

Stock Code :1733

**Apex Biotechnology Corporation and
Subsidiaries**

**Consolidated Financial Statements for the
Six Months Ended June 30, 2025 and 2024 and
Independent Auditors' Review Report**

Notice to Readers

The reader is advised that these financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Apex Biotechnology Corporation

Introduction

We have reviewed the accompanying consolidated balance sheets of Apex Biotechnology Corporation and its subsidiaries (collectively, the “Company”) as of June 30, 2025 and 2024, the related consolidated statements of comprehensive income for the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024, the consolidated statement of changes in equity and cash flows for the six months ended June 30, 2025 and 2024, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Basis for Qualified Conclusion

As disclosed in Note 11 to the consolidated financial statements, the financial statements of some non-significant subsidiaries included in the consolidated financial statements were not reviewed. As of June 30, 2025, and 2024, the combined total assets of these non-significant subsidiaries were NT\$13,436 thousand and NT\$13,068 thousand, respectively, representing 0.56% and 0.57%, respectively, of the consolidated total assets, and the combined total liabilities of these non-significant subsidiaries were NT\$7,090 thousand and NT\$4,884 thousand, respectively, representing 1.16% and 0.89%, respectively, of the consolidated total liabilities; for the three

months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024, the amounts of combined comprehensive income of these subsidiaries were NT\$1,531 thousand, NT\$1,476 thousand, NT\$1,314 thousand and NT\$1,405 thousand, respectively, representing 6.29%, 5.31%, 1.51% and 2.42%, respectively, of the consolidated total comprehensive income.

Qualified Conclusion

Based on our reviews, except for the adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries as described in the preceding paragraph been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not give a true and fair view of the consolidated financial position of the Company as of June 30, 2025 and 2024, and of its consolidated financial performance for the three months ended June 30, 2025 and 2024 and its consolidated financial performance and its consolidated cash flows for the six months ended June 30, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors’ review report are Ya Yun Chang and Ming Hui Chen.

Deloitte & Touche
Taipei, Taiwan
Republic of China

August 8, 2025

Notice to Readers

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

For the convenience of readers, the independent auditors’ review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors’ review report and consolidated financial statements shall prevail.

APEX BIOTECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(In Thousands of New Taiwan Dollars)

ASSETS	June 30, 2025		December 31, 2024		June 30, 2024		LIABILITIES AND EQUITY	June 30, 2025		December 31, 2024		June 30, 2024	
	Amount	%	Amount	%	Amount	%		Amount	%	Amount	%	Amount	%
Current assets							Current liabilities						
Cash (Note 6)	\$ 583,496	24	\$ 532,685	22	\$ 365,142	16	Short-term loans (Note 16)	\$ -	-	\$ -	-	\$ 5,000	-
Financial assets at fair value through profit or loss – current (Note 7)	91,242	4	66,099	3	67,464	3	Contract liabilities - current (Note 22)	13,797	1	58,278	2	53,469	2
Notes and accounts receivable, net (Notes 9, 22 and 29)	408,011	17	346,636	14	365,078	16	Notes payable (Note 17)	34,491	1	43,207	2	30,574	1
Other receivables (Note 9)	9,503	-	8,080	-	7,363	-	Accounts payable (Notes 17 and 29)	154,745	7	195,820	8	167,874	7
Inventories (Note 10)	540,299	23	662,491	28	689,044	30	Dividends payable (Note 21)	119,940	5	-	-	-	-
Current prepayments for investments	-	-	6,000	-	-	-	Other payables (Notes 18 and 29)	127,360	5	131,603	6	127,577	6
Other current assets (Note 15)	18,442	1	21,070	1	21,678	1	Current tax liabilities (Notes 4 and 24)	25,916	1	24,517	1	22,731	1
Total current assets	1,650,993	69	1,643,061	68	1,515,769	66	Current provisions (Note 19)	13,107	1	12,125	1	12,076	1
							Lease liabilities - current (Note 13)	8,485	-	9,026	-	8,028	1
							Other current liabilities (Note 18)	2,935	-	3,199	-	3,214	-
							Total current liabilities	500,776	21	477,775	20	430,543	19
Non-current assets													
Financial assets at amortized cost - non-current (Notes 8 and 30)	6,200	-	6,200	-	6,200	-	Non-current liabilities						
Property, plant and equipment (Note 12)	565,556	24	581,184	24	590,996	26	Deferred tax liabilities (Notes 4 and 24)	4,080	-	3,535	-	798	-
Right-of-use assets (Note 13)	104,890	4	114,624	5	117,923	5	Lease liabilities - non-current (Note 13)	105,207	4	113,929	5	117,612	5
Intangible assets (Note 14)	34,959	2	39,596	2	42,361	2	Guarantee deposits received	425	-	465	-	462	-
Deferred tax assets (Notes 4 and 24)	6,071	-	9,241	-	2,078	-	Total non-current liabilities	109,712	4	117,929	5	118,872	5
Prepayments for business facilities	4,705	-	6,798	-	6,936	-							
Refundable deposits	4,339	-	4,156	-	4,007	-							
Net defined benefit asset, non-current (Notes 4 and 20)	23,881	1	15,075	1	8,260	1							
Total non-current assets	750,601	31	776,874	32	778,761	34							
							Total liabilities	610,488	25	595,704	25	549,415	24
							Equity attributable to shareholders of the parent (Note 21)						
							Share capital						
							Ordinary shares	999,502	42	999,502	41	999,502	44
							Capital surplus	68,368	3	68,368	3	68,368	3
							Retained earnings						
							Legal reserve	541,607	23	528,094	22	528,094	23
							Unappropriated earnings	173,188	7	215,963	9	137,265	6
							Total retained earnings	714,795	30	744,057	31	665,359	29
							Other equity	7,803	-	11,670	-	11,311	-
							Equity attributable to shareholders of the parent	1,790,468	75	1,823,597	75	1,744,540	76
							Non-controlling interests (Note 21)	638	-	634	-	575	-
							Total equity	1,791,106	75	1,824,231	75	1,745,115	76
Total assets	<u>\$ 2,401,594</u>	<u>100</u>	<u>\$ 2,419,935</u>	<u>100</u>	<u>\$ 2,294,530</u>	<u>100</u>	Total liabilities and equity	<u>\$ 2,401,594</u>	<u>100</u>	<u>\$ 2,419,935</u>	<u>100</u>	<u>\$ 2,294,530</u>	<u>100</u>

The accompanying notes are an integral part of the consolidated financial statements.
(With Deloitte & Touche review report dated August 8, 2025)

APEX BIOTECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
NET OPERATING REVENUE								
(Notes 22 and 29)	\$ 509,948	100	\$ 437,997	100	\$ 1,068,701	100	\$ 888,655	100
OPERATING COSTS								
(Notes 10、23 and 29)	<u>373,048</u>	<u>73</u>	<u>321,123</u>	<u>73</u>	<u>769,142</u>	<u>72</u>	<u>662,249</u>	<u>74</u>
GROSS PROFIT	<u>136,900</u>	<u>27</u>	<u>116,874</u>	<u>27</u>	<u>299,559</u>	<u>28</u>	<u>226,406</u>	<u>26</u>
OPERATING EXPENSES (Notes 23 and 29)								
Selling and marketing expenses	24,655	5	29,478	7	48,808	5	53,118	6
General and administrative expenses	31,939	6	32,645	7	65,463	6	63,597	7
Research and development expenses	36,964	7	37,752	9	77,408	7	76,318	9
Expected credit loss	<u>80</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,418</u>	<u>1</u>	<u>-</u>	<u>-</u>
Total operating expenses	<u>93,638</u>	<u>18</u>	<u>99,875</u>	<u>23</u>	<u>200,097</u>	<u>19</u>	<u>193,033</u>	<u>22</u>
INCOME FROM OPERATIONS	<u>43,262</u>	<u>9</u>	<u>16,999</u>	<u>4</u>	<u>99,462</u>	<u>9</u>	<u>33,373</u>	<u>4</u>
NON-OPERATING INCOME AND EXPENSES (Note 23)								
Interest income	1,277	-	1,036	-	1,365	-	1,156	-
Other income	4,732	1	2,418	1	5,144	-	3,010	-
Other gains and losses	(26,263)	(5)	14,697	3	(1,720)	-	30,891	4
Finance costs	(<u>851</u>)	<u>-</u>	(<u>911</u>)	<u>-</u>	(<u>1,731</u>)	<u>-</u>	(<u>1,806</u>)	<u>-</u>
Total non-operating income and expenses	(<u>21,105</u>)	(<u>4</u>)	<u>17,240</u>	<u>4</u>	<u>3,058</u>	<u>-</u>	<u>33,251</u>	<u>4</u>
INCOME BEFORE INCOME TAX	22,157	5	34,239	8	102,520	9	66,624	8
INCOME TAX BENEFIT (EXPENSE)								
(Notes 4 and 24)	<u>6,603</u>	<u>1</u>	(<u>6,879</u>)	(<u>2</u>)	(<u>11,772</u>)	(<u>1</u>)	(<u>10,140</u>)	(<u>1</u>)
NET INCOME	<u>28,760</u>	<u>6</u>	<u>27,360</u>	<u>6</u>	<u>90,748</u>	<u>8</u>	<u>56,484</u>	<u>7</u>

(Continued)

APEX BIOTECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME								
(LOSS) (Note 21)								
Items that may be reclassified subsequently to								
profit or loss								
Exchange differences on translation of the								
financial statements of foreign								
operations	(\$ 4,434)	(1)	\$ 450	-	(\$ 3,933)	-	\$ 1,642	-
TOTAL COMPREHENSIVE INCOME FOR								
THE PERIOD	<u>\$ 24,326</u>	<u>5</u>	<u>\$ 27,810</u>	<u>6</u>	<u>\$ 86,815</u>	<u>8</u>	<u>\$ 58,126</u>	<u>7</u>
NET INCOME ATTRIBUTABLE TO :								
Shareholders of the parent	\$ 28,651	6	\$ 27,289	6	\$ 90,678	8	\$ 56,431	7
Non-controlling interests	<u>109</u>	-	<u>71</u>	-	<u>70</u>	-	<u>53</u>	-
	<u>\$ 28,760</u>	<u>6</u>	<u>\$ 27,360</u>	<u>6</u>	<u>\$ 90,748</u>	<u>8</u>	<u>\$ 56,484</u>	<u>7</u>
TOTAL COMPREHENSIVE INCOME								
ATTRIBUTABLE TO :								
Shareholders of the parent	\$ 24,293	5	\$ 27,733	6	\$ 86,811	8	\$ 58,051	7
Non-controlling interests	<u>33</u>	-	<u>77</u>	-	<u>4</u>	-	<u>75</u>	-
	<u>\$ 24,326</u>	<u>5</u>	<u>\$ 27,810</u>	<u>6</u>	<u>\$ 86,815</u>	<u>8</u>	<u>\$ 58,126</u>	<u>7</u>
EARNINGS PER SHARE (Note 25)								
Basic	<u>\$ 0.29</u>		<u>\$ 0.27</u>		<u>\$ 0.91</u>		<u>\$ 0.56</u>	
Diluted	<u>\$ 0.29</u>		<u>\$ 0.27</u>		<u>\$ 0.90</u>		<u>\$ 0.56</u>	

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

(With Deloitte & Touche review report dated August 8, 2025)

(Concluded)

APEX BIOTECHNOLOGY CORPORATION AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY****(In Thousands of New Taiwan Dollars)**

	Equity Attributable to Shareholders of the Parent								Total Equity
	Share Capital			Retained Earnings		Other Equity			
						Exchange Differences on Translation of Foreign Operations	Total	Non-controlling Interests	
Shares (In thousands)	Amount	Capital Surplus	Legal Reserve	Unappropriated Earnings					
BALANCE ON JANUARY 1, 2024	99,950	\$ 999,502	\$ 68,368	\$ 516,208	\$ 202,665	\$ 9,691	\$ 1,796,434	\$ 500	\$ 1,796,934
Appropriation of 2023 earnings									
Legal reserve	-	-	-	11,886	(11,886)	-	-	-	-
Cash dividends -\$1.1 per share	-	-	-	-	(109,945)	-	(109,945)	-	(109,945)
Net income (loss) for the six months ended June 30, 2024	-	-	-	-	56,431	-	56,431	53	56,484
Other comprehensive income (loss) for the six months ended June 30, 2024, net of Income tax	-	-	-	-	-	1,620	1,620	22	1,642
Total comprehensive income (loss) for the six months ended June 30, 2024	-	-	-	-	56,431	1,620	58,051	75	58,126
BALANCE ON JUNE 30, 2024	99,950	\$ 999,502	\$ 68,368	\$ 528,094	\$ 137,265	\$ 11,311	\$ 1,744,540	\$ 575	\$ 1,745,115
BALANCE ON JANUARY 1, 2025	99,950	\$ 999,502	\$ 68,368	\$ 528,094	\$ 215,963	\$ 11,670	\$ 1,823,597	\$ 634	\$ 1,824,231
Appropriation of 2024 earnings									
Legal reserve	-	-	-	13,513	(13,513)	-	-	-	-
Cash dividends -\$1.2 per share	-	-	-	-	(119,940)	-	(119,940)	-	(119,940)
Net income for the six months ended June 30, 2025	-	-	-	-	90,678	-	90,678	70	90,748
Other comprehensive income (loss) for the six months ended June 30, 2025, net of Income tax	-	-	-	-	-	(3,867)	(3,867)	(66)	(3,933)
Total comprehensive income (loss) for the six months ended June 30, 2025	-	-	-	-	90,678	(3,867)	86,811	4	86,815
BALANCE ON JUNE 30, 2025	99,950	\$ 999,502	\$ 68,368	\$ 541,607	\$ 173,188	\$ 7,803	\$ 1,790,468	\$ 638	\$ 1,791,106

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

(With Deloitte & Touche review report dated August 8, 2025)

APEX BIOTECHNOLOGY CORPORATION AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF CASH FLOWS****(In Thousands of New Taiwan Dollars)**

	For the Six Months Ended June 30	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 102,520	\$ 66,624
Adjustments for :		
Depreciation expense	27,617	29,089
Amortization expense	3,567	3,743
Expected credit loss	8,418	-
Net gain on financial assets at fair value		
through profit or loss	(19,143)	(5,596)
Finance costs	1,731	1,806
Interest income	(1,365)	(1,156)
Dividend income	(4,415)	(2,132)
Property, plant and equipment transferred to		
expenses	-	716
Impairment loss on non-financial assets	5,951	11,118
Unrealized foreign exchange loss (gain)	10,403	(13,429)
Changes in operating assets and liabilities		
Notes receivable and accounts receivable	(77,209)	(73,068)
Other receivables	(1,419)	(1,646)
Inventories	116,241	47,552
Other current assets	2,628	(772)
Contract liabilities	(44,481)	46,874
Notes payable	(8,716)	3,139
Accounts payable	(38,695)	40,488
Other payables	(4,267)	1,525
Provisions	982	1,977
Other current liabilities	(264)	(71)
Net defined benefit assets	(8,806)	316
Cash generated from operations	71,278	157,097
Interest received	1,361	1,156
Dividend received	4,415	2,132
Interest paid	(1,731)	(1,806)
Income taxes paid	(6,649)	(30,597)
Net cash generated from operating activities	<u>68,674</u>	<u>127,982</u>

(Continued)

APEX BIOTECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

	For the Six Months Ended June 30	
	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(\$ 7,164)	(\$ 9,164)
Decrease (Increase) in refundable deposits	(295)	174
Acquisition of intangible assets	(958)	(605)
Decrease (Increase) in prepayments for business facilities	<u>2,093</u>	(<u>4,526</u>)
Net cash used in investing activities	(<u>6,324</u>)	(<u>14,121</u>)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term loans	17,580	29,355
Decrease in short-term loans	(17,580)	(54,355)
Decrease in guarantee deposits received	-	(27)
Payments of lease liabilities	(4,362)	(4,334)
Cash dividends paid	<u>-</u>	(<u>109,945</u>)
Net cash used in financing activities	(<u>4,362</u>)	(<u>139,306</u>)
EFFECT OF EXCHANGE RATE CHANGES ON CASH	(<u>7,177</u>)	<u>8,541</u>
NET INCREASE (DECREASE) IN CASH	50,811	(16,904)
CASH, BEGINNING OF THE PERIOD	<u>532,685</u>	<u>382,046</u>
CASH, END OF THE PERIOD	<u>\$ 583,496</u>	<u>\$ 365,142</u>

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

(With Deloitte & Touche review report dated August 8, 2025)

(Concluded)

APEX BIOTECHNOLOGY CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Apex Biotechnology Corporation (“APEX”) was incorporated on December 2, 1997 and engages mainly in research, development, production, manufacturing and selling of biochemical testing instruments and its detection strips, and trade of products and components relevant to the core business.

APEX’s shares have been listed on the Taiwan Stock Exchange (TWSE) since September 19, 2001.

The consolidated financial statements are presented in APEX’s functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorized for issued by the board of directors on August 8, 2025.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

- a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

1) Amendments to IAS 21 “Lack of Exchangeability”

The initial application of the amendments to IAS 21 “Lack of Exchangeability” did not have a material impact on the accounting policies of APEX and its subsidiaries (collectively as the “Company”).

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2026

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026

(Continued)

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026)
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 - Comparative Information”	January 1, 2023
	(Concluded)

As of the date the consolidated financial statements were authorized for issue, the Company is continuously assessing the possible impact of the application of the amendments on the Company’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

- c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027

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

1) IFRS 18 “Presentation and Disclosure in Financial Statements”

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

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- Provides guidance to enhance the requirements of aggregation and disaggregation: The Company shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Company shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Company labels items as “other” only if it cannot find a more informative label.
- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements

management's view of an aspect of the financial performance of the Company as a whole, the Company shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Company is continuously assessing the other impacts of the above amended standards and interpretations on the Company's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

These interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" as endorsed and issued into effect by the FSC. The disclosed information included in these interim consolidated financial statements is less than the disclosed information required in a complete set of annual consolidated financial statements.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value and net defined benefit assets or liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- 3) Level 3 inputs are unobservable inputs for an asset or liability.

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of APEX and the entities controlled by APEX (i.e., its subsidiaries).

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of APEX and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

See Notes 11 and 32 for detailed information on subsidiaries (including the percentages of ownership and main businesses).

d. Other material accounting policies

Except for the following, refer to the consolidated financial statements for the year ended December 31, 2024.

1) Retirement benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

2) Income tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

When developing material accounting estimates, the Company considers the possible impact of inflation, interest rate fluctuations and US reciprocal tariffs on the cash flow projections, growth rates, discount rates, profitability and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. For other related information refer to the statements of critical accounting judgments and key sources of estimation uncertainty to the consolidated financial statements for the year ended December 31, 2024.

6. CASH

	June 30, 2025	December 31, 2024	June 30, 2024
Cash on hand	\$ 414	\$ 347	\$ 229
Checking accounts and demand deposits	<u>583,082</u>	<u>532,338</u>	<u>364,913</u>
	<u>\$ 583,496</u>	<u>\$ 532,685</u>	<u>\$ 365,142</u>

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Financial assets at FVTPL -current</u>			
Financial assets mandatorily classified as at FVTPL			
Non-derivative financial assets			
Domestic emerging market shares	\$ 53,658	\$ 55,597	\$ 55,832
Domestic and foreign unlisted shares	<u>37,584</u>	<u>10,502</u>	<u>11,632</u>
	<u>\$ 91,242</u>	<u>\$ 66,099</u>	<u>\$ 67,464</u>

8. FINANCIAL ASSETS AT AMORTIZED COST

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Non-current</u>			
Domestic investments			
Time deposits with original maturities of more than 3 months			
	<u>\$ 6,200</u>	<u>\$ 6,200</u>	<u>\$ 6,200</u>

- a. The ranges of interest rates for time deposits with original maturities of more than 3 months were 1.750%, 0.790%~1.065% and 0.790%~1.065% per annum as of June 30, 2025, December 31, 2024 and June 30, 2024, respectively.
- b. Refer to Note 30 for information relating to investments in financial assets at amortized cost pledged as security.

9. NOTES RECEIVABLE, ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Notes receivable</u>			
Notes receivable - operating	<u>\$ 5,925</u>	<u>\$ 5,654</u>	<u>\$ 5,282</u>
<u>Accounts receivable</u>			
At amortized cost			
Gross carrying amount	412,006	342,852	361,722
Less: Allowance for impairment loss	(<u>9,920</u>)	(<u>1,870</u>)	(<u>1,926</u>)
	<u>402,086</u>	<u>340,982</u>	<u>359,796</u>
	<u>\$ 408,011</u>	<u>\$ 346,636</u>	<u>\$ 365,078</u>

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Other receivables</u>			
Tax receivable	\$ 6,910	\$ 8,037	\$ 7,258
Others	<u>2,593</u>	<u>43</u>	<u>105</u>
	<u>\$ 9,503</u>	<u>\$ 8,080</u>	<u>\$ 7,363</u>

Accounts receivable

The average credit period of sales of goods is 15 days to 150 days. No interest is charged on accounts receivable. To strengthen the credit risk management, small amount of credit limit is offered to the new client. Once the transaction is stable and the sales amount has reached a certain level, would entrust the professional credit investigation agency to determine the credit limit of the customer based on the relevant reports, complimented with other supervision procedures to ensure appropriate actions has been taken to guarantee the collection of the overdue receivables. Moreover, the Company will double check the collectable amount of the account receivables on the balance sheet date as the assurance that the uncollectable account receivables has been listed and recognized as appropriate impairment loss.

The Company measures the loss allowance for accounts receivable at an amount equal to lifetime ECLs. The expected credit losses on accounts receivable are estimated using a provision matrix prepared by reference to the past default experience of the customer, the customer's current financial position, economic condition of the industry in which the customer operates, as well as the industry outlook. The Company uses different provision matrixes based on customer segments by credit rating, transaction type, and determines the expected credit loss rate by reference to past due days of accounts receivable.

The Company writes off an account receivable when there is evidence indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For accounts receivable that have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of accounts receivable based on the Company's provision matrix.

June 30, 2025

	1 to 30 Days		31 to 90 Days	91 to 180 Days Past	Over 181 Days Past	
	Not Past Due	Past Due	Past Due	Due	Due	Total
Expected credit loss rate	0.00%	0.01%	32.16%	94.35%	100%	
Gross carrying amount	\$ 298,398	\$ 103,085	\$ 171	\$ 9,003	\$ 1,349	\$ 412,006
Loss allowance (Lifetime ECLs)	(13)	(9)	(55)	(8,494)	(1,349)	(9,920)
Amortized cost	<u>\$ 298,385</u>	<u>\$ 103,076</u>	<u>\$ 116</u>	<u>\$ 509</u>	<u>\$ -</u>	<u>\$ 402,086</u>

December 31, 2024

				91 to 180	Over 181	
		1 to 30 Days	31 to 90 Days	Days Past	Days Past	
	Not Past Due	Past Due	Past Due	Due	Due	Total
Expected credit loss rate	0.01%	0.04%	0.15%	47.80%	100%	
Gross carrying amount	\$ 296,017	\$ 20,447	\$ 24,417	\$ 318	\$ 1,653	\$ 342,852
Loss allowance (Lifetime ECLs)	(20)	(8)	(37)	(152)	(1,653)	(1,870)
Amortized cost	<u>\$ 295,997</u>	<u>\$ 20,439</u>	<u>\$ 24,380</u>	<u>\$ 166</u>	<u>\$ -</u>	<u>\$ 340,982</u>

June 30, 2024

				91 to 180	Over 181	
		1 to 30 Days	31 to 90 Days	Days Past	Days Past	
	Not Past Due	Past Due	Past Due	Due	Due	Total
Expected credit loss rate	-	0.00%	2.02%	100%	100%	
Gross carrying amount	\$ 322,943	\$ 35,302	\$ 1,584	\$ 189	\$ 1,704	\$ 361,722
Loss allowance (Lifetime ECLs)	-	(1)	(32)	(189)	(1,704)	(1,926)
Amortized cost	<u>\$ 322,943</u>	<u>\$ 35,301</u>	<u>\$ 1,552</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 359,796</u>

The movements of the loss allowance of accounts receivable were as follows:

	For the Six Months Ended	
	June 30	
	2025	2024
Balance on January 1	\$ 1,870	\$ 1,823
Add : Net remeasurement of loss allowance	8,418	-
Less : Amounts written off	(182)	-
Foreign exchange gains and losses	(186)	103
Balance on June 30	<u>\$ 9,920</u>	<u>\$ 1,926</u>

10. INVENTORIES

	June 30, 2025	December 31, 2024	June 30, 2024
Finished goods and merchandise	\$ 105,842	\$ 101,240	\$ 93,378
Work in progress	237,117	315,111	324,284
Raw materials	<u>197,340</u>	<u>246,140</u>	<u>271,382</u>
	<u>\$ 540,299</u>	<u>\$ 662,491</u>	<u>\$ 689,044</u>

The cost of inventories recognized as cost of goods sold for the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024 were NT\$373,048 thousand, NT\$321,123 thousand, NT\$769,142 thousand and NT\$662,249 thousand, respectively. The cost of goods sold included inventory write-downs were NT\$3,031 thousand, NT\$3,424 thousand, NT\$5,951 thousand and NT\$11,118 thousand, respectively.

11. SUBSIDIARIES

The consolidated financial statements include subsidiaries which are as follows:

Investor	Investee	Nature of Activities	Proportion of Ownership (%)			Remark
			June 30, 2025	December 31, 2024	June 30, 2024	
APEX	Omnis Health LLC	Import and exports of medical equipment and its relevant business	99%	99%	99%	-
	Apex Biotechnology (Suzhou) Corporation	Import and exports of medical equipment and its relevant business	96%	96%	96%	1

Note 1 : The subsidiary included in the consolidated financial statements is non-significant, and its financial statements has not been reviewed.

12. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Machinery Equipment	Testing Equipment	Transportation Equipment	Office Equipment	Miscellaneous Equipment	Equipment under Acceptance	Total
<u>Cost</u>									
Balance on January 1, 2025	\$261,675	\$605,024	\$509,706	\$ 52,054	\$ 4,218	\$ 22,158	\$205,884	\$ 12,467	\$ 1,673,186
Additions	-	-	1,537	476	-	658	1,139	3,391	7,201
Disposals	-	-	(115)	-	-	-	(41)	-	(156)
Reclassification	-	-	3,322	-	-	-	123	(3,445)	-
Effects of exchange rate changes	-	-	(164)	-	-	(40)	(76)	-	(280)
Balance on June 30, 2025	<u>\$261,675</u>	<u>\$605,024</u>	<u>\$514,286</u>	<u>\$ 52,530</u>	<u>\$ 4,218</u>	<u>\$ 22,776</u>	<u>\$207,029</u>	<u>\$ 12,413</u>	<u>\$1,679,951</u>
<u>Accumulated depreciation</u>									
Balance on January 1, 2025	\$ -	\$379,972	\$466,127	\$ 33,965	\$ 1,583	\$ 18,020	\$192,335	\$ -	\$1,092,002
Depreciation expenses	-	9,335	6,679	2,651	348	758	2,986	-	22,757
Disposals	-	-	(115)	-	-	-	(41)	-	(156)
Effects of exchange rate changes	-	-	(110)	-	-	(31)	(67)	-	(208)
Balance on June 30, 2025	<u>\$ -</u>	<u>\$389,307</u>	<u>\$472,581</u>	<u>\$ 36,616</u>	<u>\$ 1,931</u>	<u>\$ 18,747</u>	<u>\$195,213</u>	<u>\$ -</u>	<u>\$1,114,395</u>
Carrying amount on June 30, 2025	<u>\$261,675</u>	<u>\$215,717</u>	<u>\$ 41,705</u>	<u>\$ 15,914</u>	<u>\$ 2,287</u>	<u>\$ 4,029</u>	<u>\$ 11,816</u>	<u>\$ 12,413</u>	<u>\$ 565,556</u>
Carrying amount on December 31, 2024 and									
January 1, 2025	<u>\$261,675</u>	<u>\$225,052</u>	<u>\$ 43,579</u>	<u>\$ 18,089</u>	<u>\$ 2,635</u>	<u>\$ 4,138</u>	<u>\$ 13,549</u>	<u>\$ 12,467</u>	<u>\$ 581,184</u>

			Machinery	Testing	Transportati	Office	Miscellaneous	Equipment	
	Land	Buildings	Equipment	Equipment	Equipment	Equipment	Equipment	Acceptance	Total
<u>Cost</u>									
Balance on January 1, 2024	\$261,675	\$604,129	\$512,919	\$ 42,610	\$ 3,654	\$ 20,035	\$200,809	\$ 9,682	\$ 1,655,513
Additions	-	205	1,079	608	-	1,160	700	7,767	11,519
Disposals	-	-	(1,865)	-	-	(211)	(399)	(716)	(3,191)
Reclassification	-	-	668	4,622	564	-	137	(5,991)	-
Effects of exchange rate changes	-	-	82	-	-	16	23	-	121
Balance on June 30, 2024	<u>\$261,675</u>	<u>\$604,334</u>	<u>\$512,883</u>	<u>\$ 47,840</u>	<u>\$ 4,218</u>	<u>\$ 21,000</u>	<u>\$201,270</u>	<u>\$ 10,742</u>	<u>\$1,663,962</u>

<u>Accumulated depreciation</u>									
Balance on January 1, 2024	\$ -	\$360,247	\$458,122	\$ 29,539	\$ 916	\$ 16,960	\$185,374	\$ -	\$1,051,158
Depreciation expenses	-	9,997	6,975	2,018	320	592	4,314	-	24,216
Disposals	-	-	(1,865)	-	-	(211)	(399)	-	(2,475)
Effects of exchange rate changes	-	-	37	-	-	10	20	-	67
Balance on June 30, 2024	<u>\$ -</u>	<u>\$370,244</u>	<u>\$463,269</u>	<u>\$ 31,557</u>	<u>\$ 1,236</u>	<u>\$ 17,351</u>	<u>\$189,309</u>	<u>\$ -</u>	<u>\$1,072,966</u>
Carrying amount on June 30, 2024	<u>\$261,675</u>	<u>\$234,090</u>	<u>\$ 49,614</u>	<u>\$ 16,283</u>	<u>\$ 2,982</u>	<u>\$ 3,649</u>	<u>\$ 11,961</u>	<u>\$ 10,742</u>	<u>\$ 590,996</u>

The Company's property, plant and equipment are all for self-use.

No impairment loss recognized or reversed for the six months ended June 30, 2025 and 2024.

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings

Main buildings 21-47 years

Electronic equipment 2-16 years

Machinery equipment 1-11 years

Testing equipment 2-10 years

Transportation equipment 2-10 years

Office equipment 2-7 years

Miscellaneous equipment 2-20 years

13. LEASE ARRANGEMENTS

a. Right-of-use assets

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Carrying amount</u>			
Land	\$ 95,491	\$ 101,530	\$ 103,410
Buildings	5,229	8,147	8,790
Transportation equipment	2,543	3,052	3,561
Office equipment	<u>1,627</u>	<u>1,895</u>	<u>2,162</u>
	<u>\$ 104,890</u>	<u>\$ 114,624</u>	<u>\$ 117,923</u>

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Additions to right-of-use assets			\$ -	\$ 6,055
Depreciation charge for right-of-use assets				
Land	\$ 901	\$ 940	\$ 1,802	\$ 1,880
Buildings	1,106	1,154	2,281	2,278
Transportation equipment	255	238	509	444
Office equipment	<u>134</u>	<u>134</u>	<u>268</u>	<u>271</u>
	<u>\$ 2,396</u>	<u>\$ 2,466</u>	<u>\$ 4,860</u>	<u>\$ 4,873</u>

Except for the aforementioned additions and recognized depreciation, the Company did not have significant sublease or impairment of right-of-use assets during the six months ended June 30, 2025 and 2024.

b. Lease liabilities

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Carrying amount</u>			
Current	<u>\$ 8,485</u>	<u>\$ 9,026</u>	<u>\$ 8,028</u>
Non-current	<u>\$ 105,207</u>	<u>\$ 113,929</u>	<u>\$ 117,612</u>

Range of discount rate for lease liabilities was as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Land	2.93%	2.93%	2.93%
Buildings	0.86%-3.45%	0.86%-3.45%	0.86%-3.85%
Transportation equipment	5.78%	5.78%	5.69%
Office equipment	5.78%	5.78%	5.69%-5.78%

c. Material leasing activities and terms

The Company leases land and buildings for the use of plants and offices with lease terms of 2 ~ 33 years.

d. Other lease information

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Expenses relating to short-term leases	\$ 430	\$ 340	\$ 808	\$ 809
Total cash outflow for leases			(\$ 6,887)	(\$ 6,913)

14. INTANGIBLE ASSETS

	Software	Trademarks	Patents	Customer Relationship	Total
<u>Cost</u>					
Balance on January 1, 2025	\$ 19,295	\$ 162,085	\$ 29,633	\$ 105,568	\$ 316,581
Additions	-	-	958	-	958
Effects of exchange rate changes	-	(16,724)	-	(11,222)	(27,946)
Balance on June 30, 2025	<u>\$ 19,295</u>	<u>\$ 145,361</u>	<u>\$ 30,591</u>	<u>\$ 94,346</u>	<u>\$ 289,593</u>
<u>Accumulated amortization and impairment</u>					
Balance on January 1, 2025	\$ 15,281	\$ 140,241	\$ 15,895	\$ 105,568	\$ 276,985
Amortization expenses	570	2,136	861	-	3,567
Effects of exchange rate changes	-	(14,696)	-	(11,222)	(25,918)
Balance on June 30, 2025	<u>\$ 15,851</u>	<u>\$ 127,681</u>	<u>\$ 16,756</u>	<u>\$ 94,346</u>	<u>\$ 254,634</u>
Carrying amount on t June 30, 2025	<u>\$ 3,444</u>	<u>\$ 17,680</u>	<u>\$ 13,835</u>	<u>\$ -</u>	<u>\$ 34,959</u>
Carrying amounts on t December 31,					
2024 and January 1, 2025	<u>\$ 4,014</u>	<u>\$ 21,844</u>	<u>\$ 13,738</u>	<u>\$ -</u>	<u>\$ 39,596</u>

				Customer	
	Software	Trademarks	Patents	Relationship	Total
<u>Cost</u>					
Balance at January 1, 2024	\$ 19,295	\$ 152,104	\$ 28,243	\$ 98,870	\$ 298,512
Additions	-	-	605	-	605
Effects of exchange rate changes	-	8,374	-	5,619	13,993
Balance at June 30, 2024	<u>\$ 19,295</u>	<u>\$ 160,478</u>	<u>\$ 28,848</u>	<u>\$ 104,489</u>	<u>\$ 313,110</u>
<u>Accumulated amortization and impairment</u>					
Balance at January 1, 2024	\$ 13,878	\$ 127,403	\$ 14,142	\$ 98,870	\$ 254,293
Amortization expenses	709	2,168	866	-	3,743
Effects of exchange rate changes	1	7,093	-	5,619	12,713
Balance at June 30, 2024	<u>\$ 14,588</u>	<u>\$ 136,664</u>	<u>\$ 15,008</u>	<u>\$ 104,489</u>	<u>\$ 270,749</u>
Carrying amount at June 30, 2024	<u>\$ 4,707</u>	<u>\$ 23,814</u>	<u>\$ 13,840</u>	<u>\$ -</u>	<u>\$ 42,361</u>

Except for addition and amortization recognized, the Company did not have significant disposal or impairment of intangible assets during the six months ended June 30, 2025 and 2024.

Intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Trademarks	2-12 years
Patents	1-26 years
Software	1-10 years
Customer Relationship	1-6.7 years

15. OTHER CURRENT ASSETS

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Current</u>			
Prepayments (Note)	\$ 17,304	\$ 18,782	\$ 19,947
Others	<u>1,138</u>	<u>2,288</u>	<u>1,731</u>
	<u>\$ 18,442</u>	<u>\$ 21,070</u>	<u>\$ 21,678</u>

Note : The prepayments were mainly for the prepayment of patents, repairs and maintenance expenses, trademarks and insurance expenses, etc.

16. BORROWINGS

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Unsecured borrowings</u>			
Working capital loans	\$ <u> -</u>	\$ <u> -</u>	\$ <u> 5,000</u>

The interest rate on bank borrowing was 1.98% at June 30, 2024.

17. NOTES PAYABLE AND ACCOUNTS PAYABLE

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Notes payable</u>			
Operating	\$ <u> 34,491</u>	\$ <u> 43,207</u>	\$ <u> 30,574</u>
<u>Accounts payable</u>			
Operating	\$ <u> 154,745</u>	\$ <u> 195,820</u>	\$ <u> 167,874</u>

The average credit period on purchases of certain goods was 30-90 days. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

18. OTHER LIABILITIES

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Current</u>			
Other payables			
Payables for salaries and bonuses	\$ 47,388	\$ 59,804	\$ 48,929
Payables for employees' compensation and remuneration of directors	20,532	13,314	15,998
Payables for purchases of equipment	1,519	1,482	2,741
Others (Note)	<u> 57,921</u>	<u> 57,003</u>	<u> 59,909</u>
	\$ <u> 127,360</u>	\$ <u> 131,603</u>	\$ <u> 127,577</u>
<u>Other liabilities</u>			
Receipts under custody	\$ <u> 2,935</u>	\$ <u> 3,199</u>	\$ <u> 3,214</u>

Note: The Others item refers to the payable for consumable expenses, utility bills and cleaning fees, etc. incurred by the Company due to operations.

19. PROVISIONS

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Current</u>			
Employee benefits (Note)	\$ <u>13,107</u>	\$ <u>12,125</u>	\$ <u>12,076</u>

Note : The provision for employee benefits represents vested service leave entitlements accrued.

20. RETIREMENT BENEFIT PLANS

For the three months ended and six months ended June 30, 2025 and 2024, the pension expenses of defined benefit plans were NT\$126 thousand, NT\$158 thousand, NT\$253 thousand and NT\$316 thousand, respectively, and these were calculated based on the pension cost rate determined by the actuarial calculation on December 31, 2024 and 2023, respectively.

21. EQUITY

a. Ordinary shares

	June 30, 2025	December 31, 2024	June 30, 2024
Authorized shares (in thousands)	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>
Authorized capital	\$ <u>2,000,000</u>	\$ <u>2,000,000</u>	\$ <u>2,000,000</u>
Issued and paid shares (in thousands)	<u>99,950</u>	<u>99,950</u>	<u>99,950</u>
Issued capital	\$ <u>999,502</u>	\$ <u>999,502</u>	\$ <u>999,502</u>

A holder of issued common shares with par value of NT\$10 per share is entitled to vote and to receive dividends.

b. Capital surplus

	June 30, 2025	December 31, 2024	June 30, 2024
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (Note)			
Conversion of convertible bonds	\$ 26,570	\$ 26,570	\$ 26,570
Treasury share transactions	1,592	1,592	1,592
Transfer in from shares option due to convertible bonds repayment	<u>40,206</u>	<u>40,206</u>	<u>40,206</u>
	\$ <u>68,368</u>	\$ <u>68,368</u>	\$ <u>68,368</u>

Note : Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's paid-in capital and once a year).

c. Retained earnings and dividends policy

Under the dividends policy as set forth in APEX's Articles of Incorporation, where the company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit until the amount of the legal reserve equals the amount of APEX's paid-in capital, setting aside or reverse special reserve in accordance with the laws or the regulations of the competent authority, and then any remaining profit together with any undistributed retained earnings shall be used by the Board of Directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. For the all or part of the distribution of dividends and bonuses, if the distribution is in cash, the board of directors shall be authorized to resolve the proposal by the vote of at least half of the directors present, provided the number of directors present shall be at least two-thirds of the entire board of directors, and report the distribution to the shareholders' meeting.

For the policies on the distribution of compensation of employees and remuneration of directors, refer to compensation of employees and remuneration of directors in Note 23(g).

The dividend policy shall be conditioned by the business expansion and cash flow need of the company in the futures, the shareholders interest, balance of dividend payment and long-term financial planning shall also be considered. The total dividends amount shall be no less than fifty percent (50%) of the total accumulative distributed profit of the year, amount which the cash dividend ratio shall be no less than twenty percent (20%) of the total dividends.

An appropriation of earnings to a legal reserve shall be made until the legal reserve equals APEX's paid-in capital. The legal reserve may be used to offset deficits. If APEX has no deficit and the legal reserve has exceeded 25% of APEX's paid-in capital, the excess may be transferred to capital or distributed in cash.

The appropriations of earnings for 2024 and 2023 were as follows:

	Appropriation of Earnings	
	For the Year Ended	
	December 31	
	2024	2023
Legal reserve	\$ 13,513	\$ 11,886
Cash dividends	\$ 119,940	\$ 109,945
Cash dividends per share (NT\$)	\$ 1.2	\$ 1.1

The above 2024 and 2023 appropriations for cash dividends were resolved by the Company's board of directors on February 25, 2025 and March 13, 2024, respectively; the other proposed appropriations were resolved by the shareholders in their meeting on May 23, 2025 and April 30, 2024, respectively.

d. Other equity items

Exchange differences on the translation of the financial statements of foreign operations

	For the Six Months Ended June 30	
	2025	2024
Balance on January 1	\$ 11,670	\$ 9,691
Recognized for the period		
Exchange differences on the translation of the financial statements of foreign operations	<u>(3,867)</u>	<u>1,620</u>
Balance on June 30	<u>\$ 7,803</u>	<u>\$ 11,311</u>

e. Non-controlling interests

	For the Six Months Ended June 30	
	2025	2024
Balance on January 1	\$ 634	\$ 500
Share in profit for the period	70	53
Other comprehensive income (loss) during the period		
Exchange differences on translating the financial statements of foreign entities	<u>(66)</u>	<u>22</u>
Balance on June 30	<u>\$ 638</u>	<u>\$ 575</u>

22. REVENUE

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Revenue from contracts with customers				
Revenue from the sale of goods	\$ 508,748	\$ 435,450	\$ 1,066,628	\$ 885,107
Other operating revenue	<u>1,200</u>	<u>2,547</u>	<u>2,073</u>	<u>3,548</u>
	<u>\$ 509,948</u>	<u>\$ 437,997</u>	<u>\$ 1,068,701</u>	<u>\$ 888,655</u>

a. Contract information

Revenue from the sale of goods

The Company estimates the discount amount based on the range of price discounts given in the past, using the most probable amount. However, taking into the account that major competitors provide more favorable discounts than the estimated amount, the Company determines the revenue recognition amount based on the favorable discount. The remaining products are sold at a fixed price as agreed in the contract.

b. Contract balances

	June 30, 2025	December 31, 2024	June 30, 2024	January 1, 2024
Accounts receivable (Note 9)	\$ 402,086	\$ 340,982	\$ 359,796	\$ 283,794
Contract liabilities				
Sale of goods	\$ 13,797	\$ 58,278	\$ 53,469	\$ 6,595

The changes in the contract liability balances primarily result from the timing difference between the satisfaction of the performance obligations and the respective customer's payment.

Revenue in the current year that was recognized from the contract liability balance on the beginning of the year and from the performance obligations satisfied in the previous periods was summarized as follows:

	For the Six Months Ended June 30	
	2025	2024
<u>From contract liabilities at the start of the year</u>		
Sale of goods	\$ 53,294	\$ 4,256

c. Disaggregation of revenue

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
USA	\$ 251,427	\$ 140,543	\$ 541,246	\$ 320,512
Italy	143,360	157,015	295,270	285,701
Austria	38,649	46,854	105,636	113,801
Taiwan	19,305	21,508	36,406	37,739
Others	<u>57,207</u>	<u>72,077</u>	<u>90,143</u>	<u>130,902</u>
	\$ 509,948	\$ 437,997	\$ 1,068,701	\$ 888,655

23. NET PROFIT FROM CONTINUING OPERATIONS

a. Interest income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Bank deposits	\$ 1,277	\$ 1,036	\$ 1,365	\$ 1,156

b. Other income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Dividend income	\$ 4,415	\$ 2,132	\$ 4,415	\$ 2,132
Rental income	156	180	385	586
Grant income (Note 26)	-	25	119	192
Others	161	81	225	100
	<u>\$ 4,732</u>	<u>\$ 2,418</u>	<u>\$ 5,144</u>	<u>\$ 3,010</u>

c. Other gains and losses

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Net foreign exchange gains (loss)	(\$ 49,401)	\$ 8,983	(\$ 20,906)	\$ 25,177
Fair value changes of financial assets and financial liabilities				
Financial assets mandatorily classified as at FVTPL	23,095	5,596	19,143	5,596
Others	43	118	43	118
	<u>(\$ 26,263)</u>	<u>\$ 14,697</u>	<u>(\$ 1,720)</u>	<u>\$ 30,891</u>

d. Finance costs

	For the Three Months Ended		For the Six Months Ended	
	June 30		June 30	
	2025	2024	2025	2024
Interest on lease liabilities	\$ 851	\$ 910	\$ 1,717	\$ 1,770
Interest on bank loans	<u>-</u>	<u>1</u>	<u>14</u>	<u>36</u>
	<u>\$ 851</u>	<u>\$ 911</u>	<u>\$ 1,731</u>	<u>\$ 1,806</u>

e. Depreciation and amortization

	For the Three Months Ended		For the Six Months Ended	
	June 30		June 30	
	2025	2024	2025	2024
An analysis of depreciation by function				
Operating costs	\$ 9,113	\$ 9,687	\$ 18,579	\$ 19,734
Operating expenses	<u>4,484</u>	<u>4,645</u>	<u>9,038</u>	<u>9,355</u>
	<u>\$ 13,597</u>	<u>\$ 14,332</u>	<u>\$ 27,617</u>	<u>\$ 29,089</u>

An analysis of amortization by function				
Operating costs	\$ 150	\$ 179	\$ 314	\$ 365
Selling and marketing expenses	76	97	155	199
General and administrative expenses	993	1,053	2,056	2,079
Research and development expenses	<u>514</u>	<u>549</u>	<u>1,042</u>	<u>1,100</u>
	<u>\$ 1,733</u>	<u>\$ 1,878</u>	<u>\$ 3,567</u>	<u>\$ 3,743</u>

f. Employee benefits expense

	For the Three Months Ended		For the Six Months Ended	
	June 30		June 30	
	2025	2024	2025	2024
Short-term benefits	\$ 129,719	\$ 133,373	\$ 269,100	\$ 259,404
Post-employment benefits				
Defined contribution plan	4,049	3,993	8,037	8,042
Defined benefit plans (Note 20)	<u>126</u>	<u>158</u>	<u>253</u>	<u>316</u>
Total employee benefits expense	<u>\$ 133,894</u>	<u>\$ 137,524</u>	<u>\$ 277,390</u>	<u>\$ 267,762</u>

	For the Three Months Ended		For the Six Months Ended	
	June 30		June 30	
	2025	2024	2025	2024
An analysis of employee benefits expense by function				
Operating costs	\$ 77,016	\$ 79,521	\$ 160,711	\$ 153,090
Operating expenses	<u>56,878</u>	<u>58,003</u>	<u>116,679</u>	<u>114,672</u>
	<u>\$ 133,894</u>	<u>\$ 137,524</u>	<u>\$ 277,390</u>	<u>\$ 267,762</u>

g. Compensation of employees and remuneration of directors

According to the APEX's Articles of Incorporation, APEX accrues compensation of employees and remuneration of directors at the rates of no less than 3% and no higher than 1%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. In accordance with the amendments to the Securities and Exchange Act in August 2024, the shareholders of the Company resolved the amendments to the Company's Articles at their 2025 regular meeting. The amendments explicitly stipulate the allocation of no less than 50% of the compensation of employees as compensation distributions for non-executive employees. The compensation of employees (including non-executive employees) and the remuneration of directors for the three months and six months ended June 30, 2025 and 2024, are as follows:

Accrual rate

	For the Six Months Ended	
	June 30	
	2025	2024
Compensation of employees	7%	7%
Remuneration of directors	1%	1%

Amount

	For the Three Months Ended		For the Six Months Ended	
	June 30		June 30	
	2025	2024	2025	2024
Compensation of employees	\$ 721	\$ 2,164	\$ 7,772	\$ 4,629
Remuneration of directors	\$ 103	\$ 309	\$ 1,110	\$ 661

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

The appropriations of compensation of employees and remuneration of directors for 2024 and 2023 that were resolved by the board of directors on February 25, 2025 and March 13, 2024, respectively, are as shown below:

	For the Year Ended December 31			
	2024		2023	
	Cash	Shares	Cash	Shares
Compensation of employees	\$ 11,650	\$ -	\$ 10,708	\$ -
Remuneration of directors	1,664	-	1,529	-

There is no difference between the actual amounts of compensation of employees and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2024 and 2023.

Information on the compensation of employees and remuneration of directors resolved by the APEX's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

h. Gains or losses on foreign currency exchange

	For the Three Months Ended		For the Six Months Ended	
	June 30		June 30	
	2025	2024	2025	2024
Foreign exchange gains	(\$ 810)	\$ 8,983	\$ 30,391	\$ 25,177
Foreign exchange losses	(48,591)	-	(51,297)	-
	(\$ 49,401)	\$ 8,983	(\$ 20,906)	\$ 25,177

24. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax expense (benefit) are as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Current tax				
In respect of the current period	\$ 1,105	\$ 6,818	\$ 18,129	\$ 13,492
Adjustments for prior periods	(<u>10,077</u>)	<u>-</u>	(<u>10,077</u>)	(<u>6,264</u>)
	(<u>8,972</u>)	<u>6,818</u>	<u>8,052</u>	<u>7,228</u>
Deferred tax				
In respect of the current period	2,360	61	3,711	2,912
Effects of exchange rate changes	<u>9</u>	<u>-</u>	<u>9</u>	<u>-</u>
	<u>2,369</u>	<u>61</u>	<u>3,720</u>	<u>2,912</u>
Income tax expense (benefit)				
recognized in profit or loss	(<u>\$ 6,603</u>)	<u>\$ 6,879</u>	<u>\$ 11,772</u>	<u>\$ 10,140</u>

b. Income tax assessments

The income tax returns through 2023 have been examined by the tax authorities.

25. EARNINGS PER SHARE

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Basic earnings per share	<u>\$ 0.29</u>	<u>\$ 0.27</u>	<u>\$ 0.91</u>	<u>\$ 0.56</u>
Diluted earnings per share	<u>\$ 0.29</u>	<u>\$ 0.27</u>	<u>\$ 0.90</u>	<u>\$ 0.56</u>

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share were as follows:

Net Income for the Period

	For the Three Months Ended		For the Six Months Ended	
	June 30		June 30	
	2025	2024	2025	2024
Income for the period attributable to shareholders of the parent used in the computation of basic earnings per share and diluted earnings per share	\$ 28,651	\$ 27,289	\$ 90,678	\$ 56,431

Number of shares (in thousands)

	For the Three Months Ended		For the Six Months Ended	
	June 30		June 30	
	2025	2024	2025	2024
Weighted average number of ordinary shares used in the computation of basic earnings per share	99,950	99,950	99,950	99,950
Effect of potentially dilutive ordinary shares:				
Compensation of employees	271	132	387	268
Weighted average number of ordinary shares used in the computation of diluted earnings per share	100,221	100,082	100,337	100,218

The Company may settle the compensation of employees in cash or shares; therefore, the Company assumes that the entire amount of the compensation will be settled in shares, and the resulting potential shares are included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

26. GOVERNMENT GRANTS

For the six months ended June 30, 2025, the Company obtained the subsidy of NT\$119 thousand from the Ministry of Labor on Enterprise Human Resources Improvement Plan. The amount has been included in the Other Income item.

For the six months ended June 30, 2024, the Company obtained the subsidy of NT\$192 thousand from the Ministry of Labor on Enterprise Human Resources Improvement Plan and Ministry of Economy Affairs on Dubai International Medical Exhibition. The amount has been included in the Other Income item.

27. CAPITAL MANAGEMENT

The Company manages its capital to ensure that entities in the group will be able to operate under the premises of going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance. The Company's overall strategy remains unchanged.

The capital structure of the Company consists of equity attributable to owners of the parent company (comprising share capital, capital surplus, retained earnings and other equity).

The Company is not subject to any externally imposed capital requirements.

The management of the Company periodically examines the capital structure and contemplates on the potential costs and risks involved while exerting different financial tools. Based on management's recommendations, the Company will balance the overall capital structure through adjust the dividends paid, new shares issued, shares repurchased, new debt issued or existing debt redeemed.

28. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments not measured at fair value

The management considers that the carrying amounts of financial assets and financial liabilities that not measured at fair value were approximate their fair values.

b. Fair value of financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

June 30, 2025

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
Domestic emerging market				
shares	\$ -	\$ -	\$ 53,658	\$ 53,658
Domestic and foreign unlisted				
shares	-	-	37,584	37,584
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 91,242</u>	<u>\$ 91,242</u>

December 31, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
Domestic emerging market				
shares	\$ -	\$ -	\$ 55,597	\$ 55,597
Domestic and foreign unlisted				
shares	-	-	10,502	10,502
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 66,099</u>	<u>\$ 66,099</u>

June 30, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
Domestic emerging market				
shares	\$ -	\$ -	\$ 55,832	\$ 55,832
Domestic and foreign unlisted				
shares	-	-	11,632	11,632
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 67,464</u>	<u>\$ 67,464</u>

There were no transfers between Level 1 and Level 2 in the current and prior periods.

2) Valuation techniques and inputs applied for Level 3 fair value measurement

- a) The Company measures the fair value of its domestic emerging market shares by using the market approach, which refer to the price of the comparable target companies and consider the differences between the evaluated companies and the comparable target companies, that use the appropriate multiply to evaluate the companies. The significant unobservable inputs are listed as below. When the liquidity discount lessens, it implies the fair value of the investment will increase.

	June 30, 2025	December 31, 2024	June 30, 2024
Discount for lack of marketability	8.64%	10.00%	10.00%

If the inputs to the valuation model were changed to reflect reasonably possible alternative assumptions while all the other variables were held constant, the fair value of the shares would increase (decrease) as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Discount for lack of marketability			
1% increase	(\$ 587)	(\$ 618)	(\$ 620)
1% decrease	<u>\$ 587</u>	<u>\$ 618</u>	<u>\$ 620</u>

- b) The Company measures the fair value of its domestic unlisted shares by using the asset-based approach, the total value of an investment is based on the fair value of its assets and liabilities.

The significant unobservable inputs are listed as follows. When the liquidity discount lessens, it implies the fair value of the investment will increase.

	June 30, 2025	December 31, 2024	June 30, 2024
Discount for lack of marketability	20%	20%	20%

If the inputs to the valuation model were changed to reflect reasonably possible alternative assumptions while all the other variables were held constant, the fair value of the shares would increase (decrease) as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Discount for lack of marketability			
1% increase	(\$ 155)	(\$ 131)	(\$ 145)
1% decrease	\$ 155	\$ 131	\$ 145

c. Categories of financial instruments

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Financial assets</u>			
Financial assets at FVTPL			
Mandatorily classified as at FVTPL	\$ 91,242	\$ 66,099	\$ 67,464
Financial assets measured at amortized cost			
(Note 1)	1,004,639	889,720	740,532
<u>Financial liabilities</u>			
Financial liabilities measured at amortized			
cost (Note 2)	245,714	294,691	263,284

Note 1 : The balances include financial assets at amortized cost, which comprise cash, pledged deposits, notes receivable and accounts receivable (including from related parties), other receivables and refundable deposits.

Note 2 : The balances include financial liabilities at amortized cost, which comprise short-term loans, notes payable, accounts payable (including from related parties), other payables (including from related parties) and guarantee deposits received.

d. Financial risk management objectives and policies

The Company's major financial instruments include equity investments, accounts receivable, accounts payable, borrowings and lease liabilities. The Company's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Company through internal risk reports that analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The corporate treasury function reports quarterly to the Company's management, that monitors risks and policies implemented to mitigate risk exposures.

1) Market risk

The Company's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below).

There has been no change to the Company's exposure to market risks and the manner in which these risks are managed and measured.

a) Foreign currency risk

The carrying amounts of the significant monetary assets and liabilities not denominated in functional currency (including those eliminated on consolidation) at the end of the reporting period are set out in Note 31.

Sensitivity analysis

The Company was mainly exposed to the USD, RMB, EUR and JPY.

The following table details the Company's sensitivity to a 1% increase and decrease in the functional currency against the relevant foreign currencies. The sensitivity rate used when reporting foreign currency risk internally to key management personnel and representing management's assessment of the reasonably possible change in foreign exchange rates is 1%. A positive number below indicates an increase in pre-tax profit with the functional currency weakening 1% against the relevant currency. For a 1% strengthening of the functional currency against the relevant currency, there would be an equal and opposite impact on pre-tax profit, and the balances below would be negative.

	USD Impact		RMB Impact	
	For the Six Months Ended		For the Six Months Ended	
	June 30		June 30	
	2025	2024	2025	2024
Profit or loss	<u>\$ 3,088</u>	<u>\$ 2,125</u>	<u>\$ 173</u>	<u>\$ 334</u>

	EUR Impact		JPY Impact	
	For the Six Months Ended		For the Six Months Ended	
	June 30		June 30	
	2025	2024	2025	2024
Profit or loss	\$ <u>3,471</u>	\$ <u>2,892</u>	(\$ <u>6</u>)	\$ <u>3</u>

b) Interest rate risk

The carrying amount of the Company's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Fair value interest rate risk			
Financial assets	\$ 6,200	\$ 6,200	\$ 6,200
Financial liabilities	113,692	122,955	130,640
Cash flow interest rate risk			
Financial assets	583,082	532,338	364,913

Sensitivity analysis

The sensitivity analysis below was determined based on the Company's exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate assets, the analysis was prepared assuming the amount of each liability outstanding at the end of the period was outstanding for the whole year.

If interest rates had been 0.1% higher/lower and all other variables were held constant, the Company's pre-tax profit for the six months ended June 30, 2025 and 2024 would have increased/decreased by NT\$292 thousand and NT\$182 thousand, respectively, which was mainly a result of variable-rate of net assets.

c) Other price risk

The Company was exposed to price risk through equity investments. Equity investments are held for strategic rather than for trading purposes, the Company does not actively trade these investments. The Company's price risk is mainly concentrated in equity investment in Taiwan.

Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 5% higher/lower, pre-tax profit for the six months ended June 30, 2025

and 2024 would have increased/decreased by NT\$4,562 thousand and NT\$3,373 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in a financial loss to the Company. At the end of the reporting period, the Company's maximum exposure to credit risk, which would cause a financial loss to the Company due to the failure of the counterparties to discharge its obligation by the Company, comes from the carrying amounts of the respective recognized financial assets as stated in the consolidated balance sheets.

The Company transacted with a large number of customers from various industries and geographical locations. The Company continuously assesses the financial positions of customers.

The Company's credit risk is mainly concentrated in the Company's top three customers, as of June 30, 2025, December 31, 2024 and June 30 2024, the total accounts receivable from the aforementioned customer's ratio of 82%, 74% and 73%, respectively.

3) Liquidity risk

The Company manages liquidity risk by monitoring and maintaining a level of cash deemed adequate to finance the Company's operations and mitigate the effects of fluctuations in cash flows.

a) Liquidity and interest risk rate table for non-derivative financial liabilities

The following table details the Company's remaining contractual maturities for its non-derivative financial liabilities with agreed upon repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows. The maturity dates for other non-derivative financial liabilities were based on the agreed upon repayment dates.

June 30, 2025

	Less than 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>			
Lease liabilities	\$ 11,741	\$ 26,670	\$ 121,320
Notes payable	34,491	-	-
Accounts payable	154,745	-	-
Other payables	<u>127,360</u>	<u>-</u>	<u>-</u>
	<u>\$ 328,337</u>	<u>\$ 26,670</u>	<u>\$ 121,320</u>

Further information on the maturity analysis of the above financial liabilities was as follows:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	<u>\$11,741</u>	<u>\$26,670</u>	<u>\$28,214</u>	<u>\$28,214</u>	<u>\$28,214</u>	<u>\$36,678</u>

December 31, 2024

	Less than 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>			
Lease liabilities	\$ 12,526	\$ 30,947	\$ 129,139
Notes payable	43,207	-	-
Accounts payable	195,820	-	-
Other payables	<u>131,603</u>	<u>-</u>	<u>-</u>
	<u>\$ 383,156</u>	<u>\$ 30,947</u>	<u>\$ 129,139</u>

Further information on the maturity analysis of the above financial liabilities was as follows:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	<u>\$12,526</u>	<u>\$30,947</u>	<u>\$29,350</u>	<u>\$29,350</u>	<u>\$29,350</u>	<u>\$41,089</u>

June 30, 2024

	Less than 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>			
Lease liabilities	\$ 11,612	\$ 33,408	\$ 132,075
Notes payable	30,574	-	-
Accounts payable	167,874	-	-
Other payables	127,577	-	-
Fixed interest rate liabilities	<u>5,000</u>	<u>-</u>	<u>-</u>
	<u>\$ 342,637</u>	<u>\$ 33,408</u>	<u>\$ 132,075</u>

Further information on the maturity analysis of the above financial liabilities was as follows:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Fixed interest rate						
liabilities	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -
Lease liabilities	<u>11,612</u>	<u>33,408</u>	<u>29,350</u>	<u>29,350</u>	<u>29,350</u>	<u>44,025</u>
	<u>\$16,612</u>	<u>\$33,408</u>	<u>\$29,350</u>	<u>\$29,350</u>	<u>\$29,350</u>	<u>\$44,025</u>

b) Financing facilities

	June 30, 2025	December 31, 2024	June 30, 2024
Uncollateralized Bank loan facilities			
Amount used	\$ -	\$ -	\$ 5,000
Amount unused	<u>646,500</u>	<u>532,785</u>	<u>689,700</u>
	<u>\$ 646,500</u>	<u>\$ 532,785</u>	<u>\$ 694,700</u>
Collateralized Bank loan facilities			
Amount used	\$ -	\$ -	\$ -
Amount unused	<u>52,740</u>	<u>75,406</u>	<u>74,635</u>
	<u>\$ 52,740</u>	<u>\$ 75,406</u>	<u>\$ 74,635</u>

29. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between APEX and its subsidiaries, which are related parties of APEX, have been eliminated on consolidation and are not disclosed in this note. Besides information disclosed elsewhere in the other notes, details of transactions between the Company and other related parties are disclosed as below.

a. Related party name and category

Related Party Name	Relationship with the Company
METERTECH INC.	Others

b. Sales of goods

Line Item	Related Party Category/Name	For the Three Months Ended		For the Six Months Ended	
		June 30		June 30	
		2025	2024	2025	2024
Sales	Others	<u>\$ 51</u>	<u>\$ 61</u>	<u>\$ 51</u>	<u>\$ 61</u>

c. Purchases of goods

Line Item	Related Party Category/Name	For the Three Months Ended		For the Six Months Ended	
		June 30		June 30	
		2025	2024	2025	2024
Cost of goods sold	Others	<u>\$ 75</u>	<u>\$ 146</u>	<u>\$ 519</u>	<u>\$ 3,972</u>

The Company has no comparable counterparties to compare with the sales and purchase prices of related parties. The payment terms for sales and purchases of related parties and unrelated parties were 30 to 150 days after monthly closing or after receiving the goods.

d. Receivables from related parties

Line Item	Related Party			
	Category/ Name	June 30, 2025	December 31, 2024	June 30, 2024
Notes receivable and accounts receivable	Others	<u>\$ 54</u>	<u>\$ 118</u>	<u>\$ 64</u>

The outstanding accounts receivable from related parties are unsecured.

e. Payables to related parties

Line Item	Related Party			
	Category/ Name	June 30, 2025	December 31, 2024	June 30, 2024
Accounts payable	Others	<u>\$ 79</u>	<u>\$ 523</u>	<u>\$ 153</u>
Other payables	Others	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27</u>

The outstanding accounts payable to related parties are unsecured and will be settled in cash.

f. Other transactions with related parties

Line Item	Related Party Category/Name	For the Three Months Ended		For the Six Months Ended	
		June 30		June 30	
		2025	2024	2025	2024
Operating expenses	Others	\$ <u>-</u>	\$ <u>25</u>	\$ <u>-</u>	\$ <u>25</u>

The Company has no comparable counterparties to compare with the operating expenses of related parties.

g. Compensation of key management personnel

	For the Three Months Ended		For the Six Months Ended	
	June 30		June 30	
	2025	2024	2025	2024
Short-term benefits	\$ 9,176	\$ 5,035	\$ 14,912	\$ 10,083
Post-employment benefits	<u>252</u>	<u>71</u>	<u>305</u>	<u>125</u>
	\$ <u>9,428</u>	\$ <u>5,106</u>	\$ <u>15,217</u>	\$ <u>10,208</u>

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

30. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for land lease to the Hsinchu Science Park Bureau.

	June 30, 2025	December 31, 2024	June 30, 2024
Pledged time deposits (classified as financial assets at amortized cost)	\$ <u>6,200</u>	\$ <u>6,200</u>	\$ <u>6,200</u>

31. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Company's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies of the entities in the Company and the related exchange rates between the foreign currencies and the respective functional currencies were as follows:

June 30, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 11,395	29.300(USD:NTD)	\$ 333,874
USD	311	7.158(USD:RMB)	9,108
EUR	10,106	34.350	347,141
RMB	4,221	4.091	17,268
JPY	791	0.2034	<u>161</u>
			<u>\$ 707,552</u>

Financial liabilities

Monetary items			
USD	1,167	29.300	\$ 34,193
JPY	3,650	0.2034	<u>742</u>
			<u>\$ 34,935</u>

December 31, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 5,659	32.785(USD:NTD)	\$ 185,530
USD	89	7.188(USD:RMB)	2,865
EUR	16,840	34.140	574,918
RMB	5,640	4.478	25,256
JPY	16,247	0.2099	<u>3,410</u>
			<u>\$ 791,979</u>

Financial liabilities

Monetary items			
USD	1,427	32.785	\$ 46,784
RMB	46	4.478	\$ 206
JPY	9,065	0.2099	1,903
EUR	7	34.140	<u>239</u>
			<u>\$ 49,132</u>

June 30, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 7,289	32.450(USD:NTD)	\$ 236,528
USD	100	7.127(USD:RMB)	3,168
EUR	8,331	34.710	289,169
RMB	7,518	4.445	33,418
JPY	12,269	0.2017	<u>2,475</u>
			<u>\$ 564,758</u>

Financial liabilities

Monetary items

USD	837	32.450	\$ 27,161
JPY	10,942	0.2017	2,207
GBP	4	41.040	<u>164</u>
			<u>\$ 29,532</u>

Realized and unrealized net foreign exchange gains (losses) were NT\$(49,401) thousand and NT\$8,983 thousand for the three months ended June 30, 2025 and 2024, respectively, and NT\$(20,906) thousand and NT\$25,177 thousand for the six months ended June 30, 2025 and 2024, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the entities in the Group.

32. SEPARATELY DISCLOSED ITEMS

Except for items (a) to (f), there are no other significant transactions, information on investees and information on investment in mainland China that should be disclosed.

a. Financing provided to others

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reason for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 2)
													Item	Value		
0	APEX	Omnis	Other receivables - related parties	Yes	\$ 52,740 (USD1,800 thousand)	\$ 43,950 (USD1,500 thousand)	\$ 32,230 (USD1,100 thousand)	4.00%~4.34%	The need for short-term financing	\$ -	Operating capital	\$ -	-	\$ -	\$537,140	\$716,186

Note 1 : Financing limit for each borrower in the Group, which APEX directly or indirectly owns more than 20% of its voting shares, shall not exceed 30% of APEX's net equity as stated in latest financial statements.

Note 2 : The aggregate financing limit shall not exceed 40% of APEX's net equity as stated in latest financial statements.

b. Endorsements/guarantees provided

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/ Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 1)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Amount Borrowed	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 2)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship										
0	APEX	Omnis	Subsidiary	\$ 358,093	\$ 52,740 (USD 1,800 thousand)	\$ 52,740 (USD 1,800 thousand)	\$ - (USD - thousand)	\$ 52,740	2.95	\$ 895,233	Yes	No	No

Note 1 : Limit on endorsements/guarantees given on behalf of each party shall not exceed 20% of APEX's net equity as stated in latest financial statements.

Note 2 : The aggregate endorsements/guarantees limit shall less than 50% of APEX's net equity as stated in latest financial statements.

c. Significant Marketable securities held

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2025			
				Shares/Units	Carrying Amount	Percentage of Ownership (%)	Fair Value
APEX	Shares : Lytone Enterprise, Inc.	—	FVTPL- current	2,131,800	\$ 53,658	12	\$ 53,658
	Shares : Ascendax Venture Capital Corporation	—	FVTPL- current	1,263,940	12,394	2	12,394
	Shares : H2 INC.	—	FVTPL- current	719,716	25,190	1	25,190

Note1 : The marketable securities listed above were not pledged, guarantees or otherwise restricted by contract as of June 30, 2025.

Note2 : This table presents the marketable securities that the Company has determined should be disclosed based on the materiality principle.

d. Intercompany relationships and significant intercompany transactions

For the Six Months Ended June 30, 2025

No.	Investee Company	Counterparty	Relationship (Note 1)	Transaction Details			
				Financial Statement Accounts	Amount	Payment Terms (Note 2)	% to Total Sales or Assets
0	APEX	APEX(Suzhou)	1	Sales	\$ 4,346	—	0.41%
				Net receivables -related parties	3,938	—	0.16%
		Omnis	1	Purchase	1,493	—	0.14%
				Sales	23,433	—	2.19%
1	APEX(Suzhou)	Omnis	2	Net receivables -related parties	20,996	—	0.87%
				Other receivables - related parties	33,052	—	1.38%
				Sales	8,695	—	0.95%
				Net receivables -related parties	5,295	—	0.22%

Note 1 : The transactions from the parent company to the subsidiary are denoted as 1. The transactions between two subsidiaries are denoted as 2.

Note 2 : The Company has no comparable counterparties to compare with the sales prices of subsidiaries. The payment terms for sales with subsidiaries were 120 to 150 days after monthly closing.

Note 3 : The significant transactions in this table may be determined by the Company based on the principle of materiality.

e. Information on investees

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of June 30, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)
				June 30, 2025	December 31, 2024	Shares/Units	(%)	Carrying Amount		
APEX	Omnis	USA	Wholesale of medical consumable and medical equipment	\$ 526,613	\$ 526,613	70,312,094	99	\$ 24,848	\$ 1,175	\$ 1,162

f. Information on investment in mainland China

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of June 30, 2025	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of June 30, 2025	Accumulated Repatriation of Investment Income as of June 30, 2025
					Outward	Inward						
APEX (Suzhou)	Wholesale of medical consumable and medical equipment	\$ 35,394 (RMB 7,000 thousand)	(Note 1)	\$ 33,975 (RMB 6,700 thousand)	\$ -	\$ -	\$ 33,975 (RMB 6,700 thousand)	\$1,328	96%	\$ 1,271	\$7,414	\$ -

Accumulated Outward Remittance for Investment in Mainland China as of June 30, 2025	Investment Amount Authorized by the Investment Commission, MOEA	Upper Limit on the Amounts of Investment Stipulated by Investment Commission, MOEA
\$33,975 (RMB 6,700 thousand)	\$33,975 (RMB 6,700 thousand)	\$1,074,280

Note 1 : Direct investment in mainland China.

Note 2 : The amount was recognized based on the unreviewed financial statements of the investee company.

33. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of products. Each product has similar economic characteristics and sales through the centralized sales approach, thus, the Company aggregated into a one operating segment. The segment information presented to the chief operating decision maker are consistent with the information in the financial statements. The segment revenues and operating results for the six months ended June 30, 2025 and 2024 are shown in the consolidated comprehensive income statements for the six months ended June 30, 2025 and 2024. The segment assets as of June 30, 2025, December 31, 2024 and June 30, 2024 are shown in the consolidated balance sheets as of June 30, 2025, December 31, 2024 and June 30, 2024.