigen Pharma, Inc.:

	Nine months ended September 30,			
	2025		2024	
	No. of units	Weighted-average exercise price (in dollars)	No. of units	Weighted-average exercise price (in dollars)
Options outstanding at beginning of the period	5,520,500	\$ 22.17	4,247,000	\$ 20.00
Options granted	1,000,000	32.00	445,000	20.00
Options forfeited or expired	(629,500)	23.80	(149,500)	20.00
Options outstanding at end of the period	<u>5,891,000</u>	23.66	<u>4,542,500</u>	20.00
Options exercisable at end of the period	<u>3,317,000</u>		<u>2,823,500</u>	
Options authorised but not granted at end of the period	<u>986,000</u>		<u>3,000,000</u>	

C. The Company and the subsidiary, Obigen Pharma, Inc., have no stock option exercised for the nine months ended September 30, 2025 and 2024. The subsidiary's, Amaran Biotechnology Inc.'s, weighted average stock price on the execution date for stock options exercised for the nine months ended September 30, 2025 was \$20 (in dollars) and no stock options were exercised for the nine months ended September 30, 2024.

D. As of September 30, 2025, December 31, 2024 and September 30, 2024, the range of exercise prices of the Company's stock options outstanding were \$39.1~\$509.7 (in dollars), \$58.7~\$509.7 (in dollars) and \$59.9~\$575.3 (in dollars), respectively. The range of exercise prices of the subsidiary's, Amaran Biotechnology Inc.'s, stock options outstanding was all \$15~\$70 (in dollars). The exercise price of the subsidiary's, Obigen Pharma, Inc.'s, stock options outstanding were \$20~\$32 (in dollars), \$20~\$32 (in dollars) and \$20 (in dollars), respectively.

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

(a) The Company's employee stock option plan:

Type of agreement	Grant date	Underlying market value on measurement date (in dollars)	Exercise price per share (in dollars)	Expected volatility (Note 1)	Expected option life	Expected dividend yield	Risk-free interest rate	Fair value per unit (in dollars)
Employee stock option plan	2014.02.21	\$ 231.4	\$ 191.1	47.62%	6.375 years	0%	1.34%	\$ 114.80
"	2014.03.26	215.0	201.0	46.54%	6.375 years	0%	1.38%	97.07
"	2015.05.06	334.0	252.9	44.46%	6.375 years	0%	1.33%	150.18
"	2015.08.04	283.0	219.6	43.90%	6.375 years	0%	1.21%	125.27
"	2015.11.06	422.0	310.4	44.11%	6.375 years	0%	1.01%	186.00
"	2015.12.15	727.0	509.7	45.44%	6.375 years	0%	0.99%	328.28

Type of agreement	Grant date	Underlying market value on measurement date (in dollars)	Exercise price per share (in dollars)	Expected volatility (Note 1)	Expected option life	Expected dividend yield	Risk-free interest rate	Fair value per unit (in dollars)
Employee stock option plan	2016.03.25	\$ 420.0	\$ 309.1	47.70%	6.375 years	0%	0.72%	\$ 195.43
"	2017.03.09	326.0	307.7	50.01%	6.375 years	0%	1.11%	159.90
"	2017.05.12	261.0	246.4	49.51%	6.375 years	0%	0.96%	126.34
"	2017.08.11	191.0	180.3	48.61%	6.375 years	0%	0.82%	90.60
"	2017.11.10	169.0	159.5	48.44%	6.375 years	0%	0.81%	79.91
"	2018.01.19	170.5	161.0	48.61%	6.375 years	0%	0.88%	81.04
"	2019.09.06	144.0	137.7	45.65%	6.375 years	0%	0.62%	64.29
"	2019.11.08	131.0	125.3	45.03%	6.375 years	0%	0.65%	57.88
"	2020.08.05	120.0	114.8	45.37%	6.375 years	0%	0.37%	52.76
"	2021.11.05	108.0	103.4	45.03%	6.375 years	0%	0.45%	47.33
"	2022.03.18	110.0	105.3	44.11%	6.375 years	0%	0.79%	48.06
"	2022.05.06	118.5	116.2	43.61%	6.375 years	0%	1.17%	52.11
"	2022.08.08	79.0	77.5	43.15%	6.375 years	0%	1.10%	34.33
"	2023.08.07	84.6	83.0	42.23%	6.375 years	0%	1.11%	36.12
"	2024.03.11	63.8	62.6	40.73%	6.375 years	0%	1.20%	26.53
"	2024.05.10	61.7	60.5	39.92%	6.375 years	0%	1.56%	25.68
"	2024.08.02	59.9	58.7	39.60%	6.375 years	0%	1.49%	24.69
"	2025.03.10	58.5	58.5	39.28%	6.375 years	0%	1.66%	24.15
"	2025.05.12	39.1	39.1	40.30%	6.375 years	0%	1.66%	16.30
Cash capital increase reserved for employee subscription	2024.10.14	67.8	64.0	50.83%	0.060 years	0%	1.22%	5.55
Restricted stocks to employees	2022.10.25	66.0			Note 2			66.00

Note 1: Expected price volatility rate was estimated by using the average price volatility of similar listed and OTC companies within the appropriate period and the Company's historical transaction data since its shares traded on the Emerging Stock Market.

Note 2: The Company issued employee restricted shares with a par value of NT\$10 (in dollars) per share, the issuance price was NT\$0 (at no cost), and the fair value was measured at the closing price of the Company's share at the grant date.

(b) The employee stock option plan of subsidiary, Amaran Biotechnology Inc.:

Type of agreement	Grant date	Underlying market value on measurement date (in dollars)	Exercise price per share (in dollars)	Expected volatility (Note)	Expected option life	Expected dividend yield	Risk-free interest rate	Fair value per unit (in dollars)
Employee stock option plan	2014.01.15	\$ 27.5	\$ 15.0	48.22%	10 years	0%	1.09%	\$ 18.20
"	2014.05.02	27.5	15.0	48.22%	10 years	0%	1.09%	18.20
"	2014.09.03	31.5	50.0	48.22%	10 years	0%	1.02%	10.79
"	2015.02.12	31.5	50.0	48.22%	10 years	0%	1.02%	10.79

Type of agreement	Grant date	Underlying market value on measurement date (in dollars)	Exercise price per share (in dollars)	Expected volatility (Note)	Expected option life	Expected dividend yield	Risk-free interest rate	Fair value per unit (in dollars)
Employee stock option plan	2015.05.27	\$ 31.5	\$ 50.0	48.22%	10 years	0%	1.02%	\$ 10.79
"	2015.09.09	31.5	50.0	42.87%	10 years	0%	0.93%	12.80
"	2015.12.15	31.5	50.0	42.87%	10 years	0%	0.93%	12.80
"	2016.03.02	31.5	50.0	42.87%	10 years	0%	0.93%	12.80
"	2016.09.02	35.6	50.0	42.31%	10 years	0%	0.78%	15.33
"	2017.01.01	35.6	70.0	42.31%	10 years	0%	0.78%	15.33
"	2017.04.01	35.6	70.0	42.31%	10 years	0%	0.78%	15.33
"	2017.06.01	35.6	70.0	42.31%	10 years	0%	0.78%	15.33
"	2018.03.23	25.0	25.0	27.45%	10 years	0%	0.70%	4.04
"	2018.09.18	25.0	25.0	27.45%	10 years	0%	0.70%	4.04
"	2019.01.01	24.8	25.0	33.75%	6.25 years	0%	0.77%	8.46
"	2019.03.01	21.9	25.0	33.51%	6.25 years	0%	0.73%	6.44
"	2019.10.01	20.9	25.0	32.32%	6.25 years	0%	0.65%	5.59
"	2020.04.01	24.4	25.0	38.05%	6.25 years	0%	0.44%	8.94
"	2020.05.01	20.4	25.0	38.39%	6.25 years	0%	0.44%	6.47
"	2021.07.01	23.0	25.0	46.15%	6.25 years	0%	0.35%	9.58
"	2021.08.01	23.0	25.0	46.15%	6.25 years	0%	0.35%	9.58
"	2021.09.01	23.0	25.0	46.15%	6.25 years	0%	0.35%	9.58
"	2021.10.01	23.0	25.0	46.15%	6.25 years	0%	0.35%	9.58
"	2022.04.01	23.7	25.0	45.62%	6.25 years	0%	0.95%	10.22
"	2022.05.01	23.7	25.0	45.62%	6.25 years	0%	0.95%	10.22
"	2022.06.01	23.7	25.0	45.62%	6.25 years	0%	0.95%	10.22
"	2023.01.01	23.7	25.0	45.62%	6.25 years	0%	0.95%	10.22
"	2024.01.01	22.1	20.0	46.54%	6.25 years	0%	1.20%	10.73
"	2024.06.01	22.1	20.0	46.54%	6.25 years	0%	1.20%	10.73
"	2024.08.01	22.1	20.0	46.54%	6.25 years	0%	1.20%	10.73
"	2024.10.01	22.1	20.0	46.54%	6.25 years	0%	1.20%	10.73
"	2024.12.01	22.1	20.0	46.54%	6.25 years	0%	1.20%	10.73

Note: Expected price volatility rate was estimated by using the average price volatility of similar listed and OTC companies within the appropriate period.

(c) The employee stock option plan of subsidiary, Obigen Pharma, Inc.:

Type of agreement	Grant date	Underlying market value on measurement date (in dollars)	Exercise price per share (in dollars)	Expected volatility (Note)	Expected option life	Expected dividend yield	Risk-free interest rate	Fair value per unit (in dollars)
Employee stock option plan	2021.12.09	\$ 20.7	\$ 20.0	47.29%	6.375 years	0%	0.49%	\$ 9.70
"	2022.03.23	23.9	20.0	47.20%	6.375 years	0%	0.91%	12.25
"	2022.10.28	31.0	20.0	42.72%	6.375 years	0%	1.52%	17.59
"	2023.05.26	32.1	20.0	43.20%	6.375 years	0%	1.09%	18.32
"	2023.05.26	32.1	20.0	47.69%	4.250 years	0%	1.07%	17.29
"	2023.12.06	32.0	20.0	44.18%	6.375 years	0%	1.20%	18.54
"	2024.03.20	32.1	20.0	49.48%	4.250 years	0%	1.22%	17.62
"	2024.12.10	32.0	32.0	49.33%	6.375 years	0%	1.52%	15.78
"	2025.02.18	32.0	32.0	49.98%	6.375 years	0%	1.55%	15.93

Note: Expected price volatility rate was estimated by using the average price volatility of similar listed and OTC companies within the appropriate period.

- F. For the three months and nine months ended September 30, 2025 and 2024, the Group recognised compensation cost of \$10,309, \$18,438, \$20,276 and \$42,808, respectively.
- G. For the three months and nine months ended September 30, 2025 and 2024, the Group recognised (a reversal of) compensation cost of \$25, \$78, (\$17), and \$173, respectively, due to stock options issued by AP Biosciences, Inc. to the employees of the Company in prior years.
- H. On November 12, 2024, the Company adjusted the exercise prices of employee stock options issued between May 6, 2015 and August 2, 2024, in accordance with the employee stock option plan. The exercise price range was lowered from \$59.9 to \$575.3 to \$58.7 to \$509.7 (in dollars). This adjustment was made due to the issuance of new shares by the Company, and it did not result in any incremental fair value of the stock options.

(16) Share capital

- A. As of September 30, 2025, the Company's authorized capital was \$5,000,000, consisting of 500 million shares of ordinary stock (including 40 million shares reserved for employee stock options), and the outstanding capital was \$2,631,594 with a par value of \$10 (in dollars) per share.

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

	(Unit: shares in thousands)	
	2025	2024
Ordinary shares outstanding at January 1 and September 30	262,968	229,248

- B. The Board of Directors during its meeting on August 8, 2022 adopted a resolution to issue employee restricted ordinary shares with the effective date set on October 25, 2022. The number of shares issued is 160 thousand shares with a par value of NT\$10 (in dollars) per share. On December 10, 2024, the Board of Directors resolved to cancel 80 thousand shares, with the record date of reduction set on December 10, 2024.

C. Treasury stock:

- (a) Reason for share reacquisition and movements in the number of the Company's treasury shares are as follows:

Reason for reacquisition	Nine months ended September 30, 2025				Carrying amount (Note 2)
	Beginning shares	Additions	Disposal	Ending shares	
Shares of the parent company held by subsidiaries treated as treasury shares (Note 1)	191 thousand shares	-	-	191 thousand shares	\$ 26,528

Reason for reacquisition	Nine months ended September 30, 2024				Carrying amount
	Beginning shares	Additions	Disposal	Ending shares	
Shares of the parent company held by subsidiaries treated as treasury shares (Note 1)	191 thousand shares	-	-	191 thousand shares	\$ 26,533

Note 1: Shares of the parent company held by subsidiaries are treated as treasury shares but are entitled to the shareholders' rights. The number of shares was calculated by multiplying the number of shares of the Company held by the subsidiaries by the Company's shareholding ratio to subsidiaries.

Note 2: Stocks options were exercised by employees of the subsidiary, Amaran Biotechnology Inc. in 2025, and thus the Company's shareholding in Amaran Biotechnology Inc. decreased from 70.70% to 70.68%, resulting in a decrease of \$5 in the debit balance of treasury stock.

- (b) Pursuant to the R.O.C. Securities and Exchange Act, the number of shares bought back as treasury share should not exceed 10% of the number of the Company's issued and outstanding shares and the amount bought back should not exceed the sum of retained earnings, paid-in capital in excess of par value and realised capital surplus.
- (c) Pursuant to the R.O.C. Securities and Exchange Act, treasury shares should not be pledged as collateral and is not entitled to dividends before it is reissued.

(17) Capital surplus

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

	2025			
	Share premium	Employee stock options	Restricted stocks	Others
At January 1	\$ 6,896,039	\$ 731,257	\$ 4,480	\$ 1,468,965
Employee stock options compensation cost	-	7,106	-	1,061
Restricted employee stocks vested	2,240	-	(2,240)	-
Subsidiary employees exercising stock options	-	-	-	267
Expiration of employee stock options	-	(174,737)	-	176,701
Changes in associates accounted for using equity method	-	-	-	2,314
At September 30	<u>\$ 6,898,279</u>	<u>\$ 563,626</u>	<u>\$ 2,240</u>	<u>\$ 1,649,308</u>
	2024			
	Share premium	Employee stock options	Restricted stocks	Others
At January 1	\$ 5,065,714	\$ 834,682	\$ 8,960	\$ 1,218,394
Employee stock options compensation cost	-	10,649	-	5,950
Expiration of employee stock options	-	(105,704)	-	107,223
Changes in associates accounted for using equity method	-	-	-	111,402
At September 30	<u>\$ 5,065,714</u>	<u>\$ 739,627</u>	<u>\$ 8,960</u>	<u>\$ 1,442,969</u>

(18) Retained earnings

- A. The current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve. Cash dividends shall first be appropriated, and the remainder, if any, to be retained or to be appropriated shall be resolved by the stockholders at the stockholders' meeting.
- B. The Company is facing a capital intensive industrial environment, with the life cycle of the industry in the growth phase. The residual dividend policy is adopted taking into consideration the Company's operating expansion plans and investment demands. According to the balanced dividend policy adopted by the Board of Directors, stock dividends and cash dividends will be allocated in consideration of the actual net income and funds status and are subject to the approval by the Board of Directors and resolution by shareholders and cash dividends shall account for at least 10% of the total dividends distributed.
- C. Except for covering accumulated deficit, increasing capital or payment of cash, the legal reserve shall not be used for any other purpose. The amount capitalised or the cash payment shall not exceed 25% of the paid-in capital.

D. As resolved by the shareholders on June 17, 2024, the Company's proposal for 2023 deficit compensation is as follows:

	Year ended December 31, 2023
Accumulated deficit at beginning of the year	(\$ 4,522,538)
Net loss for 2023	(1,046,475)
Accumulated deficit at end of the year	<u>(\$ 5,569,013)</u>

E. As resolved by the shareholders on June 27, 2025, the Company's proposal for 2024 deficit compensation is as follows:

	Year ended December 31, 2024
Accumulated deficit at beginning of the year	(\$ 5,569,013)
Net loss for 2024	(2,310,026)
Accumulated deficit at end of the year	<u>(\$ 7,879,039)</u>

(19) Operating revenue

Disaggregation of revenue from contracts with customers is as follows:

	Three months ended September 30,	
	2025	2024
Revenue from contracts with customers	<u>\$ 10,522</u>	<u>\$ 22,979</u>
	Nine months ended September 30,	
	2025	2024
Revenue from contracts with customers	<u>\$ 37,738</u>	<u>\$ 51,130</u>

Disaggregation of revenue from contracts with customers is as follows:

	Contract Development and Manufacturing Organization revenue	Patent Technology Licensing	Total
Three months ended September 30, 2025			
Revenue from external customer contracts			
Contract revenue	<u>\$ 8,425</u>	<u>\$ 2,097</u>	<u>\$ 10,522</u>
	Contract Development and Manufacturing Organization revenue	Patent Technology Licensing	Total
Three months ended September 30, 2024			
Revenue from external customer contracts			
Contract revenue	<u>\$ 22,619</u>	<u>\$ 360</u>	<u>\$ 22,979</u>

Nine months ended September 30, 2025	Contract Development and Manufacturing Organization revenue	Patent Technology Licensing	Total
Revenue from external customer contracts			
Contract revenue	\$ 34,646	\$ 3,092	\$ 37,738

Nine months ended September 30, 2024	Contract Development and Manufacturing Organization revenue	Patent Technology Licensing	Total
Revenue from external customer contracts			
Contract revenue	\$ 49,737	\$ 1,393	\$ 51,130

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

	September 30, 2025	December 31, 2024	September 30, 2024	January 1, 2024
Contract assets				
Contract assets - service revenue	\$ 468	\$ -	\$ -	\$ -

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

	September 30, 2025	December 31, 2024	September 30, 2024	January 1, 2024
Contract liabilities				
Contract liabilities - unearned revenue	\$ 6,655	\$ 7,783	\$ 6,216	\$ 6,285

For the three months and nine months ended September 30, 2025 and 2024, the Group recognised revenues from the beginning balance of contract liabilities amounting to \$0, \$333, \$5,643, and \$1,070, respectively.

(20) Interest income

	Three months ended September 30,	
	2025	2024
Interest income from bank deposits	\$ 3,096	\$ 4,113
Interest income from financial assets measured at amortised cost	2,995	2,850
	<u>\$ 6,091</u>	<u>\$ 6,963</u>
	Nine months ended September 30,	
	2025	2024
Interest income from bank deposits	\$ 10,010	\$ 18,725
Interest income from financial assets measured at amortised cost	14,492	13,873
	<u>\$ 24,502</u>	<u>\$ 32,598</u>

(21) Other income

	Three months ended September 30,	
	2025	2024
Rent income	\$ -	\$ -
Other income, others (Note)	27,911	71
	<u>\$ 27,911</u>	<u>\$ 71</u>
	Nine months ended September 30,	
	2025	2024
Rent income	\$ 350	\$ 350
Other income, others (Note)	47,136	10,084
	<u>\$ 47,486</u>	<u>\$ 10,434</u>

Note: Due to the termination of the research and development projects, the Group has settled accounts with the contracted research organization (CRO) and refunded the project funds.

(22) Other gains and losses

	Three months ended September 30,	
	2025	2024
Losses on disposal of property, plant and equipment	(\$ 382)	(\$ 198)
Net currency exchange losses	(3,922)	(1,107)
Net gains on financial assets at fair value through profit or loss	-	3
Losses on lease modification	(2,923)	-
Others	-	1
	<u>(\$ 7,227)</u>	<u>(\$ 1,301)</u>

	Nine months ended September 30,	
	2025	2024
(Losses) gains on disposal of property, plant and equipment	(\$ 242)	\$ 43,720
Gains on disposals of investments	-	397
Net currency exchange gains	8,179	28,045
Net (losses) gains on financial assets at fair value through profit or loss	(89)	1
Losses on lease modification	(3,005)	-
Others	(34)	(3,456)
	<u>\$ 4,809</u>	<u>\$ 68,707</u>

(23) Finance costs

	Three months ended September 30,	
	2025	2024
Interest expense		
Interest expense on lease liabilities	\$ 2,081	\$ 2,428
Interest expense on loans	1,066	274
	<u>\$ 3,147</u>	<u>\$ 2,702</u>

	Nine months ended September 30,	
	2025	2024
Interest expense		
Interest expense on lease liabilities	\$ 6,544	\$ 7,245
Interest expense on loans	3,544	614
	<u>\$ 10,088</u>	<u>\$ 7,859</u>

(24) Expenses by nature

	Three months ended September 30,	
	2025	2024
Clinical trials cost	\$ 149,620	\$ 138,381
Employee benefit expenses	122,870	157,131
Clinical material expenses	80,490	68,144
Depreciation	50,311	51,350
Outsourced research expenses	34,259	68,144
Consulting and service fees	21,851	25,299
Amortisation	5,159	4,398
Expected credit losses	-	-
Rental expenses	879	146
Other expenses	41,693	61,712
Operating costs and expenses	<u>\$ 507,132</u>	<u>\$ 574,705</u>

	Nine months ended September 30,	
	2025	2024
Clinical trials cost	\$ 565,808	\$ 413,030
Employee benefit expenses	436,814	442,271
Clinical material expenses	231,601	228,798
Depreciation	158,924	149,586
Consulting and service fees	87,563	95,448
Outsourced research expenses	85,991	90,511
Amortisation	15,169	13,478
Expected credit losses	3,067	-
Rental expenses	2,212	3,699
Royalty fees	-	94,260
Other expenses	142,210	169,845
Operating costs and expenses	<u>\$ 1,729,359</u>	<u>\$ 1,700,926</u>

(25) Employee benefit expense

	Three months ended September 30,	
	2025	2024
Wages and salaries (including directors' remuneration)	\$ 95,948	\$ 120,806
Share-based payment expense	10,334	18,516
Labor and health insurance fees	5,749	6,392
Pension costs	4,341	3,417
Other personnel expenses	6,498	8,000
	<u>\$ 122,870</u>	<u>\$ 157,131</u>

	Nine months ended September 30,	
	2025	2024
Wages and salaries (including directors' remuneration)	\$ 356,708	\$ 340,399
Share-based payment expense	20,259	42,981
Labor and health insurance fees	19,380	18,905
Pension costs	14,648	14,730
Other personnel expenses	25,819	25,256
	<u>\$ 436,814</u>	<u>\$ 442,271</u>

- A. In accordance with the Articles of Incorporation, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be lower than 2% for employees' compensation (of which 10% is reserved for its non-executive employees) and shall not be higher than 2% for directors' remuneration. A company may, by a resolution adopted by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, have the abovementioned employees' compensation distributed in the form of shares or in cash; and in addition thereto a report of such distribution shall be submitted to the shareholders during their

meeting. Qualification requirements of employees, including the employees of subsidiaries of the company meeting certain specific requirements, entitled to receive aforementioned stock or cash may be specified in the Articles of Incorporation. The term shall be defined by the Board of Directors.

- B. As of September 30, 2025 and 2024, the Company had an accumulated deficit; thus, no employees' compensation and directors' remuneration was recognised nor distributed for the three months and nine months ended September 30, 2025 and 2024.
- C. As of December 31, 2024, the Company had an accumulated deficit; thus, no employees' compensation and directors' remuneration were distributed, which were in agreement with the amount recognised in the 2024 financial statements. Information about employees' compensation and directors' remuneration of the Company as resolved by the shareholders will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(26) Income tax

- A. Components of income tax benefit:

	Three months ended September 30,	
	2025	2024
Current tax:		
Current tax on loss for the period	\$ 1,315	\$ 2,060
Prior year income tax overestimation	(13,938)	(19,966)
Total current tax	(\$ 12,623)	(\$ 17,906)
	Nine months ended September 30,	
	2025	2024
Current tax:		
Current tax on loss for the period	\$ 6,993	\$ 6,305
Prior year income tax overestimation	(13,876)	(19,966)
Total current tax	(\$ 6,883)	(\$ 13,661)

- B. The income tax returns of the Company and the subsidiaries, Obigen Pharma, Inc. and Amaran Biotechnology Inc., through 2023 have been assessed and approved by the Tax Authority.
- C. The subsidiary, OBI Pharma Australia Pty Ltd., was qualified for the Research and Development Tax Incentive provided by the Australian Government, and the subsidiary received prior year income tax refund amounting to \$13,938 and \$19,966 in the third quarter of 2025 and 2024, respectively.

(27) Loss per share

Three months ended September 30, 2025			
	Amount after tax	Weighted-average number of ordinary shares outstanding (shares in thousands)	Loss per share (in dollars)
<u>Basic and diluted loss</u> <u>per share</u> Loss attributable to ordinary shareholders of the parent	(\$ 468,319)	262,928	(\$ 1.78)
Three months ended September 30, 2024			
	Amount after tax	Weighted-average number of ordinary shares outstanding (shares in thousands)	Loss per share (in dollars)
<u>Basic and diluted loss</u> <u>per share</u> Loss attributable to ordinary shareholders of the parent	(\$ 519,288)	229,248	(\$ 2.27)
Nine months ended September 30, 2025			
	Amount after tax	Weighted-average number of ordinary shares outstanding (shares in thousands)	Loss per share (in dollars)
<u>Basic and diluted loss</u> <u>per share</u> Loss attributable to ordinary shareholders of the parent	(\$ 1,633,362)	262,928	(\$ 6.21)
Nine months ended September 30, 2024			
	Amount after tax	Weighted-average number of ordinary shares outstanding (shares in thousands)	Loss per share (in dollars)
<u>Basic and diluted loss</u> <u>per share</u> Loss attributable to ordinary shareholders of the parent	(\$ 1,582,204)	229,248	(\$ 6.90)

Note: The potential ordinary shares have anti-dilutive effect due to net loss for the three months

and nine months ended September 30, 2025 and 2024, so the calculation of diluted loss per share is the same as the calculation of basic loss per share.

On October 20, 2025, the shareholders at the special shareholders' meeting resolved the capital reduction of the Company to offset accumulated losses. The retrospective adjustment of the weighted average number of outstanding shares and its impact on the loss per share are presented as pro forma information as follows:

Three months ended September 30, 2025			
		Weighted-average number of ordinary shares outstanding	Loss per share
		(shares in thousands)	(in dollars)
<u>Amount after tax</u>			
<u>Basic and diluted loss per share</u>			
Loss attributable to ordinary shareholders of the parent	(\$ 468,319)	131,464	(\$ 3.56)
Three months ended September 30, 2024			
		Weighted-average number of ordinary shares outstanding	Loss per share
		(shares in thousands)	(in dollars)
<u>Amount after tax</u>			
<u>Basic and diluted loss per share</u>			
Loss attributable to ordinary shareholders of the parent	(\$ 519,288)	114,624	(\$ 4.54)
Nine months ended September 30, 2025			
		Weighted-average number of ordinary shares outstanding	Loss per share
		(shares in thousands)	(in dollars)
<u>Amount after tax</u>			
<u>Basic and diluted loss per share</u>			
Loss attributable to ordinary shareholders of the parent	(\$ 1,633,362)	131,464	(\$ 12.42)

	Nine months ended September 30, 2024		
	Weighted-average number of ordinary shares outstanding		Loss per share (in dollars)
	Amount after tax	(shares in thousands)	
<u>Basic and diluted loss per share</u>			
Loss attributable to ordinary shareholders of the parent	(\$ 1,582,204)	114,624	(\$ 13.80)

(28) Non-controlling interest

- A. For the nine months ended September 30, 2025 and 2024, the Group's subsidiaries, Amaran Biotechnology Inc. and Obigen Pharma, Inc., recognised employee compensation cost for the Company's or each subsidiaries' employee stock options granted to their respective employees as well as the expiration of certain stock options. Further, some subsidiaries granted their employee stock options to the Company's employees. These resulted to an increase in the non-controlling interest by \$9,569 and \$21,556, respectively, and an increase in equity attributable to owners of the parent by \$2,026 and \$1,701, respectively.
- B. For the nine months ended September 30, 2025, the subsidiary's, Amaran Biotechnology Inc.'s, employees exercised stock options, resulting to an increase in the non-controlling interest by \$93 and equity attributable to owners of the parent by \$267. There was no such transaction for the nine months ended September 30, 2024.
- C. Due to the conversion of employee stock options into common shares, the subsidiary, Obigen Pharma, Inc. had collected capital in advance amounting to \$18,535 as of September 30, 2025, resulting in an increase of \$18,535 in non-controlling interests. There was no such transaction for the nine months ended September 30, 2024.
- D. The changes in non-controlling interests in the subsidiaries, Amaran Biotechnology Inc. and Obigen Pharma, Inc., and the effects on the equity attributable to owners of the parent for the nine months ended September 30, 2025 and 2024 are shown below:

Effect of changes in subsidiary ownership equity:

	Nine months ended September 30,	
	2025	2024
Cash	\$ 360	\$ -
Increase in the carrying amount of non-controlling interest	(93)	-
Capital surplus - recognition of changes in ownership interest in subsidiaries	\$ 267	\$ -

Effect of share-based payment transactions:

	Nine months ended September 30,	
	2025	2024
Employee compensation cost	\$ 11,595	\$ 23,257
Increase in the carrying amount of non-controlling interest	(9,569)	(21,556)
Capital surplus - others	\$ 2,026	\$ 1,701

(29) Supplemental cash flow information

A. Investing activities with partial cash payments:

	Nine months ended September 30,	
	2025	2024
Acquisition of property, plant and equipment	\$ 28,724	\$ 97,894
Add: Opening balance of payable	8,490	3,834
Less: Ending balance of payable	(3,646)	(3,218)
Cash paid during the period	\$ 33,568	\$ 98,510

- B. On May 10, 2024, the Board of Directors of the Company resolved to terminate the exclusive licensing agreement in China (including Hong Kong and Macao) of OBI-833 (Globo H Adagloxad Simolenin) and OBI-999 (Globo H Antibody Drug Conjugate) entered into by the Company and Odeon Therapeutics (Hong Kong) Limited on February 22, 2022. Additionally, the Company signed a contract with Odeon Therapeutics (Hong Kong) Limited on the same day. Consequently, the Group lost its control over Odeon (refer to Note 4(3)). The information of the company's related assets and liabilities is as follows:

	May 10, 2024
Carrying amount of the assets and liabilities of Odeon	
Cash and cash equivalents	\$ 30,414
Other receivables	450
Other payables	(449)
Financial liabilities at fair value through profit or loss - non-current	(48,623)
Total net assets	(\$ 18,208)

(30) Changes in liabilities from financing activities

	Lease liabilities	Short-term borrowings	Long-term borrowings	Liabilities from financing activities - gross
At January 1, 2025	\$ 421,903	\$ 412	\$ 82,311	\$ 504,626
Changes in cash flow from financing activities	(44,604)	41,444	36,801	33,641
Impact of changes in foreign exchange rate	(271)	-	-	(271)
Others	297	-	-	297
At September 30, 2025	<u>\$ 377,325</u>	<u>\$ 41,856</u>	<u>\$ 119,112</u>	<u>\$ 538,293</u>

	Lease liabilities	Short-term borrowings	Long-term borrowings	Guarantee deposits received	Liabilities from financing activities - gross
At January 1, 2024	\$ 475,748	\$ 4,305	\$ 21,000	\$ 3	\$ 501,056
Changes in cash flow from financing activities	(32,188)	(4,019)	69,833	(3)	33,623
Impact of changes in foreign exchange rate	238	-	-	-	238
Others	(8,545)	-	-	-	(8,545)
At September 30, 2024	<u>\$ 435,253</u>	<u>\$ 286</u>	<u>\$ 90,833</u>	<u>\$ -</u>	<u>\$ 526,372</u>

7. RELATED PARTY TRANSACTIONS

(1) Name of related parties and relationship

Name of related party	Relationship with the Group
AP Biosciences, Inc.	Investee accounted for using equity method

(2) Significant related party transactions

A. Non-operating income

	Three months ended September 30,	
	2025	2024
Other Income		
Investee accounted for using equity method		
-AP Biosciences, Inc.	\$ -	\$ -
	Nine months ended September 30,	
	2025	2024
Other Income		
Investee accounted for using equity method		
-AP Biosciences, Inc.	\$ 11	\$ -

The Group offered AP Biosciences with the use of testing instruments, and the prices and payment terms are handled according to the agreement between both parties.

B. Research and development expenses

	Three months ended September 30,	
	2025	2024
Investee accounted for using equity method -AP Biosciences, Inc.	\$ 16	\$ 63
	Nine months ended September 30,	
	2025	2024
Investee accounted for using equity method -AP Biosciences, Inc.	\$ 68	\$ 141

The Group used testing instruments of AP Biosciences, Inc., and the prices and payment terms were based on mutual agreement.

(3) Key management compensation

	Three months ended September 30,	
	2025	2024
Salaries and other short-term employee benefits	\$ 36,844	\$ 48,920
Share-based payments	5,754	8,196
	<u>\$ 42,598</u>	<u>\$ 57,116</u>
	Nine months ended September 30,	
	2025	2024
Salaries and other short-term employee benefits	\$ 128,634	\$ 132,115
Share-based payments	7,131	16,133
	<u>\$ 135,765</u>	<u>\$ 148,248</u>

8. PLEDGED ASSETS

The Group's assets pledged as collateral are as follows:

Pledged asset	Book value			Purpose
	September 30, 2025	December 31, 2024	September 30, 2024	
Financial assets at amortised cost - non-current	\$ 16,400	\$ 12,900	\$ -	Duty paid after customer release and factory deposits.
Buildings and structures	207,561	219,488	223,409	Short-term borrowings and long-term borrowings (Note 1)
Machinery and equipment	90,248	-	-	Long-term borrowings (Note 2)
Other non-current assets (refundable deposits)	35,353	24,119	34,011	Deposits for clinical trial agreement, rental deposit letters of credit, and long-term borrowings, etc.(Note 2)
	<u>\$ 349,562</u>	<u>\$ 256,507</u>	<u>\$ 257,420</u>	

Note 1: The subsidiary, Amaran Biotechnology Inc., entered into a loan agreement with Mega International Commercial Bank as of September 30, 2025, December 31, 2024 and September 30, 2024, for a total credit facility of \$100 million, and pledged properties as collateral with line

of credit guarantee to Mega International Commercial Bank. Refer to Notes 6(10) and 6(11) for details.

Note 2: The subsidiary, Amaran Biotechnology Inc., entered into a loan agreement with Chailease Specialty Finance Co., Ltd. in 2025 for a total credit facility of \$75,000, with guarantee deposits paid and machinery and equipment pledged as collateral. Refer to Note 6(11) for details for loans.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

Aside from the commitments described in Note 6(9), others are as follows:

- (1) The Company purchased patent named “OBI-822” (formerly named “OPT-822”), therapeutically metastatic breast cancer vaccines on December 29, 2003. The amount of payment was determined based on whether the milestones in the agreement are achieved or not. As of September 30, 2025, the remaining unpaid amount was US\$9 million. The Company decided to terminate the Phase III clinical trial of OBI-822 for triple-negative breast cancer in April 2025. Given that the payment under the contract is conditional upon achievement of certain milestones, the Company management is of the opinion that the Company has no obligation to settle the aforementioned unpaid amount in the short term. Refer to Note 6(13) for details.
- (2) Pursuant to the government grants for OBI-822, therapeutically metastatic breast cancer vaccines, in Phase II obtained by the Company from Department of Industrial Technology of Ministry of Economic Affairs R.O.C. (MOEA) on December 25, 2012, if OBI-822 will be successfully licensed to others, the Company promises to contribute 5% of the signing bonus and achieved milestones as feedback fund and the maximum amount for feedback fund is \$150,256. The Company decided to terminate the Phase III clinical trial of OBI-822 for triple-negative breast cancer in April 2025. Given that the payment under the contract is conditional upon achievement of certain milestones, the Company management is of the opinion that the Company has no obligation to settle the aforementioned unpaid amount in the short term. Refer to Note 6(13) for details.
- (3) The Company entered into a licensing agreement of ‘Nectin-4 humanised antibody sequences’ with Ablexis, LLC on July 3, 2023. The amount of payment was determined based on whether the milestones in the agreement were achieved or not. As of September 30, 2025, the remaining unpaid amount was US\$8,570 thousand.
- (4) To conduct clinical trials of new drugs research, the Group entered into outsourcing research agreements with a variety of CROs (Contract research organizations). Service fees and other miscellaneous expenses are calculated based on the number of patients accepted in the clinical trials, and becomes billable pursuant to the progress of the clinical trials. The agreements can be terminated at any time.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

- (1) The Board of Directors resolved to reduce capital to offset accumulated losses, in order to further improve the Company's financial structure, enhance net worth and strengthen operational fundamentals on September 1, 2025. The estimated capital reduction was set in the scale of \$1,315,797 by cancelling 131,579,687 outstanding ordinary shares, and the capital reduction ratio was 50%. The capital reduction proposal was approved at the special shareholders' meeting on October 20, 2025. Subsequent to the approval by the competent authority, the Chairman is authorised to set the effective date of the capital reduction.
- (2) At the Company's 2023 regular shareholder's meeting, the shareholders resolved the plan to disperse shareholding of the Company's major subsidiary, Obigen Pharma, Inc. (hereinafter referred to as "Obigen Pharma"), and authorised the Board of Directors to deal with subsequent related matters. On November 10, 2025, the Company's Board of Directors resolved, upon Obigen Pharma's request, to dispose shares of Obigen Pharma held by the Company to securities underwriters, strategic investors, and institutional investors for subscription. The total number of shares to be transferred is 2,061,000 shares, with a total amount of \$103,050. Upon completion of share disposal, the Company's shareholding in Obigen Pharma will decrease to 49.57%.

12. OTHERS

(1) Capital management

There was no significant change in the reporting period. Please refer to Note 12 in the consolidated financial statements for the year ended December 31, 2024.

(2) Financial instruments

A. Financial instruments by category

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
<u>Financial assets</u>			
Financial assets at fair value through profit or loss	\$ -	\$ 89	\$ 228
Financial assets at fair value through other comprehensive income	\$ 8,026	\$ 9,017	\$ 9,789

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Financial assets</u>			
Financial assets at amortised cost			
Cash and cash equivalents	\$ 907,535	\$ 1,732,050	\$ 684,789
Financial assets at amortised cost	690,100	1,411,600	720,500
Notes receivable	72	-	-
Accounts receivable	3,865	4,200	4,922
Other receivables	13,197	19,005	20,787
Refundable deposits (shown as 'other non-current asset')	35,353	24,119	34,011
	<u>\$ 1,650,122</u>	<u>\$ 3,190,974</u>	<u>\$ 1,465,009</u>
<u>Financial liabilities</u>			
Financial liabilities at amortised cost			
Short-term borrowings	\$ 41,856	\$ 412	\$ 286
Notes payable	-	540	540
Accounts payable	1,874	2,900	1,184
Other payables	60,868	297,833	43,456
Long-term borrowings (including current portion)	119,112	82,311	90,833
	<u>\$ 223,710</u>	<u>\$ 383,996</u>	<u>\$ 136,299</u>
Lease liabilities	<u>\$ 377,325</u>	<u>\$ 421,903</u>	<u>\$ 435,253</u>

B. Financial risk management policies

There was no significant change in the reporting period. Please refer to Note 12 in the consolidated financial statements for the year ended December 31, 2024.

C. Significant financial risks and degrees of financial risks

There was no significant change in the reporting period. Please refer to Note 12 in the consolidated financial statements for the year ended December 31, 2024, except for the items explained below.

(a) Market risk

Foreign exchange risk

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

September 30, 2025							
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Sensitivity Analysis			
				Degree of variation	Effect on profit or loss	Effect on other comprehensive income	
(Foreign currency: functional currency)							
<u>Financial assets</u>							
<u>Monetary items</u>							
USD:NTD	\$ 194	30.445	\$ 5,906	1%	\$ 59	\$	-
<u>Financial assets</u>							
<u>Non-monetary items</u>							
USD:NTD	2,753	30.445	83,827	-	-		-
AUD:NTD	2,401	20.110	48,293	-	-		-
<u>Financial liabilities</u>							
<u>Monetary items</u>							
USD:NTD	2,377	30.445	72,368	1%	724		-
December 31, 2024							
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Sensitivity Analysis			
				Degree of variation	Effect on profit or loss	Effect on other comprehensive income	
(Foreign currency: functional currency)							
<u>Financial assets</u>							
<u>Monetary items</u>							
USD:NTD	\$ 87	32.785	\$ 2,852	1%	\$ 29	\$	-
<u>Financial assets</u>							
<u>Non-monetary items</u>							
USD:NTD	2,694	32.785	88,334	-	-		-
AUD:NTD	908	20.390	18,520	-	-		-
<u>Financial liabilities</u>							
Monetary items							
USD:NTD	6,473	32.785	212,217	1%	2,122		-
EUR:NTD	147	34.140	5,019	1%	50		-

(Foreign currency: functional currency)	December 31, 2024						
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Sensitivity Analysis			Effect on other comprehensive income
				Degree of variation	Effect on profit or loss		
	September 30, 2024						
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Sensitivity Analysis			Effect on other comprehensive income
				Degree of variation	Effect on profit or loss		
	<u>Financial assets</u>						
	<u>Monetary items</u>						
	USD:NTD	\$ 1,698	31.650	\$ 53,742	1%	\$ 537	\$ -
	<u>Financial assets</u>						
<u>Non-monetary items</u>							
USD:NTD	2,631	31.650	83,263	-	-	-	
AUD:NTD	1,593	21.930	34,941	-	-	-	
<u>Financial liabilities</u>							
<u>Monetary items</u>							
USD:NTD	1,401	31.650	44,342	1%	443		

The total exchange (loss) gain, including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group for the three months and nine months ended September 30, 2025 and 2024, amounted to (\$3,922), (\$1,107), \$8,179 and \$28,045, respectively.

(b) Credit risk

Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the based on the agreed terms. If the Group has individually significant accounts receivable, the expected credit loss is estimated and accrued based on the assessment of each significant account receivable individually. The Group made provisions for expected credit losses on individual customers in the amount of \$3,067 for the nine months ended September 30, 2025. There were no such instances for the nine months ended September 30, 2024.

(3) Fair value information

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

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in financial assets at fair value through other comprehensive income and financial liabilities at fair value through profit or loss is included in Level 3.
- B. The book value of financial instruments not measured at fair value including cash and cash equivalents, financial assets at amortised cost, notes receivable, accounts receivable, other receivables, other financial assets (guarantee deposits paid), notes payable, accounts payable, and other payables is a reasonable approximation to their fair value; the interest rate on long-term and short-term borrowings (including the portion due within a year or one operating cycle) is close to the market interest rate, and therefore their book value is a reasonable basis for the estimation of their fair value.
- C. The related information on financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities is as follows:

	September 30, 2025			
	Level 1	Level 2	Level 3	Total
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Foreign listed stocks	\$ -	\$ -	\$ -	\$ -
Financial assets at fair value through other comprehensive income				
Equity securities	-	-	8,026	8,026
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,026</u>	<u>\$ 8,026</u>

	December 31, 2024			
	Level 1	Level 2	Level 3	Total
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Foreign listed stocks	\$ 89	\$ -	\$ -	\$ 89
Financial assets at fair value through other comprehensive income				
Equity securities	-	-	9,017	9,017
	<u>\$ 89</u>	<u>\$ -</u>	<u>\$ 9,017</u>	<u>\$ 9,106</u>
	September 30, 2024			
	Level 1	Level 2	Level 3	Total
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Foreign listed stocks	\$ 228	\$ -	\$ -	\$ 228
Financial assets at fair value through other comprehensive income				
Equity securities	-	-	9,789	9,789
	<u>\$ 228</u>	<u>\$ -</u>	<u>\$ 9,789</u>	<u>\$ 10,017</u>

D. The methods and assumptions the Group used to measure fair value are as follows:

The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	Listed stocks
Market quoted price	Closing price

- E. Financial segment is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price.
- F. The following is the qualitative information on significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at September 30, 2025	Valuation technique	Significant unobservable input	Range (median)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	<u>\$ 8,026</u>	Market comparable companies	Price to book ratio multiple	0.96~4.24 (1.64)	The higher the multiple, the higher the fair value
			Discount for lack of marketability	17.23%~ 35.09% (23.66%)	The higher the discount for lack of marketability, the lower the fair value
	Fair value at December 31, 2024	Valuation technique	Significant unobservable input	Range (median)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	<u>\$ 9,017</u>	Market comparable companies	Price to book ratio multiple	0.99~3.95 (1.62)	The higher the multiple, the higher the fair value
			Discount for lack of marketability	10.69%~ 33.60% (21.32%)	The higher the discount for lack of marketability, the lower the fair value
	Fair value at September 30, 2024	Valuation technique	Significant unobservable input	Range (median)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	<u>\$ 9,789</u>	Market comparable companies	Price to book ratio multiple	1.10~3.87 (1.77)	The higher the multiple, the higher the fair value
			Discount for lack of marketability	10.32%~ 38.43% (25.57%)	The higher the discount for lack of marketability, the lower the fair value

G. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different

measurement. The following is the effect on profit or loss or on other comprehensive income from financial assets and liabilities categorised within Level 3 if the inputs used to valuation models have changed:

September 30, 2025						
	Input	Change	Recognised in profit or loss		Recognised in other comprehensive income	
			Favourable	Unfavourable	Favourable	Unfavourable
			change	change	change	change
Financial assets						
Equity instruments	Price to book ratio multiple	±10%	\$ -	\$ -	\$ 808	(\$ 808)
	Discount for lack of marketability	±10%	\$ -	\$ -	\$ 249	(\$ 249)
December 31, 2024						
	Input	Change	Recognised in profit or loss		Recognised in other comprehensive income	
			Favourable	Unfavourable	Favourable	Unfavourable
			change	change	change	change
Financial assets						
Equity instruments	Price to book ratio multiple	±10%	\$ -	\$ -	\$ 901	(\$ 901)
	Discount for lack of marketability	±10%	\$ -	\$ -	\$ 245	(\$ 245)
September 30, 2024						
	Input	Change	Recognised in profit or loss		Recognised in other comprehensive income	
			Favourable	Unfavourable	Favourable	Unfavourable
			change	change	change	change
Financial assets						
Equity instruments	Price to book ratio multiple	±10%	\$ -	\$ -	\$ 975	(\$ 975)
	Discount for lack of marketability	±10%	\$ -	\$ -	\$ 337	(\$ 337)

H. The following chart is the movement of Level 3 for the nine months ended September 30, 2025 and 2024:

	Nine months ended September 30, 2025		
	Equity securities	Hybrid instrument	Total
Opening net book amount	\$ 9,017	\$ -	\$ 9,017
Loss recognised in other comprehensive income	(991)	-	(991)
Closing net book amount	\$ 8,026	\$ -	\$ 8,026

	Nine months ended September 30, 2024		
	Equity securities	Hybrid instrument	Total
Opening net book amount	\$ 10,621	\$ 46,057	\$ 56,678
Loss recognised in other comprehensive income	(832)	-	(832)
Disposals	-	(48,623)	(48,623)
Effect of exchange rate changes	-	2,566	2,566
Closing net book amount	\$ 9,789	\$ -	\$ 9,789

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

- A. Loans to others: None.
- B. Provision of endorsements and guarantees to others: None.
- C. Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): None.
- D. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: None
- E. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: None.
- F. Significant inter-company transactions during the reporting period: Refer to table 1.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Refer to table 2.

(3) Information on investments in Mainland China

- A. Basic information: None.
- B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: None.

14. SEGMENT INFORMATION

(1) General information

Management has determined the reportable operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions.

The Group has three reportable segments, which are anti-cancer new drug segment, botulinum toxin new drug segment and CDMO segment. The segments are identified in the functional perspective such as the territory of the research and development of new drugs and CDMO (Contract Development and Manufacturing Organization).

(2) Measurement of segment information

All operating segments of the Group apply the same accounting policies.

(3) Segment information

The segment income or loss after tax reported to the chief operating decision-maker is measured in a manner consistent with revenues and expenses in the statement of comprehensive income. For the nine months ended September 30, 2025 and 2024, the segment information provided to the chief operating decision-maker for the reportable segments is as follows:

	Anti-cancer new drug	Botulinum toxin new drug	CDMO	Reconciliation and elimination	Total
<u>Nine months ended</u>					
<u>September 30, 2025</u>					
Revenue from external customers	\$ 3,092	\$ -	\$ 34,646	\$ -	\$ 37,738
Inter-segment revenue	-	-	18,798	(18,798)	-
Total segment revenue	<u>\$ 3,092</u>	<u>\$ -</u>	<u>\$ 53,444</u>	<u>(\$ 18,798)</u>	<u>\$ 37,738</u>
Segment loss	<u>(\$ 1,278,417)</u>	<u>(\$ 215,827)</u>	<u>(\$ 131,521)</u>	<u>(\$ 147,310)</u>	<u>(\$ 1,773,075)</u>
Segment loss, including:					
Depreciation	\$ 54,231	\$ 54,458	\$ 50,235	\$ -	\$ 158,924
Amortisation	11,133	31,544	3,484	(30,992)	15,169
Finance costs	4,022	1,320	4,746	-	10,088
Interest income	16,945	7,330	227	-	24,502

	Anti-cancer new drug	Botulinum toxin new drug	CDMO	Reconciliation and elimination	Total
<u>Nine months ended</u>					
<u>September 30, 2024</u>					
Revenue from external customers	\$ 1,393	\$ -	\$ 49,737	\$ -	\$ 51,130
Inter-segment revenue	-	-	19,626	(19,626)	-
Total segment revenue	<u>\$ 1,393</u>	<u>\$ -</u>	<u>\$ 69,363</u>	<u>(\$ 19,626)</u>	<u>\$ 51,130</u>
Segment loss	<u>(\$ 1,219,712)</u>	<u>(\$ 201,484)</u>	<u>(\$ 103,509)</u>	<u>(\$ 193,328)</u>	<u>(\$ 1,718,033)</u>
Segment loss, including:					
Depreciation	\$ 41,948	\$ 51,901	\$ 55,822	(\$ 85)	\$ 149,586
Amortisation	11,644	31,537	1,282	(30,985)	13,478
Finance costs	4,858	1,529	1,472	-	7,859
Interest income	23,313	8,890	395	-	32,598

OBI Pharma, Inc. and Subsidiaries
Significant inter-company transactions during the reporting period
Nine months ended September 30, 2025

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
1	OBI Pharma USA, Inc.	OBI Pharma, Inc.	2	Accounts receivable	\$ 58,224	(Note 4)	1.52
1	"	"	"	Service revenue	180,896	"	479.35
2	Amaran Biotechnology Inc.	"	"	CMO revenue and calibration and analysis service revenue	18,746	"	49.67

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

- (1) Parent company is '0'.
- (2) The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories:

- (1) Parent company to subsidiary.
- (2) Subsidiary to parent company.
- (3) Subsidiary to subsidiary.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for consolidated income statement accounts.

Note 4: The transaction terms are based on the mutual agreement.

Note 5: Only those inter-company transactions exceeding \$10,000 are disclosed, with the transactions from the counterparty undisclosed.

OBI Pharma, Inc. and Subsidiaries
Information on investees
Nine months ended September 30, 2025

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2025			Net income (loss) of the investee for the nine months ended September 30, 2025	Investment income (loss) recognised by the Company for the nine months ended September 30, 2025	Footnote
				Balance as at September 30, 2025	Balance as at December 31, 2024	Number of shares	Ownership (%)	Book value			
OBI Pharma, Inc.	AP Biosciences, Inc.	Taiwan	Research and development of biotechnology	\$ 558,276	\$ 558,276	23,223,000	27.21	\$ 785,580	(\$ 342,688)	(\$ 155,046)	
"	Amaran Biotechnology Inc.	Taiwan	Manufacture and wholesale of western pharmaceuticals as well as research and development of biotechnology	676,096	676,096	64,915,252	70.68	191,804	(131,521)	(86,791)	Note 2
"	Obigen Pharma, Inc.	Taiwan	Research and development of biotechnology	1,195,000	1,195,000	55,062,500	51.94	92,867	(215,827)	(112,110)	"
"	OBI Pharma USA, Inc.	USA	Research and development of biotechnology	82,202	82,202	2,701,000	100.00	83,827	844	844	"
"	OBI Pharma Australia Pty Ltd.	Australia	Research and development of biotechnology	341,870	291,595	17,000,000	100.00	48,293	(20,127)	(20,127)	Notes 2 and 3

Note 1: The accounts of the Company are maintained in New Taiwan dollars. Income statement accounts denominated in foreign currencies are translated into New Taiwan dollars at the weighted average exchange rates and balance sheet accounts at spot exchange rates prevailing at the balance sheet date.

Note 2: Inter-company transactions between companies within the Group are eliminated.

Note 3: In April 2025, the Company increased its subsidiary's capital by 2,500,000 shares at the price of AUD 1 per share.