

**TTY BIOPHARM COMPANY LIMITED  
AND SUBSIDIARIES**

**Consolidated Financial Statements**

**With Independent Auditors' Review Report  
For the Three Months Ended March 31, 2026 and 2025**

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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 TTY Biopharm Company Limited:

### Introduction

We have reviewed the accompanying consolidated balance sheets of TTY Biopharm Company Limited and its subsidiaries as of March 31, 2026 and 2025, the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 2026 and 2025, 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

Except as explained in the Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with the Standard on Review Engagements 2410, "Review of Interim 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.

### Basis for Qualified Conclusion

As stated in Note 6(e), the investments accounted for using the equity method of TTY Biopharm Company Limited and its subsidiaries amounting to \$679,334 thousand and \$597,419 thousand as of March 31, 2026 and 2025, respectively, and the related share of profit amounting to \$28,097 thousand and \$20,869 thousand for the three months and three months periods ended respectively, were recognized solely on the financial statements prepared by these investee companies, but not reviewed by independent auditors.

### **Qualified Conclusion**

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain equity accounted investee companies described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews and the review report of another auditor (please refer to Other Matter paragraph), 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 TTY Biopharm Company Limited and its subsidiaries as of March 31, 2026 and 2025, and of its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2026 and 2025, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting standard 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### **Other Matter**

We did not review the financial statements of PharmaEngine, Inc., an associate of TTY Biopharm Company Limited and its subsidiaries, which represented as investment accounted for using the equity method. Those financial statements were reviewed by another auditor, whose review report has been furnished to us, and our conclusion, insofar as it relates to the amounts included for PharmaEngine, Inc., is based solely on the review report of another auditor. The investment in PharmaEngine, Inc. accounted for using the equity method amounted to \$1,075,642 thousand and \$1,154,688 thousand, constituting 9.21% and 10.52% of consolidated total assets as of March 31, 2026 and 2025, respectively, and the related share of profit of associates accounted for using the equity method amounted to \$24,699 thousand and \$18,415 thousand, constituting 4.31% and 3.57% of consolidated total profit before tax.

The engagement partners on the reviews resulting in this independent auditors’ review report are Han, Yi-Lien and Chang, Stu-Ying.

KPMG

Taipei, Taiwan (Republic of China)

May 6, 2026

### **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)  
**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
**Consolidated Statements of Comprehensive Income**  
**For the three months ended March 31, 2026 and 2025**  
**(Expressed in Thousands of New Taiwan Dollar, Except for Earnings Per Share)**

		<b>For the three months ended March 31</b>			
		<b>2026</b>		<b>2025</b>	
		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
4000	<b>Operating revenue (notes 6(q) and 7)</b>	\$ 1,520,487	100	1,458,850	100
5000	<b>Operating costs (notes 6(d), (m) and 12)</b>	608,300	40	574,396	39
	<b>Gross profit</b>	912,187	60	884,454	61
5910	Less: Unrealized profit (loss) from sales	7,916	1	12,976	1
5920	Add: Realized profit (loss) from sales	12,023	1	12,053	-
	<b>Gross profit, net</b>	916,294	60	883,531	60
6000	<b>Operating expenses (notes 6(m), (r) and 12):</b>				
6100	Selling expenses	276,959	18	318,937	22
6200	Administrative expenses	104,038	7	103,529	7
6300	Research and development expenses	47,099	3	48,919	3
6450	(Reversal of) expected credit losses (note 6(c))	(1,272)	-	1	-
	<b>Total operating expenses</b>	426,824	28	471,386	32
	<b>Net operating income</b>	489,470	32	412,145	28
	<b>Non-operating income and expenses (note 6(s)):</b>				
7100	Interest income	14,369	1	17,991	1
7010	Other income	2,685	-	40,661	3
7020	Other gains and losses, net (note 7)	20,122	1	13,858	1
7050	Finance costs, net	(5,823)	-	(8,343)	(1)
7060	Share of profit of associates accounted for using the equity method, net (note 6(e))	52,796	3	39,284	3
7055	<b>Total non-operating income and expenses</b>	84,149	5	103,451	7
	<b>Profit before tax</b>	573,619	37	515,596	35
7950	<b>Less: Income tax expenses (note 6(n))</b>	110,462	7	107,514	7
	<b>Profit for the period</b>	463,157	30	408,082	28
8300	<b>Other comprehensive income :</b>				
8310	<b>Components of other comprehensive income (loss) that will not be reclassified to profit or loss</b>				
8316	Unrealized losses from investments in equity instruments measured at fair value through other comprehensive income	(6,205)	-	(18,158)	(1)
8320	Share of other comprehensive losses of associates accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	(7,570)	-	(925)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive losses that will not be reclassified to profit or loss	(13,775)	-	(19,083)	(1)
8360	<b>Components of other comprehensive income (losses) that will be reclassified to profit or loss</b>				
8361	Exchange differences on translation	16,878	1	31,759	2
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that will be reclassified to profit or loss	16,878	1	31,759	2
8300	<b>Other comprehensive income</b>	3,103	1	12,676	1
	<b>Total comprehensive income for the period</b>	<b>\$ 466,260</b>	<b>31</b>	<b>420,758</b>	<b>29</b>
	<b>Profit attributable to:</b>				
8610	Owners of parent	\$ 443,065	29	391,096	27
8620	Non-controlling interests	20,092	1	16,986	1
		<b>\$ 463,157</b>	<b>30</b>	<b>408,082</b>	<b>28</b>
	<b>Comprehensive income attributable to:</b>				
	Owners of parent	\$ 448,861	30	411,686	28
	Non-controlling interests	17,399	1	9,072	1
		<b>\$ 466,260</b>	<b>31</b>	<b>420,758</b>	<b>29</b>
	<b>Earnings per share, net of tax (note 6(p))</b>				
9750	Basic earnings per share	<b>\$ 1.78</b>		<b>1.57</b>	
9850	Diluted earnings per share	<b>\$ 1.78</b>		<b>1.57</b>	

See accompanying notes to financial statements.

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

**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES****Consolidated Statements of Changes in Equity****For the three months ended March 31, 2026 and 2025****(Expressed in Thousands of New Taiwan Dollar)**

	Equity attributable to owners of parent											
	Share capital		Retained earnings			Total other equity interest					Non-controlling interests	Total equity
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total other equity interest	Total equity attributable to owners of parent			
<b>Balance at January 1, 2025</b>	\$ 2,486,500	317,036	1,499,516	198,071	2,190,637	31,316	27,372	58,688	6,750,448	760,492	7,510,940	
Net income	-	-	-	-	391,096	-	-	-	391,096	16,986	408,082	
Other comprehensive income	-	-	-	-	-	31,771	(11,181)	20,590	20,590	(7,914)	12,676	
Total comprehensive income	-	-	-	-	391,096	31,771	(11,181)	20,590	411,686	9,072	420,758	
Appropriation and distribution of retained earnings:												
Cash dividends of ordinary share	-	-	-	-	(1,044,330)	-	-	-	(1,044,330)	-	(1,044,330)	
Other changes in capital surplus:												
Changes in equity of investments accounted for using the equity method	-	25	-	-	-	-	-	-	25	-	25	
Disposal of investments accounted for using equity method	-	-	-	-	-	282	-	282	282	180	462	
Changes in ownership interests in subsidiaries	-	123	-	-	(43)	-	-	-	80	85	165	
<b>Balance at March 31, 2025</b>	<b>\$ 2,486,500</b>	<b>317,184</b>	<b>1,499,516</b>	<b>198,071</b>	<b>1,537,360</b>	<b>63,369</b>	<b>16,191</b>	<b>79,560</b>	<b>6,118,191</b>	<b>769,829</b>	<b>6,888,020</b>	
<b>Balance at January 1, 2026</b>	\$ 2,486,500	317,559	1,657,165	198,071	2,571,933	1,846	5,336	7,182	7,238,410	812,932	8,051,342	
Net income	-	-	-	-	443,065	-	-	-	443,065	20,092	463,157	
Other comprehensive income	-	-	-	-	-	16,871	(11,075)	5,796	5,796	(2,693)	3,103	
Total comprehensive income	-	-	-	-	443,065	16,871	(11,075)	5,796	448,861	17,399	466,260	
Appropriation and distribution of retained earnings:												
Cash dividends of ordinary share	-	-	-	-	(1,118,925)	-	-	-	(1,118,925)	-	(1,118,925)	
<b>Balance at March 31, 2026</b>	<b>\$ 2,486,500</b>	<b>317,559</b>	<b>1,657,165</b>	<b>198,071</b>	<b>1,896,073</b>	<b>18,717</b>	<b>(5,739)</b>	<b>12,978</b>	<b>6,568,346</b>	<b>830,331</b>	<b>7,398,677</b>	

See accompanying notes to financial statements.

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

## TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES

## Consolidated Statements of Cash Flows

For the three months ended March 31, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollar)

	For the three months ended March 31	
	2026	2025
<b>Cash flows from (used in) operating activities:</b>		
Profit before tax	\$ 573,619	515,596
<b>Adjustments:</b>		
<b>Adjustments to reconcile profit (loss):</b>		
Depreciation expenses	39,202	39,152
Amortization expenses	12,449	5,364
(Reversal of) expected credit impairment losses	(1,272)	1
Interest expenses	5,823	8,343
Interest income	(14,369)	(17,991)
Shares of profit of investments accounted for using the equity method	(52,796)	(39,284)
Losses (Gain) on disposal of property, plant and equipment	9	(99)
Gain on disposal of investments accounted for using equity method	-	(946)
Unrealized profit from sales	7,916	12,976
Realized profit from sales	(12,023)	(12,053)
<b>Total adjustments to reconcile profit (loss)</b>	<b>(15,061)</b>	<b>(4,537)</b>
<b>Changes in operating assets and liabilities:</b>		
<b>Changes in operating assets:</b>		
Notes receivable	(887)	(529)
Accounts receivable	168,382	82,199
Other receivables	(129)	(14,750)
Inventories	(17,314)	60,987
Prepayments and other current assets	(11,371)	(30,575)
<b>Total changes in operating assets</b>	<b>138,681</b>	<b>97,332</b>
<b>Changes in operating liabilities:</b>		
Contract liabilities	(22,222)	1,192
Notes payable	9,719	(19,407)
Accounts payable	18,496	(143,128)
Other payable	(58,991)	(59,350)
Other current liabilities	(1,200)	250
Net defined benefit liability	(106)	(104)
<b>Total changes in operating liabilities</b>	<b>(54,304)</b>	<b>(220,547)</b>
<b>Total changes in operating assets and liabilities</b>	<b>84,377</b>	<b>(123,215)</b>
<b>Total adjustments</b>	<b>69,316</b>	<b>(127,752)</b>
Cash inflow generated from operations	642,935	387,844
Interest received	17,616	17,411
Interest paid	(6,324)	(8,357)
Income taxes paid	(68)	(28)
<b>Net cash flows from operating activities</b>	<b>654,159</b>	<b>396,870</b>
<b>Cash flows from (used in) investing activities:</b>		
Proceeds from disposal of subsidiaries	-	1,470
Acquisition of property, plant and equipment	(7,180)	(4,551)
Proceeds from disposal of property, plant and equipment	-	1,048
Decrease in refundable deposits paid	(11,296)	(840)
Acquisition of intangible assets	(100,624)	(32,085)
Increase in other financial assets	(50,000)	(99,939)
Increase in prepayments for business facilities	(20,475)	(4,735)
(Increase) decrease in other non-current assets	(13,754)	217
<b>Net cash flows used in investing activities</b>	<b>(203,329)</b>	<b>(139,415)</b>
<b>Cash flows from (used in) financing activities:</b>		
Increase in short-term loans	200,000	1,550,000
Decrease in short-term loans	(400,000)	(1,750,000)
Decrease in guarantee deposits received	10	-
Increase in guarantee deposits received	-	(6)
Payment of lease liabilities	(2,314)	(1,993)
<b>Net cash flows used in financing activities</b>	<b>(202,304)</b>	<b>(201,999)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>28,281</b>	<b>19,553</b>
<b>Net increase in cash and cash equivalents</b>	<b>276,807</b>	<b>75,009</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>2,520,849</b>	<b>2,772,615</b>
<b>Cash and cash equivalents at end of period</b>	<b>\$ 2,797,656</b>	<b>2,847,624</b>

See accompanying notes to financial statements.

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

**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements**

**March 31, 2026 and 2025**

**(Expressed in Thousands of New Taiwan Dollar, Unless Otherwise Specified)**

**(1) Company history**

TTY Biopharm Company Limited (the “Company”) was established on July 22, 1960. The Company’s registered office address is 3F., No. 3-1, Park St., Nangang Dist., Taipei City 115, Taiwan. The main activities of the Company and its subsidiaries (the “Group”) are producing a variety of pharmaceuticals and chemical drugs. Please refer to Note 14.

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

The consolidated financial statements were authorized for issuance by the Board of Directors on May 6, 2026.

**(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, 2026:

- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

(Continued)

**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- (b) The impact of IFRS Accounting Standards 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 note: On September 25, 2025, the FSC issued a press release announcing that Taiwan will adopt IFRS 18 beginning in 2028. Entities that need to adopt the new standard earlier may do with the endorsement of the FSC.

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**TTY BIOPHARM COMPANY LIMITED 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 19 “Subsidiaries without Public Accountability: Disclosures” and amendments to IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
- Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”

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

**(a) Statement of compliance**

These consolidated financial statements have been prepared in accordance with IAS 34 “Interim Financial Reporting” which are endorsed and issued into effect by FSC, and do not include all of the information required by the IFRSs, IASs, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS endorsed by the FSC) for the annual consolidated financial statements.

Except for the following accounting policies, the significant policies adopted in the consolidated financial statements are consistent with Note 4 in the consolidated financial statement for the year ended December 31, 2025.

**(b) Basis of consolidation**

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

Investor	Subsidiary	Nature of business	Shareholding			Notes
			March 31, 2026	December 31, 2025	March 31, 2025	
The Company	Xudong Haipu International Co., Ltd.	Investing activities	100.00 %	100.00 %	100.00 %	
The Company	Worldco International Co., Ltd.	Investing activities and selling medicine	100.00 %	100.00 %	100.00 %	
The Company	American Taiwan Biopharma Philippines Inc.(ATBP)	Selling medicine	87.00 %	87.00 %	87.00 %	
The Company	TSH Biopharm Co., Ltd.(TSH)	Selling medicine	56.48 %	56.48 %	56.48 %	
The Company	EnhancX Biopharm Inc.(EnhancX)	Developing medicine	20.83 %	20.83 %	20.83 %	
The Company	Chuang Yi Biotech Co., Ltd.(CYB)	Selling functional food	23.12 %	23.12 %	23.12 %	

(Continued)

**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Investor	Subsidiary	Nature of business	Shareholding			Notes
			March 31, 2026	December 31, 2025	March 31, 2025	
Worldco International Co., Ltd.	Worldco Biotech (Chengdu) Pharmaceutical Ltd.	Selling medicine	100.00 %	100.00 %	100.00 %	
Worldco International Co., Ltd.	TTY Biopharm Mexico S.A. de C.V.(TTY-Mexico)	Selling medicine	50.00 %	50.00 %	50.00 %	(Note 3)
Xudong Haipu International Co., Ltd.	EnhanX Biopharm Inc.(EnhanX)	Developing medicine	29.17 %	29.17 %	29.17 %	
Xudong Haipu International Co., Ltd.	TTY Biopharm Korea Co., Ltd. (TTY-Korea)	Selling medicine	100.00 %	100.00 %	100.00 %	
Xudong Haipu International Co., Ltd.	TTY Biopharm Mexico S.A. de C.V.(TTY-Mexico)	Selling medicine	50.00 %	50.00 %	50.00 %	(Note 3)
EnhanX Biopharm Inc.	EnhanX Biopharm B.V.	Developing medicine	- %	- %	- %	(Note 1)
TSH Biopharm Co., Ltd.	Chuang Yi Biotech Co., Ltd.(CYB)	Selling functional food	51.60 %	51.60 %	51.60 %	
TSH Biopharm Co., Ltd.	TOP Pharm Medicalware Co., Ltd.(TOP PM)	Selling and manufacturing of medicine and functional food	51.00 %	51.00 %	51.00 %	(Note 2)

(Note 1) In order to reduce the operating costs of the Group, a resolution was decided by the Board of Directors of EnhanX on December 28, 2023 to liquidate EnhanX B.V. and the liquidation has been completed and filed with the Ministry of Economic Affairs on April 21, 2025.

(Note 2) To enhance the integration of the Group's resources, the Board of Directors of TSH resolved on November 8, 2024, to approve the merger of TOP PM and TOP BT, with TOP PM as the surviving entity and TOP BT as the dissolving entity. The effective date of the merger was set for January 1, 2025, and the change was approved by the competent authorities on March 3, 2025.

(Note3) In order to reduce the operating costs of the Group, the Board of Directors has resolved to liquidate TTY-Mexico. The liquidation procedures are still in progress.

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

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(c) 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, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events.

(d) Income taxes

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of IAS 34 “Interim Financial Reporting”.

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period using the effective annual tax rate as forecasted by the management. 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.

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

The preparation of the consolidated financial statements in conformity with the Regulations and IAS 34 “Interim Financial Reporting” endorsed by the FSC requires management to make judgments, and estimates about the future, including climate-related risks and opportunities, that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Except for the following, 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, 2025. For related information, please refer to Note 5 of the consolidated financial statements for the year ended December 31, 2025.

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

Except for the following disclosures, there were no material differences in the disclosures of significant accounts between the consolidated interim financial statements for the current period and the consolidated financial statements for the year ended December 31, 2025. Please refer to Note 6 of the consolidated financial statements for the year ended December 31, 2025.

(a) Cash and cash equivalents

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Cash on hand	\$ 2,566	2,560	2,593
Cash in banks	1,643,270	1,261,089	1,616,446
Time deposits	<u>1,151,820</u>	<u>1,257,200</u>	<u>1,228,585</u>
Total	<u>\$ 2,797,656</u>	<u>2,520,849</u>	<u>2,847,624</u>

(Continued)

**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- (i) The above cash and cash equivalents were not pledged as collateral.
- (ii) Time deposits which do not meet the definition of cash equivalents are accounted for under other financial assets-current, please refer to Note 6(i).
- (iii) Please refer to Note 6(t) for the fair value sensitivity analysis and interest rate risk of the financial assets and liabilities of the Group.
- (b) Financial asset at fair value through other comprehensive income-current and non-current

	<u>March 31,</u> <u>2026</u>	<u>December 31,</u> <u>2025</u>	<u>March 31,</u> <u>2025</u>
The equity investments at fair value through other comprehensive income:			
Domestic common stock—Lumosa Therapeutics Co., Ltd.	\$ 22,603	30,743	54,835
Domestic preferred stock—Fubon Financial Holding Co., Ltd. Preferred Shares B	156,250	154,250	155,250
Domestic preferred stock—Fubon Financial Holding Co., Ltd. Preferred Shares C	2,991	3,095	3,026
Domestic preferred stock—Union Bank of Taiwan Preferred Shares A	21,840	21,800	21,480
International unlisted stock—CellMax Ltd.	-	-	10,479
Domestic unlisted stock—ExoOne Bio. Co., Ltd.	11,992	11,992	11,992
	<u>\$ 215,676</u>	<u>221,880</u>	<u>257,062</u>

- (i) The Group designated the investments as equity securities at fair value through other comprehensive income because the Group intends to hold the investments for long-term strategic and not for trading purposes.
- (ii) There were no disposals of strategic investments and transfers of any cumulative gain or loss within equity relating to these investments for the three months ended March 31, 2026 and 2025.
- (iii) Please refer to Note 6(t) for information on credit and market risk.
- (iv) The above financial assets were not pledged as collateral.

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(c) Notes receivable and accounts receivable (including related parties)

	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Notes receivable	\$ 23,376	22,483	23,416
Accounts receivable	1,306,986	1,463,243	1,245,819
Accounts receivable-related parties	24,508	36,644	6,957
Less: allowance for expected credit losses	<u>(3,217)</u>	<u>(4,491)</u>	<u>(3,717)</u>
	<b><u>\$ 1,351,653</u></b>	<b><u>1,517,879</u></b>	<b><u>1,272,475</u></b>

The Group applies the simplified approach to evaluating its expected credit losses (ECLs), i.e., the Group recognizes the impairment provision for lifetime ECLs for all receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics that represent the customer's ability to pay all amounts due under the terms of the contract, and forward-looking information has been incorporated. Analysis of the expected credit losses on note and accounts receivable is as follows:

	<b>March 31, 2026</b>		
	<b>Face value of notes receivable and accounts receivable</b>	<b>Weighted average loss rate</b>	<b>Allowance for expected credit losses</b>
Not overdue	\$ 1,339,432	0%~1.02%	2,805
1 to 90 days overdue	14,866	0%~1.55%	10
91 to 180 days overdue	171	0%~2%	1
More than 181 days overdue	<u>401</u>	100%	<u>401</u>
	<b><u>\$ 1,354,870</u></b>		<b><u>3,217</u></b>
	<b>December 31, 2025</b>		
	<b>Face value of notes receivable and accounts receivable</b>	<b>Weighted average loss rate</b>	<b>Allowance for expected credit losses</b>
Not overdue	\$ 1,460,935	0%~1.45%	3,194
1 to 90 days overdue	60,908	0%~12.53%	779
91 to 180 days overdue	383	2%~41.9%	374
More than 181 days overdue	<u>144</u>	100%	<u>144</u>
	<b><u>\$ 1,522,370</u></b>		<b><u>4,491</u></b>

(Continued)

**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	<b>March 31, 2025</b>		
	<b>Face value of notes receivable and accounts receivable</b>	<b>Weighted average loss rate</b>	<b>Allowance for expected credit losses</b>
Not overdue	\$ 1,269,765	0.98%~1%	2,490
1 to 90 days overdue	6,161	1%~52.47%	962
91 to 180 days overdue	1	0%~2%	-
More than 181 days overdue	265	100%	265
	<b>\$ 1,276,192</b>		<b>3,717</b>

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

	<b>For the three months ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
Balance at January 1	\$ 4,491	3,713
(Reversal of) expected credit losses recognized	(1,272)	1
Foreign currency translation (losses) gains	(2)	3
Balance at March 31	<b>\$ 3,217</b>	<b>3,717</b>

As of March 31, 2026, December 31, 2025 and March 31, 2025, the notes receivable and accounts receivable for the Group were not pledged as collateral.

(d) Inventories

	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Merchandise	\$ 550,992	450,338	257,511
Finished goods	322,224	334,148	307,830
Work in process	126,625	223,334	224,013
Raw materials	387,008	360,928	343,034
Materials	99,786	88,414	74,353
Subtotal	1,486,635	1,457,162	1,206,741
Goods in transit	108	16,878	117,980
Total	1,486,743	1,474,040	1,324,721
Less: allowance for inventory market decline and obsolescence	(80,436)	(85,031)	(115,653)
Net amount	<b>\$ 1,406,307</b>	<b>1,389,009</b>	<b>1,209,068</b>

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- (i) The details of operating costs were as follows:

	<b>For the three months ended</b>	
	<b>March 31,</b>	
	<b>2026</b>	<b>2025</b>
Inventories have been sold	\$ 605,997	587,193
Cost of services	272	290
Inventory write-down losses and reversal gains, and disposal losses	<u>2,031</u>	<u>(13,087)</u>
	<b><u>\$ 608,300</u></b>	<b><u>574,396</u></b>

- (ii) As of March 31, 2026, December 31, 2025 and March 31, 2025, the inventories were not pledged as collateral.

- (e) Investments accounted for using the equity method

- (i) The components of investments accounted for using the equity method at the reporting date were as follows:

	<b>March 31,</b>	<b>December 31,</b>	<b>March 31,</b>
	<b>2026</b>	<b>2025</b>	<b>2025</b>
Associates	<u>\$ 1,754,976</u>	<u>1,715,742</u>	<u>1,752,107</u>

- 1) As of March 31, 2026, December 31, 2025 and March 31, 2025, the associate which the Group invested had a quoted market price was as follows:

	<b>March 31,</b>	<b>December 31,</b>	<b>March 31,</b>
	<b>2026</b>	<b>2025</b>	<b>2025</b>
Carrying value	<u>\$ 1,075,642</u>	<u>1,050,943</u>	<u>1,154,688</u>
Fair value	<u>\$ 1,487,341</u>	<u>1,821,023</u>	<u>2,488,387</u>

- 2) For the three months ended 2025, as PharmaEngine, Inc. amortized the compensation cost of employee stock options and the employee stock options expired, the Group's equity has changed and its capital reserve was credit by \$25 thousand.

For the three months ended March 31, 2026 and 2025, the Group's shareholding ratio had no change.

- (ii) Associate that had materiality was as follows:

<b>Associate</b>	<b>Nature of relationship</b>	<b>Country of registration</b>	<b>Equity ownership</b>		
			<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
PharmaEngine, Inc.	Research for new drugs and drug development especially for Asian diseases	Taiwan	18.00 %	18.00 %	18.00 %

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The following was the summary of financial information about the Group's significant associates, adjusted for the amounts included in the Group's IFRS financial statements to reflect the fair value adjustments made upon acquisition of the shares in the associates and adjustments for differences in accounting policies:

- Summary financial information on PharmaEngine, Inc.

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Current assets	\$ 5,218,641	5,084,842	5,933,548
Non-current assets	59,293	62,670	19,608
Current liabilities	(178,937)	(187,146)	(444,729)
Non-current liabilities	<u>(35,864)</u>	<u>(34,448)</u>	<u>(6,148)</u>
Net assets	<u>\$ 5,063,133</u>	<u>4,925,918</u>	<u>5,502,279</u>
Net assets attributable to investee's owners	<u>\$ 5,063,133</u>	<u>4,925,918</u>	<u>5,502,279</u>

	<b>For the three months ended March 31,</b>	
	<u>2026</u>	<u>2025</u>
Operating revenue	\$ <u>239,795</u>	<u>187,382</u>
Profit from continuing operations	137,215	102,303
Other comprehensive loss	<u>-</u>	<u>-</u>
Total comprehensive income	<u>\$ 137,215</u>	<u>102,303</u>
Comprehensive income attributable to investee's owners	<u>\$ 137,215</u>	<u>102,303</u>

	<b>For the three months ended March 31,</b>	
	<u>2026</u>	<u>2025</u>
Net assets attributable to the Group, January 1	\$ 886,665	971,964
Changes in capital surplus of associates	-	25
Comprehensive income attributable to the Group	<u>24,699</u>	<u>18,421</u>
Net assets attributable to the Group, March 31	911,364	990,410
Add: Goodwill	<u>164,278</u>	<u>164,278</u>
Carrying amount of interest in associates, March 31	<u>\$ 1,075,642</u>	<u>1,154,688</u>

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(iii) Summary financial information on individually insignificant associates

The Group's financial information about investments accounted for using the equity method that are individually insignificant was as follows:

	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Carrying amount of individually insignificant associates	\$ <b>679,334</b>	<b>664,799</b>	<b>597,419</b>
<b>For the three months ended March 31,</b>			
	<b>2026</b>	<b>2025</b>	
Attributable to the Group:			
Profit from continuing operations		\$ 28,097	20,869
Other comprehensive (loss) income		(17,669)	11,285
Total comprehensive income		\$ <b>10,428</b>	<b>32,154</b>

(iv) Collateral

As of March 31, 2026, December 31, 2025 and March 31, 2025, the Group did not provide any investment accounted for using equity method as collateral.

(f) Material non-controlling interests of subsidiaries

The material non-controlling interests of subsidiaries were as follows:

<b>Subsidiary</b>	<b>Country of registration</b>	<b>Non-controlling interests and voting rights ratio</b>		
		<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
TSH Biopharm Co., Ltd.	Taiwan	43.52 %	43.52 %	43.52 %

The following information of the aforementioned subsidiaries have been prepared in accordance with the IFRS endorsed by the FSC, which was included in the fair value adjustments and the adjustments of differences in accounting principles at the acquisition date. Intra-group transactions were not eliminated in this information.

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Summary financial information on TSH Biopharm Co., Ltd.

	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Current assets	\$ 1,439,205	1,423,020	1,332,223
Non-current assets	543,752	528,434	545,537
Current liabilities	(223,320)	(227,091)	(227,227)
Non-current liabilities	(6,071)	(6,695)	(9,569)
Net assets	<u>\$ 1,753,566</u>	<u>1,717,668</u>	<u>1,640,964</u>
Net assets attributable to non-controlling interest	<u>\$ 831,141</u>	<u>813,726</u>	<u>770,295</u>

	<b>For the three months ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
Operating revenue	\$ <u>285,817</u>	<u>287,118</u>
Profit for the period	\$ 42,103	35,776
Other comprehensive income	(6,205)	(17,780)
Total comprehensive income	<u>\$ 35,898</u>	<u>17,996</u>
Profit attributable to non-controlling interest	<u>\$ 20,115</u>	<u>17,463</u>
Total comprehensive income attributable to non-controlling interest	<u>\$ 17,415</u>	<u>9,560</u>

	<b>For the three months ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
Cash flows from operating activities	\$ 166,895	26,889
Cash flows used in investing activities	(68,566)	(104,620)
Cash flows used in financing activities	(3,206)	(2,986)
Net increase (decrease) in cash	<u>\$ 95,123</u>	<u>(80,717)</u>

(g) Property, plant and equipment

The details of the property, plant and equipment of the Group for the three months ended March 31, 2026 and 2025 were as follows:

	<b>Land</b>	<b>Building and construction</b>	<b>Machinery equipment</b>	<b>Office equipment</b>	<b>Other equipment</b>	<b>Construction in progress</b>	<b>Total</b>
Carrying value:							
Balance on January 1, 2026	\$ <u>902,897</u>	<u>782,344</u>	<u>277,999</u>	<u>143,973</u>	<u>4,601</u>	<u>71,530</u>	<u>2,183,344</u>
Balance on March 31, 2026	\$ <u>902,897</u>	<u>768,109</u>	<u>274,117</u>	<u>140,361</u>	<u>4,113</u>	<u>71,530</u>	<u>2,161,127</u>
Balance on January 1, 2025	\$ <u>902,897</u>	<u>834,304</u>	<u>328,799</u>	<u>162,492</u>	<u>5,924</u>	<u>588</u>	<u>2,235,004</u>
Balance on March 31, 2025	\$ <u>902,897</u>	<u>817,468</u>	<u>318,515</u>	<u>156,059</u>	<u>6,162</u>	<u>780</u>	<u>2,201,881</u>

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

As of March 31, 2026, December 31, 2025 and March 31, 2025, the property, plant and equipment were not pledged as collateral.

(h) Intangible assets

The cost, amortization, and impairment of the intangible assets of the Group for the three months ended March 31, 2026 and 2025, were as follows:

	<u>Computer software</u>	<u>Patent and franchise</u>	<u>Other Intangible assets</u>	<u>Goodwill</u>	<u>Total</u>
<b>Cost:</b>					
Balance on January 1, 2026	\$ 57,761	306,291	77,986	247,898	689,936
Additions	26,767	73,857	-	-	100,624
Disposals	(3,513)	(57,931)	(25)	-	(61,469)
Reclassifications	260	78,834	-	-	79,094
Balance on March 31, 2026	<u>\$ 81,275</u>	<u>401,051</u>	<u>77,961</u>	<u>247,898</u>	<u>808,185</u>
Balance on January 1, 2025	\$ 36,483	240,875	77,986	247,898	603,242
Additions	2,589	29,496	-	-	32,085
Disposals	(1,363)	-	-	-	(1,363)
Reclassifications	-	35,919	-	-	35,919
Balance on March 31, 2025	<u>\$ 37,709</u>	<u>306,290</u>	<u>77,986</u>	<u>247,898</u>	<u>669,883</u>
<b>Amortization and impairment loss:</b>					
Balance on January 1, 2026	\$ 22,540	182,173	60,051	-	264,764
Amortization for the period	3,147	6,240	3,062	-	12,449
Disposals	(3,513)	(57,931)	(25)	-	(61,469)
Balance on March 31, 2026	<u>\$ 22,174</u>	<u>130,482</u>	<u>63,088</u>	<u>-</u>	<u>215,744</u>
Balance on January 1, 2025	\$ 19,513	165,753	46,635	-	231,901
Amortization for the period	2,065	3,297	2	-	5,364
Disposals	(1,363)	-	-	-	(1,363)
Balance on March 31, 2025	<u>\$ 20,215</u>	<u>169,050</u>	<u>46,637</u>	<u>-</u>	<u>235,902</u>
<b>Carrying value:</b>					
Balance on January 1, 2026	<u>\$ 35,221</u>	<u>124,118</u>	<u>17,935</u>	<u>247,898</u>	<u>425,172</u>
Balance on March 31, 2026	<u>\$ 59,101</u>	<u>270,569</u>	<u>14,873</u>	<u>247,898</u>	<u>592,441</u>
Balance on January 1, 2025	<u>\$ 16,970</u>	<u>75,122</u>	<u>31,351</u>	<u>247,898</u>	<u>371,341</u>
Balance on March 31, 2025	<u>\$ 17,494</u>	<u>137,240</u>	<u>31,349</u>	<u>247,898</u>	<u>433,981</u>

As of March 31, 2026, December 31, 2025 and March 31, 2025, the Group's aforementioned intangible assets were not pledged as collateral.

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(i) Other financial assets and other assets

	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Other current financial assets	\$ 487,000	437,000	332,000
Other non-current financial assets	455,597	457,072	176,756
Long-term prepayments	16,679	81,758	60,691
Other current and non-current assets	<u>29,680</u>	<u>13,793</u>	<u>23,596</u>
	<b><u>\$ 988,956</u></b>	<b><u>989,623</u></b>	<b><u>593,043</u></b>

- (i) Other current financial assets were bank deposits that did not qualify as cash and cash equivalents.
- (ii) Long-term prepayments were paid for intangible assets before the intangible assets are ready for use. Please refer to Note 9 for the relevant unrecognized contractual commitments.
- (iii) Please refer to Note 8 for the Group's information of collateral.

(j) Short-term borrowings

The short-term borrowings were summarized as follows:

	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Unsecured bank loans	<b><u>\$ 500,000</u></b>	<b><u>700,000</u></b>	<b><u>1,000,000</u></b>
Unused credit line	<b><u>\$ 2,317,875</u></b>	<b><u>2,317,875</u></b>	<b><u>1,516,198</u></b>
Range of interest rates	<b><u>1.81%~1.82%</u></b>	<b><u>1.82%</u></b>	<b><u>1.78%~1.97%</u></b>

- (i) For the three months ended March 31, 2026 and 2025, the Group had the additional short-term borrowings amounting to \$200,000 thousand with an interest rate of 1.81%~1.82% and \$1,550,000 thousand with an interest rate of 1.78%~1.97%, respectively; the repayment amounted to \$400,000 thousand and \$1,750,000 thousand, respectively. Please refer to Note 6(s) for disclosure of interest expense.
- (ii) Please refer to Note 6(t) for the exposure information of the Group's interest rate and liquidity risk.

(k) Long-term borrowings

The long-term borrowings were summarized as follows:

	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Unsecured bank loans	\$ 500,000	500,000	500,000
Less: Current portion	<u>(500,000)</u>	<u>(500,000)</u>	<u>(400,000)</u>
Total	<b><u>\$ -</u></b>	<b><u>-</u></b>	<b><u>100,000</u></b>
Range of interest rates	<b><u>2.1%~2.13%</u></b>	<b><u>2.1%~2.13%</u></b>	<b><u>2.069%~2.13%</u></b>

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

There were no significant issues, repurchases and repayments of long-term borrowings three months ended March 31, 2026 and 2025. Please refer to Note 6(s) for related disclosure of interest expense, Note 6(t) for related risk exposure information.

(l) Other Non-current Liabilities

In connection with prior litigation, the Group entered into a settlement agreement with its counterparty in January 2025, wherein the contractual funds previously held in a trust account in relation to the dispute have been allocated in accordance with the terms of the agreement. More than half of the settlement proceeds, recognized under other non-current liabilities, have been retained to cover the litigation costs and other anticipated expenditures.

(m) Employee benefits

(i) Defined benefit plans

Management believes that there was no material volatility of the market, 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, 2025 and 2024.

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

	<b>For the three months ended</b>	
	<b>March 31,</b>	
	<b>2026</b>	<b>2025</b>
Operating cost	\$ 27	23
Selling expenses	13	15
Administrative expenses	16	16
Research and development expenses	5	8
Total	<u>\$ 61</u>	<u>62</u>

(ii) Defined contributions plans

The Group's pension expenses under defined contribution plans, which had been allocated to the Bureau of Labor Insurance were as follows:

	<b>For the three months ended</b>	
	<b>March 31,</b>	
	<b>2026</b>	<b>2025</b>
Operating cost	\$ 3,104	3,379
Selling expenses	5,022	4,714
Administrative expenses	1,944	2,093
Research and development expenses	978	1,071
Total	<u>\$ 11,048</u>	<u>11,257</u>

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(n) Income tax

(i) Income tax expense

The components of income tax for the three months ended March 31, 2026 and 2025 were as follows:

	<b>For the three months ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
Current tax expense		
Current period	\$ 110,462	107,512
Adjustment for prior periods	-	2
Income tax expense from continuing operations	<b>\$ 110,462</b>	<b>107,514</b>

(ii) Assessment of tax

Company's income tax returns through 2022 have been assessed and approved by the Tax Authorities. The income tax returns of TSH, CYB, TOP PM, and EnhanX have been assessed and approved by the Tax Authorities through 2024.

(o) Capital and other equity

There was no significant change in capital and other equity for the three months ended March 31, 2026 and 2025. For the related information, please refer to Note 6(p) of the consolidated financial statements for the year ended December 31, 2025.

(i) Capital surplus

The ending balances of additional paid-in capital were as follows:

	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Share capital	\$ 484	484	484
Long-term investment	315,783	315,783	315,654
Other	1,292	1,292	1,046
	<b>\$ 317,559</b>	<b>317,559</b>	<b>317,184</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.

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
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(ii) Retained earnings

According to the Articles of Incorporation, the current year's earnings, if any, at the end of fiscal year, shall pay tax first and recover accumulated losses before contributing 10% for legal reserve. However, this shall not be applied if legal reserve hereto has already reached the amount of share capital. After residual amount from aforementioned calculation is added to unappropriated earnings from previous period, a contribution or reversal to special reserved shall then be conducted in accordance with regulations or competent authority's requirements. At the end of each fiscal year, the Board of Directors will propose an earnings distribution based on considerations of the Company's profits, capital and financial structure, future business needs, accumulated earnings and legal reserve, market competition conditions as well as shareholders' interests. The proposal hereto shall be submitted to Annual General Meeting for resolution before being executed accordingly.

The Company adopts the principle of conservative dividend policy. In the event of surplus from the Company's annual account, a contribution of no less than 70% of the balance remaining after the tax payment, the accumulated loss recovery, the contribution of legal reserve and the contribution or reversal of special reserve as required by laws, less the share of profit recognized under the equity method from associates, and plus cash dividends distributed to the Company by those associates recognized under the equity method, shall be distributed as shareholders' dividends in the form of cash or stocks. The percentage for cash dividends shall not less than 70% of the total dividend amount.

Based on the Company's principles of stability for financial structure and dividend balance, the Company may distribute all or part of reserve or retained earnings from previous period in accordance with laws or competent authority's requirements in the event that there is no surplus for distribution in current period, or there is surplus but surplus amount is obviously lower than the Company's surplus actually distributed in the previous year. In the event of disposal of real estate, equity investments or intangible assets in the current year, all or a portion of difference between disposal amount and acquisition cost, or income received from litigation or commercial dispute, can be retained accordingly. Restrictions on distribution percentage shall not apply.

The Company distributes dividends and bonuses or all or part of the statutory surplus reserve and capital reserve in cash by authorizing the Board of Directors to do so with the presence of at least two-thirds of the directors and with the consent of a majority of the directors present, and report to the shareholders' meeting.

1) Legal reserve

When the 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.

2) Special reserve

The Company has selected to apply the optional exemptions according to IFRS 1 "First-time Adoption of International Financial Reporting Standards".

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
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In accordance with Rule No. 1010012865 issued by the FSC on April 6, 2012, a special reserve was appropriated from the undistributed earnings equivalent to the debit balance of cumulative translation differences of \$82,429 thousand and unrealized revaluation increments of \$27,725 thousand. When relevant assets are used, disposed or reclassified, the original proportion of the special reserve can be reversed to distribute surplus.

In accordance with the aforesaid Rule, a special reserve is set aside from the current year's net income after tax and prior year's undistributed earnings at an amount equal to the debit balance of contra accounts in shareholders' equity. When the debit balance of any of these contra accounts in shareholders' equity is reversed, the related special reserve can be reversed. The subsequent reversals of contra accounts in shareholder's equity shall qualify for additional distributions.

As of March 31, 2026, December 31, 2025 and March 31, 2025, all of the special reserve amounted to \$198,071 thousand.

3) Earnings distribution

Earnings distribution for 2025 and 2024 was resolved in the special resolution of the Board of Directors on March 9, 2026 and February 25, 2025, respectively. The appropriation for dividends to ordinary shareholders is as follows:

	<u>2025</u>		<u>2024</u>	
	<u>Amount per share (dollars)</u>	<u>Amount</u>	<u>Amount per share (dollars)</u>	<u>Amount</u>
Dividends distributed to ordinary shareholders:				
Cash	\$ 4.50	<u><u>1,118,925</u></u>	4.20	<u><u>1,044,330</u></u>

(iii) Other equity accounts (net value after tax)

	<u>Exchange differences on translation</u>	<u>Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income</u>	<u>Total</u>
Balance at January 1, 2026	\$ 1,846	5,336	7,182
Exchange differences on foreign operations	16,871	-	16,871
Unrealized losses from financial assets measured at fair value through other comprehensive income	-	(3,505)	(3,505)
Unrealized losses from financial assets measured at fair value through other comprehensive income, associates accounted for using equity method	-	(7,570)	(7,570)
Balance at March 31, 2026	<u><u>\$ 18,717</u></u>	<u><u>(5,739)</u></u>	<u><u>12,978</u></u>

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	Exchange differences on translation	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total
Balance at January 1, 2025	\$ 31,316	27,372	58,688
Exchange differences on foreign operations	31,771	-	31,771
Disposal of affiliated companies using the equity method reclassified to profit or loss	282	-	282
Unrealized losses from financial assets measured at fair value through other comprehensive income	-	(10,256)	(10,256)
Unrealized losses from financial assets measured at fair value through other comprehensive income, associates accounted for using the equity method	-	(925)	(925)
Balance at March 31, 2025	<u>\$ 63,369</u>	<u>16,191</u>	<u>79,560</u>

(iv) Non-controlling interests

	For the three months ended March 31,	
	2026	2025
Balance at January 1	\$ 812,932	760,492
Attributable to non-controlling interests:		
Profit for the period	20,092	16,986
Exchange differences on translation in foreign operations	7	(12)
Unrealized losses on financial assets measured at fair value through other comprehensive income	(2,700)	(7,902)
Changes in ownership interest in subsidiaries	-	85
Disposal of subsidiary	-	180
Balance at March 31	<u>\$ 830,331</u>	<u>769,829</u>

(p) Earnings per share

For the three months ended March 31, 2026 and 2025, the Company's earnings per share were calculated as follows:

	For the three months ended March 31,	
	2026	2025
Basic earnings per share		
Profit attributable to ordinary shareholders of the Company	\$ <u>443,065</u>	<u>391,096</u>
Weighted average number of ordinary shares	<u>248,650</u>	<u>248,650</u>
	<u>\$ 1.78</u>	<u>1.57</u>

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
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	<b>For the three months ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
Diluted earnings per share		
Profit attributable to ordinary shareholders of the Company (diluted)	<b>\$ 443,065</b>	<b>391,096</b>
Weighted average number of ordinary shares	248,650	248,650
Effect of employees' compensation	503	369
Weighted average number of ordinary shares (diluted)	<b>249,153</b>	<b>249,019</b>
	<b>\$ 1.78</b>	<b>1.57</b>

## (q) Revenue from contracts with customers

## (i) Disaggregation of revenue

	<b>For the three months ended March 31, 2026</b>						
	<b>Oncology Business Unit</b>	<b>Intensive Care Business Unit</b>	<b>HealthCare Business Unit</b>	<b>Export and CDMO Business Unit</b>	<b>Other Business Unit</b>	<b>Re-investment Business Unit</b>	<b>Total</b>
Primary geographical markets:							
Taiwan	\$ 603,657	279,230	50,048	53,314	-	281,359	1,267,608
America	-	-	-	123,434	-	-	123,434
Other countries	-	-	-	125,974	-	3,471	129,445
	<b>\$ 603,657</b>	<b>279,230</b>	<b>50,048</b>	<b>302,722</b>	<b>-</b>	<b>284,830</b>	<b>1,520,487</b>
Major products/services lines:							
Medicine and functional food	\$ 596,038	279,230	50,048	244,291	-	269,196	1,438,803
Services	7,619	-	-	219	-	15,634	23,472
Royalty / commission	-	-	-	58,212	-	-	58,212
	<b>\$ 603,657</b>	<b>279,230</b>	<b>50,048</b>	<b>302,722</b>	<b>-</b>	<b>284,830</b>	<b>1,520,487</b>
	<b>For the three months ended March 31, 2025</b>						
	<b>Oncology Business Unit</b>	<b>Intensive Care Business Unit</b>	<b>HealthCare Business Unit</b>	<b>Export and CDMO Business Unit</b>	<b>Other Business Unit</b>	<b>Re-investment Business Unit</b>	<b>Total</b>
Primary geographical markets:							
Taiwan	\$ 564,800	279,271	45,626	55,136	-	280,325	1,225,158
America	-	-	-	121,406	-	-	121,406
Other countries	-	-	-	108,179	-	4,107	112,286
	<b>\$ 564,800</b>	<b>279,271</b>	<b>45,626</b>	<b>284,721</b>	<b>-</b>	<b>284,432</b>	<b>1,458,850</b>
Major products/services lines:							
Medicine and functional food	\$ 558,300	279,271	45,621	239,190	-	272,102	1,394,484
Services	6,500	-	5	965	-	12,330	19,800
Royalty / commission	-	-	-	44,566	-	-	44,566
	<b>\$ 564,800</b>	<b>279,271</b>	<b>45,626</b>	<b>284,721</b>	<b>-</b>	<b>284,432</b>	<b>1,458,850</b>

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(ii) Contract balances

	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Contract liability	<u>\$ 31,486</u>	<u>53,699</u>	<u>35,523</u>

For details on accounts receivable and allowance for expected credit losses, please refer to Note 6(c).

The amount of revenue recognized for the three months ended March 31, 2026 and 2025 that were included in the contract liability balance at the beginning of the period were \$30,548 thousand and \$15,850 thousand, respectively.

(r) Remunerations to employees and directors

On May 29, 2025, the Company resolved at the shareholders' meeting to amend its Articles of Incorporation. According to the amended Articles of Incorporation, if the Company has profit in a given year, 0.5% to 10% of the profit should be allocated as employee remuneration (with no less than 0.5% of the profit to be distributed to entry-level employees), and a maximum of 2% of the profit shall be allocated as remuneration to directors and supervisors. However, if the Company has accumulated losses, the Company shall reserve an amount to cover such losses in advance. Prior to the amendment, the Articles of Incorporation stipulated that, if the Company has profit in a given year, 0.5% to 10% should be allocated as employee remuneration and no more than 2% should be allocated as remuneration to the directors. However, if the Company has accumulated losses, the Company shall reserve an amount to cover such losses in advance.

For the three months ended March 31, 2026 and 2025, the Company estimated its employee remuneration at \$8,270 thousand and \$7,304 thousand, respectively, and directors' remuneration at \$4,205 thousand and \$3,737 thousand, respectively. These amounts were calculated by using the Company's profit before tax for the period before deducting the amounts of the remuneration to employees and directors based on the Company's Articles of Incorporation and the amount was recognized under operating expenses. Related information would be available at the Market Observation Post System website. The amounts, as stated in the consolidated financial statements, are identical to those of the actual distributions for 2025 and 2024.

For the years ended December 31, 2025 and 2024, the Company accrued and recognized its employee compensation amounting to \$43,000 thousand and \$33,081 thousand, respectively and its remuneration to directors both amounting to \$15,600 thousand. The actual distribution and related information can be accessed from the website of Market Observation Post System.

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(s) Non-operating income and expenses

(i) Interest income

The details of total interest income for the three months ended March 31, 2026 and 2025 were as follows:

	<b>For the three months ended</b>	
	<b>March 31,</b>	
	<b>2026</b>	<b>2025</b>
Interest income from bank deposits	<u>\$ 14,369</u>	<u>17,991</u>

(ii) Other income

The details of other income for the three months ended March 31, 2026 and 2025 were as follows:

	<b>For the three months ended</b>	
	<b>March 31,</b>	
	<b>2026</b>	<b>2025</b>
Rent revenue	\$ 2,550	2,752
Compensation income	135	37,786
Others	-	123
	<u>\$ 2,685</u>	<u>40,661</u>

The Company reached an out-of-court settlement with Inopha AG in Switzerland on January 21, 2025, and recognized litigation settlement gain. For further details regarding the related litigation, please refer to Note 12.

(iii) Other gains and losses

The details of other gains and losses for the three months ended March 31, 2026 and 2025 were as follows:

	<b>For the three months ended</b>	
	<b>March 31,</b>	
	<b>2026</b>	<b>2025</b>
(Losses) gains on disposal of property, plant and equipment	\$ (9)	99
Gains on disposal of investments	-	946
Foreign exchange gains	9,013	6,329
Other	11,118	6,484
	<u>\$ 20,122</u>	<u>13,858</u>

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(iv) Finance costs

The details of finance costs for the three months ended March 31, 2026 and 2025 were as follows:

	<b>For the three months ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
Interest expense	\$ 5,600	8,174
Other finance costs	223	169
	<b>\$ 5,823</b>	<b>8,343</b>

(t) Financial instruments

Except for the contention 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 related information, please refer to Note 6(u) of the consolidated financial statements for the year ended December 31, 2025.

(i) Credit risk of receivables

Please refer to Note 6(c) for information of credit risk exposure of notes and accounts receivable.

All other financial assets measured at amortized cost include other receivables, deposits, refundable deposit paid and other financial assets. All 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 credit losses. With regards to 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, 2025. Please refer to Note 6(i) for information of credit risk.

(ii) Liquidity risk

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

	<b>Carrying value</b>	<b>Contractual cash flows</b>	<b>Within 1 year</b>	<b>2-3 years</b>	<b>4-5 years</b>	<b>Over 5 years</b>
<b>March 31, 2026</b>						
Non-derivative financial liabilities						
Bank loans	\$ 1,000,000	1,003,324	1,003,324	-	-	-
Non-interest-bearing liabilities (including related parties)	2,107,478	2,107,478	2,107,478	-	-	-
Lease liabilities (current and non-current)	15,138	15,865	9,269	6,596	-	-
Guarantee deposits received	2,468	2,468	2,468	-	-	-
Other non-current liabilities	266,849	266,849	-	-	-	266,849
	<b>\$ 3,391,933</b>	<b>3,395,984</b>	<b>3,122,539</b>	<b>6,596</b>	<b>-</b>	<b>266,849</b>

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
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	<u>Carrying value</u>	<u>Contractual cash flows</u>	<u>Within 1 year</u>	<u>2-3 years</u>	<u>4-5 years</u>	<u>Over 5 years</u>
<b>December 31, 2025</b>						
Non-derivative financial liabilities						
Bank loans	\$ 1,200,000	1,207,660	1,207,660	-	-	-
Non-interest-bearing liabilities (including related parties)	1,013,316	1,013,316	1,013,316	-	-	-
Lease liabilities (current and non-current)	15,748	16,549	8,932	7,617	-	-
Guarantee deposits received	2,454	2,454	2,454	-	-	-
	<u>266,849</u>	<u>266,849</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>266,849</u>
	<u><b>\$ 2,498,367</b></u>	<u><b>2,506,828</b></u>	<u><b>2,232,362</b></u>	<u><b>7,617</b></u>	<u><b>-</b></u>	<u><b>266,849</b></u>
<b>March 31, 2025</b>						
Non-derivative financial liabilities						
Bank loans	\$ 1,500,000	1,508,736	1,407,254	101,482	-	-
Non-interest-bearing liabilities (including related parties)	1,798,492	1,798,492	1,798,492	-	-	-
Lease liabilities (current and non-current)	11,757	12,480	6,386	6,094	-	-
Guarantee deposits received	2,436	2,436	2,436	-	-	-
	<u>3,312,685</u>	<u>3,322,144</u>	<u>3,214,568</u>	<u>107,576</u>	<u>-</u>	<u>-</u>
	<u><b>\$ 3,312,685</b></u>	<u><b>3,322,144</b></u>	<u><b>3,214,568</b></u>	<u><b>107,576</b></u>	<u><b>-</b></u>	<u><b>-</b></u>

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

(iii) Market risk

1) Currency risk

The Group's significant exposure of financial assets and liabilities to foreign currency risk was as follows:

	<u>March 31, 2026</u>			<u>December 31, 2025</u>			<u>March 31, 2025</u>		
	<u>Foreign Currency</u>	<u>Exchange Rate</u>	<u>NTD</u>	<u>Foreign Currency</u>	<u>Exchange Rate</u>	<u>NTD</u>	<u>Foreign Currency</u>	<u>Exchange Rate</u>	<u>NTD</u>
<u>Financial assets</u>									
<u>Monetary items</u>									
USD	\$ 18,397	31.9950	588,619	13,942	31.4300	438,208	14,595	33.2050	484,634
JPY	251,657	0.2005	50,457	177,112	0.2008	35,564	23,170	0.2227	5,160
EUR	8,557	36.7100	314,136	10,338	36.9000	381,489	1,206	35.9700	43,390
CHF	291	39.9850	11,629	-	39.6150	-	-	37.6850	-
<u>Non-monetary items</u>									
USD	45,868	31.9950	1,467,557	45,335	31.4300	1,424,864	44,154	33.2050	1,466,122
CNY	29,526	4.6290	136,675	29,631	4.4960	133,223	29,981	4.5730	137,102
THB	535,567	0.9782	523,892	517,295	1.0019	518,278	458,715	0.9842	451,468
<u>Financial liabilities</u>									
<u>Monetary items</u>									
USD	1,864	31.9950	59,634	1,754	31.4300	55,141	593	33.2050	19,692
JPY	154,140	0.2005	30,905	4,080	0.2008	819	-	0.2227	-
EUR	-	36.7100	-	609	36.9000	22,487	-	-	-

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
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The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents and accounts receivable that are denominated in foreign currency. Net investments in a foreign operation are strategic investments, so the Group does not treat them as a hedge.

For the three months ended March 31, 2026 and 2025, a strengthening (weakening) of 1% of the NTD against the USD, JPY, EUR and CHF as of would have increased (decreased) the net profit after tax by \$6,994 thousand and \$4,108 thousand, respectively. The analysis is performed on the same basis for both periods.

Since the Group has many kinds of functional currency, the information on foreign exchange gains (losses) on monetary items is disclosed by total amount. For the three months ended March 31, 2026 and 2025, the foreign exchange gains (including realized and unrealized portions) amounted gains \$9,013 thousand and gains \$6,329 thousand, respectively.

(iv) Interest rate analysis

The exposure to interest rate risk on financial assets and liabilities is disclosed in the note on liquidity risk management.

The Group mainly borrows capital at floating interest rates, so the cash flow risk arises from changes in interest rates. The Group's main source of borrowed capital is bank loans.

Regarding the liabilities with variable interest rates, their sensitivity analysis is based on the assumption that the amount of liabilities outstanding at the reporting date was outstanding throughout the year. The fluctuation rate is expressed as the interest rate increases or decreases by 0.25%, which also represents the Group management's assessment of the reasonably possible interest rate change, when reporting to the internal management.

If the interest rate had increased/decreased by 0.25%, the Group's after-tax net income would have decreased/increased by \$330 thousand and \$855 thousand for the three months ended March 31, 2026 and 2025, respectively with all other variable factors remaining constant.

(v) Other market price risk

For the three months ended March 31, 2026 and 2025, the sensitivity analyses for the changes in the securities price at the reporting date were performed using the same basis for profit or loss as illustrated below:

	For the three months ended March 31,			
	2026		2025	
	Other Comprehensive income after tax	Net income	Other Comprehensive income after tax	Net income
Prices of securities at the reporting date				
Increasing 10%	\$ <u>21,568</u>	<u>-</u>	<u>25,706</u>	<u>-</u>
Decreasing 10%	\$ <u>(21,568)</u>	<u>-</u>	<u>(25,706)</u>	<u>-</u>

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
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(vi) Fair value of financial instruments

1) Categories and fair value of financial instruments

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 for lease liabilities, disclosure of fair value information is not required:

	March 31, 2026				
	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income					
Domestic stock in listed company at Stock Exchange	\$ 181,081	181,081	-	-	181,081
Domestic stock in listed company at Taipei Exchange	22,603	22,603	-	-	22,603
Domestic unlisted stock	<u>11,992</u>	<u>-</u>	<u>-</u>	<u>11,992</u>	<u>11,992</u>
Subtotal	<u>215,676</u>	<u>203,684</u>	<u>-</u>	<u>11,992</u>	<u>215,676</u>
Financial assets measured at amortized cost					
Cash and cash equivalents	\$ 2,797,656	-	-	-	-
Notes and accounts receivable (including related party)	1,351,653	-	-	-	-
Other receivables (including related party)	33,400	-	-	-	-
Other financial assets (current and non-current)	942,597	-	-	-	-
Refundable deposits paid	<u>66,710</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal	<u>5,192,016</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 5,407,692</u>	<u>203,684</u>	<u>-</u>	<u>11,992</u>	<u>215,676</u>
Financial liabilities measured at amortized cost					
Bank loans	\$ 1,000,000	-	-	-	-
Notes and accounts payable (including related party)	298,957	-	-	-	-
Dividends payable	1,118,925	-	-	-	-
Other payables (including related party)	689,596	-	-	-	-
Lease liabilities (current and non-current)	15,138	-	-	-	-
Guarantee deposit received	2,468	-	-	-	-
Other non-current liabilities	<u>266,849</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 3,391,933</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	December 31, 2025				
	Carrying Value	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through other comprehensive income					
Domestic stock in listed company at Stock Exchange	\$ 179,145	179,145	-	-	179,145
Domestic stock in listed company at Taipei Exchange	30,743	30,743	-	-	30,743
Domestic unlisted stock	11,992	-	-	11,992	11,992
Subtotal	<u>221,880</u>	<u>209,888</u>	<u>-</u>	<u>11,992</u>	<u>221,880</u>
Financial assets measured at amortized cost					
Cash and cash equivalents	\$ 2,520,849	-	-	-	-
Notes receivable and accounts receivable (including related party)	1,517,879	-	-	-	-
Other receivables (including related party)	36,456	-	-	-	-
Other financial assets (current and non-current)	894,072	-	-	-	-
Refundable deposits paid	55,416	-	-	-	-
Subtotal	<u>5,024,672</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 5,246,552</u>	<u>209,888</u>	<u>-</u>	<u>11,992</u>	<u>221,880</u>
Financial liabilities measured at amortized cost					
Bank loans	\$ 1,200,000	-	-	-	-
Notes payable and accounts payable (including related party)	270,777	-	-	-	-
Other payables	742,539	-	-	-	-
Lease liabilities (current and non-current)	15,748	-	-	-	-
Guarantee deposit received	2,454	-	-	-	-
Other non-current liabilities	266,849	-	-	-	-
Total	<u>\$ 2,498,367</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
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	March 31, 2025				
	Carrying Value	Fair Value			Total
		Level 1	Level 2	Level 3	
Domestic stock in listed company at Stock Exchange	\$ 179,756	179,756	-	-	179,756
Domestic stock in listed company at Taipei Exchange	54,835	54,835	-	-	54,835
Domestic unlisted stock	11,992	-	-	11,992	11,992
Domestic corporate stocks	10,479	-	-	10,479	10,479
Subtotal	<u>257,062</u>	<u>234,591</u>	<u>-</u>	<u>22,471</u>	<u>257,062</u>
Financial assets measured at amortized cost					
Cash and cash equivalents	\$ 2,847,624	-	-	-	-
Notes and accounts receivable (including related party)	1,272,475	-	-	-	-
Other receivables (including related party)	55,985	-	-	-	-
Other financial assets (current and non-current)	508,756	-	-	-	-
Refundable deposits paid	31,305	-	-	-	-
Subtotal	<u>4,716,145</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 4,973,207</u>	<u>234,591</u>	<u>-</u>	<u>22,471</u>	<u>257,062</u>
Financial liabilities measured at amortized cost					
Bank loans	\$ 1,500,000	-	-	-	-
Notes and accounts payable (including related party)	163,758	-	-	-	-
Dividends payable	1,044,330	-	-	-	-
Other payables (including related party)	590,404	-	-	-	-
Lease liabilities (current and non- current)	11,757	-	-	-	-
Guarantee deposit received	2,436	-	-	-	-
Total	<u>\$ 3,312,685</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

2) Fair value hierarchy

The Group analyzes financial instruments carried at fair value by the levels in the fair value hierarchy. The different levels have been defined as follows:

- a) Level 1: quoted prices (unadjusted) in active markets for identified assets or liabilities.

(Continued)

**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- 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 asset or liability that are not based on observable market data (unobservable inputs).
- 3) Valuation techniques for financial instruments not measured at fair value

The Group's valuation techniques and assumptions used for financial instruments not measured at fair value are as follows:

The financial instrument mentioned above is either close to its expiry date, or their future receivable or payable is close to its carrying value; thus, its fair value is estimated from the book value of the balance sheet date.

- 4) Valuation techniques for financial instruments measured at fair value

Non-derivative financial instruments

The fair value of financial instruments traded in an active market is based on the quoted market prices. The quotations, which are published by the main exchange center or that which was deemed to be a public bond by the Treasury Bureau of Central Bank, are included in the fair value of the listed securities instruments and the debt instruments in active market with open bid.

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.

For financial instruments traded in active markets under standard terms and conditions, their fair values are based on quoted market prices.

For financial instruments not traded in active markets, their fair values are listed below by types and attributes:

- Equity instruments without a public quotation: The fair value of the equity instrument is estimated based on a discounted cash flow model. The main assumption is that the expected future cash flow of the investee will be discounted at the rate of return, which reflects the time value of money and investment risk.

(Continued)

**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
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The fair value of financial instruments traded in active markets is based on quoted market prices.

5) Transfer between levels

There was no change in valuation techniques for financial instruments measured at fair value for the three months ended March 31, 2026 and 2025, so there was no transfer between levels.

6) Reconciliation of Level 3 fair values

	<b>Fair value through other comprehensive income</b>
	<b>Unquoted equity instruments</b>
Balance at January 1, 2026	\$ 11,992
Balance at March 31, 2026	<u>\$ 11,992</u>
Balance at January 1, 2025	\$ 22,471
Balance at March 31, 2025	<u>\$ 22,471</u>

7) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

The Group's financial instruments that use Level 3 inputs to measure fair value include "fair value through other comprehensive income – equity investments".

Most of the Group's financial instruments that use Level 3 inputs have only one significant unobservable input. Only equity investments without an active market have multiple significant unobservable input.

Quantified information of significant unobservable inputs was as follows:

<b>Item</b>	<b>Valuation technique</b>	<b>Significant unobservable inputs</b>	<b>Inter-relationship between significant unobservable inputs and fair value measurement</b>
Financial assets measured at fair value through other comprehensive income - equity investments without an active market	Comparable companies method	Discount for lack of market liquidity (On March 31, 2026, December 31, 2025 and March 31, 2025 all of 27.3%~30%, 27.3%~41.4% and 27.3%~30%)	The higher the discount for lack of market liquidity, the lower the fair value.

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
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- 8) Fair value measurements in Level 3 – sensitivity analysis of reasonably possible alternative assumptions

The valuation models and assumptions used to measure the fair value of financial instruments are reasonable. However, the use of different valuation models or assumptions may result in different measurements. The following is the effect of other comprehensive income from financial assets and liabilities categorized within Level 3 if the inputs used in valuation models have changed:

	<u>Input</u>	<u>Change</u>	<u>Other comprehensive income</u>	
			<u>Favorable</u>	<u>Unfavorable</u>
<b>March 31, 2026</b>				
Financial assets at fair value through other comprehensive income - equity investments without an active market	Discounted of liquidity	1%	165	(165)
<b>December 31, 2025</b>				
Financial assets at fair value through other comprehensive income - equity investments without an active market	Discounted of liquidity	1%	165	(165)
<b>March 31, 2025</b>				
Financial assets at fair value through other comprehensive income - equity investments without an active market	Discounted of liquidity	1%	270	(270)

The favorable and unfavorable effects represent the changes in fair value, which is based on a variety of unobservable inputs calculated using a valuation technique. The analysis above only reflects the effects of changes in a single input, and it does not include the interrelationships with another input.

- (u) Financial risk management

There were no significant changes in the Group's financial risk management and policies as disclosed in Note 6(v) of the consolidated financial statements for the year ended December 31, 2025.

- (v) 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, 2025. Also, there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2025. Please refer to Note 6(w) of the consolidated financial statements for the year ended December 31, 2025 for further details.

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
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**(7) Related-party transactions:**

(a) Names of related parties and relationship

The followings are entities that have had transactions with related party during the periods covered in the consolidated financial statements.

<u>Name of related party</u>	<u>Relationship with the Group</u>
American Taiwan Biopharm (ATB)	An associate
PharmaEngine, Inc.	An associate
American Taiwan Biopharm (ATB Taiwan)	A subsidiary of an associate

(b) Significant transactions with related parties

(i) Sales revenue

The amounts of significant sales by the Group to related parties were as follows:

	<b>For the three months ended March 31,</b>	
	<u>2026</u>	<u>2025</u>
Associates	\$ <u>26,273</u>	<u>32,836</u>

The selling prices with associates were marked up by 100% of the cost of goods sold. If the collection was past due three months, then 5% interest was charged.

(ii) Service revenue

The Group's service revenue for related party was as follows:

<u>Recognized item</u>	<u>Category</u>	<b>For the three months ended March 31</b>	
		<u>2026</u>	<u>2025</u>
Service revenue	Associate	\$ <u>-</u>	<u>331</u>

(iii) Rental revenue

The Group's rental revenue for related party was as follows:

<u>Recognized item</u>	<u>Category</u>	<b>For the three months ended March 31,</b>	
		<u>2026</u>	<u>2025</u>
Rental revenue	Other related parties	\$ <u>45</u>	<u>-</u>

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
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(iv) Other gains

The amounts of other gains by the Group from related parties were as follows:

<b>Recognized item</b>	<b>Category</b>	<b>For the three months ended March 31,</b>	
		<b>2026</b>	<b>2025</b>
Other gains	Associate-ATB	\$ <u>2,349</u>	<u>3,374</u>

Other gains of the Group to the associates were mainly paid in accordance with the management service contract between the two parties. The payment terms are three months.

(c) Assets and liabilities with related parties

<b>Recognized item</b>	<b>Category</b>	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Accounts receivable	Associates	\$ <u>24,508</u>	<u>36,644</u>	<u>6,957</u>
Other receivables	Associate-ATB	\$ 2,708	3,035	21,350
Other receivables	Associate	-	35	-
	Other related parties	16	346	-
		\$ <u>2,724</u>	<u>3,416</u>	<u>21,350</u>

The information about the expected credit losses for notes receivable and accounts receivable, please refer to Note 6(c).

(d) Key management personnel compensation

Key management personnel compensation comprised:

	<b>For the three months ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
Salaries and other short-term employee benefits	\$ 20,701	21,369
Post-employment benefits	353	363
	\$ <u>21,054</u>	<u>21,732</u>

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

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

The carrying amounts of pledged assets were as follows:

<u>Pledged asset</u>	<u>Object</u>	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Other financial assets- non-current	Guarantee for provision attachment	\$ 149,380	149,380	149,380
Other financial assets- non-current	Account receivable from distributors	10,000	10,000	5,000
		<u>\$ 159,380</u>	<u>159,380</u>	<u>154,380</u>

**(9) Significant commitments and contingencies:**

- (a) The Group's unfinished contracts as of March 31, 2026, December 31, 2025 and March 31, 2025 were as follows:

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
<u>Total price of unfinished contracts</u>			
Purchase of equipment and construction engineering	<u>\$ 176,190</u>	<u>169,926</u>	<u>141,482</u>
Acquisition of intangible assets	<u>238,325</u>	<u>350,530</u>	<u>380,300</u>
Research and development service	<u>92,725</u>	<u>92,725</u>	<u>91,115</u>
Purchase of raw materials	<u>108,325</u>	<u>107,796</u>	<u>109,460</u>
<u>Unpaid amount</u>			
Purchase of equipment and construction engineering	<u>\$ 64,032</u>	<u>88,692</u>	<u>105,366</u>
Acquisition of intangible assets	<u>221,671</u>	<u>268,797</u>	<u>319,903</u>
Research and development service	<u>17,498</u>	<u>21,038</u>	<u>18,587</u>
Purchase of raw materials	<u>29,995</u>	<u>29,466</u>	<u>31,130</u>

- (b) As of March 31, 2026, December 31, 2025, and March 31, 2025, the financial institutions provided guarantee for the import and sale of medicine amounted to \$59,872 thousand, \$82,125 thousand and \$33,802 thousand, respectively.
- (c) After being notified of certain improper activities of Huan-Lei Biotechnology Ltd. ("Huan-Lei"), the Company's distribution partner, the Company voluntarily informed the Criminal Investigation Bureau (CIB) about the matter for further investigation. During the investigation, Taiwan Shilin District Prosecutors Office found that TTY's payments totaling \$53,900 thousand to third parties, made out of Huan-Lei's request, should be considered Huan-Lei's illegal gains and therefore issued a letter to the Company on December 25, 2023, requesting return of said illegal gains. After consultation with external lawyers explaining about the complexity of the dispute that has yet to be tried, the Company evaluated the probability of filing claims for return of the sum, claims against wrongdoers and relief, and set aside a reserve for the partial loss. On April 18, 2024, Taiwan Shilin District Prosecutors Office charged Shih, Chun Liang and other parties who are involved in the case. This case is currently under trial at Taiwan Shilin District Court.

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(10) Losses due to major disasters: None**

**(11) Subsequent events: None**

**(12) Other:**

- (a) A summary of current-period employee benefits, depreciation and amortization expenses, by function, was as follows:

By item	By function		For the three months ended March 31,			
	2026			2025		
	Operating Cost	Operating expense	Total	Operating Cost	Operating expense	Total
Employee benefit						
Salary	\$ 65,358	175,046	240,404	63,538	186,201	249,739
Health and labor insurance	6,307	13,105	19,412	6,179	13,477	19,656
Pension	3,131	7,978	11,109	3,402	7,917	11,319
Others	3,971	23,267	27,238	3,682	22,127	25,809
Depreciation expense	32,088	7,114	39,202	32,111	7,041	39,152
Amortization expense	3,405	9,044	12,449	358	5,006	5,364

- (b) Seasonality of operations:

The Group's operations are not affected by seasonal factors or cyclical factors.

- (c) The Group donated \$33,231 thousand and \$38,530 thousand to related medical foundations and associations to support non-profit organizations developing drugs and promoting disease prevention and correct dosage for the three months ended March 31, 2026 and 2025, respectively.
- (d) With regards to the dispute on the Risperidone Development Contract entered into between the Company and Center Laboratories, Inc. (referred to as CLI), the Company considered that the signing of the said contract did not comply with the relevant procedures and legal requirements and should therefore be deemed invalid. However, CLI disagreed with the Company's viewpoint and filed a civil lawsuit against the Company in the Taipei District Court on July 1, 2016, seeking a declaratory judgment of the said contract. After multiple trials and remands, on December 24, 2024, the Taiwan High Court ruled to dismiss our company's appeal, confirming the existence of the contractual relationship between the two parties. The Company has filed an appeal with the Supreme Court within the statutory period to protect the Company's legal rights.
- (e) On May 14, 2021, the Company was penalized by the Fair Trade Commission for concerted action due to the agreement it entered into with Lotus Pharmaceutical Co., Ltd. on February 4, 2009, regarding the exclusive right to sell "Furil Capsules". On July 12, 2021, the Company filed a complaint with the Taipei High Administrative Court to revoke the above penalty. The case is being heard by the Taipei High Administrative Court.

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

**(13) Other disclosures:**

(a) Information on significant transactions:

The following is the information on the Group significant transactions required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” for the three months ended March 31, 2026:

- (i) Loans to other parties: None
- (ii) Guarantees and endorsements for other parties: None
- (iii) Material securities held as of March 31, 2026 (excluding investment in subsidiaries, associates and joint ventures):

(In Thousands of New Taiwan Dollar)

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance				Note
				Shares/Units (thousands)	Carrying value	Percentage of ownership (%)	Fair value	
The Company	ExoOne Bio. Co., Ltd. Common Stock	-	Financial assets measured at fair value through other comprehensive income–non-current	700	11,992	2.46 %	11,992	
TSH Biopharm Co., Ltd.	Lumosa Therapeutics Co., Ltd. Common Stock	-	Financial assets measured at fair value through other comprehensive income– current	158	22,603	0.09 %	22,603	
"	Fubon Financial Holding Co., Ltd. Preferred Shares B	-	Financial assets measured at fair value through other comprehensive income–non-current	2,500	156,250	0.38 %	156,250	
"	Union Bank of Taiwan Preferred Shares A	-	"	400	21,840	0.20 %	21,840	
"	Fubon Financial Holding Co., Ltd. Preferred Shares C	-	"	58	2,991	0.02 %	2,991	
"	CellMax Ltd. Common Stock	-	"	1,593	-	- %	-	

- (iv) Information regarding related-parties purchases and/or sales exceeding NT\$100 million or 20% of the Company’s paid-in capital: None

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

- (v) Information regarding receivables from related-parties exceeding NT\$100 million or 20% of the Company's paid-in capital: None
- (vi) Significant transactions and business relationship between the parent company and its subsidiaries:

(In Thousands of New Taiwan Dollars)

No.	Name of company	Name of counter-party	Nature of relationship	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
0	The Company	TSH Biopharm Co., Ltd.	1	Accounts receivable	4,920	By contract	0.04%
0	"	"	1	Other receivables	1,011	"	0.01%
0	"	"	1	Sales revenue	16,039	"	1.05%
0	"	"	1	Other income	1,224	"	0.08%
0	"	"	1	Commission expense	1,456	"	0.10%
0	"	American Taiwan Biopharma Phils Inc.	1	Accounts receivable	2,979	"	0.03%
0	"	"	1	Other receivables	4,426	"	0.04%
0	"	Chuang Yi Biotech Co., Ltd.	1	Accounts receivable	12,388	"	0.11%
0	"	"	1	Sales revenue	11,795	"	0.78%
0	"	"	1	Other gains and losses	1,585	"	0.10%
1	TSH Biopharm Co., Ltd	TOP Pharm Medicalware Co., Ltd.	3	Sales Revenue	19,311	"	1.27%
1	"	"	3	Notes receivable	4,957	"	0.04%
1	"	"	3	Accounts receivable	5,968	"	0.05%

Note 1): The numbering is as follows:

1. "0" represents the parent company.
2. Subsidiaries are sequentially numbered from 1 by company.

Note 2): The types of transaction between the parent company and subsidiaries are as follows:

1. Transactions from parent company to subsidiary.
2. Transactions from subsidiary to parent company.
3. Transactions between subsidiaries.

Note 3): The transactions have been eliminated in the consolidated financial statements.

Note 4): The related-party transactions less than NT\$1,000 thousand were not disclosed, and so were the relative transactions.

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## TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

(b) Information on investees:

The following is the information on investees for the three months ended March 31, 2026 (excluding information on investees in Mainland China):

(In Thousands of New Taiwan Dollar)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of March 31, 2026			Net income (losses) of investee	Share of profits/losses of investee	Note
				March 31, 2026	December 31, 2025	Shares (thousands)	Percentage of ownership	Carrying value			
The Company	Xudong Haipu International Co., Ltd.	Cayman Is.	Investing activities	14,542	14,542	1,454	100.00 %	1,311,182	10,709	10,709	Subsidiary
The Company	Worldco International Co., Ltd.	Hong Kong	Selling chemical medicine	15,825	15,825	3,960	100.00 %	136,675	(482)	(482)	Subsidiary
The Company	American Taiwan Biopharma Philippines	Philippines	Selling chemical medicine	32,904	32,904	481	87.00 %	(4,635)	(175)	(152)	Subsidiary
The Company	TSH Biopharm Co., Ltd.	Taiwan	Selling chemical medicine	227,449	227,449	21,687	56.48 %	833,621	38,717	21,826	Subsidiary
The Company	EnhancX Biopharm Inc.	Taiwan	Developing chemical medicine	50,000	50,000	5,000	20.83 %	101	-	-	Subsidiary
The Company	Chuang Yi Biotech Co., Ltd.	Taiwan	Selling functional food	250,951	250,951	7,432	23.12 %	49,681	383	88	Subsidiary
The Company	PharmaEngine, Inc.	Taiwan	Developing chemical medicine	536,559	536,559	25,867	18.00 %	1,075,642	137,215	24,699	Investments accounted for using equity method
The Company	American Taiwan Biopharm	Thailand	Selling chemical medicine	2,966	2,966	380	40.00 %	523,892	54,697	21,879	Investments accounted for using equity method
The Company	Gligio International Limited	Hong Kong	Selling chemical medicine	2,685	2,685	620	40.00 %	156,375	15,545	6,218	Investments accounted for using equity method
Xudong Haipu International Co., Ltd.	EnhancX Biopharm Inc.	Taiwan	Developing chemical medicine	70,000	70,000	7,000	29.17 %	12,111	-	-	Subsidiary
Xudong Haipu International Co., Ltd.	TTY Biopharm Korea Co., Ltd.	Korea	Selling chemical medicine	74,627	74,627	584	100.00 %	6,288	(231)	(231)	Subsidiary
Xudong Haipu International Co., Ltd.	TTY Biopharm Mexico S.A. de C.V.	Mexico	Selling chemical medicine	26,638	26,638	17,500	50.00 %	-	-	-	Subsidiary
Worldco International Co., Ltd.	TTY Biopharm Mexico S.A. de C.V.	Mexico	Selling chemical medicine	26,638	26,638	17,500	50.00 %	-	-	-	Subsidiary
TSH Biopharm Co., Ltd.	Chuang Yi Biotech Co., Ltd.	Taiwan	Selling functional food	200,262	200,262	16,590	51.60 %	198,323	383	198	Subsidiary
TSH Biopharm Co., Ltd.	TOP Pharm Medicalware Co., Ltd.	Taiwan	Selling and manufacturing of medicine and functional food	301,451	301,451	3,794	51.00 %	342,426	6,533	3,332	Subsidiary

Note1): Changes in subsidiaries included in the consolidated financial statements. Please refer to Note 4(b) for details.

Note2): The transaction was eliminated when preparing the consolidated financial statements.

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
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(c) Information on investment in Mainland China:

(i) The names of investees in Mainland China, the main businesses and products, and other information:

(In Thousands)

Name of investee	Main businesses and products	Total amount of paid-in capital	Method of investment (Note 1)	Accumulated outflow of investment from Taiwan as of January 1, 2026	Investment flows		Accumulated outflow of investment from Taiwan as of March 31, 2026	Net income (losses) of the investee	Percentage of ownership	Investment income (losses) (Note 2)	Book value	Accumulated remittance of earnings in current period
					Outflow	Inflow						
Worldco Biotech Pharmaceutical Ltd. (Chengdu)	Selling chemical medicine	55,085	( 2 )	93,182	-	-	93,182	91	100 %	91	54,571	-
		CNY 11,900		CNY 20,130			CNY 20,130	CNY 20		CNY 20	CNY 11,789	

The exchange rate of USD to NTD as of the reporting date was 1:31.9950, and the average exchange rate of USD to NTD for the reporting period was 1:31.4675.

The exchange rate of CNY to NTD as of the reporting date was 1:4.6290, and the average exchange rate of CNY to NTD for the reporting period was 1:4.5532.

Note 1): Investment methods are classified into the following four categories.

1. Remittance from third-region companies to invest in Mainland China.
2. Through the establishment of third-region companies, then investing in Mainland China.
3. Through transfer of investment to third-region existing companies, then investing in Mainland China.
4. Others.

Note 2): The amounts are presented in New Taiwan Dollar. Recognized investment gain (loss) and the carrying value of investment as of the reporting date in foreign currencies were translated based on the average exchange rate during the reporting period and the exchange rate at the reporting date, respectively.

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
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(ii) Limitation on investment in Mainland China:

Accumulated Investment in Mainland China as of March 31, 2026	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
NTD 93,182	NTD 1,511,060 (USD 47,228 )	NTD 3,941,008

(iii) Significant transactions: None

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**TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(14) Segment information:**

(a) General information

The Group's operating segments required to be disclosed are categorized as Oncology Business Unit, Intensive Care Business Unit, Healthcare Business Unit, Export and CDMO Business Unit, and Re-investment Business Unit, etc. The Group has other operating segments that are below the quantitative criteria located in the Logistics business Unit.

The segments' profit is measured at profit before tax. The Group assesses performance of the segments based on the segments' profit. The operating segments' accounting policies are similar to those described in Note 4 "significant accounting policies".

(b) Reportable segment profit or loss, segment assets, segment liabilities, and their measurement and reconciliations

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

<u>For the three months ended March 31, 2026</u>	<u>Oncology Business Unit</u>	<u>Intensive Care Business Unit</u>	<u>Health Care Unit</u>	<u>Export And OEM Business Unit</u>	<u>Other Business Unit</u>	<u>Re-investment Business Unit</u>	<u>Adjustment and elimination</u>	<u>Total</u>
Revenue:								
Revenue from external customers	\$ 603,657	279,230	50,048	302,722	-	284,830	-	1,520,487
Intersegment revenues	-	(5)	11,798	16,039	-	21,625	(49,457)	-
Total revenue	<u>\$ 603,657</u>	<u>279,225</u>	<u>61,846</u>	<u>318,761</u>	<u>-</u>	<u>306,455</u>	<u>(49,457)</u>	<u>1,520,487</u>
Reportable segment profit or loss	<u>\$ 315,942</u>	<u>88,890</u>	<u>50,464</u>	<u>100,175</u>	<u>13,003</u>	<u>52,155</u>	<u>(47,010)</u>	<u>573,619</u>
<u>For the three months ended March 31, 2025</u>								
Revenue:								
Revenue from external customers	\$ 564,800	279,271	45,626	284,721	-	284,432	-	1,458,850
Intersegment revenues	-	23,193	12,394	26,459	-	22,043	(84,089)	-
Total revenue	<u>\$ 564,800</u>	<u>302,464</u>	<u>58,020</u>	<u>311,180</u>	<u>-</u>	<u>306,475</u>	<u>(84,089)</u>	<u>1,458,850</u>
Reportable segment profit or loss	<u>\$ 254,333</u>	<u>114,782</u>	<u>39,789</u>	<u>89,664</u>	<u>(9,371)</u>	<u>44,869</u>	<u>(18,470)</u>	<u>515,596</u>
<b>Reportable segment assets</b>								
Balance on March 31, 2026	<u>\$ 1,663,990</u>	<u>700,609</u>	<u>770,606</u>	<u>1,864,135</u>	<u>5,637,956</u>	<u>3,436,654</u>	<u>(2,398,084)</u>	<u>11,675,866</u>
Balance on December 31, 2025	<u>\$ 1,128,446</u>	<u>876,701</u>	<u>929,411</u>	<u>1,983,228</u>	<u>5,419,833</u>	<u>3,220,319</u>	<u>(2,209,869)</u>	<u>11,348,069</u>
Balance on March 31, 2025	<u>\$ 1,223,745</u>	<u>454,492</u>	<u>678,924</u>	<u>1,847,742</u>	<u>5,823,597</u>	<u>3,344,933</u>	<u>(2,400,797)</u>	<u>10,972,636</u>