

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

## **BIOTEQUE CORPORATION AND SUBSIDIARIES**

### **Consolidated Financial Statements**

#### **With Independent Auditors' Review Report For the Nine Months Ended September 30, 2024 and 2023**

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The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

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## Independent Auditors' Review Report

To the Board of Directors of Bioteque Corporation:

### Introduction

We have reviewed the accompanying consolidated balance sheets of Bioteque Corporation (the “Company”) and its subsidiaries (together referred to as the “Group”) as of September 30, 2024 and 2023, and the related consolidated statements of comprehensive income for the three months and nine months ended September 30, 2024 and 2023, as well as the changes in equity and cash flows for the nine months ended September 30, 2024 and 2023, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

### Scope of Review

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

### Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Bioteque Corporation and its subsidiaries as of September 30, 2024 and 2023, and of its consolidated financial performance for the three months and nine months ended September 30, 2024 and 2023, as well as its consolidated cash flows for the nine months ended September 30, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.



The engagement partners on the reviews resulting in this independent auditors' review report are Huang, Ming-Hung and Tang, Chia-Chien.

KPMG

Taipei, Taiwan (Republic of China)

November 7, 2024

#### **Notes to Readers**

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

The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

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

**BIOTEQUE CORPORATION AND SUBSIDIARIES****Consolidated Balance Sheets****September 30, 2024, December 31, 2023 and September 30, 2023****(Expressed in Thousands of New Taiwan Dollars)**

|                            |   | <b>September 30, 2024</b> |            | <b>December 31, 2023</b> |            | <b>September 30, 2023</b> |            |      |   | <b>September 30, 2024</b> |            | <b>December 31, 2023</b> |            | <b>September 30, 2023</b> |            |
|----------------------------|---|---------------------------|------------|--------------------------|------------|---------------------------|------------|------|---|---------------------------|------------|--------------------------|------------|---------------------------|------------|
| <b>Assets</b>              |   | <b>Amount</b>             | <b>%</b>   | <b>Amount</b>            | <b>%</b>   | <b>Amount</b>             | <b>%</b>   |      |   | <b>Amount</b>             | <b>%</b>   | <b>Amount</b>            | <b>%</b>   | <b>Amount</b>             | <b>%</b>   |
| <b>Current assets :</b>    |   |                           |            |                          |            |                           |            |      |   |                           |            |                          |            |                           |            |
| 1100                       | Cash and cash equivalents (note 6(a))                                     | \$ 1,319,102              | 29         | 1,353,815                | 29         | 1,092,287                 | 24         | 2100 | Short-term borrowings (notes 6(h) and 8)                            | \$ -                      | -          | -                        | -          | 72,260                    | 2          |
|                            | Current financial assets at fair value through profit or loss (note 6(b)) | 119,834                   | 3          | 118,591                  | 3          | 123,302                   | 3          | 2130 | Current contract liabilities (note 6(n))                            | 42,091                    | 1          | 38,082                   | 1          | 44,524                    | 1          |
| 1136                       | Current financial assets at amortized cost (note 6(c))                    | 5,647                     | -          | 92,130                   | 2          | 147,040                   | 3          | 2150 | Notes payable   | 190                       | -          | 211                      | -          | 193                       | -          |
| 1150                       | Notes receivable, net (notes 6(d) and (n))                                | 85,265                    | 2          | 67,479                   | 2          | 68,648                    | 2          | 2170 | Accounts payable  | 112,769                   | 3          | 136,801                  | 3          | 105,177                   | 2          |
| 1170                       | Accounts receivable, net (notes 6(d) and (n))                             | 192,593                   | 4          | 191,678                  | 4          | 210,650                   | 5          | 2209 | Other payables (note 6(o))  | 132,417                   | 3          | 136,019                  | 3          | 130,076                   | 3          |
| 130X                       | Inventories (note 6(e))   | 287,323                   | 7          | 294,641                  | 6          | 293,917                   | 6          | 2213 | Payable on machinery and equipment                                  | 24,470                    | 1          | 103,930                  | 2          | 110,965                   | 3          |
| 1476                       | Other current financial assets (note 8)                                   | 601                       | -          | 601                      | -          | 601                       | -          | 2230 | Current tax liabilities   | 46,741                    | 1          | 61,815                   | 2          | 34,512                    | 1          |
| 1479                       | Other current assets  | 41,610                    | 1          | 32,283                   | 1          | 52,742                    | 1          | 2280 | Current lease liabilities (note 6(i))                               | 10,240                    | -          | 12,612                   | -          | 12,681                    | -          |
|                            | <b>Total current assets</b>   | <b>2,051,975</b>          | <b>46</b>  | <b>2,151,218</b>         | <b>47</b>  | <b>1,989,187</b>          | <b>44</b>  | 2322 | Long-term borrowings, current portion (note 6(h))                   | 149,800                   | 3          | 147,463                  | 3          | 102,615                   | 2          |
| <b>Non-current assets:</b> |   |                           |            |                          |            |                           |            | 2399 | Other current liabilities   | 10,092                    | -          | 5,124                    | -          | 15,029                    | -          |
| 1600                       | Property, plant and equipment (notes 6(f), 8 and 9)                       | 2,034,936                 | 45         | 1,946,880                | 42         | 1,974,507                 | 44         |      | <b>Total current liabilities</b>                                    | <b>528,810</b>            | <b>12</b>  | <b>642,057</b>           | <b>14</b>  | <b>628,032</b>            | <b>14</b>  |
| 1755                       | Right-of-use assets (note 6(g))   | 342,366                   | 8          | 345,181                  | 7          | 351,203                   | 8          |      | <b>Non-Current liabilities:</b>                                     |                           |            |                          |            |                           |            |
| 1840                       | Deferred tax asset  | 6,520                     | -          | 6,520                    | -          | 2,774                     | -          | 2541 | Long-term borrowings (note 6(h))                                    | 333,879                   | 7          | 446,230                  | 10         | 430,729                   | 10         |
| 1915                       | Prepayments for business facilities (note 9)                              | 46,665                    | 1          | 161,839                  | 4          | 169,119                   | 4          | 2570 | Deferred tax liabilities  | 45,445                    | 1          | 45,445                   | 1          | 37,940                    | 1          |
| 1980                       | Other non-current financial assets  | 3,629                     | -          | 3,739                    | -          | 3,776                     | -          | 2580 | Non-current lease liabilities (note 6(i))                           | 287,343                   | 7          | 288,225                  | 6          | 291,365                   | 6          |
| 1995                       | Other non-current assets  | 6,068                     | -          | 4,991                    | -          | 4,622                     | -          | 2640 | Net defined benefit liability, non-current                          | 8,285                     | -          | 8,284                    | -          | 12,905                    | -          |
|                            | <b>Total non-current assets</b>   | <b>2,440,184</b>          | <b>54</b>  | <b>2,469,150</b>         | <b>53</b>  | <b>2,506,001</b>          | <b>56</b>  |      | <b>Total non-current liabilities</b>                                | <b>674,952</b>            | <b>15</b>  | <b>788,184</b>           | <b>17</b>  | <b>772,939</b>            | <b>17</b>  |
|                            |   |                           |            |                          |            |                           |            |      | <b>Total liabilities</b>  | <b>1,203,762</b>          | <b>27</b>  | <b>1,430,241</b>         | <b>31</b>  | <b>1,400,971</b>          | <b>31</b>  |
|                            |   |                           |            |                          |            |                           |            |      | <b>Equity attributable to owners of parent (note 6(l)):</b>         |                           |            |                          |            |                           |            |
|                            |   |                           |            |                          |            |                           |            | 3100 | Ordinary shares   | 692,983                   | 15         | 692,983                  | 15         | 692,983                   | 15         |
|                            |   |                           |            |                          |            |                           |            | 3200 | Capital surplus   | 316,928                   | 7          | 316,950                  | 7          | 315,168                   | 7          |
|                            |   |                           |            |                          |            |                           |            |      | Retained earnings:  |                           |            |                          |            |                           |            |
|                            |   |                           |            |                          |            |                           |            | 3310 | Legal reserve   | 556,910                   | 12         | 511,268                  | 11         | 511,268                   | 11         |
|                            |   |                           |            |                          |            |                           |            | 3320 | Special reserve   | -                         | -          | 1,102                    | -          | 1,102                     | -          |
|                            |   |                           |            |                          |            |                           |            | 3350 | Unappropriated retained earnings                                    | 1,694,791                 | 38         | 1,657,141                | 36         | 1,548,089                 | 35         |
|                            |   |                           |            |                          |            |                           |            |      |   | 2,251,701                 | 50         | 2,169,511                | 47         | 2,060,459                 | 46         |
|                            |   |                           |            |                          |            |                           |            |      | Other equity:   |                           |            |                          |            |                           |            |
|                            |   |                           |            |                          |            |                           |            | 3410 | Exchange differences on translation of foreign financial statements | 26,785                    | 1          | 10,683                   | -          | 25,607                    | 1          |
|                            |   |                           |            |                          |            |                           |            |      | <b>Total equity</b>   | <b>3,288,397</b>          | <b>73</b>  | <b>3,190,127</b>         | <b>69</b>  | <b>3,094,217</b>          | <b>69</b>  |
| <b>Total assets</b>        |   | <b>\$ 4,492,159</b>       | <b>100</b> | <b>4,620,368</b>         | <b>100</b> | <b>4,495,188</b>          | <b>100</b> |      | <b>Total liabilities and equity</b>                                 | <b>\$ 4,492,159</b>       | <b>100</b> | <b>4,620,368</b>         | <b>100</b> | <b>4,495,188</b>          | <b>100</b> |

See accompanying notes to consolidated financial statements.

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

**BIOTEQUE CORPORATION AND SUBSIDIARIES****Consolidated Statements of Comprehensive Income****For the three months and nine months ended September 30, 2024 and 2023****(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)**

|      |  | For the three months ended September 30 |     |         |     | For the nine months ended September 30 |     |           |     |
|------|--|---|-----|---------|-----|--|-----|-----------|-----|
|      |  | 2024                                    |     | 2023    |     | 2024                                   |     | 2023      |     |
|      |  | Amount                                  | %   | Amount  | %   | Amount                                 | %   | Amount    | %   |
| 4000 | Operating revenue (note 6(n))  | \$ 553,313                              | 100 | 498,093 | 100 | 1,568,328                              | 100 | 1,426,284 | 100 |
| 5000 | Operating costs (notes 6(e), (f), (g), (j) and 12)   | 302,299                                 | 55  | 273,024 | 55  | 894,321                                | 57  | 834,943   | 59  |
|      | Gross profit from operations   | 251,014                                 | 45  | 225,069 | 45  | 674,007                                | 43  | 591,341   | 41  |
| 6000 | Operating expenses (notes 6(f), (g), (i), (j), (o), 7 and 12):   |   |     |         |     |  |     |           |     |
| 6100 | Selling expenses   | 19,729                                  | 3   | 19,636  | 4   | 60,269                                 | 4   | 57,799    | 4   |
| 6200 | Administrative expenses  | 26,528                                  | 5   | 24,232  | 5   | 76,648                                 | 5   | 69,110    | 5   |
| 6300 | Research and development expenses  | 16,658                                  | 3   | 19,050  | 4   | 56,933                                 | 4   | 51,042    | 4   |
|      | Total operating expenses   | 62,915                                  | 11  | 62,918  | 13  | 193,850                                | 13  | 177,951   | 13  |
| 6900 | Net operating income   | 188,099                                 | 34  | 162,151 | 32  | 480,157                                | 30  | 413,390   | 28  |
| 7000 | Non-operating income and expenses (notes 6(i) and (p)):  |   |     |         |     |  |     |           |     |
| 7100 | Interest income  | 2,907                                   | 1   | 3,033   | -   | 9,858                                  | 1   | 7,686     | 1   |
| 7010 | Other income   | 6,350                                   | 1   | 831     | -   | 8,780                                  | 1   | 2,221     | -   |
| 7020 | Other gains and losses   | (10,445)                                | (2) | 14,844  | 3   | 10,090                                 | 1   | 21,645    | 2   |
| 7050 | Finance costs  | (2,226)                                 | (1) | (3,103) | -   | (7,240)                                | (1) | (8,805)   | (1) |
|      | Total non-operating income and expenses  | (3,414)                                 | (1) | 15,605  | 3   | 21,488                                 | 2   | 22,747    | 2   |
| 7900 | Profit before tax  | 184,685                                 | 33  | 177,756 | 35  | 501,645                                | 32  | 436,137   | 30  |
| 7951 | Less: Tax expenses (note 6(k))   | 40,860                                  | 7   | 31,676  | 6   | 107,612                                | 7   | 88,772    | 6   |
|      | Profit   | 143,825                                 | 26  | 146,080 | 29  | 394,033                                | 25  | 347,365   | 24  |
| 8300 | Other comprehensive income (loss) (note 6(l)):   |   |     |         |     |  |     |           |     |
| 8360 | Components of other comprehensive income (loss) that will be reclassified to profit or loss:               |   |     |         |     |  |     |           |     |
| 8361 | Exchange differences on translation  | (10,795)                                | (2) | 18,997  | 4   | 16,102                                 | 1   | 26,709    | 2   |
| 8399 | Income tax related to components of other comprehensive income that will be reclassified to profit or loss | -                                       | -   | -       | -   | -                                      | -   | -         | -   |
|      | Total components of other comprehensive income (loss) that will be reclassified to profit or loss          | (10,795)                                | (2) | 18,997  | 4   | 16,102                                 | 1   | 26,709    | 2   |
| 8300 | Other comprehensive income (loss), net   | (10,795)                                | (2) | 18,997  | 4   | 16,102                                 | 1   | 26,709    | 2   |
|      | Comprehensive income   | \$ 133,030                              | 24  | 165,077 | 33  | 410,135                                | 26  | 374,074   | 26  |
| 9750 | Basic earnings per share (note 6(m)) (Expressed in New Taiwan Dollars)                                     | \$ 2.08                                 |     | 2.11    |     | 5.69                                   |     | 5.01      |     |
| 9850 | Diluted earnings per share (note 6(m)) (Expressed in New Taiwan Dollars)                                   | \$ 2.07                                 |     | 2.10    |     | 5.66                                   |     | 4.99      |     |

See accompanying notes to consolidated financial statements.

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

**BIOTEQUE CORPORATION AND SUBSIDIARIES****Consolidated Statements of Changes in Equity****For the nine months ended September 30, 2024 and 2023****(Expressed in Thousands of New Taiwan Dollars)**

|   | Attributable to owners of parent |                 |               |                 |                                  |   |              |
|---|----------------------------------|-----------------|---------------|-----------------|----------------------------------|---|--------------|
|   | Retained earnings                |                 |               |                 |                                  | Other equity  |              |
|   | Ordinary shares                  | Capital surplus | Legal reserve | Special reserve | Unappropriated retained earnings | Exchange differences on translation of foreign financial statements | Total equity |
| Balance at January 1, 2023  | \$ 692,983                       | 315,168         | 462,155       | 50,620          | 1,512,162                        | (1,102)   | 3,031,986    |
| Net income for the nine months ended September 30, 2023                 | -                                | -               | -             | -               | 347,365                          | -   | 347,365      |
| Other comprehensive income for the nine months ended September 30, 2023 | -                                | -               | -             | -               | -                                | 26,709  | 26,709       |
| Total comprehensive income for the nine months ended September 30, 2023 | -                                | -               | -             | -               | 347,365                          | 26,709  | 374,074      |
| Appropriation and distribution of retained earnings:                    |                                  |                 |               |                 |                                  |   |              |
| Legal reserve   | -                                | -               | 49,113        | -               | (49,113)                         | -   | -            |
| Special reserve   | -                                | -               | -             | (49,518)        | 49,518                           | -   | -            |
| Cash dividends  | -                                | -               | -             | -               | (311,843)                        | -   | (311,843)    |
| Balance at September 30, 2023   | \$ 692,983                       | 315,168         | 511,268       | 1,102           | 1,548,089                        | 25,607  | 3,094,217    |
| Balance at January 1, 2023  | \$ 692,983                       | 316,950         | 511,268       | 1,102           | 1,657,141                        | 10,683  | 3,190,127    |
| Net income for the nine months ended September 30, 2024                 | -                                | -               | -             | -               | 394,033                          | -   | 394,033      |
| Other comprehensive income for the nine months ended September 30, 2024 | -                                | -               | -             | -               | -                                | 16,102  | 16,102       |
| Total comprehensive income for the nine months ended September 30, 2024 | -                                | -               | -             | -               | 394,033                          | 16,102  | 410,135      |
| Appropriation and distribution of retained earnings:                    |                                  |                 |               |                 |                                  |   |              |
| Legal reserve   | -                                | -               | 45,642        | -               | (45,642)                         | -   | -            |
| Special reserve   | -                                | -               | -             | (1,102)         | 1,102                            | -   | -            |
| Cash dividends  | -                                | -               | -             | -               | (311,843)                        | -   | (311,843)    |
| Change in capital surplus   | -                                | (22)            | -             | -               | -                                | -   | (22)         |
| Balance at September 30, 2024   | \$ 692,983                       | 316,928         | 556,910       | -               | 1,694,791                        | 26,785  | 3,288,397    |

See accompanying notes to consolidated financial statements.

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

**BIOTEQUE CORPORATION AND SUBSIDIARIES****Consolidated Statements of Cash Flows****For the nine months ended September 30, 2024 and 2023****(Expressed in Thousands of New Taiwan Dollars)**

|   | <b>For the nine months ended September 30</b> |                  |
|---|---|------------------|
|   | <b>2024</b>                                   | <b>2023</b>      |
| <b>Cash flows generated from (used in) operating activities:</b>                |   |                  |
| Profit before tax   | \$ 501,645                                    | 436,137          |
| Adjustments:  |   |                  |
| Adjustments to reconcile profit (loss):   |   |                  |
| Depreciation expenses   | 118,279                                       | 114,252          |
| Amortization expenses   | 2,644   | 2,374            |
| Net gains on financial assets at fair value through profit or loss              | (1,243)                                       | (2,185)          |
| Interest expenses   | 7,240   | 8,805            |
| Net gains on financial assets at amortized cost                                 | (3,748)                                       | (5,110)          |
| Interest income   | (9,858)                                       | (7,686)          |
| Gains on lease modifications  | -   | (18)             |
| Prepayments for business facilities transferred to expenses                     | -   | 268              |
| Losses on disposal of property, plant and equipment                             | 5,943   | 56               |
| <b>Total adjustments to reconcile profit</b>                                    | <b>119,257</b>                                | <b>110,756</b>   |
| <b>Changes in operating assets:</b>   |   |                  |
| Notes receivable  | (17,786)                                      | 9,769            |
| Accounts receivable   | (915)   | 1,863            |
| Inventories   | 7,318   | 37,796           |
| Other current assets  | (7,478)                                       | (6,781)          |
| <b>Total changes in operating assets</b>  | <b>(18,861)</b>                               | <b>42,647</b>    |
| <b>Changes in operating liabilities:</b>  |   |                  |
| Current contract liabilities  | 4,009   | (446)            |
| Notes payable   | (21)  | 16               |
| Accounts payable  | (24,032)                                      | (30,132)         |
| Other payables  | (3,457)                                       | (4,632)          |
| Other current liabilities   | 4,968   | 5,691            |
| Net defined benefit liability   | 1   | (9)              |
| <b>Total changes in operating liabilities</b>                                   | <b>(18,532)</b>                               | <b>(29,512)</b>  |
| <b>Total changes in operating assets and liabilities</b>                        | <b>(37,393)</b>                               | <b>13,135</b>    |
| <b>Total adjustments</b>  | <b>81,864</b>                                 | <b>123,891</b>   |
| Cash inflow generated from operations   | 583,509                                       | 560,028          |
| Interest received   | 8,626   | 5,881            |
| Income taxes paid   | (122,686)                                     | (129,348)        |
| <b>Net cash flows generated from operating activities</b>                       | <b>469,449</b>                                | <b>436,561</b>   |
| <b>Cash flows generated from (used in) investing activities:</b>                |   |                  |
| Acquisition of financial assets at amortized cost                               | (260,777)                                     | (322,530)        |
| Proceeds from disposal of financial assets at amortized cost                    | 353,090                                       | 278,700          |
| Proceeds from disposal of financial assets at fair value through profit or loss | -   | 30,444           |
| Acquisition of property, plant and equipment                                    | (91,647)                                      | (13,251)         |
| Proceeds from disposal of property, plant and equipment                         | -   | 80               |
| Acquisition of right-of-use assets  | (299)   | (290)            |
| Decrease (Increase) in other financial assets                                   | 110   | (329)            |
| Increase in other non-current assets  | (3,721)                                       | (1,349)          |
| Decrease (Increase) in prepayments for business facilities                      | 16,864  | (40,748)         |
| Decrease in payables on machinery and equipment                                 | (79,460)                                      | (14,490)         |
| <b>Net cash used in investing activities</b>                                    | <b>(65,840)</b>                               | <b>(83,763)</b>  |
| <b>Cash flows generated from (used in) financing activities:</b>                |   |                  |
| Increase in short-term loans  | -   | 70,510           |
| Repayments of long-term borrowings  | (110,954)                                     | (25,656)         |
| Payment of lease liabilities  | (9,593)                                       | (9,842)          |
| Cash dividend paid  | (311,843)                                     | (311,843)        |
| Interest paid   | (7,385)                                       | (8,986)          |
| Other financing activities  | (22)  | -                |
| <b>Net cash used in financing activities</b>                                    | <b>(439,797)</b>                              | <b>(285,817)</b> |
| <b>Effect on exchange rate changes on cash and cash equivalents</b>             | <b>1,475</b>                                  | <b>8,010</b>     |
| <b>Net increase in cash and cash equivalents</b>                                | <b>(34,713)</b>                               | <b>74,991</b>    |
| <b>Cash and cash equivalents at beginning of period</b>                         | <b>1,353,815</b>                              | <b>1,017,296</b> |
| <b>Cash and cash equivalents at end of period</b>                               | <b>\$ 1,319,102</b>                           | <b>1,092,287</b> |

See accompanying notes to consolidated financial statements.



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

## **BIOTEQUE CORPORATION AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements**

**September 30, 2024 and 2023**

**(Expressed in Thousands of New Taiwan Dollars Except for Earnings Per Share Information and Unless Otherwise Specified)**

#### **(1) Company history**

Bioteque Corporation (“the Company”) was incorporation in November, 1991 in accordance with the Company Act and the other related laws and regulations.

The Company's stock was listed on Taipei Exchange on March 4, 2002.

The business operation of the Company and its subsidiaries (together referred to as “the Group”) are as follows:

- (a) Manufacturing, trading and selling of the medical consumable.
- (b) Reinvestment and monopoly investment in securities business.

#### **(2) Approval date and procedures of the consolidated financial statements:**

The consolidated financial statements were authorized for issuance by the board of directors on November 7, 2024

#### **(3) New standards, amendments and interpretations adopted:**

- (a) The impact of the IFRS Accounting Standards endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2024:

- Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”
- Amendments to IAS 1 “Non-current Liabilities with Covenants”
- Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”
- Amendments to IFRS 16 “Lease Liability in a Sale and Leaseback”

- (b) The impact of IFRS issued by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2025, would not have a significant impact on its consolidated financial statements:

- Amendments to IAS21 “Lack of Exchangeability”

(Continued)

**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

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

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

| <b>Standards or Interpretations</b>                           | <b>Content of amendment</b>   | <b>Effective date per IASB</b> |
|---|---|--------------------------------|
| IFRS 18 “Presentation and Disclosure in Financial Statements” | <p>The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities.</p> <ul style="list-style-type: none"> <li>• A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities.</li> <li>• Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.</li> <li>• Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.</li> </ul> | January 1, 2027                |

(Continued)

## BIOTEQUE CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

The Group is evaluating the impact on its consolidated financial position and consolidated financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”
- Annual Improvements to IFRS Accounting Standards—Volume 11

#### (4) Summary of material accounting policies:

##### (a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Preparation and IAS 34 “Interim Financial Reporting” endorsed and issued into effect by the FSC, and do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS Accounting Standards endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except the following accounting policies mentioned below, the material accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2023. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2023.

##### (b) Basis of consolidation

##### (i) List of subsidiaries in the consolidated financial statements:

| Name of investor            | Name of subsidiary                     | Principal activity                             | Shareholding          |                      |                       | Note   |
|-----------------------------|--|--|-----------------------|----------------------|-----------------------|--------|
|                             |  |  | September 30,<br>2024 | December 31,<br>2023 | September 30,<br>2023 |        |
| The Company                 | BIOTEQUE MEDICAL CO., LTD.             | Investment activities                          | - %                   | - %                  | 100.00 %              | Note 1 |
| The Company                 | CHUNGTEX INVESTMENT CO., LTD.          | Investment activities                          | - %                   | 100.00 %             | 100.00 %              | Note 2 |
| The Company                 | BIOTEQUE MEDICAL PHIL. INC.            | Manufacturing and Trading of Medical equipment | 100.00 %              | 100.00 %             | 100.00 %              |        |
| BIOTEQUE MEDICAL PHIL. INC. | BONTEQ MEDICAL DISTRIBUTION PHIL. INC. | Trading of Medical equipment                   | 100.00 %              | 100.00 %             | 100.00 %              |        |

Note 1: BIOTEQUE MEDICAL CO., LTD made remittance of share capital on December 25, 2023, and completed the liquidation process on February 12, 2024.

Note2: The Company's Board of Directors resolved to dissolve and liquidate CHUNGTEX INVESTMENT CO., LTD on 9 November 2023, and made remittance of share capital on June 21, 2024, and completed the liquidation process on October 11, 2024.

##### (ii) List of subsidiaries which are not included in the consolidated financial statements: None.

(Continued)

**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(c) Income taxes

Tax expenses in the interim financial statements is measured and disclosed according to paragraph B12 of IAS 34 "Interim Financial Reporting".

Income tax expenses for the period are measured by multiplying together the pre-tax income for the interim reporting period and the management's best estimate of effective annual tax rate. This should be recognized fully as tax expense for the current period.

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time of the asset or liability is recovered or settled, and be recognized directly in equity or other comprehensive income as tax expense.

(d) Employee benefits

The pension cost in the interim period was calculated and disclosed on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year.

**(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty:**

The preparation of the consolidated financial statements in conformity with the Regulations IAS 34 "Interim Financial Reporting" requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Significant accounting estimates and assumptions made by the management may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. The Group has considered the economic implications of climate change on critical accounting estimates and will continue evaluating the impact on its financial position and financial performance.

The preparation of the consolidated interim financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2023.

**(6) Explanation of significant accounts:**

Except for the following disclosures, there is no significant difference as compared with those disclosed in the consolidated financial statements for the year ended December 31, 2023. Please refer to Note 6 of the 2023 annual consolidated financial statements.

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**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(a) Cash and cash equivalents

|   | September 30,<br>2024 | December 31,<br>2023 | September 30,<br>2023 |
|---|-----------------------|----------------------|-----------------------|
| Cash on hand  | \$ 972                | 940                  | 658                   |
| Cash in bank  | 1,318,130             | 1,352,875            | 1,091,629             |
| Cash and cash equivalents in the consolidated statement of cash flows | <u>\$ 1,319,102</u>   | <u>1,353,815</u>     | <u>1,092,287</u>      |

(b) Current financial assets at fair value through profit or loss

|   | September 30,<br>2024 | December 31,<br>2023 | September 30,<br>2023 |
|---|-----------------------|----------------------|-----------------------|
| <b>Mandatorily measured at fair value through profit or loss:</b> |                       |                      |                       |
| Non-derivative financial assets                                   |                       |                      |                       |
| Money market funds and bond funds                                 | \$ 119,834            | 118,591              | 118,216               |
| Stock listed on domestic markets                                  | -                     | -                    | 5,086                 |
| Total   | <u>\$ 119,834</u>     | <u>118,591</u>       | <u>123,302</u>        |

(i) For credit risk and market risk, please refer to note 6(q).

(ii) The financial assets of the Group were not collateralized.

(c) Current financial assets measured at amortized cost

|               | September 30,<br>2024 | December 31,<br>2023 | September 30,<br>2023 |
|---------------|-----------------------|----------------------|-----------------------|
| Time deposits | <u>\$ 5,647</u>       | <u>92,130</u>        | <u>147,040</u>        |

The Group has assessed that these financial assets are held-to-maturity to collect contractual cash flows, which consist solely of payments of principal and interest on principal amount outstanding. Therefore, these investments were classified as financial assets measured at amortized cost.

(i) For the nine months ended September 30, 2024 and 2023, the Group held domestic time deposits, with the weighted-average interest rates of 1.29%~4.575% and 1.16%~5.60%, respectively, which mature in December of 2024 and October to December of 2023, respectively.

(ii) For credit risk, please refer to note 6(q).

(iii) The financial assets of the Group were not collateralized.

(Continued)

**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(d) Notes and accounts receivables

|                      | September 30,<br>2024    | December 31,<br>2023  | September 30,<br>2023 |
|----------------------|--------------------------|-----------------------|-----------------------|
| Notes receivable     | \$ 85,265                | 67,479                | 68,648                |
| Accounts receivables | 192,593                  | 191,678               | 210,815               |
| Less: loss allowance | -                        | -                     | (165)                 |
|                      | <u><u>\$ 277,858</u></u> | <u><u>259,157</u></u> | <u><u>279,298</u></u> |

The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, receivables have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information. The loss allowances were determined as follows:

|                             | September 30, 2024       |                                |                 |
|-----------------------------|--------------------------|--------------------------------|-----------------|
|                             | Gross carrying<br>amount | Weighted-<br>average loss rate | Loss allowance  |
| Current                     | \$ 271,815               | -                              | -               |
| 1 to 30 days past due       | 6,043                    | -                              | -               |
| 31 to 60 days past due      | -                        | -                              | -               |
| 61 to 90 days past due      | -                        | -                              | -               |
| 91 to 120 days past due     | -                        | -                              | -               |
| 121 to 150 days past due    | -                        | -                              | -               |
| 151 to 180 days past due    | -                        | -                              | -               |
| More than 181 days past due | -                        | 100%                           | -               |
|                             | <u><u>\$ 277,858</u></u> |                                | <u><u>-</u></u> |

  

|                             | December 31, 2023        |                                |                 |
|-----------------------------|--------------------------|--------------------------------|-----------------|
|                             | Gross carrying<br>amount | Weighted-<br>average loss rate | Loss allowance  |
| Current                     | \$ 259,157               | -                              | -               |
| 1 to 30 days past due       | -                        | -                              | -               |
| 31 to 60 days past due      | -                        | -                              | -               |
| 61 to 90 days past due      | -                        | -                              | -               |
| 91 to 120 days past due     | -                        | -                              | -               |
| 121 to 150 days past due    | -                        | -                              | -               |
| 151 to 180 days past due    | -                        | 0.92%                          | -               |
| More than 181 days past due | -                        | 100%                           | -               |
|                             | <u><u>\$ 259,157</u></u> |                                | <u><u>-</u></u> |

(Continued)

**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

|                             | <b>September 30, 2023</b>        |  |                       |
|-----------------------------|----------------------------------|--|-----------------------|
|                             | <b>Gross carrying<br/>amount</b> | <b>Weighted-<br/>average loss rate</b> | <b>Loss allowance</b> |
| Current                     | \$ 279,222                       | -                                      | -                     |
| 1 to 30 days past due       | 76                               | -                                      | -                     |
| 31 to 60 days past due      | -                                | -                                      | -                     |
| 61 to 90 days past due      | -                                | -                                      | -                     |
| 91 to 120 days past due     | -                                | -                                      | -                     |
| 121 to 150 days past due    | -                                | 0.44%                                  | -                     |
| 151 to 180 days past due    | -                                | 1.69%                                  | -                     |
| More than 181 days past due | 165                              | 100%                                   | 165                   |
|                             | <u><u>\$ 279,463</u></u>         |  | <u><u>165</u></u>     |

The movements in the allowance for notes, and accounts receivable were as follows:

|   | <b>Accounts receivable</b> |
|---|----------------------------|
| Balance at September 30, 2024 (same as beginning at January 1 , 2024) | \$ -                       |
| Balance at September 30, 2023 (same as beginning at January 1 , 2023) | <u><u>\$ 165</u></u>       |

The notes and accounts receivables of the Group were not collateralized.

For further credit risk information, please refer to note 6(q).

(e) Inventories

|                        | <b>September 30,<br/>2024</b> | <b>December 31,<br/>2023</b> | <b>September 30,<br/>2023</b> |
|------------------------|-------------------------------|------------------------------|-------------------------------|
| Raw materials          | \$ 152,426                    | 132,346                      | 130,124                       |
| Work in progress       | 53,044                        | 64,786                       | 64,502                        |
| Finished goods         | 58,155                        | 73,799                       | 78,114                        |
| Merchandise            | 10,971                        | 12,161                       | 7,473                         |
| Inventories in transit | 12,727                        | 11,549                       | 13,704                        |
|                        | <u><u>\$ 287,323</u></u>      | <u><u>294,641</u></u>        | <u><u>293,917</u></u>         |

Except for cost of goods sold and inventories recognized as operating cost, the remaining gains or losses which were recognized as operating cost or deduction of operating cost were as follows:

|                                    | <b>For the three months<br/>ended September 30,<br/>2024</b> | <b>For the three months<br/>ended September 30,<br/>2023</b> | <b>For the nine months<br/>ended September 30,<br/>2024</b> | <b>For the nine months<br/>ended September 30,<br/>2023</b> |
|------------------------------------|--|--|---|---|
| Gains on physical inventory        | \$ (431)   | (237)  | (1,031)   | (592)   |
| Unallocated production overheads   | 23,694   | 16,589   | 65,402  | 47,054  |
| Losses on valuation of inventories | 700  | 32   | 2,500   | 32  |
|                                    | <u><u>\$ 23,963</u></u>                                      | <u><u>16,384</u></u>   | <u><u>66,871</u></u>  | <u><u>46,494</u></u>  |

The inventories of the Group were not collateralized.

(Continued)

**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(f) Property, plant and equipment

The cost and accumulated depreciation of the property, plant and equipment of the Group for the nine months ended September 30, 2024 and 2023 were as follows:

|   | Land             | Building and structures | Machinery and equipment | Transportation equipment | Office equipment | Other equipment | Construction in progress | Total            |
|---|------------------|-------------------------|-------------------------|--------------------------|------------------|-----------------|--------------------------|------------------|
| <b>Cost:</b>                                |                  |                         |                         |                          |                  |                 |                          |                  |
| Balance at January 1, 2024                  | \$ 91,834        | 1,819,008               | 994,554                 | 11,385                   | 22,295           | 241,428         | 57,981                   | 3,238,485        |
| Additions                                   | -                | 65,991                  | 8,832                   | 2,476                    | 6,815            | 5,314           | 2,219                    | 91,647           |
| Disposals                                   | -                | (5,943)                 | -                       | -                        | -                | (1,354)         | -                        | (7,297)          |
| Reclassification (Note 1)                   | -                | 132,019                 | 3,326                   | -                        | 12,121           | 8,644           | (58,417)                 | 97,693           |
| Effect on changes in foreign exchange rates | -                | 11,331                  | 4,687                   | 38                       | 6                | 2,415           | (22)                     | 18,455           |
| Balance at September 30, 2024               | <u>\$ 91,834</u> | <u>2,022,406</u>        | <u>1,011,399</u>        | <u>13,899</u>            | <u>41,237</u>    | <u>256,447</u>  | <u>1,761</u>             | <u>3,438,983</u> |
| Balance at January 1, 2023                  | \$ 91,834        | 1,811,920               | 906,318                 | 11,215                   | 21,095           | 226,063         | 59,781                   | 3,128,226        |
| Additions                                   | -                | 2,769                   | 6,806                   | 170                      | 484              | 3,022           | -                        | 13,251           |
| Disposals                                   | -                | -                       | (317)                   | -                        | -                | (686)           | -                        | (1,003)          |
| Reclassification (Note 1)                   | -                | 4,200                   | 59,927                  | -                        | 719              | 8,731           | (1,800)                  | 71,777           |
| Effect on changes in foreign exchange rates | -                | 18,684                  | 7,730                   | 83                       | 96               | 3,933           | -                        | 30,526           |
| Balance at September 30, 2023               | <u>\$ 91,834</u> | <u>1,837,573</u>        | <u>980,464</u>          | <u>11,468</u>            | <u>22,394</u>    | <u>241,063</u>  | <u>57,981</u>            | <u>3,242,777</u> |
| <b>Accumulated depreciation</b>             |                  |                         |                         |                          |                  |                 |                          |                  |
| Balance at January 1, 2024                  | \$ -             | 321,739                 | 726,148                 | 8,925                    | 20,934           | 213,859         | -                        | 1,291,605        |
| Depreciation                                | -                | 37,301                  | 50,882                  | 813                      | 2,249            | 16,134          | -                        | 107,379          |
| Disposals                                   | -                | -                       | -                       | -                        | -                | (1,354)         | -                        | (1,354)          |
| Effect on changes in foreign exchange rates | -                | 1,758                   | 2,613                   | 49                       | 3                | 1,994           | -                        | 6,417            |
| Balance at September 30, 2024               | <u>\$ -</u>      | <u>360,798</u>          | <u>779,643</u>          | <u>9,787</u>             | <u>23,186</u>    | <u>230,633</u>  | <u>-</u>                 | <u>1,404,047</u> |
| Balance at January 1, 2023                  | \$ -             | 276,791                 | 658,497                 | 8,077                    | 19,872           | 192,148         | -                        | 1,155,385        |
| Depreciation                                | -                | 33,727                  | 50,959                  | 652                      | 780              | 16,958          | -                        | 103,076          |
| Disposals                                   | -                | -                       | (317)                   | -                        | -                | (550)           | -                        | (867)            |
| Effect on changes in foreign exchange rates | -                | 2,895                   | 4,321                   | 83                       | 96               | 3,281           | -                        | 10,676           |
| Balance at September 30, 2023               | <u>\$ -</u>      | <u>313,413</u>          | <u>713,460</u>          | <u>8,812</u>             | <u>20,748</u>    | <u>211,837</u>  | <u>-</u>                 | <u>1,268,270</u> |
| <b>Carrying amounts:</b>                    |                  |                         |                         |                          |                  |                 |                          |                  |
| Balance at January 1, 2024                  | <u>\$ 91,834</u> | <u>1,497,269</u>        | <u>268,406</u>          | <u>2,460</u>             | <u>1,361</u>     | <u>27,569</u>   | <u>57,981</u>            | <u>1,946,880</u> |
| Balance at September 30, 2024               | <u>\$ 91,834</u> | <u>1,661,608</u>        | <u>231,756</u>          | <u>4,112</u>             | <u>18,051</u>    | <u>25,814</u>   | <u>1,761</u>             | <u>2,034,936</u> |
| Balance at January 1, 2023                  | <u>\$ 91,834</u> | <u>1,535,129</u>        | <u>247,821</u>          | <u>3,138</u>             | <u>1,223</u>     | <u>33,915</u>   | <u>59,781</u>            | <u>1,972,841</u> |
| Balance at September 30, 2023               | <u>\$ 91,834</u> | <u>1,524,160</u>        | <u>267,004</u>          | <u>2,656</u>             | <u>1,646</u>     | <u>29,226</u>   | <u>57,981</u>            | <u>1,974,507</u> |

(Note 1) Prepayments for business facilities were reclassified as property, plant and equipment.

As of September 30, 2024, December 31 and September 30, 2023, the property, plant and equipment of the Group had been pledged as collateral for borrowings; please refer to note 8.

(Continued)



**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(g) Right-of-use assets

The Group leases land and buildings. Information about leases for which the Group has been a lessee is presented below:

|   | <u>Land</u>       | <u>Buildings and<br/>structures</u> | <u>Total</u>   |
|---|-------------------|-------------------------------------|----------------|
| Cost:                                       |                   |                                     |                |
| Balance at January 1, 2024                  | \$ 370,150        | 31,794                              | 401,944        |
| Additions                                   | 6,636             | -                                   | 6,636          |
| Disposals                                   | (290)             | -                                   | (290)          |
| Effect on changes in foreign exchange rates | 1,552             | 37                                  | 1,589          |
| Balance at September 30, 2024               | <u>\$ 378,048</u> | <u>31,831</u>                       | <u>409,879</u> |
| Balance at January 1, 2023                  | \$ 369,843        | 38,201                              | 408,044        |
| Additions                                   | 290               | -                                   | 290            |
| Disposals                                   | -                 | (6,413)                             | (6,413)        |
| Effect on changes in foreign exchange rates | 2,576             | 49                                  | 2,625          |
| Balance at September 30, 2023               | <u>\$ 372,709</u> | <u>31,837</u>                       | <u>404,546</u> |
| Accumulated depreciation:                   |                   |                                     |                |
| Balance at January 1, 2024                  | \$ 31,521         | 25,242                              | 56,763         |
| Depreciation                                | 6,996             | 3,904                               | 10,900         |
| Disposals                                   | (290)             | -                                   | (290)          |
| Effect on changes in foreign exchange rates | 104               | 36                                  | 140            |
| Balance at September 30, 2024               | <u>\$ 38,331</u>  | <u>29,182</u>                       | <u>67,513</u>  |
| Balance at January 1, 2023                  | \$ 22,407         | 24,625                              | 47,032         |
| Depreciation                                | 6,839             | 4,337                               | 11,176         |
| Disposals                                   | -                 | (5,077)                             | (5,077)        |
| Effect on changes in foreign exchange rates | 172               | 40                                  | 212            |
| Balance at September 30, 2023               | <u>\$ 29,418</u>  | <u>23,925</u>                       | <u>53,343</u>  |
| Carrying amount:                            |                   |                                     |                |
| Balance at January 1, 2024                  | <u>\$ 338,629</u> | <u>6,552</u>                        | <u>345,181</u> |
| Balance at September 30, 2024               | <u>\$ 339,717</u> | <u>2,649</u>                        | <u>342,366</u> |
| Balance at January 1, 2023                  | <u>\$ 347,436</u> | <u>13,576</u>                       | <u>361,012</u> |
| Balance at September 30, 2023               | <u>\$ 343,291</u> | <u>7,912</u>                        | <u>351,203</u> |

(h) Short-term and long-term borrowings

(i) Short-term borrowings

|                        | <u>September 30,<br/>2024</u> | <u>December 31,<br/>2023</u> | <u>September 30,<br/>2023</u> |
|------------------------|-------------------------------|------------------------------|-------------------------------|
| Unsecured bank loans   | \$ -                          | -                            | 72,260                        |
| Unused credit lines    | \$ 795,667                    | 813,043                      | 745,433                       |
| Range of interest rate | -                             | 2%~6.39%                     | 2%~6.39%                      |

(Continued)

**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Parts of the Group's short-term borrowings will be settled in foreign currency. The details of foreign short-term liabilities were as follows:

|                        | <b>September 30,<br/>2024</b> | <b>December 31,<br/>2023</b> | <b>September 30,<br/>2023</b> |
|------------------------|-------------------------------|------------------------------|-------------------------------|
| USD (thousand dollars) | \$ -                          | -                            | 1,000                         |
| Convert to NTD         | \$ -                          | -                            | 32,260                        |

(ii) Long-term borrowings

|                                | <b>September 30,<br/>2024</b> | <b>December 31,<br/>2023</b> | <b>September 30,<br/>2023</b> |
|--------------------------------|-------------------------------|------------------------------|-------------------------------|
| Unsecured bank loans           | \$ 483,679                    | 593,693                      | 533,344                       |
| Less: Current portion          | 149,800                       | 147,463                      | 102,615                       |
| Unsecured long-term borrowings | \$ 333,879                    | 446,230                      | 430,729                       |
| Unused credit lines            | \$ -                          | -                            | 344,500                       |
| Range of interest rate         | 1.375%~1.475%                 | 1.25%~6.1%                   | 1.25%~6.1%                    |

Parts of the Group's long-term borrowings (included current portion) will be settled in foreign currency. The details of foreign long-term borrowings were as follows:

|                        | <b>September 30,<br/>2024</b> | <b>December 31,<br/>2023</b> | <b>September 30,<br/>2023</b> |
|------------------------|-------------------------------|------------------------------|-------------------------------|
| USD (thousand dollars) | \$ -                          | 833                          | 1,111                         |
| Convert to NTD         | \$ -                          | 25,592                       | 35,844                        |

As of September 30, 2024, the remaining balances of the long-term borrowings due were as follows:

| <b>Period</b>         | <b>Amount</b> |
|-----------------------|---------------|
| 2024.10.01~2025.09.30 | \$ 149,800    |
| 2025.10.01~2026.09.30 | 147,025       |
| 2026.10.01~2027.09.30 | 134,250       |
| 2027.10.01~2028.09.30 | 52,604        |
|                       | \$ 483,679    |

For the collateral for borrowing, please refer to note 8.

(i) Lease liabilities

|             | <b>September 30,<br/>2024</b> | <b>December 31,<br/>2023</b> | <b>September 30,<br/>2023</b> |
|-------------|-------------------------------|------------------------------|-------------------------------|
| Current     | \$ 10,240                     | 12,612                       | 12,681                        |
| Non-current | \$ 287,343                    | 288,225                      | 291,365                       |

For the maturity analysis, please refer to note 6(q).

(Continued)

**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The amounts recognized in profit or loss were as follows:

|  | For the three months<br>ended September 30,<br>2024 | For the three months<br>ended September 30,<br>2023 | For the nine months<br>ended September 30,<br>2024 | For the nine months<br>ended September 30,<br>2023 |
|--|---|---|--|--|
| Interest on lease liabilities                      | \$ <u>453</u>                                       | <u>467</u>  | <u>1,376</u>                                       | <u>1,423</u>                                       |
| Expenses relating to leases of<br>low-value assets | \$ <u>14</u>  | <u>14</u>   | <u>44</u>  | <u>33</u>  |

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

|                               | For the nine<br>months ended<br>September 30,<br>2024 | For the nine<br>months ended<br>September 30,<br>2023 |
|-------------------------------|---|---|
| Total cash outflow for leases | \$ <u>11,013</u>                                      | <u>11,298</u>   |

As of September 30, 2024 and 2023 the Group leases land , buildings and structures for its office space , warehouse and parking lot . The leases run for a period of 2 to 20 years . Some leases include an option to renew the lease for an additional period of 2 to 20 years after the end of the contract term.

Some leases of equipment contain extension options exercisable. These leases are negotiated and monitored by local management, and accordingly, contain a wide range of different terms and conditions. The extension options held are exercisable only by the Group and not by the lessors. In which leasee is not reasonably certain to use an optional extended lease term, payments associated with the optional period are not included within lease liabilities.

(j) Employee benefits

(i) Defined benefit plans

Management believes that there was no material volatility of the market, no material reimbursement and settlement or other material one time events since prior fiscal year. As a result, the pension cost in the accompanying interim period was measured and disclosed according to the actuarial report as of December 31, 2023 and 2022.

The expenses recognized in profit or loss for the Group were as follows:

|                    | For the three months<br>ended September 30,<br>2024 | For the three months<br>ended September 30,<br>2023 | For the nine months<br>ended September 30,<br>2024 | For the nine months<br>ended September 30,<br>2023 |
|--------------------|---|---|--|--|
| Operating costs    | \$ 77   | 77  | 230  | 231  |
| Operating expenses | 192   | 156   | 577  | 1,689  |
|                    | \$ <u>269</u>                                       | <u>233</u>  | <u>807</u>   | <u>1,920</u>                                       |

(Continued)

**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(ii) Defined contribution plans

The pension costs incurred from the contributions to the Bureau of the Labor Insurance were as follow:

|                    | For the three months<br>ended September 30,<br>2024 | For the three months<br>ended September 30,<br>2023 | For the nine months<br>ended September 30,<br>2024 | For the nine months<br>ended September 30,<br>2023 |
|--------------------|---|---|--|--|
| Operating costs    | \$ 1,542  | 1,378   | 4,434  | 4,135  |
| Operating expenses | 764   | 763   | 2,308  | 2,262  |
|                    | <u>\$ 2,306</u>                                     | <u>2,141</u>  | <u>6,742</u>                                       | <u>6,397</u>                                       |

(iii) The Group's subsidiaries incorporated in the Philippine have a defined contribution plan, wherein a monthly contribution to an independent fund, administered by the government in accordance with the pension regulations in the Republic of the Philippines, are based on certain percentage of employees' monthly salaries and wages. The Group recognized the pension costs were as follows:

|                    | For the three months<br>ended September 30,<br>2024 | For the three months<br>ended September 30,<br>2023 | For the nine months<br>ended September 30,<br>2024 | For the nine months<br>ended September 30,<br>2023 |
|--------------------|---|---|--|--|
| Operating costs    | \$ 53   | 52  | 132  | 119  |
| Operating expenses | 23  | 27  | 68   | 56   |
|                    | <u>\$ 76</u>  | <u>79</u>   | <u>200</u>   | <u>175</u>   |

(k) Income taxes

The amounts of income tax were as follows:

|                              | For the three months<br>ended September 30,<br>2024 | For the three months<br>ended September 30,<br>2023 | For the nine months<br>ended September 30,<br>2024 | For the nine months<br>ended September 30,<br>2023 |
|------------------------------|---|---|--|--|
| Current tax expenses         | \$ 40,860   | 31,676  | 108,412  | 91,659   |
| Adjustment for prior periods | -   | -   | (800)  | (2,887)  |
| Income tax expenses          | <u>\$ 40,860</u>                                    | <u>31,676</u>                                       | <u>107,612</u>                                     | <u>88,772</u>                                      |

The Company's income tax returns for all years through 2022 were assessed by the tax authorities.

(l) Capital and other equity

Except for the following disclosure, there was no significant change for capital and other equity for the periods from January 1 to September 30, 2024 and 2023. For the related information, please refer to note 6(l) of the consolidated financial statements for the year ended December 31, 2023.

As of September 30, 2024, December 31 2023 and September 30, 2023, the total number of authorized ordinary shares were both 120,000 thousand shares, with a par value of NT\$10 per share, of which 69,298 thousand shares were issued and outstanding. All issued shares were paid up upon issuance.

(Continued)

**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(i) Capital surplus

Balances of capital surplus at the reporting date were as follows:

|                            | <b>September 30,<br/>2024</b> | <b>December 31,<br/>2023</b> | <b>September 30,<br/>2023</b> |
|----------------------------|-------------------------------|------------------------------|-------------------------------|
| Share capital              | \$ 315,168                    | 315,168                      | 315,168                       |
| Donation from shareholders | 1,760                         | 1,782                        | -                             |
|                            | <b><u>\$ 316,928</u></b>      | <b><u>316,950</u></b>        | <b><u>315,168</u></b>         |

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

(ii) Retained earnings

The Company's Articles of Incorporation stipulate that 10% of the annual income or earnings, after deducting any accumulated deficit, shall be set aside as a legal reserve. When the balance of such legal reserve reaches an amount equal to the paid-in capital, the appropriation to legal reserves is discontinued. If there are surplus profits remaining, at least 20% shall be allocated for distribution of shareholder dividends. The Board of Directors drafts a dividend distribution proposal and submits it to the shareholders meeting for resolution, in which cash dividends should make up at least 20% or more.

The Company should distribute dividends, bonuses, and capital reserves with cash. Distribution of dividends shall be undertaken by a resolution adopted by a majority vote at a Board meeting attended by at least two-thirds of the total number of directors, and a report of such distribution shall be submitted to the shareholders' meeting.

Because the industry the Company is involved in is undergoing a steady period of growth, the conditions, amount, and type of dividends mentioned in the preceding articles can be adjusted in response to the shifting market conditions and industry changes. In the mean time, the Company should consider the sustainable development and capital needs.

1) Legal reserve

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

(Continued)

**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

2) Special reserve

In accordance with Ruling No. 1010012865 issued by the FSC on April 6, 2012, a portion of current-period earnings and undistributed prior-period earnings shall be reclassified as special earnings reserve during earnings distribution. The amount to be reclassified should equal the current-period total net reduction of other shareholders' equity. Similarly, a portion of undistributed prior-period earnings shall be reclassified as special earnings reserve (which does not qualify for earnings distribution) to account for cumulative changes to other shareholders' equity pertaining to prior periods. The amounts of subsequent reversals pertaining to the net reduction of other shareholders' equity shall qualify for additional distributions.

3) Earnings distribution

On March 6, 2024, the board of directors' meeting resolved to distribute the 2023 earnings. On March 9, 2023, the board of directors' meeting resolved to distribute the 2022 earnings. These earnings were appropriated as follows:

|   | <b>2023</b>                           |                   | <b>2022</b>                           |                |
|---|---------------------------------------|-------------------|---------------------------------------|----------------|
|   | <b>Amount<br/>per share<br/>(NTD)</b> | <b>Amount</b>     | <b>Amount<br/>per share<br/>(NTD)</b> | <b>Amount</b>  |
| Dividends distributed to ordinary shareholders: |                                       |                   |                                       |                |
| Cash  | \$ 4.50                               | <u>\$ 311,843</u> | 4.50                                  | <u>311,843</u> |

(iii) Other equity

|  | <b>Exchange differences on<br/>translation of foreign<br/>financial statements</b> |
|--|--|
| Balance at January 1, 2024                 | \$ 10,683  |
| Exchange differences on foreign operations | 16,102   |
| Balance at September 30, 2024              | <u>\$ 26,785</u>   |
|  | <b>Exchange differences on<br/>translation of foreign<br/>financial statements</b> |
| Balance at January 1, 2023                 | \$ (1,102)   |
| Exchange differences on foreign operations | 26,709   |
| Balance at September 30, 2023              | <u>\$ 25,607</u>   |

(Continued)

**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(m) Earnings per share

The Company's earnings per share were calculated as follows:

(i) Basic earnings per share

|   | For the three months<br>ended September 30,<br>2024 | For the three months<br>ended September 30,<br>2023 | For the nine months<br>ended September 30,<br>2024 | For the nine months<br>ended September 30,<br>2023 |
|---|---|---|--|--|
| Profit attributable to ordinary<br>shareholders of the Company        | \$ <u>143,825</u>                                   | <u>146,080</u>                                      | <u>394,033</u>                                     | <u>347,365</u>                                     |
| Weighted-average number of<br>ordinary shares (in thousand<br>shares) | <u>69,298</u>                                       | <u>69,298</u>                                       | <u>69,298</u>                                      | <u>69,298</u>                                      |
| Basic earnings per share (express<br>in New Taiwan Dollars)           | \$ <u>2.08</u>                                      | <u>2.11</u>   | <u>5.69</u>  | <u>5.01</u>  |

(ii) Diluted earnings per share

|   | For the three months<br>ended September 30,<br>2024 | For the three months<br>ended September 30,<br>2023 | For the nine months<br>ended September 30,<br>2024 | For the nine months<br>ended September 30,<br>2023 |
|---|---|---|--|--|
| Profit attributable to ordinary<br>shareholders of the Company                  | \$ <u>143,825</u>                                   | <u>146,080</u>                                      | <u>394,033</u>                                     | <u>347,365</u>                                     |
| Weighted-average number of<br>ordinary shares (basic)(in<br>thousand shares)    | 69,298  | 69,298  | 69,298   | 69,298   |
| Effect on employee remuneration<br>(in thousand shares)                         | <u>203</u>  | <u>218</u>  | <u>264</u>   | <u>287</u>   |
| Weighted-average number of<br>ordinary shares (diluted)<br>(in thousand shares) | <u>69,501</u>                                       | <u>69,516</u>                                       | <u>69,562</u>                                      | <u>69,585</u>                                      |
| Diluted earnings per share<br>(express in New Taiwan<br>Dollars)                | \$ <u>2.07</u>                                      | <u>2.10</u>   | <u>5.66</u>  | <u>4.99</u>  |

(n) Revenue from contracts with customers

(i) Disaggregation of revenue

|  | For the three months<br>ended September 30,<br>2024 | For the three months<br>ended September 30,<br>2023 | For the nine months<br>ended September 30,<br>2024 | For the nine months<br>ended September 30,<br>2023 |
|--|---|---|--|--|
| Primary geographical markets:                                  |   |   |  |  |
| Asia   | \$ 271,131  | 206,366   | 722,054  | 667,094  |
| South America  | 46,989  | 44,428  | 134,487  | 134,143  |
| North America  | 72,776  | 90,404  | 230,518  | 184,358  |
| Others   | <u>162,417</u>                                      | <u>156,895</u>                                      | <u>481,269</u>                                     | <u>440,689</u>                                     |
| Total  | \$ <u>553,313</u>                                   | <u>498,093</u>                                      | <u>1,568,328</u>                                   | <u>1,426,284</u>                                   |
| Major products service lines:                                  |   |   |  |  |
| Manufacturing, trading and<br>selling of medical<br>consumable | \$ <u>553,313</u>                                   | <u>498,093</u>                                      | <u>1,568,328</u>                                   | <u>1,426,284</u>                                   |

(Continued)

**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(ii) Contract balances

|                                | September 30,<br>2024 | December 31,<br>2023 | September 30,<br>2023 |
|--------------------------------|-----------------------|----------------------|-----------------------|
| Notes and accounts receivable  | \$ 277,858            | 259,157              | 279,463               |
| Less: allowance for impairment | -                     | -                    | (165)                 |
| Total                          | <u>\$ 277,858</u>     | <u>259,157</u>       | <u>279,298</u>        |
|                                | September 30,<br>2024 | December 31,<br>2023 | September 30,<br>2023 |
| Current contract liabilities   | <u>\$ 42,091</u>      | <u>38,082</u>        | <u>44,524</u>         |

For details on accounts receivable and allowance for impairment, please refer to note 6(d).

The amount of revenue recognized for the nine months ended September 30, 2024 and 2023 that was included in the contract liability balance at the beginning of the period were \$32,612 and \$40,703, respectively.

The major change in the balance of contract assets and liabilities is the difference between the time frame in the performance obligation to be satisfied and the payment to be received.

(o) Remuneration to employees and directors

According to the Article of Association, once the Company has annual profit, it should appropriate no less than 5% of the profit to its employees and 1.6% or less to its directors.

The Company's estimated remuneration is as follows:

|                         | For the three months<br>ended September 30,<br>2024 | For the three months<br>ended September 30,<br>2023 | For the nine months<br>ended September 30,<br>2024 | For the nine months<br>ended September 30,<br>2023 |
|-------------------------|---|---|--|--|
| Employees' remuneration | \$ 9,755  | 9,426   | 26,448   | 23,136   |
| Directors' remuneration | 3,121   | 3,313   | 8,463  | 7,995  |
|                         | <u>\$ 12,876</u>                                    | <u>12,739</u>                                       | <u>34,911</u>                                      | <u>31,131</u>                                      |

The amount of employees' remuneration, and directors' remuneration were estimated based on profit before tax, net of the amount of the remuneration, and multiplied by the rule of Company's Article of Association. The above remuneration were included in the operating expenses of the nine months ended September 30, 2024 and 2023. The differences between the actual distributed amounts as determined by the Board of Directors and those recognized in the financial statements, if any, shall be accounted for as changes in accounting estimates and recognized in profit or loss in the following year.

The remunerations to employees amounted to \$30,179 and \$32,969, respectively, for the years ended December 31, 2023 and 2022. The remunerations to directors amounted to \$9,657 and \$10,550, respectively, for the years ended December 31, 2023 and 2022.

(Continued)



## BIOTEQUE CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

There was no difference between the actual distributed amounts as determined by the Board of Directors and those recognized in the financial statement for the years of 2023 and 2022.

The related information mentioned above can be found on websites such as the Market Observation Post System.

(p) Non-operating income and expenses

(i) Interest income

|                                   | For the three months<br>ended September 30,<br>2024 | For the three months<br>ended September 30,<br>2023 | For the nine months<br>ended September 30,<br>2024 | For the nine months<br>ended September 30,<br>2023 |
|-----------------------------------|---|---|--|--|
| Interest income:                  |   |   |  |  |
| Interest income from RP bills     | \$ -  | -   | -  | 7  |
| Interest income from deposit      | 4   | 4   | 14   | 13   |
| Interest income from bank deposit | 2,850   | 3,029   | 9,592  | 7,666  |
| Other                             | 53  | -   | 252  | -  |
|                                   | <u>\$ 2,907</u>                                     | <u>3,033</u>  | <u>9,858</u>                                       | <u>7,686</u>                                       |

(ii) Other income

|                     | For the three months<br>ended September 30,<br>2024 | For the three months<br>ended September 30,<br>2023 | For the nine months<br>ended September 30,<br>2024 | For the nine months<br>ended September 30,<br>2023 |
|---------------------|---|---|--|--|
| Subsidy revenue     | \$ 77   | 102   | 144  | 339  |
| Compensation income | 4,917   | 1   | 5,042  | 32   |
| Others              | 1,160   | 728   | 2,898  | 1,850  |
| Rental income       | 196   | -   | 696  | -  |
|                     | <u>\$ 6,350</u>                                     | <u>831</u>  | <u>8,780</u>                                       | <u>2,221</u>                                       |

(iii) Other gains and losses

|  | For the three months<br>ended September 30,<br>2024 | For the three months<br>ended September 30,<br>2023 | For the nine months<br>ended September 30,<br>2024 | For the nine months<br>ended September 30,<br>2023 |
|--|---|---|--|--|
| Foreign exchange gains (losses)                                | \$ (3,507)  | 10,619  | 11,372   | 14,669   |
| Gains on financial assets at fair value through profit or loss | 440   | 350   | 1,243  | 2,185  |
| Gains (losses) on financial assets at amortized cost           | (1,401)   | 3,962   | 3,748  | 5,110  |
| Others   | (5,977)   | (87)  | (6,273)  | (319)  |
|  | <u>\$ (10,445)</u>                                  | <u>14,844</u>                                       | <u>10,090</u>                                      | <u>21,645</u>                                      |

(iv) Finance costs

|                                       | For the three months<br>ended September 30,<br>2024 | For the three months<br>ended September 30,<br>2023 | For the nine months<br>ended September 30,<br>2024 | For the nine months<br>ended September 30,<br>2023 |
|---------------------------------------|---|---|--|--|
| Interest expense on bank borrowings   | \$ 1,772  | 2,636   | 5,864  | 7,382  |
| Interest expense on lease liabilities | 454   | 467   | 1,376  | 1,423  |
|                                       | <u>\$ 2,226</u>                                     | <u>3,103</u>  | <u>7,240</u>                                       | <u>8,805</u>                                       |

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**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(q) Financial instruments

Except for the content mentioned below, there was no significant change in the fair value of the Group's financial instruments and degree of exposure to credit risk, liquidity risk and market risk arising from financial instruments. For the related information please refer to note 6(q) of the consolidated financial statements for the year ended December 31, 2023. Regarding how the financial instruments are considered to have low credit risk, please refer to note 4(g) of the consolidated financial statements for the year ended December 31, 2023.

(i) Credit risk

1) Credit risk exposure

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

As of September 30, 2024, December 31, 2023 and September 30, 2023, 39%, 36% and 36 % of the Group's notes and accounts receivable were concentrated on 3, 2 and 3 specific customers respectively. Accordingly, concentrations of credit risk exist.

2) Receivables securities

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

Other financial assets at amortized costs Mainly time deposits.

As of these financial assets are considered to have low risk, and thus, the impairment provision recognized during the period was limited to 12 months expected losses.

The correlation credit risk , please refer to note 6(c).

(ii) Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

|  | <u>Carrying<br/>amount</u> | <u>Contractual<br/>cash flows</u> | <u>within 1 year</u> | <u>1-2 years</u> | <u>2-5 years</u> | <u>Over 5 years</u> |
|--|----------------------------|-----------------------------------|----------------------|------------------|------------------|---------------------|
| <b>September 30, 2024</b>                        |                            |                                   |                      |                  |                  |                     |
| Non-derivative financial liabilities             |                            |                                   |                      |                  |                  |                     |
| Notes payable                                    | \$ 190                     | 190                               | 190                  | -                | -                | -                   |
| Accounts payable                                 | 112,769                    | 112,769                           | 112,769              | -                | -                | -                   |
| Other payables                                   | 132,417                    | 132,417                           | 132,417              | -                | -                | -                   |
| Payables on machinery and equipment              | 24,470                     | 24,470                            | 24,470               | -                | -                | -                   |
| Long-term borrowings (including current portion) | 483,679                    | 488,916                           | 152,361              | 148,759          | 187,796          | -                   |
| Lease liabilities (current and non-current)      | 297,583                    | 329,945                           | 11,996               | 9,283            | 27,850           | 280,816             |
|  | <u>\$ 1,051,108</u>        | <u>1,088,707</u>                  | <u>434,203</u>       | <u>158,042</u>   | <u>215,646</u>   | <u>280,816</u>      |

(Continued)

## BIOTEQUE CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

|  | Carrying<br>amount  | Contractual<br>cash flows | within 1 year  | 1-2 years      | 2-5 years      | Over 5 years   |
|--|---------------------|---------------------------|----------------|----------------|----------------|----------------|
| <b>December 31, 2023</b>                         |                     |                           |                |                |                |                |
| Non-derivative financial liabilities             |                     |                           |                |                |                |                |
| Notes payable                                    | \$ 211              | 211                       | 211            | -              | -              | -              |
| Accounts payable                                 | 136,801             | 136,801                   | 136,801        | -              | -              | -              |
| Other payables                                   | 136,019             | 136,019                   | 136,019        | -              | -              | -              |
| Payables on machinery and equipment              | 103,930             | 103,930                   | 103,930        | -              | -              | -              |
| Long-term borrowings (including current portion) | 593,693             | 600,729                   | 150,408        | 151,895        | 298,426        | -              |
| Lease liabilities (current and non-current)      | 300,837             | 333,865                   | 14,397         | 10,495         | 27,262         | 281,711        |
|  | <u>\$ 1,271,491</u> | <u>1,311,555</u>          | <u>541,766</u> | <u>162,390</u> | <u>325,688</u> | <u>281,711</u> |
| <b>September 30, 2023</b>                        |                     |                           |                |                |                |                |
| Non-derivative financial liabilities             |                     |                           |                |                |                |                |
| Short-term borrowings                            | \$ 72,260           | 72,422                    | 72,422         | -              | -              | -              |
| Notes payable                                    | 193                 | 193                       | 193            | -              | -              | -              |
| Accounts payable                                 | 105,177             | 105,177                   | 105,177        | -              | -              | -              |
| Other payables                                   | 130,076             | 130,076                   | 130,076        | -              | -              | -              |
| Payables on machinery and equipment              | 110,965             | 110,965                   | 110,965        | -              | -              | -              |
| Long-term borrowings (including current portion) | 533,344             | 540,371                   | 105,159        | 116,585        | 318,627        | -              |
| Lease liabilities (current and non-current)      | 304,046             | 337,536                   | 14,490         | 11,801         | 27,263         | 283,982        |
|  | <u>\$ 1,256,061</u> | <u>1,296,740</u>          | <u>538,482</u> | <u>128,386</u> | <u>345,890</u> | <u>283,982</u> |

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

(iii) Market risk

1) Currency risk

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

|  | September 30, 2024                    |                  |         | December 31, 2023                     |                  |         | September 30, 2023                    |                  |         |
|--|---------------------------------------|------------------|---------|---------------------------------------|------------------|---------|---------------------------------------|------------------|---------|
|  | Foreign<br>currency<br>(in thousands) | Exchange<br>rate | NTD     | Foreign<br>currency<br>(in thousands) | Exchange<br>rate | NTD     | Foreign<br>currency<br>(in thousands) | Exchange<br>rate | NTD     |
| <b>Financial assets</b>                              |                                       |                  |         |                                       |                  |         |                                       |                  |         |
| <u>Monetary items</u>                                |                                       |                  |         |                                       |                  |         |                                       |                  |         |
| USD  | \$ 12,368                             | 31.65            | 391,440 | 14,453                                | 30.71            | 443,842 | 15,591                                | 32.26            | 502,957 |
| EUR  | 255                                   | 35.43            | 9,043   | 509                                   | 33.92            | 17,256  | 1,069                                 | 33.92            | 36,257  |
| JPY  | 69,259                                | 0.2223           | 15,393  | 24,898                                | 0.2163           | 5,385   | 26,761                                | 0.2163           | 5,788   |
| PHP  | 173,584                               | 0.5680           | 98,596  | 152,229                               | 0.5521           | 84,045  | 175,813                               | 0.5669           | 99,664  |
| CNY  | 12,638                                | 4.528            | 57,226  | 17,981                                | 4.415            | 79,387  | 17,249                                | 4.415            | 76,153  |
| <u>Investments accounted for using equity method</u> |                                       |                  |         |                                       |                  |         |                                       |                  |         |
| USD  | 15,363                                | 31.65            | 486,253 | 15,292                                | 30.71            | 469,626 | 15,739                                | 32.26            | 507,740 |
| PHP  | 117,007                               | 0.5680           | 66,460  | 85,118                                | 0.5521           | 46,993  | 76,823                                | 0.5669           | 43,549  |
| <b>Financial liabilities</b>                         |                                       |                  |         |                                       |                  |         |                                       |                  |         |
| <u>Monetary items</u>                                |                                       |                  |         |                                       |                  |         |                                       |                  |         |
| USD  | 2,108                                 | 31.65            | 66,714  | 2,416                                 | 30.71            | 74,182  | 2,081                                 | 32.26            | 67,124  |
| EUR  | 49                                    | 35.43            | 1,732   | 233                                   | 33.92            | 7,917   | 135                                   | 33.92            | 4,565   |
| JPY  | 62,361                                | 0.2223           | 13,860  | 54,385                                | 0.2163           | 11,763  | 36,636                                | 0.2163           | 7,924   |
| PHP  | 12,255                                | 0.5680           | 6,961   | 9,463                                 | 0.5521           | 5,225   | 11,483                                | 0.5669           | 6,509   |

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## BIOTEQUE CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

The Group's exposure to foreign currency risk arise from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts receivables, other receivables, accounts payable, other payables and payables on machinery and equipment that are denominated in foreign currency.

A depreciation (appreciation) of 1% of the NTD against the foreign currency for the nine months ended September 30, 2024 and 2023, would have increased (decreased), the net profit before tax by \$4,824 and \$6,347, respectively. The analysis is performed on the same basis for 2023.

Since the Group has many kinds of functional currency, the information on foreign exchange gain (loss) on monetary items is disclosed by total amount. For the nine months ended September 30, 2024 and 2023, foreign exchange gains(losses) (including realized and unrealized portions) amounted to \$11,372 and \$14,669 , respectively.

#### 2) Interest rate analysis

Please refer to the notes on liquidity risk management and interest rate exposure of the Group's financial assets and liabilities.

The following sensitivity analysis is based on the exposure to the interest rate risk of non-derivative financial instruments on the reporting date. Regarding assets with variable interest rates, the analysis is based on the assumption that the amount of assets outstanding at the reporting date was outstanding throughout the year. The rate of change is expressed as the interest rate increases or decreases by 1% when reporting to management internally, which also represents the Group management's assessment of the reasonably possible interest rate change.

If the interest rate had increased / decreased by 1%, the Group's net profit before tax would have decreased / increased by \$3,628 and \$4,542 for the nine months ended September 30, 2024 and 2023, respectively, with all other variable factors remain constant. This is mainly due to the Group's borrowing at floating rates.

#### 3) Other market price risk

For the nine months ended September 30, 2024 and 2023, the sensitivity analyzes for the changes in the securities price at the reporting date were performed using the same basis for the profit and loss as illustrated below:

|  | For the nine months ended September 30 |                       |                                       |                       |
|--|--|-----------------------|---------------------------------------|-----------------------|
|  | 2024                                   |                       | 2023                                  |                       |
|  | Other comprehensive income before tax  | Net profit before tax | Other comprehensive income before tax | Net profit before tax |
| Prices of securities at the reporting date |  |                       |                                       |                       |
| Increasing 1%                              | \$ -                                   | 1,198                 | -                                     | 1,233                 |
| Decreasing 1%                              | \$ -                                   | (1,198)               | -                                     | (1,233)               |

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**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(iv) Fair value of financial instruments

1) Fair value hierarchy

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

| <b>September 30, 2024</b>   |                     |                   |                |                |                |
|---|---------------------|-------------------|----------------|----------------|----------------|
|   | <b>Book value</b>   | <b>Fair value</b> |                |                | <b>Total</b>   |
|   |                     | <b>Level 1</b>    | <b>Level 2</b> | <b>Level 3</b> |                |
| Financial assets at fair value through profit or loss                                     |                     |                   |                |                |                |
| Non-derivative financial assets mandatorily measured at fair value through profit or loss | \$ 119,834          | 119,834           | -              | -              | 119,834        |
| Financial assets measured at amortized cost   |                     |                   |                |                |                |
| Cash and cash equivalents   | 1,319,102           | -                 | -              | -              | -              |
| Financial assets measured at amortized cost   | 5,647               | -                 | -              | -              | -              |
| Receivables   | 277,858             | -                 | -              | -              | -              |
| Other financial assets  | 4,230               | -                 | -              | -              | -              |
| Subtotal  | 1,606,837           | -                 | -              | -              | -              |
| Total   | <u>\$ 1,726,671</u> | <u>119,834</u>    | <u>-</u>       | <u>-</u>       | <u>119,834</u> |
| Financial liabilities measured at amortized cost  |                     |                   |                |                |                |
| Notes and accounts payable  | \$ 112,959          | -                 | -              | -              | -              |
| Other payables  | 132,417             | -                 | -              | -              | -              |
| Payables on machinery and equipment   | 24,470              | -                 | -              | -              | -              |
| Long-term borrowings (including current portion)  | 483,679             | -                 | -              | -              | -              |
| Lease liabilities (current and non-current)   | 297,583             | -                 | -              | -              | -              |
| Total   | <u>\$ 1,051,108</u> | <u>-</u>          | <u>-</u>       | <u>-</u>       | <u>-</u>       |
| <b>December 31, 2023</b>  |                     |                   |                |                |                |
|   | <b>Book value</b>   | <b>Fair value</b> |                |                | <b>Total</b>   |
|   |                     | <b>Level 1</b>    | <b>Level 2</b> | <b>Level 3</b> |                |
| Financial assets at fair value through profit or loss                                     |                     |                   |                |                |                |
| Non-derivative financial assets mandatorily measured at fair value through profit or loss | \$ 118,591          | 118,591           | -              | -              | 118,591        |
| Financial assets measured at amortized cost   |                     |                   |                |                |                |
| Cash and cash equivalents   | 1,353,815           | -                 | -              | -              | -              |
| Financial assets measured at amortized cost   | 92,130              | -                 | -              | -              | -              |
| Receivables   | 259,157             | -                 | -              | -              | -              |
| Other financial assets  | 4,340               | -                 | -              | -              | -              |
| Subtotal  | 1,709,442           | -                 | -              | -              | -              |
| Total   | <u>\$ 1,828,033</u> | <u>118,591</u>    | <u>-</u>       | <u>-</u>       | <u>118,591</u> |
| Financial liabilities measured at amortized cost  |                     |                   |                |                |                |
| Notes and accounts payable  | \$ 137,012          | -                 | -              | -              | -              |
| Other payables  | 136,019             | -                 | -              | -              | -              |
| Payables on machinery and equipment   | 103,930             | -                 | -              | -              | -              |
| Long-term borrowings (including current portion)  | 593,693             | -                 | -              | -              | -              |
| Lease liabilities (current and non-current)   | 300,837             | -                 | -              | -              | -              |
| Total   | <u>\$ 1,271,491</u> | <u>-</u>          | <u>-</u>       | <u>-</u>       | <u>-</u>       |

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**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

|   |                     | September 30, 2023 |          |          |                |
|---|---------------------|--------------------|----------|----------|----------------|
|   |                     | Fair value         |          |          |                |
|   | Book value          | Level 1            | Level 2  | Level 3  | Total          |
| Financial assets at fair value through profit or loss                                     |                     |                    |          |          |                |
| Non-derivative financial assets mandatorily measured at fair value through profit or loss | \$ 123,302          | 123,302            | -        | -        | 123,302        |
| Financial assets measured at amortized cost   |                     |                    |          |          |                |
| Cash and cash equivalents   | 1,092,287           | -                  | -        | -        | -              |
| Financial assets measured at amortized cost   | 147,040             | -                  | -        | -        | -              |
| Notes and accounts receivables  | 279,298             | -                  | -        | -        | -              |
| Other financial assets  | 4,376               | -                  | -        | -        | -              |
| Subtotal  | 1,523,001           | -                  | -        | -        | -              |
| Total   | <u>\$ 1,646,303</u> | <u>123,302</u>     | <u>-</u> | <u>-</u> | <u>123,302</u> |
| Financial liabilities measured at amortized cost  |                     |                    |          |          |                |
| Short-term borrowing  | \$ 72,260           | -                  | -        | -        | -              |
| Notes and accounts payable  | 105,370             | -                  | -        | -        | -              |
| Other payables  | 130,076             | -                  | -        | -        | -              |
| Payables on machinery and equipment   | 110,965             | -                  | -        | -        | -              |
| Long-term borrowings (including current portion)  | 533,344             | -                  | -        | -        | -              |
| Lease liabilities (current and non-current)   | 304,046             | -                  | -        | -        | -              |
| Total   | <u>\$ 1,256,061</u> | <u>-</u>           | <u>-</u> | <u>-</u> | <u>-</u>       |

2) Valuation techniques for financial instruments measured at fair value

A financial instrument is regarded as being quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's-length basis. Whether transactions are taking place 'regularly' is a matter of judgment and depends on the facts and circumstances of the market for the instrument.

Quoted market prices may not be indicative of the fair value of an instrument if the activity in the market is infrequent, the market is not well-established, only small volumes are traded, or bid-ask spreads are very wide. Determining whether a market is active involves judgment.

When the financial instruments of the Group are traded in an active market, its fair value is illustrated by the category and nature as follows:

The fair value of listed stocks and funds traded in an active market is based on the market quoted price.

Measurements of fair value of financial instruments without an active market are based on valuation technique or quoted price from a competitor. Fair value, measured by using valuation technique that can be extrapolated from either similar financial instruments or discounted cash flow method or other valuation techniques, including models, is calculated based on available market data at the reporting date.

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**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

3) Categories and fair values of financial instruments

The Group strives to use market observable inputs when measuring assets and liabilities. Different levels of the fair value hierarchy to be used in determining the fair value of financial instruments are as follows:

- a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- c) Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

For the nine months ended September 30, 2024 and 2023, there were no change on the fair value hierarchy of financial asset.

(r) Financial risk management

There were no significant changes in the Group's financial risk management and policies as disclosed in note 6(r) of the consolidated financial statements for the year ended December 31, 2023.

(s) Capital management

Management believes that the objectives, policies and processes of capital management of the Group has been applied consistently with those described in the consolidated financial statements for the year ended December 31, 2023. Also, management believes that there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2023. Please refer to Note 6(s) of the consolidated financial statements for the year ended December 31, 2023 for further details.

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

The Group's financial activities which did not affect the current cash flow for the nine months ended September 30, 2024 and September 30, 2023 were as follows:

- (i) For right-of-use assets under leases, please refer to note 6(g).

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**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(ii) Reconciliation of liabilities arising from financial activities was as follows:

|  | January 1,<br>2024 | Cash flows       | Non-cash changes                |              | September 30,<br>2024 |
|--|--------------------|------------------|---------------------------------|--------------|-----------------------|
|  |                    |                  | Foreign<br>exchange<br>movement | Other        |                       |
| Long-term borrowings (including current portion) | \$ 593,693         | (110,954)        | 940                             | -            | 483,679               |
| Lease liabilities (current and non-current)      | 300,837            | (9,593)          | 2                               | 6,337        | 297,583               |
| Total liabilities from financial activities      | <u>\$ 894,530</u>  | <u>(120,547)</u> | <u>942</u>                      | <u>6,337</u> | <u>781,262</u>        |

  

|  | January 1,<br>2023 | Cash flows    | Non-cash changes                |                | September 30,<br>2023 |
|--|--------------------|---------------|---------------------------------|----------------|-----------------------|
|  |                    |               | Foreign<br>exchange<br>movement | Other          |                       |
| Short-term borrowings                            | \$ -               | 70,510        | 1,750                           | -              | 72,260                |
| Long-term borrowings (including current portion) | 557,194            | (25,656)      | 1,806                           | -              | 533,344               |
| Lease liabilities (current and non-current)      | 315,234            | (9,842)       | 8                               | (1,354)        | 304,046               |
| Total liabilities from financial activities      | <u>\$ 872,428</u>  | <u>35,012</u> | <u>3,564</u>                    | <u>(1,354)</u> | <u>909,650</u>        |

**(7) Related-party transactions:**

(a) Names and relationship with the Group

| Name              | Relationship with the Group                         |
|-------------------|---|
| Keyao Co., Ltd.   | The entity has significant influence over the Group |
| Yide Co., Ltd.    | Other related party                                 |
| Yisheng Co., Ltd. | Other related party                                 |

(b) Significant transactions with related parties:

For the nine months ended September 30, 2024 and 2023, dividends paid to corporate shareholders were both \$52,340 thousand.

(c) Key management personnel compensation

Key management personnel compensation was comprised as below:

|                              | For the three months<br>ended September 30,<br>2024 | For the three months<br>ended September 30,<br>2023 | For the nine months<br>ended September 30,<br>2024 | For the nine months<br>ended September 30,<br>2023 |
|------------------------------|---|---|--|--|
| Short-term employee benefits | \$ 7,112  | 5,858   | 20,457   | 18,820   |
| Post-employment benefits     | 174   | 137   | 522  | 1,634  |
|                              | <u>\$ 7,286</u>                                     | <u>5,995</u>  | <u>20,979</u>                                      | <u>20,454</u>                                      |

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**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(8) Assets Pledged as security:**

| <u>Pledged assets</u>           | <u>Pledged to secure</u>        | <u>September 30,<br/>2024</u> | <u>December 31,<br/>2023</u> | <u>September 30,<br/>2023</u> |
|---------------------------------|---------------------------------|-------------------------------|------------------------------|-------------------------------|
| Other current financial assets: |                                 |                               |                              |                               |
| Restricted bank deposit         | Purchase guarantee              | \$ 601                        | 601                          | 601                           |
| Property, plant and equipment:  |                                 |                               |                              |                               |
| Land                            | Credit of short-term borrowings | -                             | 91,834                       | 91,834                        |
| Buildings and structures        | Credit of short-term borrowings | -                             | 157,174                      | 159,242                       |
|                                 |                                 | <u>\$ 601</u>                 | <u>249,609</u>               | <u>251,677</u>                |

**(9) Commitments and contingencies:**

(a) Contingencies

In prior years, the Group entered into the license agreement which has expired with a supplier. On July 5, 2018, the supplier filed a complaint which has not completed accusing the Group. The Group assess there is no significant impact on its financial statements.

(b) Notes issued as guarantee

|                                     | <u>September 30,<br/>2024</u> | <u>December 31,<br/>2023</u> | <u>September 30,<br/>2023</u> |
|-------------------------------------|-------------------------------|------------------------------|-------------------------------|
| Bank borrowings and lease guarantee | <u>\$ 1,964,950</u>           | <u>2,058,905</u>             | <u>2,067,430</u>              |

(c) The agreements for expansion of the factory and purchases of machinery and equipment

|                      | <u>September 30,<br/>2024</u> | <u>December 31,<br/>2023</u> | <u>September 30,<br/>2023</u> |
|----------------------|-------------------------------|------------------------------|-------------------------------|
| Total contract price | <u>\$ 32,004</u>              | <u>236,831</u>               | <u>235,215</u>                |
| Paid amount          | <u>\$ 23,141</u>              | <u>210,804</u>               | <u>209,820</u>                |

**(10) Losses Due to Major Disasters: None**

**(11) Subsequent Events: None**

(Continued)

**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(12) Other:**

(a) A summary of employee benefits, depreciation, and amortization, by function, is as follows:

| By item                    | By function | For the three months ended September 30, 2024 |                    |        | For the three months ended September 30, 2023 |                    |        |
|----------------------------|-------------|---|--------------------|--------|---|--------------------|--------|
|                            |             | Cost of sales                                 | Operating expenses | Total  | Cost of sales                                 | Operating expenses | Total  |
| Employee benefits          |             |   |                    |        |   |                    |        |
| Salary                     |             | 54,179  | 28,405             | 82,584 | 47,161  | 27,470             | 74,631 |
| Labor and health insurance |             | 4,620   | 1,841              | 6,461  | 4,189   | 1,838              | 6,027  |
| Pension                    |             | 1,672   | 979                | 2,651  | 1,507   | 946                | 2,453  |
| Remuneration of directors  |             | -   | 3,121              | 3,121  | -   | 3,313              | 3,313  |
| Others                     |             | 2,932   | 1,648              | 4,580  | 2,551   | 831                | 3,382  |
| Depreciation               |             | 38,072  | 3,129              | 41,201 | 35,176  | 2,881              | 38,057 |
| Amortization               |             | 363   | 497                | 860    | 290   | 507                | 797    |

| By item                    | By function | For the nine months ended September 30, 2024 |                    |         | For the nine months ended September 30, 2023 |                    |         |
|----------------------------|-------------|--|--------------------|---------|--|--------------------|---------|
|                            |             | Cost of sales                                | Operating expenses | Total   | Cost of sales                                | Operating expenses | Total   |
| Employee benefits          |             |  |                    |         |  |                    |         |
| Salary                     |             | 162,756                                      | 82,716             | 245,472 | 146,195                                      | 78,002             | 224,197 |
| Labor and health insurance |             | 13,210                                       | 5,744              | 18,954  | 12,595                                       | 5,579              | 18,174  |
| Pension                    |             | 4,796  | 2,953              | 7,749   | 4,485  | 4,007              | 8,492   |
| Remuneration of directors  |             | -  | 8,463              | 8,463   | -  | 7,995              | 7,995   |
| Others                     |             | 8,825  | 4,221              | 13,046  | 7,037  | 2,594              | 9,631   |
| Depreciation               |             | 109,631                                      | 8,648              | 118,279 | 105,988                                      | 8,264              | 114,252 |
| Amortization               |             | 1,085  | 1,559              | 2,644   | 837  | 1,537              | 2,374   |

(b) Seasonality of operations

The Group's operations were not affected by seasonality or cyclicity factors.

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BIOTEQUE CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

(13) Other disclosures:

(a) Information on significant transactions:

The followings is the information on the Group's significant transactions required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” for the nine months ended September 30, 2024:

(i) Loans to other parties:

(In thousands of NTD and USD)

| Number | Name of lender | Name of borrower            | Account name                             | Related party | Highest balance of financing to other parties during the period (Note 3) | Ending balance (Note 3) | Actual usage amount during the period (Note 4) | Range of interest rates during the period | Purposes of fund financing for the borrower (Note 1) | Transaction amount for business between two parties | Reasons for short-term financing | Allowance for bad debt | Collateral |       | Individual funding loan limits | Maximum limit of fund financing |
|--------|----------------|-----------------------------|--|---------------|--|-------------------------|--|---|--|---|----------------------------------|------------------------|------------|-------|--------------------------------|---------------------------------|
|        |                |                             |  |               |  |                         |  |   |  |   |                                  |                        | Item       | Value |                                |                                 |
| 0      | The Company    | BIOTEQUE MEDICAL PHIL. INC. | Accounts receivable from related parties | Yes           | 162,700 (USD 5,000 )   | 94,950 (USD 3,000 )     | 94,950 (USD 3,000 )                            | 3.00%                                     | 2  | -   | Working Capital                  | -                      | None       | -     | 3,288,397 (Note 2)             | 3,288,397 (Note 2)              |

Note 1: Purposes of lending were as follows:

- 1. Business relationship
- 2. Short-term financing

Note 2: For entities in which the Company, directly or indirectly, owned 100% of their shares, the amount available for financing shall not exceed the net worth of the borrower.

Note 3: The maximum balance for the period and ending balance represent the amounts approved by the Board of Directors.

Note 4: The amounts of the transaction and the ending balance had been offset in the consolidated financial statements.

(ii) Guarantees and endorsements for other parties:

(In thousands of NTD and USD)

| Number | Name of guarantor | Counterparty of guarantee and endorsement |  | Limitation on amount of guarantees and endorsements for a specific enterprise (Note 2) | Highest balance of guarantees and endorsements during the period | Balance of guarantees and endorsements as of reporting date | Actual usage amount | Property pledged for guarantees and endorsements (Amount) | Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements | Maximum amount for guarantees and endorsements (Note 1) | Parent company endorsements/ guarantees to third parties on behalf of subsidiary | Subsidiary endorsements/ guarantees to third parties on behalf of parent company | Endorsements/ guarantees to third parties on behalf of companies in Mainland China |
|--------|-------------------|---|--|--|--|---|---------------------|---|---|---|--|--|--|
|        |                   | Name                                      | Relationship with the Company (Note 3) |  |  |   |                     |   |   |   |  |  |  |
| 0      | The Company       | BIOTEQUE MEDICAL PHIL. INC.               | 2                                      | 207,894  | 178,970 (USD 5,500 )   | 94,950 (USD 3,000 )   | (USD - )            | -   | 2.89 %  | 339,561   | Y  | N  | N  |

Note 1: The total amount for the guarantees and endorsements provided by the Company to external entities shall not exceed 49% of the Company's shares. The total amount for the guarantees and endorsements provided by the Company and its subsidiaries to external entities shall not exceed 49% of the Company's net worth.

Note 2: The total amount for the guarantees and endorsements provided by the Company to any individual entity shall not exceed 30% of the Company's shares. The total amount for the guarantees and endorsements provided by the Company and its subsidiaries to any individual entity shall not exceed 30% of the Company's net worth.

Note 3: Relationship with the Company

- 1. Ordinary business relationship.
- 2. An entity, directly and indirectly, owned more than 50% voting shares of a guarantor.
- 3. A guarantor, directly and indirectly, owned more than 50% voting shares of an entity.
- 4. An entity, directly and indirectly, owned more than 90% voting shares of a guarantor.
- 5. Fulfillment of contractual obligations by providing mutual endorsements and guarantees for peer or joint builders in order to undertake a construction project.
- 6. An entity that is guaranteed and endorsed by all capital contributing shareholders in proportion to their shareholding percentages.
- 7. Peer engaged in the escrow of the sales contract on pre-sale house under the Consumer Protection Act.

(Continued)

## BIOTEQUE CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

(iii) Information regarding securities held at the reporting date (subsidiaries, associates and joint ventures not included):

(In thousands of NTD and shares)

| Name of holder | Category and name of security               | Relationship with company | Account title   | Ending balance              |                |                             |            | Remark |
|----------------|---|---------------------------|---|-----------------------------|----------------|-----------------------------|------------|--------|
|                |   |                           |   | Shares/Units (in thousands) | Carrying value | Percentage of ownership (%) | Fair value |        |
| The Company    | Capital Money Market Fund                   | None                      | Current financial assets at fair value through profit or loss | 641                         | 10,739         | -                           | 10,739     |        |
| "              | Yuanta Wan Tai Money Market Fund            | "                         | "   | 2,497                       | 39,242         | -                           | 39,242     |        |
| "              | Franklin Templeton Sinoam Money Market Fund | "                         | "   | 2,992                       | 32,143         | -                           | 32,143     |        |
| "              | Mega Diamond Money Market Fund              | "                         | "   | 2,894                       | 37,710         | -                           | 37,710     |        |
|                | Total                                       |                           |   |                             | 119,834        |                             | 119,834    |        |

Note: If there are public markets prices, the fair value shall be evaluated by the last operating date of the accounting duration.

(iv) Information regarding purchase or sale of securities for the period exceeding 300 million or 20% of the Company's paid-in capital: None.

(v) Information on acquisition of real estate with purchase amount exceeding 300 million or 20% of the Company's paid-in capital: None.

(In thousands of New Taiwan Dollars)

(vi) Information regarding receivables from disposal of real estate exceeding 300 million or 20% of the Company's paid-in capital: None.

(vii) Information regarding related-parties purchases and/or sales exceeding 100 million or 20% of the Company's paid-in capital: None.

(viii) Information regarding receivables from related-parties exceeding 100 million or 20% of the Company's paid-in capital:

(In thousands of New Taiwan Dollars)

| Name of company | Related party               | Nature of relationship | Ending balance | Turnover rate | Overdue |              | Amounts received in subsequent period | Allowance for bad debts |
|-----------------|-----------------------------|------------------------|----------------|---------------|---------|--------------|---------------------------------------|-------------------------|
|                 |                             |                        |                |               | Amount  | Action taken |                                       |                         |
| The Company     | BIOTEQUE MEDICAL PHIL. INC. | Subsidiary             | 258,989        | 0.92 %        | -       | -            | 117,750                               | -                       |

Note: The amounts of the transaction and the ending balance had been offset in the consolidated financial statements.

(ix) Information regarding trading in derivative financial instruments: None.

(x) Significant transactions and business relationship between the parent company and its subsidiaries for the nine months ended September 30, 2024:

(In thousands of New Taiwan Dollars)

| No. (Note 1) | Name of company | Name of counter-party                  | Nature of relationship (Note 2) | Intercompany transactions |         |   |  | Percentage of the consolidated net revenue or total assets |
|--------------|-----------------|--|---------------------------------|---------------------------|---------|---|--|--|
|              |                 |  |                                 | Account name              | Amount  | Trading terms   |  |  |
| 0            | The Company     | BIOTEQUE MEDICAL PHIL. INC.            | 1                               | Accounts receivable       | 155,442 | OA 270  |  | 3.46%  |
| 0            | The Company     | BIOTEQUE MEDICAL PHIL. INC.            | 1                               | Processing costs          | 20,433  | There is no significant difference from translation terms with non-related parties. |  | 1.30%  |
| 0            | The Company     | BIOTEQUE MEDICAL PHIL. INC.            | 1                               | Other receivables         | 103,547 | OA 270, 365   |  | 2.31%  |
| 0            | The Company     | BIOTEQUE MEDICAL PHIL. INC.            | 1                               | Accounts payable          | 36,474  | OA 60   |  | 0.81%  |
| 0            | The Company     | BONTEQ MEDICAL DISTRIBUTION PHIL. INC. | 1                               | Operating revenue         | 21,583  | There is no significant difference from translation terms with non-related parties. |  | 1.38%  |
| 0            | The Company     | BONTEQ MEDICAL DISTRIBUTION PHIL. INC. | 1                               | Accounts receivable       | 6,883   | OA 180  |  | 0.15%  |

(Continued)

BIOTEQUE CORPORATION AND SUBSIDIARIES  
Notes to the Consolidated Financial Statements

| No.<br>(Note 1) | Name of company                   | Name of counter-party                        | Nature of<br>relationship<br>(Note 2) | Intercompany transactions |        |  |  |
|-----------------|-----------------------------------|--|---------------------------------------|---------------------------|--------|--|--|
|                 |                                   |  |                                       | Account name              | Amount | Trading terms  | Percentage of the<br>consolidated net revenue or<br>total assets |
| 1               | BIOTEQUE<br>MEDICAL PHIL.<br>INC. | BONTEQ MEDICAL<br>DISTRIBUTION PHIL.<br>INC. | 3                                     | Other receivables         | 187    | OA 180   | -%   |
| 1               | BIOTEQUE<br>MEDICAL PHIL.<br>INC. | BONTEQ MEDICAL<br>DISTRIBUTION PHIL.<br>INC. | 3                                     | Operating revenue         | 75,681 | There is no significant<br>difference from<br>translation terms with<br>non-related parties. | 4.83%  |
| 1               | BIOTEQUE<br>MEDICAL PHIL.<br>INC. | BONTEQ MEDICAL<br>DISTRIBUTION PHIL.<br>INC. | 3                                     | Accounts<br>receivable    | 9,470  | OA 120   | 0.21%  |

Note 1: Company numbering as follows:

- Parent company—0
- Subsidiary starts from 1

Note 2: The numbering of the relationship between transaction parties as follows:

- Parent company to subsidiary—1
- Subsidiary to parent company—2
- Subsidiary to subsidiary—3

Note 3: The amounts of the transaction and the ending balance had been offset in the consolidated financial statements.

(b) Information on investees:

The following are the information on investees for the nine months ended September 30, 2024 (excluding information on investees in Mainland China):

(In thousands of New Taiwan Dollars)

| Name of investor                  | Name of investee                          | Location    | Main<br>businesses and<br>products                   | Original investment amount |                      | Balance as of September 30, 2024 |                            |                | Net income<br>(losses)<br>of investee | Share of<br>profits (losses) of<br>investee | Remark                           |
|-----------------------------------|---|-------------|--|----------------------------|----------------------|----------------------------------|----------------------------|----------------|---------------------------------------|---|----------------------------------|
|                                   |   |             |  | September 30,<br>2024      | December 31,<br>2023 | Shares<br>(in thousands)         | Percentage of<br>ownership | Carrying value |                                       |   |                                  |
| The Company                       | CHUNGTEX INVESTMENT<br>CO., LTD.          | Taipei      | Investment activities                                | -                          | 28,800               | -                                | - %                        | -              | -                                     | -   | Subsidiary                       |
| The Company                       | BIOTEQUE MEDICAL PHIL.<br>INC.            | Philippines | Manufacturing and<br>Trading of Medical<br>equipment | 299,315                    | 299,315              | 4,481                            | 100 %                      | 486,253        | 5,417                                 | 5,417                                       | "                                |
| BIOTEQUE<br>MEDICAL PHIL.<br>INC. | BONTEQ MEDICAL<br>DISTRIBUTION PHIL. INC. | Philippines | Trading of Medical<br>equipment                      | 6,801                      | 6,801                | 100                              | 100 %                      | 66,460         | 18,144                                | 18,144                                      | Investment through<br>subsidiary |

Note : The amount of the transaction and the ending balance had been offset in the consolidated financial statements.

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

(d) Major shareholders:

| Shareholder's Name | Shareholding | Shares    | Percentage |
|--------------------|--------------|-----------|------------|
| Keyao Co., Ltd.    |              | 6,788,000 | 9.79 %     |

## BIOTEQUE CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

#### (14) Segment information:

There were no significant changes in the Group's segment, as well as the profit and loss measurement basis, as disclosed in the consolidated financial statements for the year ended December 31, 2023.

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

| For the three months ended September 30, 2024 |                   |                |                |                   |                                   |                  |
|---|-------------------|----------------|----------------|-------------------|-----------------------------------|------------------|
|   | Segment<br>A      | Segment<br>B   | Segment<br>C   | Other<br>Segment  | Reconciliation<br>and elimination | Total            |
| Revenue:                                      |                   |                |                |                   |                                   |                  |
| Revenue from external customers               | \$ 157,005        | 106,207        | 276,334        | 13,767            | -                                 | 553,313          |
| Intersegment revenue                          | -                 | 6,695          | -              | -                 | (6,695)                           | -                |
| Total revenue                                 | <u>\$ 157,005</u> | <u>112,902</u> | <u>276,334</u> | <u>13,767</u>     | <u>(6,695)</u>                    | <u>553,313</u>   |
| Reporting segment profit or loss              | <u>\$ 21,990</u>  | <u>27,528</u>  | <u>159,259</u> | <u>(24,092)</u>   | <u>-</u>                          | <u>184,685</u>   |
| For the three months ended September 30, 2023 |                   |                |                |                   |                                   |                  |
|   | Segment<br>A      | Segment<br>B   | Segment<br>C   | Other<br>Segment  | Reconciliation<br>and elimination | Total            |
| Revenue:                                      |                   |                |                |                   |                                   |                  |
| Revenue from external customers               | \$ 150,198        | 99,060         | 242,971        | 5,864             | -                                 | 498,093          |
| Intersegment revenue                          | -                 | 6,520          | -              | -                 | (6,520)                           | -                |
| Total revenue                                 | <u>\$ 150,198</u> | <u>105,580</u> | <u>242,971</u> | <u>5,864</u>      | <u>(6,520)</u>                    | <u>498,093</u>   |
| Reporting segment profit or loss              | <u>\$ 457</u>     | <u>20,149</u>  | <u>141,466</u> | <u>15,684</u>     | <u>-</u>                          | <u>177,756</u>   |
| For the nine months ended September 30, 2024  |                   |                |                |                   |                                   |                  |
|   | Segment<br>A      | Segment<br>B   | Segment<br>C   | Other<br>Segments | Reconciliation<br>and elimination | Total            |
| Revenue:                                      |                   |                |                |                   |                                   |                  |
| Revenue from external customers               | \$ 497,987        | 282,846        | 764,288        | 23,207            | -                                 | 1,568,328        |
| Intersegment revenue                          | -                 | 18,953         | -              | -                 | (18,953)                          | -                |
| Total revenue                                 | <u>\$ 497,987</u> | <u>301,799</u> | <u>764,288</u> | <u>23,207</u>     | <u>(18,953)</u>                   | <u>1,568,328</u> |
| Reporting segment profit or loss              | <u>\$ 58,046</u>  | <u>62,766</u>  | <u>420,714</u> | <u>(39,881)</u>   | <u>-</u>                          | <u>501,645</u>   |
| For the nine months ended September 30, 2023  |                   |                |                |                   |                                   |                  |
|   | Segment<br>A      | Segment<br>B   | Segment<br>C   | Other<br>Segments | Reconciliation<br>and elimination | Total            |
| Revenue:                                      |                   |                |                |                   |                                   |                  |
| Revenue from external customers               | \$ 469,443        | 289,230        | 647,553        | 20,058            | -                                 | 1,426,284        |
| Intersegment revenue                          | -                 | 19,388         | -              | -                 | (19,388)                          | -                |
| Total revenue                                 | <u>\$ 469,443</u> | <u>308,618</u> | <u>647,553</u> | <u>20,058</u>     | <u>(19,388)</u>                   | <u>1,426,284</u> |
| Reporting segment profit or loss              | <u>\$ 16,683</u>  | <u>58,095</u>  | <u>338,109</u> | <u>23,250</u>     | <u>-</u>                          | <u>436,137</u>   |

The material reconciling items of the above reportable segment as below:

Total reportable segment revenues after deducting the intersegment revenues was \$6,695, \$6,520, \$18,953 and \$19,388 for the three months and nine months ended September 30, 2024 and 2023, respectively.