

Stock Code :1733

**Apex Biotechnology Corporation and  
Subsidiaries**

**Consolidated Financial Statements for the  
Three Months Ended March 31, 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 March 31, 2025 and 2024, the related consolidated statements of comprehensive income, the consolidated statement of changes in equity and cash flows for the three months then ended March 31, 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 March 31, 2025, and 2024, the combined total assets of these non-significant subsidiaries were NT\$19,580 thousand and NT\$14,434 thousand, respectively, representing 0.80% and 0.62%, respectively, of the consolidated total assets, and the combined total liabilities of these non-significant subsidiaries were NT\$9,566 thousand and NT\$2,237 thousand, respectively, representing 1.41% and 0.36%, respectively, of the consolidated total liabilities. For the three months ended March 31, 2025 and 2024, the combined comprehensive income of these

subsidiaries were NT\$(217) thousand and NT\$(71) thousand, respectively, representing (0.35)% and (0.23)%, 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 March 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 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

May 9, 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	March 31, 2025		December 31, 2024		March 31, 2024		LIABILITIES AND EQUITY	March 31, 2025		December 31, 2024		March 31, 2024	
	Amount	%	Amount	%	Amount	%		Amount	%	Amount	%	Amount	%
<b>Current assets</b>							<b>Current liabilities</b>						
Cash (Note 6)	\$ 526,621	21	\$ 532,685	22	\$ 397,824	17	Contract liabilities - current (Note 21)	28,880	1	58,278	2	38,041	2
Financial assets at fair value through profit or loss – current (Note 7)	68,147	3	66,099	3	61,868	3	Notes payable (Note 16)	42,285	2	43,207	2	37,846	1
Notes and accounts receivable, net (Notes 9, 21 and 28)	446,928	18	346,636	14	368,609	16	Accounts payable (Notes 16 and 28)	182,417	7	195,820	8	136,019	6
Other receivables (Note 9)	13,489	1	8,080	-	10,394	-	Dividends payable (Note 20)	119,940	5	-	-	109,945	5
Inventories (Note 10)	605,401	25	662,491	28	694,736	30	Other payables (Note 17)	121,556	5	131,603	6	109,351	5
Current prepayments for investments	-	-	6,000	-	-	-	Current tax liabilities (Notes 4 and 23)	40,906	2	24,517	1	46,034	2
Other current assets (Note 15)	18,833	1	21,070	1	22,774	1	Current provisions (Note 18)	12,556	1	12,125	1	10,878	-
Total current assets	1,679,419	69	1,643,061	68	1,556,205	67	Lease liabilities - current (Note 13)	9,009	-	9,026	-	6,910	-
							Other current liabilities (Note 17)	3,287	-	3,199	-	3,684	-
							Total current liabilities	560,836	23	477,775	20	498,708	21
<b>Non-current assets</b>							<b>Non-current liabilities</b>						
Financial assets at amortized cost - non-current (Notes 8 and 29)	6,200	-	6,200	-	6,200	-	Deferred tax liabilities (Notes 4 and 23)	8,457	-	3,535	-	1,629	-
Property, plant and equipment (Note 12)	575,594	24	581,184	24	593,167	26	Lease liabilities - non-current (Note 13)	107,324	5	113,929	5	115,830	5
Right-of-use assets (Note 13)	108,028	4	114,624	5	115,605	5	Guarantee deposits received	476	-	465	-	458	-
Intangible assets (Note 14)	38,855	2	39,596	2	43,313	2	Total non-current liabilities	116,257	5	117,929	5	117,917	5
Deferred tax assets (Notes 4 and 23)	12,811	-	9,241	-	2,971	-							
Prepayments for business facilities	3,760	-	6,798	-	4,019	-	Total liabilities	677,093	28	595,704	25	616,625	26
Refundable deposits	4,257	-	4,156	-	4,032	-							
Net defined benefit asset, non-current (Notes 4 and 19)	14,949	1	15,075	1	8,418	-	<b>Equity attributable to shareholders of the parent (Note 20)</b>						
Total non-current assets	764,454	31	776,874	32	777,725	33	Share capital						
							Ordinary shares	999,502	41	999,502	41	999,502	43
							Capital surplus	68,368	3	68,368	3	68,368	3
							Retained earnings						
							Legal reserve	528,094	22	528,094	22	516,208	22
							Unappropriated earnings	158,050	6	215,963	9	121,862	5
							Total retained earnings	686,144	28	744,057	31	638,070	27
							Other equity	12,161	-	11,670	-	10,867	1
							Equity attributable to shareholders of the parent	1,766,175	72	1,823,597	75	1,716,807	74
							<b>Non-controlling interests (Note 20)</b>	605	-	634	-	498	-
							Total equity	1,766,780	72	1,824,231	75	1,717,305	74
<b>Total assets</b>	\$ 2,443,873	100	\$ 2,419,935	100	\$ 2,333,930	100	<b>Total liabilities and equity</b>	\$ 2,443,873	100	\$ 2,419,935	100	\$ 2,333,930	100

The accompanying notes are an integral part of the consolidated financial statements.  
(With Deloitte & Touche review report dated May 9, 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 March 31			
		2025		2024	
	Note	Amount	%	Amount	%
NET OPERATING REVENUE	21	\$ 558,753	100	\$ 450,658	100
OPERATING COSTS	10,22,28	<u>396,094</u>	<u>71</u>	<u>341,126</u>	<u>76</u>
GROSS PROFIT		<u>162,659</u>	<u>29</u>	<u>109,532</u>	<u>24</u>
OPERATING EXPENSES	9,22				
Selling and marketing expenses		24,153	4	23,640	5
General and administrative expenses		33,524	6	30,952	7
Research and development expenses		40,444	7	38,566	8
Expected credit loss		<u>8,338</u>	<u>2</u>	<u>-</u>	<u>-</u>
Total operating expenses		<u>106,459</u>	<u>19</u>	<u>93,158</u>	<u>20</u>
INCOME FROM OPERATIONS		<u>56,200</u>	<u>10</u>	<u>16,374</u>	<u>4</u>
NON-OPERATING INCOME AND EXPENSES					
Interest income	22	88	-	120	-
Other income	22,25	412	-	592	-
Other gains and losses	22	24,543	4	16,194	3
Finance costs	22	<u>( 880)</u>	<u>-</u>	<u>( 895)</u>	<u>-</u>
Total non-operating income and expenses		<u>24,163</u>	<u>4</u>	<u>16,011</u>	<u>3</u>
INCOME BEFORE INCOME TAX		80,363	14	32,385	7
INCOME TAX EXPENSE	4,23	<u>( 18,375)</u>	<u>( 3)</u>	<u>( 3,261)</u>	<u>-</u>
NET INCOME		61,988	11	29,124	7

(Continued)

## APEX BIOTECHNOLOGY CORPORATION AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

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

	Note	For the Three Months Ended March 31			
		2025		2024	
		Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)	20				
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of the financial statements of foreign operations		\$ 501	-	\$ 1,192	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		\$ 62,489	11	\$ 30,316	7
NET INCOME ATTRIBUTABLE TO :					
Shareholders of the parent		\$ 62,027	11	\$ 29,142	7
Non-controlling interests		( 39)	-	( 18)	-
		\$ 61,988	11	\$ 29,124	7
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO :					
Shareholders of the parent		\$ 62,518	11	\$ 30,318	7
Non-controlling interests		( 29)	-	( 2)	-
		\$ 62,489	11	\$ 30,316	7
EARNINGS PER SHARE	24				
Basic		\$ 0.62		\$ 0.29	
Diluted		\$ 0.62		\$ 0.29	

The accompanying notes are an integral part of the consolidated financial statements.  
(With Deloitte & Touche review report dated May 9, 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								
	Share Capital			Retained Earnings		Other Equity			
	Shares				Unappropriated	Exchange		Non-controlling	
	(Thousands)	Amount	Capital Surplus	Legal Reserve	Earnings	Differences	Translation of	Interests	Total Equity
						on	Foreign		
						Operations	Total		
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									
Cash dividends -\$1.1 per share	-	-	-	-	( 109,945)	-	( 109,945)	-	( 109,945)
Net income (loss) for the three months ended									
March 31, 2024	-	-	-	-	29,142	-	29,142	( 18)	29,124
Other comprehensive income (loss) for the three									
months ended March 31,2024, net of Income tax	-	-	-	-	-	1,176	1,176	16	1,192
Total comprehensive income (loss) for the three									
months ended March 31,2024	-	-	-	-	29,142	1,176	30,318	( 2)	30,316
BALANCE ON MARCH 31, 2024	99,950	\$ 999,502	\$ 68,368	\$ 516,208	\$ 121,862	\$ 10,867	\$ 1,716,807	\$ 498	\$ 1,717,305
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									
Cash dividends -\$1.2 per share	-	-	-	-	( 119,940)	-	( 119,940)	-	( 119,940)
Net income (loss) for the three months ended									
March 31, 2025	-	-	-	-	62,027	-	62,027	( 39)	61,988
Other comprehensive income (loss) for the three									
months ended March 31,2025, net of Income tax	-	-	-	-	-	491	491	10	501
Total comprehensive income (loss) for the three									
months ended March 31,2025	-	-	-	-	62,027	491	62,518	( 29)	62,489
BALANCE ON MARCH 31, 2025	99,950	\$ 999,502	\$ 68,368	\$ 528,094	\$ 158,050	\$ 12,161	\$ 1,766,175	\$ 605	\$ 1,766,780

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

(With Deloitte &amp; Touche review report dated May 9, 2025)

# APEX BIOTECHNOLOGY CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31	
	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 80,363	\$ 32,385
Adjustments for :		
Depreciation expense	14,020	14,757
Amortization expense	1,834	1,865
Expected credit loss	8,338	-
Net loss on financial assets at fair value through profit or loss	3,952	-
Finance costs	880	895
Interest income	( 88 )	( 120 )
Property, plant and equipment transferred to expenses	-	716
Impairment loss on non-financial assets	2,920	7,694
Unrealized foreign exchange gain	( 27,504 )	( 12,049 )
Changes in operating assets and liabilities		
Notes receivable and accounts receivable	( 90,449 )	( 72,245 )
Other receivables	( 5,405 )	( 4,677 )
Inventories	54,170	45,284
Other current assets	2,237	( 1,868 )
Contract liabilities	( 29,398 )	31,446
Notes payable	( 922 )	10,411
Accounts payable	( 14,166 )	5,952
Other payables	( 11,417 )	( 14,817 )
Provisions	431	779
Other current liabilities	88	399
Net defined benefit assets	<u>126</u>	<u>158</u>
Cash generated from operations	( 9,990 )	46,965
Interest received	84	120
Interest paid	( 880 )	( 895 )
Income taxes paid	( <u>634</u> )	( <u>610</u> )

(Continued)



# APEX BIOTECHNOLOGY CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31	
	2025	2024
Net cash generated from (used in) operating activities	(\$ <u>11,420</u> )	\$ <u>45,580</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	( 4,592 )	( 1,388 )
Decrease (Increase) in refundable deposits	( 84 )	136
Acquisition of intangible assets	( 839 )	-
Decrease (Increase) in prepayments for business facilities	<u>3,038</u>	( <u>1,609</u> )
Net cash used in investing activities	( <u>2,477</u> )	( <u>2,861</u> )
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in short-term loans	19,923	24,152
Decrease in short-term loans	( 19,923 )	( 54,152 )
Decrease in guarantee deposits received	-	( 27 )
Payments of lease liabilities	( <u>2,488</u> )	( <u>2,446</u> )
Net cash used in financing activities	( <u>2,488</u> )	( <u>32,473</u> )
<b>EFFECT OF EXCHANGE RATE CHANGES ON CASH</b>	<u>10,321</u>	<u>5,532</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	( 6,064 )	15,778
<b>CASH, BEGINNING OF THE PERIOD</b>	<u>532,685</u>	<u>382,046</u>
<b>CASH, END OF THE PERIOD</b>	<u>\$ 526,621</u>	<u>\$ 397,824</u>

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

(With Deloitte & Touche review report dated May 9, 2025)

(Concluded)

## **APEX BIOTECHNOLOGY CORPORATION AND SUBSIDIARIES**

### **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

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#### **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 May 9, 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

<b>New, Amended and Revised Standards and Interpretations</b>	<b>Effective Date Announced by IASB</b>
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” - the amendments to the application guidance of classification of financial assets	January 1, 2026 (Note 1)

Note 1: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2026. It is permitted to apply these amendments for an earlier period beginning on January 1, 2025.

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

<b>New, Amended and Revised Standards and Interpretations</b>	<b>Effective Date Announced by IASB (Note 1)</b>
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” - the amendments to the application guidance of derecognition of financial liabilities	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
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 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
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.

#### 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 31 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

	March 31, 2025	December 31, 2024	March 31, 2024
Cash on hand	\$ 318	\$ 347	\$ 226
Checking accounts and demand deposits	<u>526,303</u>	<u>532,338</u>	<u>397,598</u>
	<u>\$ 526,621</u>	<u>\$ 532,685</u>	<u>\$ 397,824</u>

## 7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Financial assets at FVTPL -current</u>			
Financial assets mandatorily classified as at FVTPL			
Non-derivative financial assets			
Domestic emerging market shares	\$ 54,041	\$ 55,597	\$ 52,080
Domestic unlisted shares	<u>14,106</u>	<u>10,502</u>	<u>9,788</u>
	<u>\$ 68,147</u>	<u>\$ 66,099</u>	<u>\$ 61,868</u>

## 8. FINANCIAL ASSETS AT AMORTIZED COST

	March 31, 2025	December 31, 2024	March 31, 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 was 0.790%~1.750% per annum as of March 31,2025, December 31,2024 and March 31, 2024.
- b. Refer to Note 29 for information relating to investments in financial assets at amortized cost pledged as security.

## 9. NOTES RECEIVABLE, ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Notes receivable</u>			
Notes receivable - operating	<u>\$ 2,876</u>	<u>\$ 5,654</u>	<u>\$ 3,172</u>
<u>Accounts receivable</u>			
At amortized cost			
Gross carrying amount	\$ 454,100	\$ 342,852	\$ 367,336
Less: Allowance for impairment loss	<u>(10,048)</u>	<u>(1,870)</u>	<u>(1,899)</u>
	<u>444,052</u>	<u>340,982</u>	<u>365,437</u>
	<u>\$ 446,928</u>	<u>\$ 346,636</u>	<u>\$ 368,609</u>

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Other receivables</u>			
Tax receivable	\$ 11,960	\$ 8,037	\$ 10,271
Others	<u>1,529</u>	<u>43</u>	<u>123</u>
	<u>\$ 13,489</u>	<u>\$ 8,080</u>	<u>\$ 10,394</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.

#### March 31, 2025

		1 to 30 Days	31 to 90 Days	91 to 180 Days Past Due	Over 181 Days Past Due	Total
	Not Past Due	Past Due	Past Due	Due	Due	
Expected credit loss rate	0%	0.12%	17.23%	100%	100%	
Gross carrying amount	\$ 360,968	\$ 42,669	\$ 48,904	\$ 31	\$ 1,528	\$ 454,100
Loss allowance (Lifetime ECLs)	( 9)	( 52)	( 8,428)	( 31)	( 1,528)	( 10,048)
Amortized cost	<u>\$ 360,959</u>	<u>\$ 42,617</u>	<u>\$ 40,476</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 444,052</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>

## March 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%	-	99.22%	-	
Gross carrying amount	\$ 304,606	\$ 60,535	\$ 282	\$ 1,913	\$ -	\$ 367,336
Loss allowance (Lifetime ECLs)	-	( 1)	-	( 1,898)	-	( 1,899)
Amortized cost	<u>\$ 304,606</u>	<u>\$ 60,534</u>	<u>\$ 282</u>	<u>\$ 15</u>	<u>\$ -</u>	<u>\$ 365,437</u>

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

### For the Three Months Ended March 31

	2025	2024
Balance on January 1	\$ 1,870	\$ 1,823
Add : Net remeasurement of loss allowance	8,338	-
Less : Amounts written off	(182)	-
Foreign exchange gains and losses	<u>22</u>	<u>76</u>
Balance on March 31	<u>\$ 10,048</u>	<u>\$ 1,899</u>

## 10. INVENTORIES

	March 31, 2025	December 31, 2024	March 31, 2024
Finished goods and merchandise	\$ 102,390	\$ 101,240	\$ 108,332
Work in progress	282,403	315,111	285,661
Raw materials	<u>220,608</u>	<u>246,140</u>	<u>300,743</u>
	<u>\$ 605,401</u>	<u>\$ 662,491</u>	<u>\$ 694,736</u>



The cost of inventories recognized as cost of goods sold for the three months ended March 31, 2025 and 2024 were NT\$396,094 thousand and NT\$341,126 thousand, respectively. The cost of goods sold included inventory write-downs for the three months ended March 31, 2025 and 2024 were NT\$2,920 thousand and NT\$7,694thousand respectively.

## 11. SUBSIDIARIES

The consolidated financial statements include subsidiaries which are as follows:

Investor	Investee	Nature of Activities	Proportion of Ownership (%)			Remark
			March 31, 2025	December 31, 2024	March 31, 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	-	-	1,268	476	-	402	341	3,469	5,956
Disposals	-	-	-	-	-	-	( 41)	-	( 41)
Reclassification	-	-	2,896	-	-	-	123	( 3,019)	-
Effects of exchange rate changes	-	-	20	-	-	8	18	-	46
Balance on March 31, 2025	<u>\$261,675</u>	<u>\$605,024</u>	<u>\$513,890</u>	<u>\$ 52,530</u>	<u>\$ 4,218</u>	<u>\$ 22,568</u>	<u>\$206,325</u>	<u>\$ 12,917</u>	<u>\$1,679,147</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	-	4,857	3,294	1,326	174	361	1,544	-	11,556
Disposals	-	-	-	-	-	-	( 41)	-	( 41)
Effects of exchange rate changes	-	-	14	-	-	6	16	-	36
Balance on March 31, 2025	<u>\$ -</u>	<u>\$384,829</u>	<u>\$469,435</u>	<u>\$ 35,291</u>	<u>\$ 1,757</u>	<u>\$ 18,387</u>	<u>\$193,854</u>	<u>\$ -</u>	<u>\$1,103,553</u>
Carrying amount on March 31, 2025	<u>\$261,675</u>	<u>\$220,195</u>	<u>\$ 44,455</u>	<u>\$ 17,239</u>	<u>\$ 2,461</u>	<u>\$ 4,181</u>	<u>\$ 12,471</u>	<u>\$ 12,917</u>	<u>\$ 575,594</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	Transportation	Office	Miscellaneous	Equipment under	
	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	272	-	-	110	602	648	1,837
Disposals	-	-	-	-	-	( 159)	( 195)	( 716)	( 1,070)
Reclassification	-	-	668	-	-	-	27	( 695)	-
Effects of exchange rate changes	-	-	61	-	-	11	16	-	88
Balance on March 31, 2024	<u>\$261,675</u>	<u>\$604,334</u>	<u>\$513,920</u>	<u>\$ 42,610</u>	<u>\$ 3,654</u>	<u>\$ 19,997</u>	<u>\$201,259</u>	<u>\$ 8,919</u>	<u>\$1,656,368</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	-	5,063	3,550	957	160	294	2,326	-	12,350
Disposals	-	-	-	-	-	( 159)	( 195)	-	( 354)
Effects of exchange rate changes	-	-	26	-	-	7	14	-	47
Balance on March 31, 2024	<u>\$ -</u>	<u>\$365,310</u>	<u>\$461,698</u>	<u>\$ 30,496</u>	<u>\$ 1,076</u>	<u>\$ 17,102</u>	<u>\$187,519</u>	<u>\$ -</u>	<u>\$1,063,201</u>
Carrying amount on March 31, 2024	<u>\$261,675</u>	<u>\$239,024</u>	<u>\$ 52,222</u>	<u>\$ 12,114</u>	<u>\$ 2,578</u>	<u>\$ 2,895</u>	<u>\$ 13,740</u>	<u>\$ 8,919</u>	<u>\$ 593,167</u>

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

No impairment loss recognized or reversed for the three months ended March 31, 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

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Carrying amount</u>			
Land	\$ 96,392	\$ 101,530	\$ 104,350
Buildings	7,077	8,147	9,817
Transportation equipment	2,798	3,052	69
Office equipment	<u>1,761</u>	<u>1,895</u>	<u>1,369</u>
	<u>\$ 108,028</u>	<u>\$ 114,624</u>	<u>\$ 115,605</u>

	For the Three Months Ended March 31	
	2025	2024
Additions to right-of-use assets	\$ -	\$ 1,398
Depreciation charge for right-of-use assets		
Land	\$ 901	\$ 940
Buildings	1,175	1,124
Transportation equipment	254	206
Office equipment	<u>134</u>	<u>137</u>
	<u>\$ 2,464</u>	<u>\$ 2,407</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 three months ended March 31, 2025 and 2024.

#### b. Lease liabilities

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Carrying amount</u>			
Current	\$ 9,009	\$ 9,026	\$ 6,910
Non-current	<u>\$ 107,324</u>	<u>\$ 113,929</u>	<u>\$ 115,830</u>

Range of discount rate for lease liabilities was as follows:

	March 31, 2025	December 31, 2024	March 31, 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 March 31	
	2025	2024
Expenses relating to short-term leases	\$ 378	\$ 469
Total cash outflow for leases	\$ (3,732)	\$ (3,775)

## 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	-	-	839	-	839
Effects of exchange rate changes	-	2,014	-	1,352	3,366
Balance on March 31, 2025	<u>\$ 19,295</u>	<u>\$ 164,099</u>	<u>\$ 30,472</u>	<u>\$ 106,920</u>	<u>\$ 320,786</u>
<u>Accumulated amortization and impairment</u>					
Balance on January 1, 2025	\$ 15,281	\$ 140,241	\$ 15,895	\$ 105,568	\$ 276,985
Amortization expenses	301	1,100	433	-	1,834
Effects of exchange rate changes	-	1,760	-	1,352	3,112
Balance on March 31, 2025	<u>\$ 15,582</u>	<u>\$ 143,101</u>	<u>\$ 16,328</u>	<u>\$ 106,920</u>	<u>\$ 281,931</u>
Carrying amount on March 31, 2025	<u>\$ 3,713</u>	<u>\$ 20,998</u>	<u>\$ 14,144</u>	<u>\$ -</u>	<u>\$ 38,855</u>
Carrying amounts on 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>

	Software	Trademarks	Patents	Customer Relationship	Total
<u>Cost</u>					
Balance on January 1, 2024	\$ 19,295	\$ 152,104	\$ 28,243	\$ 98,870	\$ 298,512
Effects of exchange rate changes	-	6,214	-	4,170	10,384
Balance on March 31, 2024	<u>\$ 19,295</u>	<u>\$ 158,318</u>	<u>\$ 28,243</u>	<u>\$ 103,040</u>	<u>\$ 308,896</u>
<u>Accumulated amortization and impairment</u>					
Balance on January 1, 2024	\$ 13,878	\$ 127,403	\$ 14,142	\$ 98,870	\$ 254,293
Amortization expenses	362	1,071	432	-	1,865
Effects of exchange rate changes	-	5,255	-	4,170	9,425
Balance on March 31, 2024	<u>\$ 14,240</u>	<u>\$ 133,729</u>	<u>\$ 14,574</u>	<u>\$ 103,040</u>	<u>\$ 265,583</u>
Carrying amount on March 31, 2024	<u>\$ 5,055</u>	<u>\$ 24,589</u>	<u>\$ 13,669</u>	<u>\$ -</u>	<u>\$ 43,313</u>

Except for addition and amortization recognized, the Company did not have significant disposal or impairment of intangible assets during the three months ended March 31, 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

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Current</u>			
Prepayments (Note)	\$ 16,799	\$ 18,782	\$ 20,821
Others	<u>2,034</u>	<u>2,288</u>	<u>1,953</u>
	<u>\$ 18,833</u>	<u>\$ 21,070</u>	<u>\$ 22,774</u>

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

## 16. NOTES PAYABLE AND ACCOUNTS PAYABLE

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Notes payable</u>			
Operating	\$ 42,285	\$ 43,207	\$ 37,846
<u>Accounts payable</u>			
Operating	\$ 182,417	\$ 195,820	\$ 136,019

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.

## 17. OTHER LIABILITIES

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Current</u>			
Other payables			
Payables for salaries and bonuses	\$ 45,627	\$ 59,804	\$ 43,774
Payables for employees' compensation and remuneration of directors	19,708	13,314	13,525
Payables for purchases of equipment	2,846	1,482	835
Others (Note)	53,375	57,003	51,217
	<u>\$ 121,556</u>	<u>\$ 131,603</u>	<u>\$ 109,351</u>
	March 31, 2025	December 31, 2024	March 31, 2024
<u>Other liabilities</u>			
Receipts under custody	\$ 3,287	\$ 3,199	\$ 3,684

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

## 18. PROVISIONS

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Current</u>			
Employee benefits (Note)	\$ 12,556	\$ 12,125	\$ 10,878

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

## 19. RETIREMENT BENEFIT PLANS

For the three months ended March 31, 2025 and 2024, the pension expenses of defined benefit plans were NT\$127 thousand, NT\$158 thousand, respectively, and these were calculated based on the pension cost rate determined by the actuarial calculation on December 31, 2024 and 2023, respectively.

## 20. EQUITY

### a. Ordinary shares

	March 31, 2025	December 31, 2024	March 31, 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

	March 31, 2025	December 31, 2024	March 31, 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 22(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:

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

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



d. Other equity items

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

	<b>For the Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
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>491</u>	<u>1,176</u>
Balance on March 31	<u>\$ 12,161</u>	<u>\$ 10,867</u>

e. Non-controlling interests

	<b>For the Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Balance on January 1	\$ 634	\$ 500
Share in loss for the period	(39)	(18)
Other comprehensive income (loss) during the period		
Exchange differences on translating the financial statements of foreign entities	<u>10</u>	<u>16</u>
Balance on March 31	<u>\$ 605</u>	<u>\$ 498</u>

**21. REVENUE**

	<b>For the Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Revenue from contracts with customers		
Revenue from the sale of goods	\$ 557,880	\$ 449,657
Other operating revenue	<u>873</u>	<u>1,001</u>
	<u>\$ 558,753</u>	<u>\$ 450,658</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

	<b>March 31 2025</b>	<b>December 31, 2024</b>	<b>March 31 2024</b>	<b>January 1, 2024</b>
Accounts receivable (Note 9)	<u>\$ 444,052</u>	<u>\$ 340,982</u>	<u>\$ 365,437</u>	<u>\$ 283,794</u>
Contract liabilities				
Sale of goods	<u>\$ 28,880</u>	<u>\$ 58,278</u>	<u>\$ 38,041</u>	<u>\$ 6,595</u>

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:

	<b>For the Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
<u>From contract liabilities at the start of the year</u>		
Sale of goods	<u>\$ 38,172</u>	<u>\$ 3,713</u>

c. Disaggregation of revenue

	<b>For the Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
USA	\$ 289,819	\$ 179,969
Italy	151,910	128,686
Austria	66,987	66,947
Taiwan	17,101	16,231
Others	<u>32,936</u>	<u>58,825</u>
	<u>\$ 558,753</u>	<u>\$ 450,658</u>

## 22. NET PROFIT FROM CONTINUING OPERATIONS

### a. Interest income

#### For the Three Months Ended March 31

	2025	2024
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Bank deposits	\$ 88	\$ 120
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### b. Other income

#### For the Three Months Ended March 31

	2025	2024
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Rental income	\$ 229	\$ 406
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Grant income (Note 25)	119	167
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Others	64	19
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	<u>\$ 412</u>	<u>\$ 592</u>
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### c. Other gains and losses

#### For the Three Months Ended March 31

	2025	2024
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Net foreign exchange gains	\$ 28,495	\$ 16,194
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Fair value changes of financial assets and financial liabilities		
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Financial assets mandatorily classified as at FVTPL	(3,952)	-
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	<u>\$ 24,543</u>	<u>\$ 16,194</u>
--	------------------	------------------

### d. Finance costs

#### For the Three Months Ended March 31

	2025	2024
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Interest on lease liabilities	\$ 866	\$ 860
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Interest on bank loans	14	35
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	<u>\$ 880</u>	<u>\$ 895</u>
--	---------------	---------------

e. Depreciation and amortization

For the Three Months Ended March 31		
	2025	2024
An analysis of depreciation by function		
Operating costs	\$ 9,466	\$ 10,047
Operating expenses	<u>4,554</u>	<u>4,710</u>
	<u>\$ 14,020</u>	<u>\$ 14,757</u>
An analysis of amortization by function		
Operating costs	\$ 164	\$ 186
Selling and marketing expenses	79	102
General and administrative expenses	1,063	1,026
Research and development expenses	<u>528</u>	<u>551</u>
	<u>\$ 1,834</u>	<u>\$ 1,865</u>

f. Employee benefits expense

For the Three Months Ended March 31		
	2025	2024
Short-term benefits	\$ 139,381	\$ 126,031
Post-employment benefits		
Defined contribution plan	3,988	4,049
Defined benefit plans (Note 19)	<u>127</u>	<u>158</u>
Total employee benefits expense	<u>\$ 143,496</u>	<u>\$ 130,238</u>
An analysis of employee benefits expense by function		
Operating costs	\$ 83,695	\$ 73,569
Operating expenses	<u>59,801</u>	<u>56,669</u>
	<u>\$ 143,496</u>	<u>\$ 130,238</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 expect to resolve 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 ended March 31, 2025 and 2024, are as follows:

Accrual rate

	<b>For the Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Compensation of employees	7%	7%
Remuneration of directors	1%	1%

Amount

	<b>For the Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Compensation of employees	\$ 7,051	\$ 2,465
Remuneration of directors	\$ 1,007	\$ 352

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:

	<b>For the Year Ended December 31</b>			
	<b>2024</b>		<b>2023</b>	
	<b>Cash</b>	<b>Shares</b>	<b>Cash</b>	<b>Shares</b>
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

	<b>For the Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Foreign exchange gains	\$ 31,201	\$ 16,194
Foreign exchange losses	<u>(2,706)</u>	<u>-</u>
	<u>\$ 28,495</u>	<u>\$ 16,194</u>

## 23. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	<b>For the Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Current tax		
In respect of the current period	\$ 17,024	\$ 6,674
Adjustments for prior periods	-	(6,264)
Deferred tax		
In respect of the current period	<u>1,351</u>	<u>2,851</u>
Income tax expense recognized in profit or loss	<u>\$ 18,375</u>	<u>\$ 3,261</u>

b. Income tax assessments

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

## 24. EARNINGS PER SHARE

**Unit: NT\$ Per Share**

	<b>For the Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Basic earnings per share	<u>\$ 0.62</u>	<u>\$ 0.29</u>
Diluted earnings per share	<u>\$ 0.62</u>	<u>\$ 0.29</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

	<b>For the Three Months Ended</b>	
	<b>March 31</b>	
	<b>2025</b>	<b>2024</b>
Income for the period attributable to owners of the Company used in the computation of basic earnings per share and diluted earnings per share	\$ <u>62,027</u>	\$ <u>29,142</u>

Number of shares (in thousands)

	<b>For the Three Months Ended</b>	
	<b>March 31</b>	
	<b>2025</b>	<b>2024</b>
Weighted average number of ordinary shares used in the computation of basic earnings per share	99,950	99,950
Effect of potentially dilutive ordinary shares:		
Compensation of employees	<u>445</u>	<u>345</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>100,395</u>	<u>100,295</u>

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.

## 25. GOVERNMENT GRANTS

For the three months ended March 31, 2025 and 2024, the Company obtained the subsidy of NT\$119 thousand and NT\$167 thousand, respectively from the Ministry of Labor's Enterprise Human Resources Improvement Plan. The amount has been included in the Other Income item.

## 26. 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 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.

## 27. 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

March 31, 2025

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at FVTPL				
Domestic emerging market				
shares	\$ -	\$ -	\$ 54,041	\$ 54,041
Domestic unlisted shares	-	-	14,106	14,106
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 68,147</u>	<u>\$ 68,147</u>

December 31, 2024

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



March 31, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at FVTPL				
Domestic emerging market				
shares	\$ -	\$ -	\$ 52,080	\$ 52,080
Domestic unlisted shares	<u>-</u>	<u>-</u>	<u>9,788</u>	<u>9,788</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 61,868</u>	<u>\$ 61,868</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.

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Discount for lack of marketability	10.00%	10.00%	11.10%

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:

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Discount for lack of marketability			
1% increase	<u>\$ (600)</u>	<u>\$ (618)</u>	<u>\$ (586)</u>
1% decrease	<u>\$ 600</u>	<u>\$ 618</u>	<u>\$ 586</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.

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
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:

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Discount for lack of marketability			
1% increase	\$ <u>(176)</u>	\$ <u>(131)</u>	\$ <u>(143)</u>
1% decrease	\$ <u>176</u>	\$ <u>131</u>	\$ <u>143</u>

c. Categories of financial instruments

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
<u>Financial assets</u>			
Financial assets at FVTPL			
Mandatorily classified as at FVTPL	\$ 68,147	\$ 66,099	\$ 61,868
Financial assets measured at amortized cost (Note 1)	985,535	889,720	776,788
<u>Financial liabilities</u>			
Financial liabilities measured at amortized cost (Note 2)	278,132	294,691	223,042

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 notes payable, accounts payable (including from related parties), other payables 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 30.

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.

	<b>USD Impact</b>		<b>RMB Impact</b>	
	<b>For the Three Months Ended</b>		<b>For the Three Months Ended</b>	
	<b>March 31</b>		<b>March 31</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Profit or loss	\$ 2,185	\$ 2,362	\$ 165	\$ 284

  

	<b>EUR Impact</b>		<b>JPY Impact</b>	
	<b>For the Three Months Ended</b>		<b>For the Three Months Ended</b>	
	<b>March 31</b>		<b>March 31</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Profit or loss	\$ 3,605	\$ 2,558	(\$ 8)	\$ 40

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:

	March 31, 2025	December 31, 2024	March 31, 2024
Fair value interest rate risk			
Financial assets	\$ 6,200	\$ 6,200	\$ 6,200
Financial liabilities	116,333	122,955	122,740
Cash flow interest rate risk			
Financial assets	526,303	532,338	397,598

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 three months ended March 31, 2025 and 2024 would have increased/decreased by NT\$132 thousand and NT\$99 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 three months ended March 31, 2025 and 2024 would have increased/decreased by \$NT3,407 thousand and NT\$3,093 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 March 31, 2025, December 31, 2024 and March 31 2024, the total accounts receivable from the aforementioned customer's ratio of 81% , 74% and 80%, 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.

#### March 31, 2025

	<b>Less than 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
<u>Non-derivative financial liabilities</u>			
Lease liabilities	\$ 12,328	\$ 28,170	\$ 122,730
Notes payable	42,285	-	-
Accounts payable	182,417	-	-
Other payables	<u>121,556</u>	<u>-</u>	<u>-</u>
	<u>\$ 358,586</u>	<u>\$ 28,170</u>	<u>\$ 122,730</u>

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

	<b>Less than 1 Year</b>	<b>1-5 Years</b>	<b>5-10 Years</b>	<b>10-15 Years</b>	<b>15-20 Years</b>	<b>20+ Years</b>
Lease liabilities	<u>\$12,328</u>	<u>\$28,170</u>	<u>\$28,214</u>	<u>\$28,214</u>	<u>\$28,214</u>	<u>\$ 38,088</u>

December 31, 2024

	<b>Less than 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
<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:

	<b>Less than 1 Year</b>	<b>1-5 Years</b>	<b>5-10 Years</b>	<b>10-15 Years</b>	<b>15-20 Years</b>	<b>20+ Years</b>
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>

March 31, 2024

	<b>Less than 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
<u>Non-derivative financial liabilities</u>			
Lease liabilities	\$ 10,298	\$ 30,692	\$ 133,542
Notes payable	37,846	-	-
Accounts payable	136,019	-	-
Other payables	<u>109,351</u>	<u>-</u>	<u>-</u>
	<u>\$ 293,514</u>	<u>\$ 30,692</u>	<u>\$ 133,542</u>

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

	<b>Less than 1 Year</b>	<b>1-5 Years</b>	<b>5-10 Years</b>	<b>10-15 Years</b>	<b>15-20 Years</b>	<b>20+ Years</b>
Lease liabilities	<u>\$10,298</u>	<u>\$30,692</u>	<u>\$29,350</u>	<u>\$29,350</u>	<u>\$29,350</u>	<u>\$ 45,492</u>

b) Financing facilities

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Uncollateralized Bank loan facilities			
Amount used	\$ -	\$ -	\$ -
Amount unused	<u>666,025</u>	<u>532,785</u>	<u>692,000</u>
	<u>\$ 666,025</u>	<u>\$ 532,785</u>	<u>\$ 692,000</u>
	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Collateralized Bank loan facilities			
Amount used	\$ -	\$ -	\$ -
Amount unused	<u>59,769</u>	<u>75,406</u>	<u>73,600</u>
	<u>\$ 59,769</u>	<u>\$ 75,406</u>	<u>\$ 73,600</u>

## 28. 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

<b>Related Party Name</b>	<b>Relationship with the Company</b>
METERTECH INC.	Others

b. Purchases of goods

<b>Line Item</b>	<b>Related Party Category/Name</b>	<b>For the Three Months Ended March 31</b>	
		<b>2025</b>	<b>2024</b>
Cost of goods sold	Others	<u>\$ 444</u>	<u>\$ 3,826</u>

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

c. Receivables from related parties

<b>Line Item</b>	<b>Related Party Category/ Name</b>	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Notes receivable and accounts receivable	Others	\$ <u>-</u>	\$ <u>118</u>	\$ <u>-</u>

The outstanding accounts receivable from related parties are unsecured.

d. Payables to related parties

<b>Line Item</b>	<b>Related Party Category/ Name</b>	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Accounts payable	Others	\$ <u>155</u>	\$ <u>523</u>	\$ <u>1,841</u>

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

e. Compensation of key management personnel

	<b>For the Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Short-term benefits	\$ 5,736	\$ 5,048
Post-employment benefits	<u>53</u>	<u>54</u>
	<u>\$ 5,789</u>	<u>\$ 5,102</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.



## 29. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets had been provided as guarantee for land lease to the Hsinchu Science Park Bureau.

	March 31, 2025	December 31, 2024	March 31, 2024
Pledged time deposits (classified as financial assets at amortized cost)	\$ 6,200	\$ 6,200	\$ 6,200

## 30. 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:

March 31, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 8,329	33.205(USD:NTD)	\$ 276,564
USD	180	7.1782(USD:RMB)	5,909
EUR	10,021	35.97	360,455
RMB	3,613	4.573	16,522
JPY	3,785	0.2227	843
			<u>\$ 660,293</u>
<u>Financial liabilities</u>			
Monetary items			
USD	1,928	33.205	\$ 64,019
RMB	1	4.573	5
JPY	7,455	0.2227	1,660
			<u>\$ 65,684</u>

December 31, 2024

	<b>Foreign Currency</b>	<b>Exchange Rate</b>	<b>Carrying Amount</b>
<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>
<u>Financial liabilities</u>			
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>

March 31, 2024

	<b>Foreign Currency</b>	<b>Exchange Rate</b>	<b>Carrying Amount</b>
<u>Financial assets</u>			
Monetary items			
USD	\$ 8,642	32.000(USD:NTD)	\$ 276,544
USD	100	7.095(USD:RMB)	3,127
EUR	7,424	34.460	255,831
RMB	6,449	4.408	28,427
JPY	24,729	0.2115	5,230
GBP	12	40.390	<u>485</u>
			<u>\$ 569,644</u>
<u>Financial liabilities</u>			
Monetary items			
USD	1,359	32.000	\$ 43,488
JPY	5,977	0.2115	1,264
SGD	6	23.720	142
GBP	2	40.390	<u>81</u>
			<u>\$ 44,975</u>

Realized and unrealized net foreign exchange gains were NT\$28,495 thousand and NT\$16,194 thousand for the three months ended March 31, 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.

### 31. 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	\$ 59,769 (USD1,800 thousand)	\$ 49,808 (USD1,500 thousand)	36,526 (USD1,100 thousand)	4.31%~4.34%	The need for short-term financing	-	Operating capital	-	-	-	\$ 529,852	\$ 706,470

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	\$ 353,235	\$ 59,769 (USD 1,800 thousand )	\$ 59,769 (USD 1,800 thousand )	\$ - (USD - thousand )	\$ 59,769	3.38	\$ 883,087	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	March 31, 2025			
				Shares/Units	Carrying Amount	Percentage of Ownership (%)	Fair Value
APEX	Shares : Lytone Enterprise, Inc.	—	FVTPL- current	2,131,800	\$ 54,041	12	\$ 54,041
	Shares : Ascendax Venture Capital Corporation	—	FVTPL- current	1,263,940	14,106	2	14,106

Note1 : The marketable securities listed above were not pledged, guarantees or otherwise restricted by contract as of March 31, 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 Three Months Ended March 31, 2025

No.	Investee Company	Counterparty	Relationship (Note 1)	Transaction Details			
				Financial Statement Accounts	Amount	Payment Terms (Note 2)	% to Total Revenues or Assets
0	APEX	APEX(Suzhou)	1	Net receivable -related parties	\$ 4,575	—	0.19%
				Purchase	1,509	—	0.27%
				Accounts payable-related parties	1,509	—	0.06%
		Omnis	1	Sales	8,272	—	1.48%
				Net receivable - related parties	21,778	—	0.89%
1	APEX(Suzhou)	Omnis	2	Other receivables - related parties	36,582	—	1.50%
				Sales	4,485	—	0.80%

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 March 31, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)
				March 31, 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	\$24,988	( \$ 2,496)	( \$ 2,468)

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 March 31, 2025	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of March 31, 2025	Accumulated Repatriation of Investment Income as of March 31, 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)	( \$ 273)	96%	( \$ 262)	\$ 6,600	\$ -

Accumulated Outward Remittance for Investment in Mainland China as of March 31, 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)	\$1,059,705

Note 1 : Direct investment in mainland China.

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

## 32. 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 product. 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 three months ended March 31, 2025 and 2024 are shown in the consolidated comprehensive income statements for the three months ended March 31, 2025 and 2024. The segment assets as of March 31, 2025 and March 31, 2024 are shown in the consolidated balance sheets as of March 31, 2025 and March 31, 2024.