

Sofiva Genomics Co. Ltd.

Individual Financial Statements for the Years Ended December 31, 2025 and 2024 and
Independent Auditors' Report

(Stock Code: 6615)

- **Company Address:** 4F.-2, No. 66-1, Sec. 1, Chongqing S. Rd., Zhongzheng Dist., Taipei City
- **Telephone:** (02) 2382-6615

Sofiva Genomics Co. Ltd.

Individual Financial Statements for the Years Ended December 31, 2025 and 2024

and Independent Auditors' Report

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Independent Auditors' Report

(115) Cai-Shen-Bao-Zih No. 25004516

The Board of Directors and Stockholders

Sofiva Genomics Co., Ltd.

Opinion

We have audited the accompanying individual financial statements of **Sofiva Genomics Co., Ltd.** (hereinafter referred to as the “Company”), which comprise the **individual balance sheets as of December 31, 2025 and 2024**, and the **individual statements of comprehensive income, changes in equity and cash flows** for the years then ended, and the notes to the individual financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying individual financial statements present fairly, in all material respects, the **individual financial position of the Company as of December 31, 2025 and 2024**, and its **individual financial performance and cash flows** for the years then ended in accordance with the **Regulations Governing the Preparation of Financial Reports by Securities Issuers**.

Basis for Opinion

We conducted our audits in accordance with the **Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants** and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the **Auditors' Responsibilities for the Audit of the Individual Financial Statements** section of our report. We are independent of the Company in accordance with **The Norm of Professional Ethics for Certified Public Accountant of the Republic of China**, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of the most significance in our audit of the Company' s **individual financial statements for year ended 2025**. These matters were addressed in the context of our audit of the individual financial

statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters of the Company's **individual financial statements for year ended 2025** are described as follows:

Estimation of revenue generated from rendered services

Description of key audit matters

Please refer to **Note 4(24)** to the individual financial statements for the accounting policy for revenue recognition; **Note 5(2)** to the individual financial statements for the estimation and assumption uncertainty on recognition of revenue from rendered services; and **Note 6(14)** to the individual financial statements for description of operating revenue accounts.

The Company mainly engages in the provision of various pre-pregnancy, prenatal, and newborn genetic testing and medical inspection services. Revenue generated therefrom is recognized based on the project completion status. That is, the ratio of rendered service days accounted for total service days times the contract price. As the estimation of total service days is set by past experience, any changes to the said estimation due to enhanced R&D and technical capabilities or equipment upgrade should be accompanied with appropriate corrections. As the estimation of service days can affect revenue recognition and the amount thereof is rather big, we therefore consider the estimation of revenue generated from rendered services as one of the key audit matters.

Key audit procedures in response to the matter

Our key audit procedures performed in respect of the above area included the following:

1. Obtain documents that estimate the total service days for all testing/inspection items from the Company to understand the estimation method adopted thereby.
2. With respect to testing/inspection services provided by the Company, randomly check the number of rendered service days in the current year, respectively, and compare the numbers with estimated total service days. In case of finding any significant difference, it is a must to track the cause thereof in order to evaluate the said estimation method.
3. Obtain a list of unfinished testing services at the balance sheet day; calculate the project completion status based on the estimated service days; and recalculate the revenue generated from rendered services.

Responsibilities of Management and Those Charged with Governance for the Individual Financial Statements

Management is responsible for the preparation and fair presentation of the individual financial statements in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” , and for such internal control as management determines is necessary to enable the preparation of individual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the individual financial statements, management is responsible for assessing the Company’ s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the Audit Committee, are responsible for overseeing the Company’ s financial reporting process.

Auditors’ Responsibilities for the Audit of the Individual Financial Statements

Our objectives are to obtain reasonable assurance about whether the individual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these individual financial statements.

As part of an audit in accordance with auditing standards generally accepted in the Republic of China, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the individual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the individual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the individual financial statements, including the disclosures, and whether the individual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the individual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers, Taiwan

Independent Accountants Yu Chih-fan

Chih Ping-chun

Financial Supervisory Commission

Approval No.: Jin-Guan-Jheng-Shen-Zih No.
1110349013

**Former Securities and Futures Commission,
Ministry of Finance**

Approval No.: (88) Tai-Tsai-Cheng(6) No.
16120

Date: March 11, 2026

Sofiva Genomics Co. Ltd.

Individual Balance Sheets

As at December 31, 2025 and 2024

(Expressed in thousands of New Taiwan dollars)

			December 31, 2025	%	December 31, 2024	%
Assets		Notes	Amount		Amount	
Current assets						
1100	Cash and cash equivalents	6(1)	\$67,236	9	\$ 90,888	12
1136	Current financial assets at Amortized cost	6(1)	28,100	4	28,100	4
1140	Current contract assets	6(14) and 7(2)	9,965	2	9,426	1
1150	Notes receivable, net	6(2)	1,598	-	2,508	-
1170	Accounts receivable, net	6(2)	48,592	7	50,698	7
1180	Accounts receivable due from related parties, net	6(2) and 7(2)	2,138	-	3,372	-

			December 31, 2025	%	December 31, 2024	%
1210	Other receivable-related parties	7(2)	15,754	2	16,506	2
1220	Current income tax assets	6(21)	80	-	421	-
130X	Inventories	6(3)	34,282	5	44,931	6
1410	Prepayments		8,801	1	7,811	1
1470	Other current assets		579	-	594	-
11XX	Total current assets		217,125	30	255,255	33
Non-current assets						
1550	Investments accounted for under the equity method	6(4)	405,763	56	387,740	51
1600	Property, plant and equipment	6(5)	36,444	5	53,077	7
1755	Right-of-use assets	6(6)	32,474	4	45,791	6
1780	Intangible assets		5,152	1	8,192	1

			December 31, 2025	%	December 31, 2024	%
1840	Deferred income tax assets	6(21)	5,370	1	4,861	1
1920	Guarantee deposits paid		10,929	1	10,276	1
1990	Other non-current assets - others		12,344	2	-	-
15XX	Total non-current assets		508,476	70	509,937	67
1XXX	Total assets		\$ 725,601	100	\$ 765,192	100

			December 31, 2025	%	December 31, 2024	%
Liabilities and Equity		Notes	Amount		Amount	
Current liabilities						
2130	Current contract liabilities	6(14)	\$2,074	-	\$ 4,683	1
2170	Accounts payable		17,987	3	17,458	2

			December 31, 2025	%	December 31, 2024	%
2180	Accounts payable - related parties	7(2)	1,475	-	1,327	-
2200	Other payables	6(7)	48,012	7	48,454	6
2220	Other payables - related parties	7(2)	120	-	120	-
2230	Current income tax liabilities	6(21)	5,595	1	5,479	1
2280	Current lease liabilities	6(6) and 7(2)	13,858	2	13,878	2
2300	Other current liabilities		1,983	-	2,752	-
21XX	Total current liabilities		91,104	13	94,151	12
Non-current liabilities						
2580	Non-current lease liabilities	6(6) and 7(2)	20,443	3	34,296	5
2600	Other non-current liabilities		3,124	-	2,176	-

			December 31, 2025	%	December 31, 2024	%
25XX	Total non-current liabilities		23,567	3	36,472	5
2XXX	Total liabilities		114,671	16	130,623	17
Equity						
	Share capital	6(11)				
3110	Share capital - common stock		610,930	84	610,930	80
	Capital surplus	6(12)				
3200	Capital surplus		32,860	5	32,860	4
	Retained earnings	6(13)				
3310	Legal reserve		25,627	3	21,455	3
3320	Special reserve		4,115	1	-	-
3350	Unappropriated retained earnings		(62,602)	(9)	(30,676)	(4)
3XXX	Total equity		610,930	84	634,569	83

			December 31, 2025	%	December 31, 2024	%
3X2X	Total liabilities and equity		\$ 725,601	100	\$ 765,192	100

Sofiva Genomics Co. Ltd.

Individual Statements of Comprehensive Income

As at December 31, 2025 and 2024

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

			2025		2024	
Code	Items	Notes	Amount	%	Amount	%
4000	Operating revenue	6(14) and 7(2)	\$382,970	100	\$ 449,136	100
5000	Operating costs	6(3)(19) and 7(2)	(290,846)	(76)	(321,748)	(72)
5900	Net operating margin		92,124	24	127,388	28
	Operating expenses	6(19) and 7(2)				
6100	Selling expenses		(48,178)	(12)	(52,519)	(12)
6200	General and administrative expenses		(73,854)	(19)	(76,978)	(17)
6300	Research and development expenses		(9,977)	(3)	(9,977)	(2)
6450	Expected credit impairment loss	12(2)	(11)	-	-	-
6000	Total operating expenses		(132,020)	(34)	(139,474)	(31)
6900	Operating profit (loss)		(39,896)	(10)	(12,086)	(3)
	Non-operating income and expenses					
7100	Interest income	6(15) and 7(2)	1,478	-	1,515	-
7010	Other income	6(16) and 7(2)	2,852	1	2,446	1
7020	Other gains and losses	6(17)	(156)	-	450	-

			2025		2024	
7050	Finance costs	6(18)	(800)	-	(1,047)	-
7070	Share of profit (loss) of subsidiaries, associates and joint ventures accounted for using equity method	6(4)	26,587	7	30,475	7
7000	Total non-operating income and expenses		29,961	8	33,839	8
7900	Profit (loss) before income tax		(9,935)	(2)	21,753	5
7950	Income tax expense	6(21)	575	-	(3,323)	(1)
8200	Profit (loss) for the period		\$ (9,360)	(2)	\$ 18,430	4
	Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations		(90)	-	(127)	-
8399	Income tax related to components that may be reclassified	6(21)	18	-	25	-
8300	Other comprehensive income (loss) (Net)		(72)	-	(102)	-
8500	Total comprehensive income (loss) for the period		\$ (9,432)	(2)	\$ 18,328	4
	Basic earnings per share	6(22)				
9750	Net profit (loss) for the period		\$(0.43)		\$ 0.86	
	Diluted earnings per share	6(22)				
9850	Net profit (loss) for the period		\$(0.43)		\$ 0.85	

Sofiva Genomics Co. Ltd.

Individual Statements of Changes in Equity

As at December 31, 2025 and 2024

(Expressed in thousands of New Taiwan dollars)

				Capital Surplus		Retained Earnings			Other Equity Interest	
	Notes	Share capital - common stock	Additional paid-in capital	Employee stock options	Others	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences of foreign financial statements	Total equity
2024										
Balance at January 1, 2024		\$ 213,624	\$ 225,173	\$ 8,319	\$ 112	\$ 34,485	\$ 32	\$ 37,987	\$ (46)	\$ 618,142
Profit for the period		-	-	-	-	-	-	18,430	-	18,430

				Capital Surplus		Retained Earnings			Other Equity Interest	
Other comprehensive income (loss) for the period		-	-	-	-	-	-	-	(102)	(102)
Total comprehensive income (loss) for the period		-	-	-	-	-	-	18,430	(102)	18,328
Appropriation and distribution of 2023 retained earnings:	6(13)									
Legal reserve		-	-	-	-	1,153	-	(1,153)	-	-
Special reserve		-	-	-	-	-	14	(14)	-	-
Cash dividends per ordinary share		-	-	-	-	-	-	(4,272)	-	(4,272)
Compensation cost for employee stock options	6(10)	-	-	(727)	-	-	-	-	-	(727)
Expired employee stock warrants	6(10)	-	-	(318)	318	-	-	-	-	-

				Capital Surplus		Retained Earnings			Other Equity Interest	
Exercise of employee stock options	6(10)	2,310	12,320	(2,564)	-	-	-	-	-	12,066
Changes in associates' equity value recognized using the equity method		-	-	505	-	-	-	-	-	505
Balance at December 31, 2024		\$ 215,934	\$ 237,493	\$ 4,710	\$ 430	\$ 35,638	\$ 46	\$ 50,978	\$ (148)	\$ 644,042
2025										
Balance at January 1, 2025		\$ 215,934	\$ 237,493	\$ 4,710	\$ 430	\$ 35,638	\$ 46	\$ 50,978	\$ (148)	\$ 644,042
Net loss for the period		-	-	-	-	-	-	(9,360)	-	(9,360)
Other comprehensive income (loss) for the period		-	-	-	-	-	-	-	(72)	(72)
Total comprehensive income (loss) for the period		-	-	-	-	-	-	(9,360)	(72)	(9,432)

				Capital Surplus		Retained Earnings			Other Equity Interest	
Appropriation and distribution of 2024 retained earnings:	6(13)									
Legal reserve		-	-	-	-	1,843	-	(1,843)	-	-
Special reserve		-	-	-	-	-	102	(102)	-	-
Cash dividends per ordinary share		-	-	-	-	-	-	(6,478)	-	(6,478)
Compensation cost for employee stock options	6(10)	-	-	(5)	-	-	-	-	-	(5)
Expired employee stock warrants	6(10)	-	-	(4,382)	4,382	-	-	-	-	-
Balance at December 31, 2025		\$ 215,934	\$ 237,493	\$ 323	\$ 4,812	\$ 37,481	\$ 148	\$ 33,195	\$ (220)	\$ 628,127

Sofiva Genomics Co. Ltd.

Individual Statements of Cash Flows

As at December 31, 2025 and 2024

(Expressed in thousands of New Taiwan dollars)

		2025	2024
	Notes	Amount	Amount
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit (loss) before tax		\$(9,935)	\$ 21,753
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense	6(5)(6)	33,639	32,570
Amortization expense	6(20)	8,746	6,274
Expected credit impairment loss	12(2)	11	-
Net loss (gain) on financial assets at fair value through profit or loss	6(17)	-	(303)
Interest expense	6(18)	800	1,047

		2025	2024
Interest income	6(15)	(1,478)	(1,515)
Compensation cost for employee stock options	6(10)	(5)	(727)
Share of loss (profit) of associates and joint ventures accounted for using equity method	6(4)	(26,587)	(30,475)
Loss (gain) on disposal of property, plant and equipment	6(17)	16	(30)
Changes in operating assets and liabilities			
Changes in operating assets			
Current contract assets		(539)	(9,426)
Notes receivable		910	801
Accounts receivable		2,106	(20,296)
Accounts receivable due from related parties		1,234	400
Other receivables - related parties		752	1,221
Inventories		10,649	(10,958)
Prepayments		(990)	2,752

		2025	2024
Other current assets		15	(5)
Changes in operating liabilities			
Current contract liabilities		(2,609)	(1,701)
Accounts payable		529	(5,302)
Accounts payable - related parties		148	(1,239)
Other payables		(1,159)	8,326
Other payables - related parties		-	(561)
Other current liabilities		(769)	(350)
Other non-current liabilities		948	741
Cash inflow generated from operations		16,471	(7,027)
Interest received		1,478	1,515
Interest paid		(800)	(1,047)
Income tax paid		(424)	(5,584)

		2025	2024
Net cash flows from (used in) operating activities		16,725	(12,143)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at amortized cost		-	(28,100)
Acquisition of investments accounted for using equity method		-	(24,000)
Acquisition of property, plant and equipment		(16,339)	(11,048)
Acquisition of intangible assets		(5,706)	(7,867)
Decrease (increase) in guarantee deposits paid		(653)	(355)
Increase in other non-current assets		(12,344)	-
Net cash flows from (used in) investing activities		(35,042)	(71,370)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of the principal portion of lease liabilities		(13,858)	(13,878)
Cash dividends paid		(6,478)	(4,272)
Exercise of employee stock options		-	12,066

		2025	2024
Net cash flows from (used in) financing activities		(20,336)	(6,084)
Net decrease in cash and cash equivalents		(38,653)	(89,597)
Cash and cash equivalents at beginning of year		90,888	180,485
Cash and cash equivalents at end of year		\$ 52,235	\$ 90,888

Sofiva Genomics Co. Ltd.

Notes to the Individual Financial Statements

As at December 31, 2025 and 2024

(Expressed in thousands of New Taiwan dollars, unless otherwise specified)

1. General Information

(1) Sofiva Genomics Co., Ltd. (hereinafter referred to as ‘the Company’) was incorporated upon approval of the competent authority and started to operate on June 15, 2012 in accordance with Company Act of the Republic of China. The Company primarily engages in the provision of various pre-pregnancy, prenatal, and newborn genetic testing and medical inspection services.

(2) In January 2017, the Company applied to Taipei Exchange (TPEX) for trading ordinary shares listed on the stock exchange. On January 22, 2018, the Company started to trade shares at TPEX as a listed company.

2. Approval of Financial Statements

The individual financial statements were approved and published by the board of directors on March 11, 2026.

3. Application of New, Amended and Revised Standards

and Interpretations

(1) Effects on the adoption of newly released or amended International Financial Reporting Standards (hereinafter referred to as IFRSs) endorsed by the Financial Supervisory Commission (hereinafter referred to as FSC) The following table summarizes

newly released, amended or revised IFRS standards and interpretations that are applicable in 2025 as endorsed by FSC:

Newly released, amended or revised standards and interpretations	Effective date issued by IASB
Amendment to IAS 21 'Lack of Exchangeability'	January 1, 2025

The Company assessed that the above standards and interpretations would not cause significant changes to the Company's individual financial status and performance.

(2) Effects on the failure of adopting newly released or amended IFRS endorsed by FSC
The following table summarizes newly released, amended or revised standards and interpretations of IFRS that have been issued by IASB and remain effective until 2026, as approved by FSC:

Newly released, amended or revised standards and interpretations	Effective date issued by IASB
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 for Renewable 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

Newly released, amended or revised standards and interpretations	Effective date issued by IASB
Annual Improvements to IFRS Accounting Standards — Volume 11	January 1, 2026

The Company assessed that the above standards and interpretations would not cause significant changes to the Company’s individual financial status and performance.

4. Summary of Significant Accounting Policies

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

(1) Compliance statement

The individual financial statements have been prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” .

(2) Basis of preparation

A. The individual 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 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 Company’s accounting policy. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the individual financial statements are disclosed in Note 5.

(3) Foreign currency translation

Items included in the financial statements of each of the Company’s entities are measured using the currency of the primary economic environment in which the entity

operates (the 'functional currency'). The individual financial statements are presented in New Taiwan Dollars, which is the Company's functional and presentation currency.

A. Foreign currency transactions and balances

a. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.

b. Monetary assets and liabilities denominated in foreign currencies at the period end are retranslated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.

c. All foreign exchange gains and losses are presented in the individual statement of comprehensive income within 'Other gains and losses'.

B. Translation of foreign operations

The operating results and financial position of all Company entities, associates and joint ventures that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

a. Assets and liabilities presented in each balance sheet are translated at the closing exchange rate at the date of that balance sheet;

b. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

c. All resulting exchange differences are recognized in other comprehensive income.

(4) Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets:

(a) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;

(b) Assets held mainly for trading purposes;

(c) Assets that are expected to be realized within twelve months from the balance sheet date;

(d) Cash and cash equivalents, excluding those that are restricted from being exchanged or used to settle liabilities for at least twelve months after the balance sheet date.

Otherwise, they are classified as non-current assets.

B. Liabilities that meet one of the following criteria are classified as current liabilities:

(a) Liabilities that are expected to be settled within the normal operating cycle;

(b) Liabilities held mainly for trading purposes;

(c) Liabilities that are expected to be settled within twelve months from the balance sheet date;

(d) Liabilities for which the Company does not have an unconditional right to defer settlement for at least twelve months after the balance sheet date.

Terms of a liability that could, at the option of the counterparty, result in its

settlement by the issue of equity instruments do not affect its classification. Otherwise, they are classified as non-current liabilities.

(5) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

(6) Financial assets at amortized cost

A. Financial assets at amortized cost are those that meet both of the following conditions: (a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and (b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. B. On a regular way purchase or sale basis, financial assets at amortized cost are recognized and derecognized using trade date accounting. C. At initial recognition, the Company measures the financial assets at their fair value plus transaction costs. Each period thereafter, they are measured at amortized cost using the effective interest method, less any impairment loss. A gain or loss is recognized in profit or loss when the financial asset is derecognized or impaired. D. The Company's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(7) Accounts and notes receivable

A. Accounts and notes receivable entitle the Company a legal right to receive consideration in exchange for transferred goods or rendered services. B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(8) Impairment of financial assets

For financial assets at amortized cost, at each reporting date, the Company recognizes the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognizes the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable or contract assets that do not contain a significant financing component, the Company recognizes the impairment provision for lifetime ECLs.

(9) Derecognition of financial assets

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

(10) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted-average method. The item by item approach is used in applying the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and applicable variable selling expense.

(11) Investments accounted for under the equity method

– Subsidiaries and associates

A. Subsidiaries refer to all entities (including structured entities) controlled by the Company. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those

returns through its power over the entity. B. Unrealized gains or losses on transactions between the Company and subsidiaries are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Company. C. The Company's share of subsidiaries' post-acquisition profits or losses is recognized in profit or loss; and the Company's share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Company's share of losses in a subsidiary equals or exceeds the Company's interest in the subsidiary, the Company recognizes further losses based on the shareholding thereof. D. Associates are all entities over which the Company has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 per cent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognized at cost. E. The Company's share of its associates' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. F. When changes in an associate's equity are not recognized in profit or loss or other comprehensive income of the associate and such changes do not affect the Company's ownership percentage of the associate, the Company recognizes change in ownership interests in the associate in 'capital surplus' in proportion to its ownership. G. Unrealized gains or losses on transactions between the Company and its associates are eliminated to the extent of the Company's interest in the associates. H. As prescribed in Regulations Governing the Preparation of Financial Reports by Securities Issuers, the profit or loss during the period and other comprehensive income presented in parent company only financial reports shall be the same as the allocations of profit or loss during the period and of other comprehensive income attributable to owners of the parent presented in the financial reports prepared on a consolidated basis.

(12) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost. B. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred. C. Property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant and

equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately. D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each balance sheet date. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Machinery equipment	2 to 5 years
Transportation equipment	5 years
Office equipment	3 to 5 years
Leasehold improvement	3 to 10 years
Others	2 to 5 years

(13) Leasing arrangements (lessee)- right-of-use

assets/lease liabilities

A. Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company. For short-term leases or leases of low-value assets, lease payments are recognized as an expense on a straight-line basis over the lease term. B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of fixed payments, less any lease incentives receivable. The Company subsequently measures the lease liability at amortized cost using the interest method and recognizes interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognized as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications. C. At the commencement date, the right-of-use asset is stated at cost comprising the following: (a) The amount of the initial measurement of lease liability; (b) Any lease payment made at or before the commencement date; (c) An estimate of costs to be incurred by the lessee in

dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of lease term. When the lease liability is remeasured, the amount of remeasurement is recognized as an adjustment to the right-of-use asset. D. For lease modifications that decrease the scope of the lease, the lessee shall decrease the carrying amount of right-of-use assets to reflect the partial or full termination of the lease, and recognize the difference between remeasured lease liability in profit or loss.

(14) Intangible assets

A. The separately acquired patent rights are recognized at cost. Patents are classified as intangible assets with finite useful lives and are amortized using the straight-line method over an estimated useful life of 15 years. B. Computer software and website costs are recognized at cost and are amortized on a straight-line basis over their estimated useful lives of 1 to 10 years.

(15) Impairment of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. When the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not exceed the carrying amount that would have been determined (net of depreciation or amortization) had no impairment loss been recognized for the asset in prior years.

(16) Accounts and notes payable

A. Notes payable are liabilities for purchases of raw materials, goods or services and accounts payable are those resulting from operating activities. B. The short-term notes and

accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(17) Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability specified in the contract is discharged, cancelled or expires.

(18) Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the best estimate of the expenditures required to settle the obligation on the balance sheet date.

(19) Employee benefits

A. Short-term employee benefits Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognized as expenses in that period when the employees render service. B. Pension – defined contribution plans For defined contribution plans, the contributions are recognized as pension expenses when they are due on an accrual basis. Prepaid contributions are recognized as an asset to the extent of a cash refund or a reduction in the future payments. C. Employees’ compensation and directors’ remuneration Employees’ compensation and directors’ remuneration are recognized as expenses and liabilities, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates.

(20) Employee share-based payment

The arrangements of equity-settled share-based payment refer to labor services acquired using the granted equity instruments, which is measured at fair value on the grant day. The said payments are recognized as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of equity instruments reflects the impact of market vesting conditions and non-market vesting conditions. Compensation cost is subject to adjustment based on the service conditions that are expected to be satisfied and the estimates of the number of equity instruments that are expected to vest under the non-market vesting conditions at each balance sheet date. Ultimately, the amount of compensation cost recognized is based on the number of equity instruments that eventually vest.

(21) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity. B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings. C. Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. D. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different

entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.

(22) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

(23) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are resolved by the Company's shareholders. Cash dividends are recorded as liabilities.

(24) Revenue recognition

A. Sales of goods (a) The Company provides genetic testing and medical inspection services. Revenue is recognized when the Company has completed the services and the control has been transferred to the customer. (b) Revenue from these services is recognized based on the price specified in the contract. A contract asset is recognized when the Company has rendered services to the customer but the right to consideration is conditional on factors other than the passage of time. A contract asset is transferred to accounts receivable when the right to consideration becomes unconditional. (c) The Company's obligation to provide a refund for services not yet performed is recognized as a contract liability. B. Financing components The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

5. Critical Accounting Judgements, Estimates and Key

Sources of Assumption Uncertainty

The preparation of these individual financial statements requires management to make critical judgements in applying the Company's accounting policies and make critical assumptions and estimates concerning future events based on the conditions at the balance sheet date. Assumptions and estimates may differ from the actual results after taking into consideration historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

(1) Critical judgements in applying the accounting policies

The Company's accounting policies did not require any critical judgements that have a significant uncertainty.

(2) Critical accounting estimates and assumptions

1. Estimation of the stage of completion of service revenue The Company's service revenue is recognized based on the stage of completion of the service. The Company estimates the stage of completion based on the actual costs incurred to date as a percentage of the total estimated costs. Management periodically reviews the reasonableness of the estimates.

6. Details of Significant Accounts

(1) Cash and cash equivalents

	December 31, 2025	December 31, 2024
Cash on hand	\$ 179	\$ 249
Checking accounts and demand deposits	30,657	54,239
Time deposits	36,400	36,400
Total	\$ 67,236	\$ 90,888

A. The Company 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 Company has no cash and cash equivalents pledged to others.

C. The Company has reclassified time deposits with original maturities of more than three months to “Financial assets at amortized cost”. Please refer to Note 6(1) for details.

(2) Notes and accounts receivable

	December 31, 2025	December 31, 2024
Notes receivable	\$ 1,598	\$ 2,508

	December 31, 2025	December 31, 2024
Accounts receivable	\$ 48,623	\$ 50,718
Accounts receivable - related parties	2,138	3,372
	50,761	54,090
Less: Allowance for uncollectible accounts	(31)	(20)
	\$ 50,730	\$ 54,070

- For the aging analysis of notes and accounts receivable (including related parties) and related credit risk information, please refer to Note 12(2).
- As of December 31, 2025, December 31, 2024, and January 1, 2024, the balances of notes and accounts receivable were all arising from contracts with customers. The balance of notes and accounts receivable arising from contracts with customers as of January 1, 2024 amounted to \$70,750.
- The Company does not hold any collateral as security for the notes and accounts receivable.

(3) Inventories

December 31, 2025

	Cost	Allowance for valuation loss	Carrying amount
Raw materials	\$39,987	\$ (5,705)	\$ 34,282

December 31, 2024

	Cost	Allowance for valuation loss	Carrying amount
Raw materials	\$ 49,779	\$ (4,848)	\$ 44,931

1. None of the inventories were pledged as collateral.

2. The cost of inventories recognized as expense for the period:

	2025	2024
Cost of raw materials used	\$ 151,246	\$ 156,797
Other processing costs	9,426	8,735
Loss on market value decline	857	1,659
Total	\$ 161,529	\$ 167,191

(4) Investments accounted for under the equity method / Other non-current liabilities

	December 31, 2025		December 31, 2024	
Investee	Carrying amount	Ownership %	Carrying amount	Ownership %
(1) Recognized under				

	December 31, 2025		December 31, 2024	
"Investments accounted for under the equity method"				
Subsidiary:				
Sofiva Diagnostics Co., Ltd.	\$20,378	100%	\$ 19,725	100%
Associate:				
Bionet Corp.	385,385	16.56%	368,015	16.56%
	\$ 405,763		\$ 387,740	
(2) Recognized under "Other non-current liabilities"				
Subsidiary:				
Sofiva Genomics Bangkok Co., Ltd.	\$ (2,157)	90%	\$ (1,692)	90%

Details of the Company's share of profit or loss of subsidiaries and associates:

	2025	2024
Subsidiaries:		
Phoebus Genetics Co., Ltd.	\$ 3,662	\$ 3,795
Sofiva Genomics Bangkok Co., Ltd.	(375)	1,332
Associate(s):		
DIANTHUS Company Limited	23,300	25,348
Total	\$ 26,587	\$ 30,475

1. Subsidiaries

For information regarding the Company's subsidiaries, please refer to Note 4(3) in the consolidated financial statements for the year ended December 31, 2025.

2. Associates

(1) Basic information of the Company's material associates:

Company name	Principal place of business	Ownership %	Ownership %	Nature of relationship	Measurement method
		December 31, 2025	December 31, 2024		

Company name	Principal place of business	Ownership %	Ownership %	Nature of relationship	Measurement method
DIANTHUS Company Limited	Taiwan	16.56%	16.56%	Associate	

(2) The financial information of the Company's major associate is summarized below:

A. Balance sheets

DIANTHUS Company Limited	December 31, 2025	December 31, 2024
Current assets	\$1,410,015	\$ 512,548
Non-current assets	3,658,896	4,517,445
Current liabilities	(378,056)	(334,274)
Non-current liabilities	(2,360,376)	(2,473,407)
Total net assets	\$ 2,330,479	\$ 2,222,312
Share of net assets in the associate	\$385,385	\$ 368,015
Book value (associate)	\$ 385,385	\$ 368,015

B. Statement of comprehensive income

DIANTHUS Company Limited	2025	2024
Revenue	\$892,143	\$ 803,024
Profit (loss) from continuing operations for the period	\$140,698	\$ 153,057
Total comprehensive income (loss) for the period	\$ 140,698	\$ 153,057
Dividends received from affiliated companies	\$5,930	\$ 5,930

(3) The Company's associate does not provide information on the fair value as no open market quotation was provided. (4) The Company holds a 16.56% equity interest in DIANTHUS Company Limited and has a seat on its Board of Directors; therefore, it is determined that the Company has significant influence over it.

(5) Property, plant and equipment

2025	Machinery equipment	Transportation equipment	Office equipment	Leasehold improvement	Others	Total
	(for self- use)	(for self-use)	(for self- use)	(for self-use)	(for self- use)	
At January 1						
Cost	\$117,921	\$ 8,508	\$24,890	\$ 28,149	\$21,21	\$

2025	Machinery equipment	Transportation equipment	Office equipment	Leasehold improvement	Others	Total
					0	200,678
Accumulated depreciation	(76,549)	(8,508)	(23,207)	(18,515)	(20,822)	(147,601)
	\$ 41,372	\$ -	\$ 1,683	\$ 9,634	\$ 388	\$ 53,077
At January 1	\$41,372	\$ -	\$1,683	\$ 9,634	\$388	\$ 53,077
Additions	-	-	-	-	1,251	1,251
Disposals	(39)	-	(6)	(14)	-	(59)
Depreciation expense	(13,270)	-	(1,517)	(2,681)	(357)	(17,825)
At December 31	\$ 28,063	\$ -	\$ 160	\$ 6,939	\$ 1,282	\$ 36,444
At December 31						

2025	Machinery equipment	Transportation equipment	Office equipment	Leasehold improvement	Others	Total
Cost	\$111,171	\$ 8,508	\$24,498	\$ 27,967	\$22,408	\$ 194,552
Accumulated depreciation	(83,108)	(8,508)	(24,338)	(21,028)	(21,126)	(158,108)
	\$ 28,063	\$ -	\$ 160			

2024	Machinery equipment	Transportation equipment	Office equipment	Leasehold improvement	Others	Total
	(for self-use)	(for self-use)	(for self-use)	(for self-use)	(for self-use)	
At January 1						
Cost	\$ 106,854	\$ 8,508	\$ 25,150	\$ 28,333	\$ 21,669	\$ 190,514
Accumulated depreciation	(69,141)	(8,150)	(20,483)	(15,921)	(21,299)	(134,994)
	\$ 37,713	\$ 358	\$ 4,667	\$ 12,412	\$ 370	\$ 55,520

2024	Machinery equipment	Transportation equipment	Office equipment	Leasehold improvement	Others	Total
At January 1	\$ 37,713	\$ 358	\$ 4,667	\$ 12,412	\$ 370	\$ 55,520
Additions	16,319	-	114	-	378	16,811
Depreciation expense	(12,660)	(358)	(3,098)	(2,778)	(360)	(19,254)
At December 31	\$ 41,372	\$ -	\$ 1,683	\$ 9,634	\$ 388	\$ 53,077
At December 31						
Cost	\$ 117,921	\$ 8,508	\$ 24,890	\$ 28,149	\$ 21,210	\$ 200,678
Accumulated depreciation	(76,549)	(8,508)	(23,207)	(18,515)	(20,822)	(147,601)
	\$ 41,372	\$ -	\$ 1,683	\$ 9,634	\$ 388	\$ 53,077

The Company does not pledge property, plant and equipment as collateral or capitalize interest

(6) Leasing arrangements – lessee

1. The Company leases assets including offices and transportation equipment. Rental contracts are typically made for periods of 1 to 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions without any other restrictions.
2. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	Offices	Transportation equipment	Total
2025			
At January 1	\$44,678	\$ 1,113	\$ 45,791
Depreciation expense	(12,681)	(636)	(13,317)
At December 31	\$ 31,997	\$ 477	\$ 32,474
2024			
At January 1	\$57,359	\$ 1,748	\$ 59,107
Depreciation expense	(12,681)	(635)	(13,316)
At December 31	\$ 44,678	\$ 1,113	\$ 45,791

3. The information on profit and loss accounts relating to lease contracts is as follows:

Items affecting profit or loss	2025	2024
Interest expense on lease liabilities	\$753	\$ 1,002
Expense on short-term lease contracts	2,068	2,592
	\$ 2,821	\$ 3,594

4. For the years ended December 31, 2025 and 2024, the Company's total cash outflows for leases (excluding the expenses described in Note 6(6)3 above) , specifically the repayment of the principal portion of lease liabilities, please refer to Note 6(24).

5. **7) Other payables**

	December 31, 2025	December 31, 2024
Personnel expenses payable	\$ 18,030	\$ 16,986
Business tax payable	1,557	1,126
Royalties payable	1,867	2,076
Labor fees payable	2,518	2,653
Equipment payable	94	1,289
Others	5,397	6,086
	\$ 29,463	\$ 30,216

6. (8) Provisions

2025	Decommissioning liabilities	Provisions for compensation	Total
At January 1	\$ 3,030	\$ 1,060	\$ 4,090
Reversal of provisions during the period	-	(366)	(366)
Interest amortization	47	-	47
At December 31	\$ 3,077	\$ 694	\$ 3,771

8) Provisions (Continued)

2024	Decommissioning liabilities	Provisions for compensation	Total
At January 1	\$ 2,985	\$ 2,465	\$ 5,450
Reversal of provisions during the period	-	(55)	(55)
Provisions used during the period	-	(1,350)	(1,350)
Interest amortization	45	-	45
At December 31	\$ 3,030	\$ 1,060	\$ 4,090

Provisions are analyzed as follows:

	December 31, 2025	December 31, 2024
Current	\$ 694	\$ 1,060
Non-current	3,077	3,030
	\$ 3,771	\$ 4,090

1. Provisions for compensation The Company’s provisions for compensation related to testing services are estimated based on historical experience and relevant statistical data of such testing services.

2. Decommissioning liabilities In accordance with the applicable agreement, the Company has an obligation to dismantle, remove, and restore the location of its leased office building. The decommissioning liability is recognized at the present value of the expected costs to dismantle, remove, or restore the site. The Company expects this liability to be incurred upon the expiration of the lease term.

(9) Pensions

The Company has established a defined contribution pension plan in accordance with the “Labor Pension Act” , which is applicable to employees with R.O.C. nationality. Under the plan, the Company contributes monthly an amount equal to 6% of the employees’ monthly salaries to their individual pension accounts at the Bureau of Labor Insurance. Pension benefits are paid in monthly installments or as a lump sum based on the balance in the employee's individual pension account and cumulative earnings. For the years ended December 31, 2025 and 2024, the pension costs recognized under the aforementioned plan were \$ 3,127 and \$ 2,908, respectively.

(10) Share-based payment

1. The Company’s share-based payment arrangements are as follows:

Type of arrangement	Grant date	Quantity granted (shares)	Contract period	Vesting conditions	Settlement method
The 2nd Employee Stock Option Plan	2020.05.13	770,000	5 years	20% vested after 2 years; 50% vested after 3 years; 100% vested after 4 years	Equity-settled
The 2nd Employee Stock Option Plan	2021.03.24	230,000	5 years		

2. Detailed information on the aforementioned share-based payment arrangements is as follows: (1) The 2nd Employee Stock Option Plan (granted on May 13, 2020)

	2025		2024	
	Quantity of stock options (shares)	Weighted average exercise price (NTD) (Note)	Quantity of stock options (shares)	Weighted average exercise price (NTD)
Outstanding at January 1	378,000	52.6	605,000	52.8
Forfeited during the period	(378,000)	52.6	(10,000)	52.8
Exercised during the period	-	-	(217,000)	52.7
Outstanding at December 31	-	-	378,000	52.6
Exercisable at December 31	-	-	378,000	52.6

Note: The Company has adjusted the exercise price of the employee stock options in accordance with the stock option plan.

(2) The 2nd Employee Stock Option Plan (granted on March 24, 2021)

	2025		2024	
	Quantity of stock options (shares)	Weighted average exercise price (NTD) (Note)	Quantity of stock options (shares)	Weighted average exercise price (NTD)
Outstanding at January 1	31,000	45.1	195,000	45.2
Forfeited during the period	-	-	(150,000)	45.2
Exercised during the period	-	-	(14,000)	45.2
Outstanding at December 31	31,000	44.7	31,000	45.1
Exercisable at December 31	31,000	44.7	8,500	45.1

Note: The Company has adjusted the exercise price of the employee stock options in accordance with the stock option plan.

3. For the years ended December 31, 2025 and 2024, the weighted average stock price at the date of exercise of the stock options was **\$0** and **\$69.4**, respectively.
4. Expiration dates and exercise prices of outstanding employee stock options at the balance sheet date:

			December 31, 2025		December 31, 2024	
Type of arrangement	Grant date	Maturity date	Number of shares (thousands)	Exercise price (NTD)	Number of shares (thousands)	Exercise price (NTD)
The 2nd Employee Stock Option Plan	May 13, 2020	May 12, 2025	-	-	378.0	52.6
The 2nd Employee Stock Option Plan	March 24, 2021	March 23, 2026	31.0	44.7	31.0	45.1

5. The fair value of stock options granted was estimated using the Black-Scholes option-pricing model. Relevant information is as follows:

Type of arrangement	Grant date	Share price (NTD)	Exercise price (NTD)	Expected volatility (Note)	Expected life	Expected dividend yield	Risk-free interest rate	Fair value per unit (NTD)
The 2nd Employee Stock Option Plan	2020.05.13	60.50	60.50	30.51%	3.5~4.5 years	2.71%	0.35%~0.36%	Vested after 2 years: 10.66; Veste

Type of arrangement	Grant date	Share price (NTD)	Exercise price (NTD)	Expected volatility (Note)	Expected life	Expected dividend yield	Risk-free interest rate	Fair value per unit (NTD)
								d after 3 years: 11.14; Vested after 4 years: 11.56
The 2nd Employee Stock Option Plan	2021.03.24	49.80	49.80	33.64%	3.5~4.5 years	2.68%	0.25%~0.28%	Vested after 2 years: 9.7; Vested after 3 years: 10.2; Vested after 4

Type of arrangement	Grant date	Share price (NTD)	Exercise price (NTD)	Expected volatility (Note)	Expected life	Expected dividend yield	Risk-free interest rate	Fair value per unit (NTD)
								years: 10.6

Note: Expected volatility is estimated based on the standard deviation of the stock return during a period that is approximate to the expected life of the stock options.

- For the years ended December 31, 2025 and 2024, the expenses derived from the aforementioned share-based payment transactions were **(\$5)** and **(\$727)**, respectively.

(11) Share capital

- As of December 31, 2025, the Company's authorized capital was **\$300,000**, divided into **30,000 thousand shares** (including 2,000 thousand shares that can be subscribed under the employee stock option), and the paid-in capital was **\$215,934** with a par value of **\$10 (in dollars)** per share. All proceeds from shares issued have been collected. Besides, the number of the Company's issued shares and actual outstanding shares for the years 2025 and 2024 were as follows:

(Unit: Shares)

	2025	2024
January 1	21,593,400	21,362,400
Exercise of employee stock options	-	231,000

	2025	2024
December 31	21,593,400	21,593,400

2. For the years ended December 31, 2025 and 2024, the Company issued **0 shares** and **231,000 shares**, respectively, of common stock due to the exercise of employee stock options. The registration of the aforementioned issuance of common stock resulting from the exercise of employee stock options has been completed.

(12) Capital surplus

1. Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of ordinary shares and donations can be used to cover accumulated deficits or to issue new shares or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficits. Furthermore, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalized mentioned above may not exceed 10% of the paid-in capital each year. Capital surplus may not be used to cover accumulated deficits unless the legal reserve is insufficient.
2. For the changes in the Company' s capital surplus, please refer to the individual statements of changes in equity.

(13) Retained earnings / Subsequent events

1. Under the Company' s Articles of Incorporation, if the Company has no earnings at the end of the annual final accounts, it shall not distribute dividends or bonuses. If there are earnings, the Company shall first pay taxes and cover accumulated deficits, then set aside 10% as legal reserve; however, this is not required if the legal reserve has reached the total amount of the Company' s capital. Next, a special reserve shall be set aside or reversed in accordance with laws or regulations of the competent authority, and the remainder shall be the distributable

earnings for the year. The distributable earnings for the current year, combined with the accumulated unappropriated retained earnings from previous years, shall be proposed by the Board of Directors for distribution and submitted to the shareholders' meeting for a resolution. The annual dividend distribution to shareholders shall not be less than 30% of the distributable earnings of the current year.

2. The legal reserve shall not be used except for covering accumulated deficits or issuing new shares or cash to shareholders in proportion to their share ownership, provided that the distribution of the reserve as new shares or cash is limited to the portion in excess of 25% of the Company's paid-in capital.
3. In accordance with the regulations, the Company must set aside a special reserve from the debit balance of other equity items at the balance sheet date before distributing earnings. When the debit balance of other equity items is reversed subsequently, the reversed amount may be included in the distributable earnings.
4. The Company's appropriations of earnings are as follows: (1) The appropriations of 2024 and 2023 earnings were resolved in the shareholders' meetings held on June 4, 2025 and May 29, 2024, respectively. The appropriations and dividends per share are as follows:

	2024		2023	
	Amount	Dividends per share (NTD)	Amount	Dividends per share (NTD)
Legal reserve	\$1,843		\$ 1,153	
Special reserve	102		14	
Cash dividends	6,478	0.3	4,272	0.2
Total	\$ 8,423		\$ 5,439	

(2) On March 11, 2026, the Board of Directors proposed the 2025 earnings appropriation as follows:

	2025	
	Amount	Dividends per share (NTD)
Set aside special reserve	\$ 72	

(14) Operating revenue

1. Disaggregation of revenue from contracts with customers The Company's revenue is derived from providing services that are transferred over time. Revenue can be disaggregated by the following major product lines and geographical areas:

2025	Testing services		Other services	Total
	Taiwan	Others	Others	
Revenue from contracts with customers	\$ 368,679	\$ 14,217	\$74	\$ 382,970

2024	Testing services		Other services	Total
	Taiwan	Others	Others	

2024	Testing services		Other services	Total
Revenue from contracts with customers	\$ 434,432	\$ 14,551	\$ 153	\$ 449,136

2. Contract assets and liabilities (1) The Company has recognized the following contract assets and liabilities related to revenue from contracts with customers:

	December 31, 2025	December 31, 2024	January 1, 2024
Current contract assets:			
Contract assets - testing related services	\$ 9,965	\$ 9,426	\$ 4,178
Current contract liabilities:			
Contract liabilities - testing related services	\$ 1,180	\$ 1,773	\$ 773

(2) Revenue recognized in the current period from contract liabilities at the beginning of the period:

	2025	2024
Testing related services	\$ 1,434	\$ 700

(3) For information on credit risk of contract assets, please refer to Note 12(2).

(15) Interest income

	2025	2024
Interest income from bank deposits	\$ 1,040	\$ 1,044
Interest income from fund lending	358	397
Imputed interest income on rent	80	74
	\$ 1,478	\$ 1,515

(16) Other income

	2025	2024
Service income from subsidiaries	\$ 1,152	\$ 1,588
Others	1,700	858
	\$ 2,852	\$ 2,446

(17) Other gains and losses

	2025	2024
Net foreign exchange (losses) gains	\$ (138)	\$ 450

	2025	2024
(Losses) gains on disposal of property, plant and equipment	(17)	-
Others	(1)	-
	\$ (156)	\$ 450

(18) Finance costs

	2025	2024
Interest expense on lease liabilities	\$ 753	\$ 1,002
Interest expense on decommissioning liabilities	47	45
	\$ 800	\$ 1,047

(19) Additional information on the nature of expenses

	2025	2024
Employee benefits expense	\$ 85,041	\$ 82,950
Depreciation expense on property, plant and equipment and right-of-use assets	31,142	32,570

	2025	2024
Amortization expense on intangible assets	8,746	6,274

(20) Employee benefits expense

	2025	2024
Salary expense	\$ 63,057	\$ 62,942
Share-based payment	(5)	(727)
Labor and health insurance expense	6,791	6,248
Pension cost	3,127	2,908
Remuneration to directors	8,657	7,943
Others	3,414	3,636
Total	\$ 85,041	\$ 82,950

1. According to the Company's Articles of Incorporation, a ratio of distributable profit of the current period, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall be 1% to 10% for employees' compensation and not higher than 2% for directors' remuneration. Furthermore, 50% of the aforementioned employees' compensation shall be distributed to junior employees. However, if the Company has accumulated deficits, the amount shall be reserved in advance to offset them.

When distributing employees' compensation in shares or cash, a resolution shall be adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds or more of the total number of directors, and a report of such distribution shall be submitted to the shareholders' meeting. The recipients of employees' compensation in shares or cash may include subordinate employees who meet specific conditions.

Matters relating to the distribution of employees' compensation and directors' remuneration shall be conducted in accordance with relevant laws and regulations, determined by the Board of Directors, and reported to the shareholders' meeting.

- For the years ended December 31, 2025 and 2024, the Company's employees' compensation was accrued at \$0 and \$235, respectively; while directors' remuneration was accrued at \$0 and \$235, respectively. The aforementioned amounts were recognized under salary expense. Since the Company incurred a loss for the year ended December 31, 2025, no employees' compensation or directors' remuneration was estimated.

The employees' compensation and directors' remuneration for 2024 resolved by the Board of Directors were \$235 and \$235, respectively, which were consistent with the amounts recognized in the 2024 financial statements. Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

- Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(21) Income tax

- Income tax expense (benefit) (1) Components of income tax expense (benefit):

	2025	2024
Current tax:		

	2025	2024
Current income tax assets	\$ (80)	\$ (421)
Refundable overpaid income tax from previous years	40	382
Provisional and withholding tax	40	62
Foreign income tax expense	13	-
Prior year income tax under (over) estimate	-	22
Total current tax	13	45
Deferred income tax:		
Origination and reversal of temporary differences	(588)	3,278
Others:		
Additional tax on unappropriated earnings	-	-
Income tax expense (benefit)	\$ (575)	\$ 3,323

(2) Amount of income tax expense (benefit) related to other comprehensive income (loss):

	2025	2024
Exchange differences on translation of foreign operations	\$ (18)	\$ (25)

(3) For the years ended December 31, 2025 and 2024, the Company did not have any income tax related to items recognized directly in equity.

2. Relationship between income tax expense (benefit) and accounting profit:

	2025	2024
Income tax (benefit) on profit before tax at the statutory tax rate	\$ (1,987)	\$ 4,351
Unrealized domestic investment income accounted for under the equity method	(5,392)	(5,829)
Foreign income tax expense	13	-
Prior year income tax under (over) estimate	-	22
Others	6,791	4,779
Income tax expense (benefit)	\$ (575)	\$ 3,323

3. Amounts of deferred income tax assets or liabilities arising from temporary differences and tax losses:

2025	At January 1	Recognized in profit or loss	Recognized in other comprehensive income	At December 31
Deferred income tax assets:				
Temporary differences:				

2025	At January 1	Recognized in profit or loss	Recognized in other comprehensive income	At December 31
Inventory obsolescence loss	\$970	\$ 171	\$-	\$ 1,141
Accrued compensated absences	501	336	-	837
Provisions	213	(73)	-	140
Unrealized exchange loss	-	47	-	47
Foreign operations translation differences under equity method	2,571	-	18	2,589
Decommissioning liabilities	606	10	-	616
Tax losses	-	-	-	-
Subtotal	4,861	491	18	5,370
Deferred income tax liabilities:				
Temporary differences:				
Unrealized exchange gain	(42)	42	-	-

2025	At January 1	Recognized in profit or loss	Recognized in other comprehensive income	At December 31
Decommissioning assets	(196)	55	-	(141)
Subtotal	(238)	97	-	(141)
Total	\$ 4,623	\$ 588	\$ 18	\$ 5,229

2024	At January 1	Recognized in profit or loss	Recognized in other comprehensive income	At December 31
Deferred income tax assets:				
Temporary differences:				
Inventory obsolescence loss	\$ 638	\$ 332	\$-	\$ 970
Accrued compensated absences	555	(54)	-	501
Provisions	493	(280)	-	213
Unrealized exchange loss	17	(17)	-	-

2024	At January 1	Recognized in profit or loss	Recognized in other comprehensive income	At December 31
Foreign operations translation differences under equity method	2,546	-	25	2,571
Decommissioning liabilities	597	9	-	606
Tax losses	3,281	(3,281)	-	-
Subtotal	8,127	(3,291)	25	4,861
Deferred income tax liabilities:				
Temporary differences:				
Unrealized exchange gain	-	(42)	-	(42)
Decommissioning assets	(251)	55	-	(196)
Subtotal	(251)	13	-	(238)
Total	\$ 7,876	\$ (3,278)	\$ 25	\$ 4,623

4. Expiration dates of unused tax losses and amounts of unrecognized deferred income tax assets are as follows:

December 31, 2025

Year of occurrence	Amount filed/assessed	Unused amount	Unrecognized deferred income tax assets	Expiry year
2025 - Filed	\$ 4,338	\$ 4,338	\$ 4,338	2035

December 31, 2024: None.

5. The Company's income tax returns through 2023 have been assessed and approved by the Tax Authority.

(22) Earnings (Loss) per share

2025	Amount after tax	Weighted average number of ordinary shares outstanding (thousand shares)	Loss per share (NTD)
Basic loss per share			
Net loss attributable to ordinary shareholders	\$ (9,360)	21,593	\$ (0.43)
Diluted loss per share			
Net loss attributable to ordinary shareholders (Note)	\$ (9,360)	21,593	
Assumed conversion of all dilutive			

2025	Amount after tax	Weighted average number of ordinary shares outstanding (thousand shares)	Loss per share (NTD)
potential ordinary shares			
- Employees' compensation (Note)	-	-	
Net loss attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	\$ (9,360)	21,593	\$ (0.43)

2024	Amount after tax	Weighted average number of ordinary shares outstanding (thousand shares)	Earnings per share (NTD)
Basic earnings per share			
Net income attributable to ordinary shareholders	\$18,430	21,481	\$ 0.86
Diluted earnings per share			
Net income attributable to ordinary shareholders	\$ 18,430	21,481	

2024	Amount after tax	Weighted average number of ordinary shares outstanding (thousand shares)	Earnings per share (NTD)
Assumed conversion of all dilutive potential ordinary shares			
- Employee stock options	-	155	
- Employees' compensation	-	7	
Net income attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	\$ 18,430	21,643	\$ 0.85

Note: Anti-dilutive effect; therefore, not included in the calculation of diluted earnings per share.

(23) Supplemental cash flow information

Investing activities with partial cash payments:

	2025	2024
Acquisition of property, plant and equipment	\$ 1,251	\$ 16,811
Add: Opening balance of payable on equipment	-	105

	2025	2024
Less: Closing balance of payable on equipment	(94)	-
Cash paid during the period	\$ 1,157	\$ 16,916

Investing activities with partial cash payments:

	2025	2024
Acquisition of intangible assets	\$ 5,706	\$ 7,602
Add: Opening balance of payable on equipment	1,289	889
Less: Closing balance of payable on equipment	-	(1,289)
Cash paid during the period	\$ 6,995	\$ 7,202

(24) Changes in liabilities arising from financing activities

2025	Cash dividends payable	Lease liabilities (Current/Non-current)
At January 1	\$ -	\$ 49,152
Declaration of cash dividends	6,478	-

2025	Cash dividends payable	Lease liabilities (Current/Non-current)
Distribution of cash dividends	(6,478)	-
Repayments of lease liabilities	-	(13,624)
At December 31	\$ -	\$ 35,528

2024	Cash dividends payable	Lease liabilities (Current/Non-current)
At January 1	\$ -	\$ 62,503
Declaration of cash dividends	4,272	-
Distribution of cash dividends	(4,272)	-
Repayments of lease liabilities	-	(13,351)
At December 31	\$ -	\$ 49,152

7. Related-Party Disclosures

(1) Names of related parties and relationship

Name	Relationship with the Company
Phoebus Genetics Co., Ltd. (Phoebus Genetics)	Subsidiary
SOFIVA GENOMICS BANGKOK CO., LTD. (SOFIVA BKK)	Subsidiary
SOFIVA GENOMICS Medical Laboratory (Sofiva Genomics Laboratory)	Subsidiary
SOFIVA GENOMICS Clinical Medical Laboratory (Sofiva Genomics Clinical Laboratory)	Subsidiary
DIANTHUS Company Limited (DIANTHUS Company)	A company that has crucial influence on the Company.
DIANTHUS MFM CENTER (DIANTHUS HUAINING)	The Company' s chairman is in charge of the center
SOFIVA CLINICAL LABORATORY (SOFIVA LABORATORY)	Substantive Related parties
DIANTHUS CLINICAL LABORATORY (DIANTHUS LABORATORY)	Substantive Related parties
HOPING OBS/GYN Clinic (Heping Obstetrics and Gynecology Clinic)	Substantive Related parties
All directors, general manager and management team	The Company' s management team and governance units

(2) Significant related party transactions

1. Provision of testing services (1) Service income Details of service income accrued from the provision of testing services to related parties are as follows:

	2025	2024
Subsidiaries	\$ 4,953	\$ 6,365
Other related parties	14,721	22,286
	\$ 19,674	\$ 28,651

The testing services provided by the Company to related parties and general customers are identical. Whilst the transaction price is based on agreements reached by both parties, no major difference in payment terms has been revealed between related parties and non-related parties. Payment terms ranging from prepayments and OA 90 days are offered to general customers, whereas abovementioned related parties are offered with OA 60 days.

(2) Accounts receivable The balances of accounts receivable accrued from transactions with related parties are as follows:

2) Accounts receivable The balances of accounts receivable accrued from transactions with related parties are as follows:

	December 31, 2025	December 31, 2024
Subsidiary - SOFIVA BKK	\$ 536	\$ 782
Other related parties	1,602	2,590
	\$ 2,138	\$ 3,372

(3) Contract assets The balances of contract assets accrued from transactions with related parties are as follows:

	December 31, 2025	December 31, 2024
Subsidiaries	\$175	\$ 15
Other related parties	187	352
	\$ 362	\$ 367

2. Outsourced testing services (1) Service costs Details of service costs accrued from the testing services provided by the Company to related parties are as follows:

	2025	2024
Subsidiary - Phoebus Genetics	\$9,506	\$ 10,413
Subsidiary - Sofiva Genomics Clinical Medical Lab	351	351
Subsidiary - Sofiva Genomics Laboratory	36,073	45,654
Other related parties - Dianthus Medical Lab	17,065	24,075
Other related parties - others	2,277	3,553
	\$ 65,272	\$ 84,046

The transaction price of testing services provided by related parties to the Company shall refer to agreements reached by both parties. No major difference in payment terms has been revealed between related and non-related parties. The payment term of OA 60 is offered to general supplier, whereas the same payment term (OA 60 days) is offered to above related parties.

(2) Accounts payable

The balances of accounts payable accrued from transactions with related parties are as follows:

	December 31, 2025	December 31, 2024
Subsidiary - Phoebus Genetics	\$ 1,036	\$ 1,688
Subsidiary - Sofiva Genomics Laboratory	-	9,098
Subsidiary - Sofiva Genomics Clinical Medical Lab	351	351
Other related parties - Dianthus Medical Lab	2,629	2,836
Other related parties - others	351	380
	\$ 4,367	\$ 14,353

3. Dividend income Dividend income allocated to the Company due to investment in subsidiaries and associate (the investment deduction under the equity method was adopted on the table):

	2025	2024
Subsidiary - Phoebus Genetics	\$ 3,009	\$ -
Affiliated companies - DIANTHUS Company Limited	5,930	5,930
	\$ 8,939	\$ 5,930

4. Property transactions (1) Property purchase The details of the Company's purchase of property, plants and equipment from related parties are as follows:

	2025	2024
Subsidiary - others	\$ 3	\$ -

2) Other payables As of December 31, 2025 and 2024, the Company's balance of payables incurred from the purchases of property, plants, and equipment from related parties was both \$0.

5. Lease transactions - Lessee (1) Rental expenses The rental expenses incurred from the Company' s lease of the office from related parties are as follows:

	2025	2024
Subsidiary - Phoebus Genetics	\$ 1,733	\$ 2,286

(2) Other payables As of December 31, 2025 and 2024, the Company' s balance of payables incurred from transactions with related parties was \$0.

6. Fund lending Other receivable and interest income generated from the Company' s lending of funds are as follows:

2025

	Balance at end of period	Interest rate	Interest receivable	Interest income
Subsidiary - SOFIVA BKK	\$3,507	2.428%	\$ 24	\$ 91

	Balance at end of period	Interest rate	Interest receivable	Interest income
Subsidiary - Sofiva Genomics Laboratory	10,000	2.428%	65	243
Subsidiary - Sofiva Genomics Clinical Medical Lab	1,000	2.428%	6	24
	\$ 14,507		\$ 95	\$ 358

2024

	Balance at end of period	Interest rate	Interest receivable	Interest income
Subsidiary - SOFIVA BKK	\$3,849	2.428%	\$ 19	\$ 140
Subsidiary - Sofiva Genomics Laboratory	10,000	2.428%	45	234
Subsidiary - Sofiva Genomics Clinical Medical Lab	1,000	2.428%	5	23
	\$ 14,849		\$ 69	\$ 397

7. Labor and dispatch services (1) Other income Other income generated from the Company's provision of labor and dispatch services for subsidiaries in 2025 and 2024 were \$1,152 and \$1,588, respectively.

(2) Other receivable Other receivable generated from the aforesaid services as of December 31, 2025 and 2024 were \$1,152 and \$1,588, respectively.

8. Other transactions – Operating expense/Other payable For the years 2025 and 2024, expenses incurred from the affiliated companies' offering of planning and consulting services to the Company were \$840 and \$600, respectively ; and the related other payables as of December 31, 2025 and 2024 were \$95 and \$52, respectively.

(3) Key management personnel compensation

	2025	2024
Short-term employee benefits	\$ 13,907	\$ 15,588
Post-employment compensation	203	203
Share-based payment	-	106
Total	\$ 14,110	\$ 15,897

8. PLEDGED ASSETS

None.

9. SIGNIFICANT CONTINGENT LIABILITIES AND

UNRECOGNIZED CONTRACTUAL COMMITMENTS

(1) **Contingencies** None.

(2) **Commitments** Being authorized to use the testing techniques, the Company shall pay the royalty based on the number of testing reports each quarter.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER REPORTING PERIOD

The appropriation of 2025 earnings was resolved by the board of directors on **March 11, 2026**. Please refer to Note 6(13) for detailed information.

12. OTHERS

(1) Capital management The Company's objectives on managing capital are to safeguard the Company's ability to continue as a going concern in order to maintain an optimal capital structure, to reduce the cost of capital and to provide returns for shareholders. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return of capital to shareholders, issue new shares or sell assets to reduce debts. The Company uses debt asset ratio to monitor the capital thereof and the ratio is calculated by dividing total liabilities by total assets.

The Company's strategy in 2025 remains the same as in 2024. Regarding the Company's debt asset ratio for the years ended December 31, 2025 and 2024, please refer to Individual Balance Sheets.

(2) Financial instruments

1. Financial instruments by category Regarding information related to the Company's financial assets (cash and cash equivalents, financial assets measured at amortized cost—current, contract assets—current, notes receivable, accounts receivable (including those from related parties), other receivable (including those from related parties), guarantee deposits paid) and financial liabilities (notes payable (including those from related parties), accounts payable (including those from related parties), other payables (including those from related parties), and lease liabilities (current and non-current)), please refer to Note 6 and individual balance sheets for further details.

2. Financial risk management policies The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and interest rate risk), credit risk and liquidity risk. Risk management is carried out by the Company's finance division under policies approved by the board of directors. The division identifies, evaluates and hedges financial risks.
3. Significant financial risks and degree of financial risks

(1) Market risk

A. Foreign exchange risk

(A) The Company's businesses involve some non-functional currency operations (the Company's functional currency is New Taiwan Dollar). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

December 31, 2025

	Foreign currency (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
THB:NTD	5,637	1.002	\$ 5,648
USD:NTD	110	31.430	3,457
Financial liabilities			

	Foreign currency (in thousands)	Exchange rate	Book value (NTD)
Monetary items			
USD:NTD	95	31.430	2,986
Debit side of investments accounted for using equity method			
THB:NTD	2,153	1.002	2,157

December 31, 2024

	Foreign currency (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
THB:NTD	16,363	0.962	\$ 15,741
USD:NTD	171	32.785	5,606
Financial liabilities			

	Foreign currency (in thousands)	Exchange rate	Book value (NTD)
Monetary items			
USD:NTD	63	32.785	2,065
Debit side of investments accounted for using equity method			
THB:NTD	1,760	0.962	1,692

(B) The total exchange gain, including realized and unrealized gains arising from significant foreign exchange variations on monetary items held by the Company for the years ended December 31, 2025 and 2024, please refer to Note 6(17) for detailed information.

(C) Analysis of foreign current market risk arising from significant foreign exchange variations:

2025

	Sensitivity analysis	
(Foreign currency: functional currency)	Change in exchange rate	Effect on profit (loss)
Financial assets		
Monetary items		
THB:NTD	1%	\$ 56

	Sensitivity analysis	
USD:NTD	1%	35
Financial liabilities		
Monetary items		
USD:NTD	1%	(30)

2024

	Sensitivity analysis	
(Foreign currency: functional currency)	Change in exchange rate	Effect on profit (loss)
Financial assets		
Monetary items		
THB:NTD	1%	\$ 157
USD:NTD	1%	56
Financial liabilities		
Monetary items		

	Sensitivity analysis	
USD:NTD	1%	(21)

B. Price risk No price risk is involved in the Company' s transactions.

C. Interest rate risk on cash flow and fair value No rate risk is involved in the Company' s transactions.

(2) Credit risk

A. Credit risk refers to the risk of financial loss to a Company arising from default by the customers on the contract obligations. According to internal credit policy, the Company shall manage each of their new customers before service terms and conditions are offered.

Internal risk control assesses a customer' s credit quality according to the financial status thereof, past experience and other factors. Individual risk limits are set by finance division based on internal or external ratings and individual' s line of credit shall be regularly monitored. The primary credit risks come from deposits at banks and financial institutions, and unrealized contract assets, notes receivable and accounts receivable from customers.

B. The Company manages their credit risk taking into consideration the entire Company' s concern. According to the Company' s credit policy, each local entity in the Company is responsible for managing and analyzing the credit risk for each of their new customers before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the management. The utilization of credit limits is regularly monitored.

C. The Company adopts the following assumption after considering the past experience: If the contract payments were past due over 90 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition. If the contract payments are past due over 360 days based on agreed terms and conditions, it will be deemed as violating the contract.

以下為接續 (2) Credit risk (信用風險) 關於預期信用損失評估方式及 114 年度備抵損失矩陣 的翻譯。

數據已核對您的 114 年度個體財報 Word 檔，術語與句型則嚴格遵循 112 年度翻譯社電子書 (第 45 頁) 的標準格式：

12. OTHERS (Continued)

(2) Credit risk (Continued)

D. With respect to customers' accounts receivable and contract assets, the Company adopts the simplified approach to estimate expected credit loss under the provision matrix basis.

E. Where contract violation occurs, the Company will take legal recourse for financial assets to preserve the Company's creditor's rights. After recourse proceedings, financial assets that cannot be taken back within reasonable expectations shall be written off.

F. The Company adjusts the loss rate based on historical and current information when assessing the future default possibility in order to estimate the loss allowance for contract assets, notes receivable and accounts receivable (including those from related parties). The provision matrix is as follows:

December 31, 2025

	Not past due	Due in 1 to 30 days	Due in 31 to 90 days	Due in 91 to 180 days	Due in 181 to 360 days	Due in more than 361 days	Total
Expected loss rate	0.05%	0.06%	0.07%~0.09%	0.1%~0.15%	0.18%~0.45%	100.00%	
Current contract	\$3,965	\$-	\$-	\$-	\$-	\$-	\$3,965

	Not past due	Due in 1 to 30 days	Due in 31 to 90 days	Due in 91 to 180 days	Due in 181 to 360 days	Due in more than 361 days	Total
assets							
Notes receivable	1,598	-	-	-	-	-	1,598
Accounts receivable	48,877	1,789	2,592	3	-	-	53,261
Total carrying amount	\$ 54,440	\$ 1,789	\$ 2,592	\$ 3	\$ -	\$ -	\$ 58,824
Loss allowance	\$ 28	\$ 1	\$ 3	\$ -	\$ -	\$ -	\$ 32

December 31, 2024

	Not past due	Due in 1 to 30 days	Due in 31 to 90 days	Due in 91 to 180 days	Due in 181 to 360 days	Due in more than 361 days	Total
Expected loss rate	0.03%	0.04%	0.04%~0.05%	0.06%~0.09%	97.61%~100.00%	100.00%	

	Not past due	Due in 1 to 30 days	Due in 31 to 90 days	Due in 91 to 180 days	Due in 181 to 360 days	Due in more than 361 days	Total
Current contract assets	\$ 9,646	\$ -	\$-	\$ -	\$-	\$ -	\$ 9,646
Notes receivable	2,548	-	-	-	-	-	2,548
Accounts receivable	48,024	3,793	2,833	1,180	-	-	55,830
Total carrying amount	\$ 60,218	\$ 3,793	\$ 2,833	\$ 1,180	\$ -	\$ -	\$ 68,024
Loss allowance	\$ 18	\$ 1	\$ 1	\$ -	\$ -	\$ -	\$ 20

Above is the aging analysis of accounts receivable based on the number of overdue days.

G. Under the simplified approach, movements in relation to loss allowance for notes receivable, accounts receivable (including those from related parties) and contract assets are as follows:

2025

	Contract assets	Notes receivable	Accounts receivable	Total
At January 1	\$ -	\$ -	\$ 20	\$ 20
Expected credit impairment loss (gain)	-	-	11	11
At December 31	\$ -	\$ -	\$ 31	\$ 31

2024

	Contract assets	Notes receivable	Accounts receivable	Total
At January 1	\$ -	\$ -	\$ 20	\$ 20
Expected credit impairment loss (gain)	-	-	-	-
At December 31	\$ -	\$ -	\$ 20	\$ 20

iii. Liquidity risk

(a) Cash flow forecasting is performed by the Company's finance division. The division also monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. These forecasts take into account the company's debt financing plans, compliance with debt terms and compliance with the financial ratio targets specified in the internal balance sheet.

(b) Surplus cash held over and above balance required for working capital management are invested in interest bearing current accounts, choosing instruments with appropriate maturities to provide sufficient headroom as determined by the abovementioned forecasts.

(c) The Company for December 31, 2025 and 2024, has the following undrawn borrowing facilities: None.

(d) The Company does not have derivative financial liabilities. Analyzed according to the remaining period between the balance sheet date and contract expiry date. Except for those stated in the table below, all of the Company' s financial liabilities will be due within one year. Equivalent to the amount stated on the Individual Balance Sheets, where the disclosed contractual cash flow is the undiscounted amount.

December 31, 2025

Non-derivative financial liabilities:	Within 1 year	1 to 2 years	More than 2 years	Total
Current and non-current lease liabilities	\$14,233	\$ 13,290	\$8,828	\$ 36,351

December 31, 2024

Non-derivative financial liabilities:	Within 1 year	1 to 2 years	More than 2 years	Total
Current and non-current lease liabilities	\$14,379	\$ 14,233	\$22,118	\$ 50,730

C. Fair value information None of the Company' s major financial instruments is measured at fair value. The valuation techniques used to measure fair value do not result in any impact to the Company. Besides, financial instruments that are not measured at fair value include the carrying amounts of cash and cash equivalents, financial assets measured at amortized cost—current, contract assets—current, net notes receivable, net accounts receivable (including those from related parties), other receivable (including those from

related parties), guarantee deposits paid, accounts payable (including those from related parties), other payable (including those from related parties), and lease liabilities (current and non-current), which are considered as reasonable approximation of fair value.

13. ADDITIONAL DISCLOSURES

(1) Significant transactions information A. Loans to others: Please refer to Annex 1. B. Provision of endorsement and guarantees to others: None. C. Holding of marketable securities at end of period (not including subsidiaries, associates and joint ventures): None. D. Acquisition or sale of the same security with the accumulated cost exceeding \$100 million or 20% of the Company's paid-in capital: None. E. Purchase or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: None. F. Receivable from related parties reaching \$100 million or 20% of paid-in capital or more: None. G. Significant inter-company transactions during the reporting periods: Please refer to Annex 2.

(2) Information on investees Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to Annex 3.

(3) Information on investments in Mainland China None.

14. OPERATING SEGMENTS

Not applicable.
