

**Apex Biotechnology Corporation and
Subsidiaries**

**Consolidated Financial Statements for the
Years Ended December 31, 2025 and 2024 and
Independent Auditors' 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.

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The companies required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the year ended December 31, 2025 are all the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as provided in International Financial Reporting Standard 10, “Consolidated Financial Statements”. Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Hence, Apex Biotechnology Corporation and Subsidiaries do not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours,

APEX BIOTECHNOLOGY CORPORATION

By

Yen Shih Shen
Chairman

March 13, 2026

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Apex Biotechnology Corporation

Opinion

We have audited the accompanying consolidated financial statements of Apex Biotechnology Corporation and its subsidiaries (the “Company”), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Company's consolidated financial statements for the year ended December 31, 2025 is stated as follows:

Revenue Recognition

For the year ended December 31, 2025, the net operating revenue was NT\$1,944,907 thousand. For accounting policies and the related information regarding revenue recognition, please refer to Notes 4 and 21 to the consolidated financial statements. Revenue recognition is a presumed significant risk under the auditing standards. Since the Company's customers are relatively stable, revenue recognition for customers with significant or abnormal fluctuations in transaction amounts and gross profit margins compared to the previous year has been identified as a Key Audit Matter.

Our audit procedures performed with respect to the above-mentioned key audit matter included the following:

1. Understanding and testing the design and operating effectiveness of key internal controls over the sales revenue process.
2. Performing substantive testing on sales revenue transactions by sampling accounting records and inspecting relevant supporting documents and bank receipts to ensure the existence of transactions; and verifying whether there are any irregularities between the customers and remitters.

Other Matter

We have also audited the parent company only financial statements of Apex Biotechnology Corporation as of and for the years ended December 31, 2025 and 2024 on which we have issued an unmodified opinion.

Responsibilities of Management and Those Charged with Governance for 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 Financial Reporting Standards(IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance including the audit committee, are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because

the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 13, 2026

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 audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' 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' report and consolidated financial statements shall prevail.

APEX BIOTECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(In Thousands of New Taiwan Dollars)

ASSETS	Note	December 31, 2025		December 31, 2024		LIABILITIES AND EQUITY	Note	December 31, 2025		December 31, 2024	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets						Current liabilities					
Cash	4,6	\$ 567,091	24	\$ 532,685	22	Contract liabilities-current	4,21	7,233	-	58,278	2
Financial assets at fair value through profit or loss - current	4,7	77,275	3	66,099	3	Notes payable	16	39,187	2	43,207	2
Notes and accounts receivable, net	4,9,21,28	437,799	18	346,636	14	Accounts payable	16,28	192,508	8	195,820	8
Other receivables	9	9,806	-	8,080	-	Other payables	17	144,308	6	131,603	6
Inventories	4,10	561,834	23	662,491	28	Current tax liabilities	4,23	25,876	1	24,517	1
Current prepayments for investments		-	-	6,000	-	Current provisions	18	12,180	1	12,125	1
Other current assets	15	19,793	1	21,070	1	Lease liabilities-current	4,13	7,692	-	9,026	-
Total current assets		1,673,598	69	1,643,061	68	Other current liabilities	17	3,062	-	3,199	-
						Total current liabilities		432,046	18	477,775	20
Non-current assets						Non-current liabilities					
Financial assets at amortized cost - non-current	4,8,29	6,200	-	6,200	-	Deferred tax liabilities	4,23	10,819	1	3,535	-
Property, plant and equipment	4,12	552,203	23	581,184	24	Lease liabilities - non-current	4,13	101,982	4	113,929	5
Right-of-use assets	4,13	100,440	4	114,624	5	Guarantee deposits received		468	-	465	-
Intangible assets	4,14	35,710	2	39,596	2	Total non-current liabilities		113,269	5	117,929	5
Deferred tax assets	4,23	12,795	1	9,241	-						
Prepayments for business facilities		2,926	-	6,798	-	Total liabilities		545,315	23	595,704	25
Refundable deposits		4,079	-	4,156	-						
Net defined benefit asset, non-current	4,19	27,854	1	15,075	1	Equity attributable to shareholders of the parent	4,20				
Total non-current assets		742,207	31	776,874	32	Share capital		999,502	41	999,502	41
						Capital surplus		68,368	3	68,368	3
						Retained earnings					
						Legal reserve		541,607	23	528,094	22
						Unappropriated earnings		249,627	10	215,963	9
						Total retained earnings		791,234	33	744,057	31
						Other equity		10,612	-	11,670	-
						Equity attributable to shareholders of the parent		1,869,716	77	1,823,597	75
						Non-controlling interests	20	774	-	634	-
						Total equity		1,870,490	77	1,824,231	75
Total assets		\$2,415,805	100	\$2,419,935	100	Total liabilities and equity		\$2,415,805	100	\$2,419,935	100

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

APEX BIOTECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

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

	Note	2025		2024	
		Amount	%	Amount	%
NET OPERATING REVENUE	4,21,28	\$ 1,944,907	100	\$ 1,852,211	100
OPERATING COSTS	4,10,22,28	1,406,166	72	1,330,869	72
GROSS PROFIT		538,741	28	521,342	28
OPERATING EXPENSES	9,22,28				
Selling and marketing expenses		104,048	5	106,343	6
General and administrative expenses		130,278	7	124,971	7
Research and development expenses		149,369	8	161,519	8
Expected credit loss		14,320	1	45	-
Total operating expenses		398,015	21	392,878	21
INCOME FROM OPERATIONS		140,726	7	128,464	7
NON-OPERATING INCOME AND EXPENSES					
Interest income	22	2,991	-	2,064	-
Other income	22,25	6,810	1	4,114	-
Other gains and losses	4,22	42,757	2	22,127	1
Finance costs	22	(3,388)	-	(3,642)	-
Total non-operating income and expenses		49,170	3	24,663	1
INCOME BEFORE INCOME TAX		189,896	10	153,127	8
INCOME TAX EXPENSE	4,23	(26,858)	(1)	(25,023)	(1)
NET INCOME		163,038	9	128,104	7

(Continued)

APEX BIOTECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

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

	Note	2025		2024	
		Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME	4,19,20				
Items that will not be reclassified subsequently to profit or loss:					
Remeasurement of defined benefit plans		\$ 4,225	-	\$ 7,131	-
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of the financial statements of foreign operations		(1,064)	-	2,007	-
Other comprehensive income for the year, net of income tax		3,161	-	9,138	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>\$ 166,199</u>	<u>9</u>	<u>\$ 137,242</u>	<u>7</u>
NET INCOME ATTRIBUTABLE TO :					
Shareholders of the parent		\$ 162,892	9	\$ 127,998	7
Non-controlling interests		146	-	106	-
		<u>\$ 163,038</u>	<u>9</u>	<u>\$ 128,104</u>	<u>7</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO :					
Shareholders of the parent		\$ 166,059	9	\$ 137,108	7
Non-controlling interests		140	-	134	-
		<u>\$ 166,199</u>	<u>9</u>	<u>\$ 137,242</u>	<u>7</u>
EARNINGS PER SHARE	24				
Basic		<u>\$ 1.63</u>		<u>\$ 1.28</u>	
Diluted		<u>\$ 1.62</u>		<u>\$ 1.27</u>	

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

(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								Non-controlling Interests	Total Equity
	Share Capital		Capital Surplus	Retained Earnings		Other Equity Exchange Differences on Translation of Foreign Operations	Total	Total		
	Shares	Amount		Legal Reserve	Unappropriated Earnings					
	(In Thousands)									
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) in 2024	-	-	-	-	127,998	-	127,998	106	128,104	
Other comprehensive income (loss) in 2024, net of Income tax	-	-	-	-	7,131	1,979	9,110	28	9,138	
Total comprehensive income (loss) in 2024	-	-	-	-	135,129	1,979	137,108	134	137,242	
BALANCE ON DECEMBER 31, 2024	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 in 2025	-	-	-	-	162,892	-	162,892	146	163,038	
Other comprehensive income (loss) in 2025, net of Income tax	-	-	-	-	4,225	(1,058)	3,167	(6)	3,161	
Total comprehensive income (loss) in 2025	-	-	-	-	167,117	(1,058)	166,059	140	166,199	
BALANCE ON DECEMBER 31, 2025	99,950	\$ 999,502	\$ 68,368	\$ 541,607	\$ 249,627	\$ 10,612	\$ 1,869,716	\$ 774	\$ 1,870,490	

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

APEX BIOTECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 189,896	\$ 153,127
Adjustments for :		
Depreciation expense	53,923	57,314
Amortization expense	7,003	7,496
Expected credit loss	14,320	45
Net gain on financial assets at fair value		
through profit or loss	(14,976)	(4,231)
Finance costs	3,388	3,642
Interest income	(2,991)	(2,064)
Dividend income	(4,415)	(2,279)
Property, plant and equipment transferred to		
expenses	-	716
Impairment loss on non-financial assets	10,135	17,612
Unrealized foreign exchange gain	(24,684)	(6,273)
Changes in operating assets and liabilities		
Notes receivable and accounts receivable	(88,389)	(58,602)
Other receivables	(1,722)	(2,363)
Inventories	90,522	67,611
Other current assets	1,277	(164)
Contract liabilities	(51,045)	51,683
Notes payable	(4,020)	15,772
Accounts payable	(4,342)	67,959
Other payables	12,629	6,821
Provisions	55	2,026
Other current liabilities	(137)	(86)
Net defined benefit assets	(8,554)	632
Cash generated from operations	177,873	376,394

(Continued)

APEX BIOTECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

	<u>2025</u>	<u>2024</u>
Interest received	\$ 2,986	\$ 2,064
Dividend received	4,415	2,279
Interest paid	(3,388)	(3,642)
Income taxes paid	(21,770)	(48,426)
Net cash generated from operating activities	<u>160,116</u>	<u>328,669</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of financial assets at fair value through profit or loss	9,800	-
Increase in prepayments for investments	-	(6,000)
Acquisition of property, plant and equipment	(15,260)	(23,856)
Decrease in refundable deposits	44	36
Acquisition of intangible assets	(3,999)	(1,390)
Decrease (Increase) in prepayments for business facilities	<u>3,872</u>	(<u>4,388</u>)
Net cash used in investing activities	<u>(5,543)</u>	<u>(35,598)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term loans	18,267	29,450
Decrease in short-term loans	(18,267)	(59,450)
Decrease in guarantee deposits received	-	(27)
Payments of lease liabilities	(8,715)	(8,697)
Cash dividends paid	(<u>119,940</u>)	(<u>109,945</u>)
Net cash used in financing activities	<u>(128,655)</u>	<u>(148,669)</u>
EFFECT OF EXCHANGE RATE CHANGES ON CASH	<u>8,488</u>	<u>6,237</u>
NET INCREASE IN CASH	34,406	150,639
CASH, BEGINNING OF THE YEAR	<u>532,685</u>	<u>382,046</u>
CASH, END OF THE YEAR	<u>\$ 567,091</u>	<u>\$ 532,685</u>

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

(Concluded)

APEX BIOTECHNOLOGY CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 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 is primarily engaged in the research, development, production, manufacturing, and sale of biochemical testing instruments and proprietary test strips, as well as the import and export of products and components related to its 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 Company’s board of directors on March 13, 2026.

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

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB</u>
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026

(Continued)

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
IFRS 17 “Insurance Contracts” (including the 2020 and 2021 amendments to IFRS 17)	January 1, 2023
	(Concluded)

As of the date the consolidated financial statements were authorized for issue, the Company has assessed that the amendments to the standards mentioned above will not have a material impact on the Company’s financial position and financial performance

- 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 (Note 2)
IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (including the 2025 amendments to IFRS 19)	January 1, 2027
Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”	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.

Note 2: On September 25, 2025, the FSC announced that IFRS 18 will take effect starting from January 1, 2028. Domestic entities could elect to apply IFRS 18 for an earlier period after the endorsement of IFRS 18 by the FSC.

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

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

- To classify items of income and expenses presented in the statement of profit or loss into the operating, investing, financing, income taxes and discontinued operations categories, the Company shall assess whether it has specified main business activities of investing in particular types of assets and providing financing to customers.
- 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.

In addition, the following consequential amendments have been made to IAS 7 “Statement of Cash Flows”:

- The Company shall use operating profit or loss as the starting point when presenting cash flows from operating activities under the indirect method.
- Interest and dividends received by the Company shall be classified as investing activities, while interest and dividends paid shall be classified as financing activities. However, if, after assessment, the Company has a specific main operating activity, it shall determine how to classify dividends received, interest received and interest paid in the statement of cash flows by referring to how it classifies dividend income, interest income and interest expense in the statement of profit or loss. The total of each of these cash flows shall be classified in a single category in the statement of cash flows.

Except for the above impact, as of the consolidated financial statement 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

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS Accounting Standards as endorsed and issued into effect by the FSC.

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. Classification of current and non-current assets and liabilities

Current assets include:

- 1) Assets held primarily for the purpose of trading;
- 2) Assets expected to be realized within 12 months after the reporting period; and
- 3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

- 1) Liabilities held primarily for the purpose of trading;
- 2) Liabilities due to be settled within 12 months after the reporting period; and
- 3) Liabilities for which the Company does not have the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current.

d. 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).

e. Business combinations

Acquisitions of businesses are accounted for using the acquisition method. Acquisition-related costs are generally recognized in profit or loss as they are incurred.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interests in the acquiree over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets, in the event of liquidation, may be initially measured at fair value. Other types of non-controlling interests are measured at fair value.

f. Foreign currencies

In preparing the financial statements of each individual entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which cases, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary item denominated in a foreign currency and measured at historical cost is stated at the reporting currency as originally translated from the foreign currency.

For the purpose of presenting consolidated financial statements, the financial statements of APEX and its foreign operations (including subsidiaries in other countries that are prepared using functional currencies which are different from the currency of APEX) are translated into the presentation currency, the New Taiwan dollar, as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income (attributed to the owners of APEX and non-controlling interests as appropriate).

g. Inventories

Inventories consist of raw materials, supplies, work in process, finished goods and merchandise and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at standard cost and adjusted to approximate weighted-average cost on the balance sheet date.

h. Property, plant and equipment

Property, plant and equipment are initially measured at cost, and subsequently measured at cost less accumulated depreciation and accumulated impairment loss.

Except for freehold land which is not depreciated, the depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

i. Intangible assets

1) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful lives, residual values, and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in the estimates accounted for on a prospective basis.

2) Internally-generated intangible assets - research and development expenditure

Expenditures on research activities are recognized as expenses in the period in which they are incurred.

An internally-generated intangible asset arising from the development phase of an internal project is recognized if, and only if, all of the following have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- The intention to complete the intangible asset and use or sell it;
- The ability to use or sell the intangible asset;
- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- The ability to measure reliably the expenditures attributable to the intangible asset during its development.

The amount initially recognized for internally-generated intangible asset is the sum of the expenditures incurred from the date when such an intangible asset first meets the recognition criteria

listed above. Subsequent to initial recognition, such intangible asset is measured on the same basis as an intangible asset that is acquired separately.

3) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date. Subsequent to initial recognition, they are measured on the same basis as intangible assets that are acquired separately.

4) Derecognition of intangible assets

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

j. Impairment of property, plant and equipment, right-of-use asset, intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment, right-of-use asset and intangible assets, excluding goodwill, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized on the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized in profit or loss.

k. Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

a) Measurement categories

Financial assets are classified into the following categories: Financial assets at FVTPL and financial assets at amortized cost.

i. Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial assets are mandatorily classified as at FVTPL. Financial assets mandatorily classified as at FVTPL include investments in equity instruments which are not designated as at FVTOCI.

Financial assets at FVTPL are subsequently measured at fair value, and any dividends are recognized in other income, any remeasurement gains or losses on such financial assets are recognized in other gains or losses. Fair value is determined in the manner described in Note 27: Financial Instruments

ii. Financial assets measured at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- i) The financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- ii) The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash, pledged deposits, notes and accounts receivable (including from related parties) at amortized cost, other receivables and refundable deposits, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset.

Cash equivalents include time deposits with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

b) Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets measured at amortized cost (including accounts receivable).

The Company always recognizes lifetime expected credit losses (ECLs) for accounts receivable. For all other financial instruments, the Company recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account.

c) Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss.

2) Equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

The repurchase of APEX's own equity instruments is recognized in and deducted directly from equity, and its carrying amounts are calculated based on weighted average by share types. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of APEX's own equity instruments.

3) Financial liabilities

a) Subsequent measurement

All financial liabilities are measured at amortized cost using the effective interest method.

b) Derecognition of financial liabilities

The difference between the carrying amount of the financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

4) Derivative financial instruments

The Company enters into derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts.

Derivatives are initially recognized at fair value at the date on which the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately. When the fair value of a derivative financial instrument is positive, the derivative is recognized as a financial asset; when the fair value of a derivative financial instrument is negative, the derivative is recognized as a financial liability

1. Provisions

Provisions are measured at the best estimate of the discounted cash flows of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

m. Revenue recognition

The Company identifies contracts with customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

1) Revenue from the sale of goods

Revenue from the sale of goods comes from sales of biochemical testing instruments and its detection strips. Sales of biochemical testing instruments and its detection strips are recognized as revenue when the goods are delivered to the customer's specific location/the goods are shipped because it is the time when the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence. Accounts receivable are recognized concurrently. The transaction price received is recognized as a contract liability until the goods have been delivered to the customer.

2) Revenue from the rendering of services

Revenue from the rendering of services comes from the development services.

As the Company provides project development services, the related revenue is recognized when services are rendered.

n. Leases

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease.

1) The Company as lessor

All leases are classified as operating leases.

Lease payments from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases.

2) The Company as lessee

The Company recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, and subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee's incremental borrowing rate will be used.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, or a change in future lease payments resulting from a change in an index or a rate used to determine those payments, the Company remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheets.

o. Government grants

Government grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Government grants related to income are recognized in other income on a systematic basis over the periods in which the Company recognizes as expenses the related costs that the grants intend to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognized in profit or loss in the period in which they become receivable.

p. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered services entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under the defined benefit retirement benefit plans are determined using the projected unit credit method. Service costs (including current service cost) and net interest on the net defined benefit liabilities (assets) are recognized as an employee benefits expense in the period in which they occur. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which it occurs. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

The net defined benefit liabilities (assets) represent the actual deficit (surplus) in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

q. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

Income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

According to the Income Tax Act in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and

liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are recognized only to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and such temporary differences are expected to reverse in the foreseeable future

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3) Current and deferred taxes

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity, respectively.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, management is required to make judgments, estimations, and assumptions on the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

When developing material accounting estimates, the Company considers the possible impact of inflation and 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.

Based on the assessment of the Company's management, the accounting policies, estimates, and assumptions

adopted by the Company have not been subject to material accounting judgements, estimates and assumptions uncertainty.

6. CASH

	<u>December 31</u>	
	2025	2024
Cash on hand	\$ 400	\$ 347
Demand deposits	<u>566,691</u>	<u>532,338</u>
	<u>\$ 567,091</u>	<u>\$ 532,685</u>

The market rate intervals of cash in banks at the end of the year were as follows:

	<u>December 31</u>	
	2025	2024
Cash in banks	0.002%~1.30%	0.002% ~ 1.30%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>December 31</u>	
	2025	2024
<u>Financial assets at FVTPL -current</u>		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Domestic emerging market shares	\$ 61,164	\$ 55,597
Domestic and foreign unlisted shares	<u>16,111</u>	<u>10,502</u>
	<u>\$ 77,275</u>	<u>\$ 66,099</u>

8. FINANCIAL ASSETS AT AMORTIZED COST

	<u>December 31</u>	
	2025	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>

- a. The ranges of interest rates for time deposits with original maturities of more than 3 months were 1.750% and 0.790%~1.065% per annum as of December 31,2025 and 2024, respectively.

- 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

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Notes receivable</u>		
Notes receivable - operating	\$ 6,851	\$ 5,654
 <u>Accounts receivable</u>		
At amortized cost		
Gross carrying amount	442,147	342,852
Less: Allowance for impairment loss	<u>(11,199)</u>	<u>(1,870)</u>
	<u>430,948</u>	<u>340,982</u>
	<u>\$ 437,799</u>	<u>\$ 346,636</u>
 <u>Other receivables</u>		
Tax receivable	\$ 8,083	\$ 8,037
Others	<u>1,723</u>	<u>43</u>
	<u>\$ 9,806</u>	<u>\$ 8,080</u>
 <u>Accounts receivable</u>		

The average credit period on sales of goods ranges from 15 to 150 days, and accounts receivable are non-interest bearing. To enhance the credit risk management, new customers are initially granted small credit limits. Once a stable trading relationship and a certain sales volume are established, the Company engages professional credit rating agencies to determine the credit limit based on the relevant reports. This is complemented by ongoing monitoring procedures to ensure timely and appropriate actions are taken to recover overdue receivables. Furthermore, the Company reviews the recoverable amount of each receivable at the reporting date to ensure that the adequate impairment losses are recognized for uncollectible accounts.

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.

December 31, 2025

		1 to 30 Days		31 to 90 Days	91 to 180	Over 181	
	Not Past Due	Past Due	Past Due	Past Due	Days Past	Days Past	Total
					Due	Due	
Expected credit loss rate	0.01%	0.07%	0.22%		94.24%	100%	
Gross carrying amount	\$ 303,037	\$ 77,681	\$ 50,433		\$ 139	\$ 10,857	\$ 442,147
Loss allowance (Lifetime ECLs)	(42)	(57)	(112)		(131)	(10,857)	(11,199)
Amortized cost	<u>\$ 302,995</u>	<u>\$ 77,624</u>	<u>\$ 50,321</u>		<u>\$ 8</u>	<u>\$ -</u>	<u>\$ 430,948</u>

December 31, 2024

		1 to 30 Days		31 to 90 Days	91 to 180	Over 181	
	Not Past Due	Past Due	Past Due	Past Due	Days Past	Days Past	Total
					Due	Due	
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>

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

	<u>For the Year Ended December 31</u>	
	2025	2024
Balance on January 1	\$ 1,870	\$ 1,823
Add: Net remeasurement of loss allowance	14,320	45
Less: Amounts written off	(4,938)	(115)
Foreign exchange gains and losses	<u>(53)</u>	<u>117</u>
Balance on December 31	<u>\$ 11,199</u>	<u>\$ 1,870</u>

10. INVENTORIES

	<u>December 31</u>	
	2025	2024
Finished goods and merchandise	\$ 144,399	\$ 101,240
Work in progress	216,982	315,111
Raw materials	<u>200,453</u>	<u>246,140</u>
	<u>\$ 561,834</u>	<u>\$ 662,491</u>

The cost of inventories recognized as cost of goods sold for the years ended December 31, 2025 and 2024 were NT\$1,406,166 thousand and NT\$1,330,869 thousand, respectively. The cost of goods sold included inventory write-downs NT\$10,135 thousand and NT\$17,612 thousand, for 2025 and 2024 respectively.

11. SUBSIDIARIES

The consolidated financial statements include subsidiaries which are as follows:

Investor	Investee	Nature of Activities	Proportion of Ownership (%)		Remark
			2025	2024	
APEX	Omnis Health LLC	Engaged in the import and export of medical devices	99%	99%	-
	Apex Biotechnology (Suzhou) Corporation	Engaged in the import and export of medical devices	96%	96%	-

12. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Machinery	Testing	Transportation	Office	Miscellaneous	Equipment	Total
			Equipment	Equipment	Equipment	Equipment	Equipment	under Acceptance	
<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	-	-	3,136	1,988	-	721	3,000	6,493	15,338
Disposals	-	-	(1,209)	-	-	(1,460)	(3,006)	-	(5,675)
Reclassification	-	-	5,637	940	-	-	1,931	(8,508)	-
Effects of exchange rate changes	-	-	(64)	-	-	(7)	4	-	(67)
Balance on December 31, 2025	<u>\$ 261,675</u>	<u>\$ 605,024</u>	<u>\$ 517,206</u>	<u>\$ 54,982</u>	<u>\$ 4,218</u>	<u>\$ 21,412</u>	<u>\$ 207,813</u>	<u>\$ 10,452</u>	<u>\$1,682,782</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	-	17,559	13,440	5,331	696	1,533	5,728	-	44,287
Disposals	-	-	(1,209)	-	-	(1,460)	(3,006)	-	(5,675)
Effects of exchange rate changes	-	-	(33)	-	-	(5)	3	-	(35)
Balance on December 31, 2025	<u>\$ -</u>	<u>\$ 397,531</u>	<u>\$ 478,325</u>	<u>\$ 39,296</u>	<u>\$ 2,279</u>	<u>\$ 18,088</u>	<u>\$ 195,060</u>	<u>\$ -</u>	<u>\$1,130,579</u>
Carrying amount on December 31, 2025	<u>\$ 261,675</u>	<u>\$ 207,493</u>	<u>\$ 38,883</u>	<u>\$ 15,685</u>	<u>\$ 1,939</u>	<u>\$ 3,324</u>	<u>\$ 12,752</u>	<u>\$ 10,452</u>	<u>\$ 552,203</u>

(Continued)

	Equipment								Total
	Land	Buildings	Machinery	Testing	Transportation	Office	Miscellaneous	under	
			Equipment	Equipment	Equipment	Equipment	Equipment	Acceptance	
<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	-	895	1,693	1,935	-	2,314	2,937	15,178	24,952
Disposals	-	-	(5,879)	-	-	(212)	(620)	(716)	(7,427)
Reclassification	-	-	875	7,509	564	-	2,729	(11,677)	-
Effects of exchange rate changes	-	-	98	-	-	21	29	-	148
Balance on December 31, 2024	<u>\$ 261,675</u>	<u>\$ 605,024</u>	<u>\$ 509,706</u>	<u>\$ 52,054</u>	<u>\$ 4,218</u>	<u>\$ 22,158</u>	<u>\$ 205,884</u>	<u>\$ 12,467</u>	<u>\$1,673,186</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	-	19,725	13,836	4,426	667	1,258	7,556	-	47,468
Disposals	-	-	(5,879)	-	-	(212)	(620)	-	(6,711)
Effects of exchange rate changes	-	-	48	-	-	14	25	-	87
Balance on December 31, 2024	<u>\$ -</u>	<u>\$ 379,972</u>	<u>\$ 466,127</u>	<u>\$ 33,965</u>	<u>\$ 1,583</u>	<u>\$ 18,020</u>	<u>\$ 192,335</u>	<u>\$ -</u>	<u>\$1,092,002</u>
Carrying amount on December 31, 2024	<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>

(Concluded)

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

No impairment loss recognized or reversed for the years ended December 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	3-16 years
Machinery equipment	5-10 years
Testing equipment	3-10 years
Transportation equipment	5-10 years
Office equipment	3-7 years
Miscellaneous equipment	2-20 years

13. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2025	2024
<u>Carrying amount</u>		
Land	\$ 93,690	\$ 101,530
Buildings	3,355	8,147
Transportation equipment	2,035	3,052
Office equipment	<u>1,360</u>	<u>1,895</u>
	<u>\$ 100,440</u>	<u>\$ 114,624</u>

	For the Year Ended December 31	
	2025	2024
Additions to right-of-use assets	<u>\$ -</u>	<u>\$ 7,658</u>
Depreciation charge for right-of-use assets		
Land	\$ 3,603	\$ 3,760
Buildings	4,481	4,594
Transportation equipment	1,017	953
Office equipment	<u>535</u>	<u>539</u>
	<u>\$ 9,636</u>	<u>\$ 9,846</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 years ended December 31, 2025 and 2024.

b. Lease liabilities

	December 31	
	2025	2024
<u>Carrying amounts</u>		
Current	<u>\$ 7,692</u>	<u>\$ 9,026</u>
Non-current	<u>\$ 101,982</u>	<u>\$ 113,929</u>

Range of discount rate for lease liabilities was as follows:

	December 31	
	2025	2024
Land	2.93%	2.93%
Buildings	0.86%-3.45%	0.86%-3.45%
Transportation equipment	5.78%	5.78%
Office equipment	5.78%	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 Year Ended December 31	
	2025	2024
Expenses relating to short-term leases	<u>\$ 1,606</u>	<u>\$ 1,720</u>
Total cash outflow for leases	<u>\$ (13,695)</u>	<u>\$ (14,022)</u>

The Company leases certain office buildings and equipment which qualify as short-term leases. The Company has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

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	-	-	3,999	-	3,999
Effects of exchange rate changes	-	(6,503)	-	(4,363)	(10,866)
Balance on December 31, 2025	<u>\$ 19,295</u>	<u>\$ 155,582</u>	<u>\$ 33,632</u>	<u>\$ 101,205</u>	<u>\$ 309,714</u>
<u>Accumulated amortization and impairment</u>					
Balance on January 1, 2025	\$ 15,281	\$ 140,241	\$ 15,895	\$ 105,568	\$ 276,985
Amortization expenses	1,092	4,180	1,731	-	7,003
Effects of exchange rate changes	-	(5,621)	-	(4,363)	(9,984)
Balance on December 31, 2025	<u>\$ 16,373</u>	<u>\$ 138,800</u>	<u>\$ 17,626</u>	<u>\$ 101,205</u>	<u>\$ 274,004</u>
Carrying amounts on December 31, 2025	<u>\$ 2,922</u>	<u>\$ 16,782</u>	<u>\$ 16,006</u>	<u>\$ -</u>	<u>\$ 35,710</u>

(Continued)

	Customer				Total
	Software	Trademarks	Patents	Relationship	
Cost					
Balance on January 1, 2024	\$ 19,295	\$ 152,104	\$ 28,243	\$ 98,870	\$ 298,512
Additions	-	-	1,390	-	1,390
Effects of exchange rate changes	-	9,981	-	6,698	16,679
Balance on December 31, 2024	<u>\$ 19,295</u>	<u>\$ 162,085</u>	<u>\$ 29,633</u>	<u>\$ 105,568</u>	<u>\$ 316,581</u>
Accumulated amortization and impairment					
Balance on January 1, 2024	\$ 13,878	\$ 127,403	\$ 14,142	\$ 98,870	\$ 254,293
Amortization expenses	1,403	4,340	1,753	-	7,496
Effects of exchange rate changes	-	8,498	-	6,698	15,196
Balance on December 31, 2024	<u>\$ 15,281</u>	<u>\$ 140,241</u>	<u>\$ 15,895</u>	<u>\$ 105,568</u>	<u>\$ 276,985</u>
Carrying amounts on December 31, 2024	<u>\$ 4,014</u>	<u>\$ 21,844</u>	<u>\$ 13,738</u>	<u>\$ -</u>	<u>\$ 39,596</u>

(Concluded)

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

Trademarks	6-12 years
Patents	5-26 years
Software	3-10 years

15. OTHER CURRENT ASSETS

	December 31	
	2025	2024
Prepayments (Note)	\$ 18,816	\$ 18,782
Others	<u>977</u>	<u>2,288</u>
	<u>\$ 19,793</u>	<u>\$ 21,070</u>

Note : The prepayments mainly consist of prepaid patents, trademarks, repairs and maintenance, and insurance premiums.

16. NOTES PAYABLE AND ACCOUNTS PAYABLE

	<u>December 31</u>	
	2025	2024
<u>Notes payable</u>		
Operating	\$ <u>39,187</u>	\$ <u>43,207</u>
<u>Accounts payable</u>		
Operating	\$ <u>192,508</u>	\$ <u>195,820</u>

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

17. OTHER LIABILITIES

	<u>December 31</u>	
	2025	2024
<u>Current</u>		
Other payables		
Payables for salaries and bonuses	\$ 61,677	\$ 59,804
Payables for employees' compensation and remuneration of directors	18,753	13,314
Payables for purchases of equipment	1,560	1,482
Others (Note)	<u>62,318</u>	<u>57,003</u>
	\$ <u>144,308</u>	\$ <u>131,603</u>
<u>Other liabilities</u>		
Receipts under custody	\$ <u>3,062</u>	\$ <u>3,199</u>

Note : Other payables mainly consist of consumables, utilities, and cleaning fees, incurred by the Company arising from operations.

18. PROVISIONS

	<u>December 31</u>	
	2025	2024
<u>Current</u>		
Employee benefits (Note)	\$ <u>12,180</u>	\$ <u>12,125</u>

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

19. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

APEX adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, APEX makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

b. Defined benefit plans

The defined benefit plans adopted by APEX in accordance with the Labor Standards Act is operated by the government of the ROC. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. APEX contributes amounts equal to 2% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, APEX assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, APEX is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); APEX has no right to influence the investment policy and strategy.

The amounts in the consolidated balance sheets in respect of the Company's defined benefit plans were as follows:

	December 31	
	2025	2024
Present value of defined benefit obligation	\$ 62,465	\$ 69,814
Fair value of plan assets	<u>(90,319)</u>	<u>(84,889)</u>
Net defined benefit assets	<u>\$ (27,854)</u>	<u>\$ (15,075)</u>

Movements in net defined benefit liabilities (assets) were as follows:

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liabilities (Assets)
Balance on January 1, 2024	<u>\$ 70,583</u>	<u>(\$ 79,159)</u>	<u>(\$ 8,576)</u>
Service cost			

(Continued)

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liabilities (Assets)
Current service cost	\$ 735	\$ -	\$ 735
Net interest expense (income)	<u>847</u>	(<u>950</u>)	(<u>103</u>)
Recognized in profit or loss	<u>1,582</u>	(<u>950</u>)	<u>632</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(7,160)	(7,160)
Actuarial gain -Change in financial assumptions	(1,305)	-	(1,305)
Actuarial loss -Experience adjustments	<u>1,334</u>	<u>-</u>	<u>1,334</u>
Recognized in other comprehensive income (loss)	<u>29</u>	(<u>7,160</u>)	(<u>7,131</u>)
Benefits paid	(<u>2,380</u>)	<u>2,380</u>	<u>-</u>
Balance on December 31, 2024	<u>69,814</u>	(<u>84,889</u>)	(<u>15,075</u>)
Service cost			
Current service cost	746	-	746
Net interest expense (income)	<u>1,117</u>	(<u>1,358</u>)	(<u>241</u>)
Recognized in profit or loss	<u>1,863</u>	(<u>1,358</u>)	<u>505</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(5,958)	(5,958)
Actuarial loss -Change in financial assumptions	880	-	880
Actuarial loss -Experience adjustments	<u>853</u>	<u>-</u>	<u>853</u>
Recognized in other comprehensive income (loss)	(<u>1,733</u>)	(<u>5,958</u>)	(<u>4,225</u>)
Payments not funded by plan assets	<u>-</u>	(<u>9,059</u>)	(<u>9,059</u>)
Benefits paid	(<u>10,945</u>)	<u>10,945</u>	<u>-</u>
Balance on December 31, 2025	<u>\$ 62,465</u>	(<u>\$ 90,319</u>)	(<u>\$ 27,854</u>)

(Concluded)

Through the defined benefit plans under the Labor Standards Act, APEX is exposed to the following risks:

- 1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets shall not be below the interest rate for a 2-year time deposit with local banks.
- 2) Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plans' debt investments.
- 3) Salary risk: The present value of the defined benefit obligation is calculated using the future salaries of plan participants. As such, an increase in the salaries of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations were as follows:

	December 31	
	2025	2024
Discount rate	1.3%	1.6%
Expected rate of salary increase	3%	3%

If possible reasonable change in each of the significant actuarial assumptions will occur and all other assumptions will remain constant, the present value of the defined benefit obligation would increase (decrease) as follows:

	December 31	
	2025	2024
Discount rate		
0.1% increase	<u>\$ (297)</u>	<u>\$ (317)</u>
0.1% decrease	<u>\$ 300</u>	<u>\$ 321</u>
Expected rate of salary increase		
0.1% increase	<u>\$ 252</u>	<u>\$ 273</u>
0.1% decrease	<u>\$ (250)</u>	<u>\$ (271)</u>

The above sensitivity analysis may not be representative of the actual changes in the present value of the defined benefit obligation as it is unlikely that changes in assumptions will occur in isolation of one another as some of the assumptions may be correlated.

	December 31	
	2025	2024
Expected contributions to the plans for the next year	\$ <u> -</u>	\$ <u> -</u>
The average duration of the defined benefit obligation	4.7 years	4.6 years

20. EQUITY

a. Ordinary shares

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

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

	Appropriation of Earnings	
	For the Year Ended	
	December 31	
	2024	2023
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 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 meetings on May 23, 2025 and April 30, 2024, respectively.

The appropriation of earnings for 2025, which were proposed by APEX's board of directors on March 13, 2026, were as follows:

	For the Year Ended December 31, 2025
Legal reserve	\$ <u>16,712</u>
Cash dividends	\$ <u>129,935</u>
Cash dividends per share (NT\$)	\$ 1.3

The above appropriation for cash dividends has been resolved by the board of directors; the other proposed appropriations will be resolved by the shareholders in their meeting to be held on May 22 in 2026.

d. Other equity items

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

	For the Year Ended December 31	
	2025	2024
Balance on January 1	\$ 11,670	\$ 9,691
Recognized for the year		
Exchange differences on the translation of the financial statements of foreign operations	<u>(1,058)</u>	<u>1,979</u>
Balance on December 31	<u>\$ 10,612</u>	<u>\$ 11,670</u>

e. Non-controlling interests

	For the Year Ended December 31	
	2025	2024
Balance on January 1	\$ 634	\$ 500
Share in profit for the year	146	106
Other comprehensive income (loss) during the year		
Exchange differences on translating the financial statements of foreign entities	<u>(6)</u>	<u>28</u>
Balance on December 31	<u>\$ 774</u>	<u>\$ 634</u>

21. REVENUE

	For the Year Ended December 31	
	2025	2024
Revenue from contracts with customers		
Revenue from the sale of goods	\$ 1,941,750	\$ 1,837,544
Other operating revenue	<u>3,157</u>	<u>14,667</u>
	<u>\$ 1,944,907</u>	<u>\$ 1,852,211</u>

a. Contract information

Revenue from the sale of goods

The Company estimates the sales discounts using the most likely amount based on historical experience. However, considering that discounts offered by major competitors are more favorable than the initial estimate, the Company determines the amount of revenue to be recognized based on these more competitive discount rates. Other products are sold at fixed prices stipulated in the contracts

b. Contract balances

	December 31, 2025	December 31, 2024	January 1, 2024
Accounts receivable (Note 9)	\$ <u>430,948</u>	\$ <u>340,982</u>	\$ <u>283,794</u>
Contract liabilities			
Sale of goods	\$ <u>7,233</u>	\$ <u>58,278</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:

	For the Year Ended December 31	
	2025	2024
<u>From contract liabilities at the start of the year</u>		
Sale of goods	<u>\$ 56,215</u>	<u>\$ 4,508</u>

c. Disaggregation of revenue

	For the Year Ended December 31	
	2025	2024
USA	\$ 885,179	\$ 715,860
Italy	535,580	568,530
Austria	276,071	245,123
Taiwan	75,861	77,369
Others	<u>172,216</u>	<u>245,329</u>
	<u>\$ 1,944,907</u>	<u>\$ 1,852,211</u>

22. NET PROFIT FROM CONTINUING OPERATIONS

a. Interest income

	For the Year Ended December 31	
	2025	2024
Bank deposits	<u>\$ 2,991</u>	<u>\$ 2,064</u>

b. Other income

	For the Year Ended December 31	
	2025	2024
Dividends	\$ 4,415	\$ 2,279
Rental income	683	1,041
Grant income (Note 25)	387	272
Others	<u>1,325</u>	<u>522</u>
	<u>\$ 6,810</u>	<u>\$ 4,114</u>

c. Other gains and losses

	For the Year Ended December 31	
	2025	2024
Net foreign exchange gains	\$ 27,735	\$ 17,598
Fair value changes of financial assets and financial liabilities		
Financial assets mandatorily classified as at FVTPL	14,976	4,231
Others	<u>46</u>	<u>298</u>
	<u>\$ 42,757</u>	<u>\$ 22,127</u>

d. Finance costs

For the Year Ended December 31

	2025	2024
Interest on lease liabilities	\$ 3,374	\$ 3,605
Interest on bank loans	<u>14</u>	<u>37</u>
	<u>\$ 3,388</u>	<u>\$ 3,642</u>

e. Depreciation and amortization

For the Year Ended December 31

	2025	2024
An analysis of depreciation by function		
Operating costs	\$ 35,952	\$ 38,981
Operating expenses	<u>17,971</u>	<u>18,333</u>
	<u>\$ 53,923</u>	<u>\$ 57,314</u>
An analysis of amortization by function		
Operating costs	\$ 613	\$ 723
Selling and marketing expenses	302	375
General and administrative expenses	4,019	4,182
Research and development expenses	<u>2,069</u>	<u>2,216</u>
	<u>\$ 7,003</u>	<u>\$ 7,496</u>

f. Employee benefits expense

For the Year Ended December 31

	2025	2024
Short-term benefits	\$ 530,125	\$ 516,264
Post-employment benefits		
Defined contribution plan	16,055	15,997
Defined benefit plans (Note 19)	<u>505</u>	<u>632</u>
Total employee benefits expense	<u>\$ 546,685</u>	<u>\$ 532,893</u>
An analysis of employee benefits expense by function		
Operating costs	\$ 313,632	\$ 306,090
Operating expenses	<u>233,053</u>	<u>226,803</u>
	<u>\$ 546,685</u>	<u>\$ 532,893</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 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 years ended December 31, 2025 and 2024, which were approved by the board of directors on March 13, 2026 and February 25, 2025, respectively, are as follows:

Accrual rate

	<u>For the Year Ended December 31</u>	
	2025	2024
Compensation of employees	8%	7%
Remuneration of directors	1%	1%

Amount

	<u>For the Year Ended December 31</u>			
	<u>2025</u>		<u>2024</u>	
	Cash	Shares	Cash	Shares
Compensation of employees	\$ 16,669	\$ -	\$ 11,650	\$ -
Remuneration of directors	2,084	-	1,664	-

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.

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 Year Ended December 31	
	2025	2024
Foreign exchange gains	\$ 76,602	\$ 38,109
Foreign exchange losses	<u>(48,867)</u>	<u>(20,511)</u>
	<u>\$ 27,735</u>	<u>\$ 17,598</u>

23. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Year Ended December 31	
	2025	2024
Current tax		
In respect of the current year	\$ 34,124	\$ 32,800
Adjustments for prior years	<u>(10,997)</u>	<u>(6,264)</u>
	23,127	26,536
Deferred tax		
In respect of the current year	3,728	(1,510)
Effects of exchange rate changes	<u>3</u>	<u>(3)</u>
Income tax expense recognized in profit or loss	<u>\$ 26,858</u>	<u>\$ 25,023</u>

A reconciliation of accounting profit and income tax expense is as follows:

	For the Year Ended December 31	
	2025	2024
Profit before tax from continuing operations	<u>\$ 189,896</u>	<u>\$ 153,127</u>
Income tax expense calculated at the statutory rate	\$ 38,068	\$ 30,533
Non-deductible expenses in determining taxable income	(281)	(1,068)
Unrecognized temporary differences	68	1,822
Adjustments for prior years' tax	<u>(10,997)</u>	<u>(6,264)</u>
Income tax expense recognized in profit or loss	<u>\$ 26,858</u>	<u>\$ 25,023</u>

b. Current tax liabilities

	December 31	
	2025	2024
Current tax liabilities		
Income tax payable	<u>\$ 25,876</u>	<u>\$ 24,517</u>

c. Deferred tax assets and liabilities

The movements of deferred tax assets and deferred tax liabilities were as follows:

For the year ended December 31, 2025

<u>Deferred Tax Assets</u>	<u>Opening Balance</u>	<u>Recognized in Profit or Loss</u>	<u>Closing Balance</u>
Temporary differences			
Deferred revenue	\$ 6,824	\$ 3,123	\$ 9,947
Unrealized profit from sales	538	(126)	412
Unrealized foreign exchange loss	300	(300)	-
Others	<u>1,579</u>	<u>857</u>	<u>2,436</u>
	<u>\$ 9,241</u>	<u>\$ 3,554</u>	<u>\$ 12,795</u>

<u>Deferred Tax Liabilities</u>	<u>Opening Balance</u>	<u>Recognized in Profit or Loss</u>	<u>Closing Balance</u>
Temporary differences			
Deferred Cost	\$ 3,492	\$ 3,010	\$ 6,502
Unrealized foreign exchange gain	-	2,610	2,610
Unrealized gains on financial assets	-	1,667	1,667
Others	<u>43</u>	<u>(3)</u>	<u>40</u>
	<u>\$ 3,535</u>	<u>\$ 7,284</u>	<u>\$ 10,819</u>

For the year ended December 31, 2024

<u>Deferred Tax Assets</u>	<u>Opening Balance</u>	<u>Recognized in Profit or Loss</u>	<u>Closing Balance</u>
Temporary differences			
Deferred revenue	\$ 24	\$ 6,800	\$ 6,824
Unrealized profit from sales	276	262	538
Unrealized foreign exchange loss	1,127	(827)	300
Others	<u>2,812</u>	<u>(1,233)</u>	<u>1,579</u>
	<u>\$ 4,239</u>	<u>\$ 5,002</u>	<u>\$ 9,241</u>

<u>Deferred Tax Liabilities</u>	<u>Opening Balance</u>	<u>Recognized in Profit or Loss</u>	<u>Closing Balance</u>
Temporary differences			
Deferred Cost	\$ 3	\$ 3,489	\$ 3,492
Others	<u>40</u>	<u>3</u>	<u>43</u>
	<u>\$ 43</u>	<u>\$ 3,492</u>	<u>\$ 3,535</u>

d. Income tax assessments

APEX's income tax returns through 2023 have been assessed by the tax authorities.

24. EARNINGS PER SHARE

Unit: NT\$ Per Share

	<u>For the Year Ended December 31</u>	
	2025	2024
Basic earnings per share	<u>\$ 1.63</u>	<u>\$ 1.28</u>
Diluted earnings per share	<u>\$ 1.62</u>	<u>\$ 1.27</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 Year

	<u>For the Year Ended December 31</u>	
	2025	2024
Income for the year attributable to shareholders of the parent	<u>\$ 162,892</u>	<u>\$ 127,998</u>

Number of shares (in thousands)

	<u>For the Year Ended December 31</u>	
	2025	2024
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>605</u>	<u>454</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>100,555</u>	<u>100,404</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 year ended December 31, 2025, the Company received subsidies totaling NT\$387 thousand from the Ministry of Labor for the “Enterprise Human Resources Uplift Program” and from the Ministry of Economic Affairs for international medical exhibitions in Thailand and Germany. The amounts are included in the “Other Income” line item.

For the year ended December 31, 2024, the Company received subsidies totaling NT\$272 thousand from the Ministry of Labor for the “Enterprise Human Resources Uplift Program” and from the Ministry of Economic Affairs for international medical exhibitions in Dubai, Mexico, and Singapore. The amounts are included in the “Other Income” line item.

26. CAPITAL MANAGEMENT

The Company manages its capital to ensure that entities in the group will be able to continue as 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.

Key management personnel of the Company review the capital structure annually. As part of this review, the key management personnel consider the cost of capital and the risks associated with each class of capital. Based on their recommendations, in order to balance the overall capital structure, the Company through the payment of dividends, issuance of new shares, shares repurchased, and the issuance of new debt or the redemption of existing debt.

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

December 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	\$ -	\$ -	\$ 61,164	\$ 61,164
Domestic unlisted shares	<u>-</u>	<u>-</u>	<u>16,111</u>	<u>16,111</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 77,275</u>	<u>\$ 77,275</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 and foreign unlisted shares	<u>-</u>	<u>-</u>	<u>10,502</u>	<u>10,502</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 66,099</u>	<u>\$ 66,099</u>

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

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

- a) Investments in domestic emerging market shares and certain unlisted equity securities are measured using the market approach. This approach is based on the prices of comparable targets, taking into account the differences between the evaluated targets and their comparables, and using appropriate multiples to estimate their value. The significant unobservable inputs are as follows; an increase in the fair value of these investments would result from a decrease in the liquidity discount.

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Discount for lack of marketability	7.24%~30.00%	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:

	December 31	
	2025	2024
Discount for lack of marketability		
1% increase	\$ <u>(700)</u>	\$ <u>(618)</u>
1% decrease	\$ <u>700</u>	\$ <u>618</u>

- b) Certain domestic unlisted equity investments are measured using the asset-based approach. This method evaluates the total value of individual assets and liabilities to reflect the overall value of the corporate entity or business. The significant unobservable inputs are as follows; a decrease in the liquidity discount would result in an increase in the fair value of these investments.

	December 31	
	2025	2024
Discount for lack of marketability	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:

	December 31	
	2025	2024
Discount for lack of marketability		
1% increase	\$ <u>(201)</u>	\$ <u>(131)</u>
1% decrease	\$ <u>201</u>	\$ <u>131</u>

- c. Categories of financial instruments

	December 31	
	2025	2024
<u>Financial assets</u>		
FVTPL		
Mandatorily classified as at FVTPL	\$ 77,275	\$ 66,099
Financial assets at amortized cost (Note 1)	1,016,892	889,720
<u>Financial liabilities</u>		
Measured at amortized cost (Note 2)	292,650	294,691

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 (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 30.

Sensitivity analysis

The Company is 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 Year Ended		For the Year Ended	
	December 31		December 31	
	2025	2024	2025	2024
Profit or loss	<u>\$ 1,064</u>	<u>\$ 1,416</u>	<u>\$ 128</u>	<u>\$ 251</u>

	EUR Impact		JPY Impact	
	For the Year Ended		For the Year Ended	
	December 31		December 31	
	2025	2024	2025	2024
Profit or loss	<u>\$ 3,495</u>	<u>\$ 5,747</u>	<u>\$ 7</u>	<u>\$ 15</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 year were as follows:

	December 31	
	2025	2024
Fair value interest rate risk		
Financial assets	\$ 6,200	\$ 6,200
Financial liabilities	109,674	122,955
Cash flow interest rate risk		
Financial assets	566,691	532,338

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 year. For floating rate assets, the analysis was prepared assuming the amount of each liability outstanding at the end of the year 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 years ended December 31, 2025 and 2024 would have increased/decreased by NT\$567 thousand and NT\$532 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 year.

If equity prices had been 5% higher/lower, pre-tax profit for the years ended December 31, 2025 and 2024 would have increased/decreased by NT\$3,864 thousand and NT\$3,305 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 year, the Company's maximum exposure to credit risk, which would cause a financial loss due to the failure of the counterparties to discharge their obligations, is represented by 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 among its top three customers. As of December 31, 2025 and 2024, the accounts receivable from these customers accounted for 84% and 74% of the total accounts receivable, 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.

December 31, 2025

	Less than 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>			
Lease liabilities	\$ 10,841	\$ 24,717	\$ 118,498
Notes payable	39,187	-	-
Accounts payable	192,508	-	-
Other payables	<u>144,308</u>	<u>-</u>	<u>-</u>
	<u>\$ 386,844</u>	<u>\$ 24,717</u>	<u>\$ 118,498</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>\$10,841</u>	<u>\$24,717</u>	<u>\$28,214</u>	<u>\$28,214</u>	<u>\$28,214</u>	<u>\$33,856</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>

b) Financing facilities

	December 31	
	2025	2024
Unsecured bank loan facilities		
Amount used	\$ -	\$ -
Amount unused	<u>657,150</u>	<u>532,785</u>
	<u>\$ 657,150</u>	<u>\$ 532,785</u>
Secured bank loan facilities		
Amount used	\$ -	\$ -
Amount unused	<u>56,574</u>	<u>75,406</u>
	<u>\$ 56,574</u>	<u>\$ 75,406</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 follows.

a. Related party name and category

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

b. Sales of goods

Line Item	Related Party Category/Name	For the Year Ended December 31	
		2025	2024
Sales	Others	\$ <u>103</u>	\$ <u>296</u>

c. Purchases of goods

Line Item	Related Party Category/Name	For the Year Ended December 31	
		2025	2024
Cost of goods sold	Others	\$ <u>1,467</u>	\$ <u>5,563</u>

The selling and purchasing prices of transactions with related parties are not comparable to those of third parties due to the unique nature of the transactions. The credit terms for both related and non-related parties are 30 to 150 days upon monthly closing or delivery.

d. Receivables from related parties

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

The outstanding accounts receivable from related parties are unsecured.

e. Payables to related parties

Line Item	Related Party Category/Name	December 31	
		2025	2024
Accounts payable	Others	\$ <u>487</u>	\$ <u>523</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 Year Ended December 31	
		2025	2024
Operating expenses	Others	\$ <u>212</u>	\$ <u>720</u>

There are no comparable prices available from third parties for the operating expenses paid to related parties.

g. Compensation of key management personnel

	For the Year Ended December 31	
	2025	2024
Short-term employee benefits	\$ 30,829	\$ 22,241
Post-employment benefits	<u>616</u>	<u>268</u>
	\$ <u>31,445</u>	\$ <u>22,509</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 have been pledged as security deposits for the land lease with the Hsinchu Science Park Bureau.

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

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:

December 31, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 5,084	31.430(USD:NTD)	\$ 159,790
USD	209	7.0288(USD:RMB)	6,605
EUR	9,478	36.900	349,738
RMB	2,856	4.496	12,841
JPY	5,951	0.2008	<u>1,195</u>
			<u>\$ 530,169</u>
<u>Financial liabilities</u>			
Monetary items			
USD	1,910	31.430	\$ 60,031
JPY	2,702	0.2008	543
EUR	7	36.900	258
GBP	34	42.330	<u>1,439</u>
			<u>\$ 62,271</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>

For the years ended December 31, 2025 and 2024, realized and unrealized net foreign exchange gains were NT\$27,735 thousand and NT\$17,598 thousand, respectively. It is impractical to disclose net foreign exchange gains and losses by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the entities in the Company.

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	\$ 56,574 (USD1,800 thousand)	\$ 47,145 (USD1,500 thousand)	\$34,573 (USD1,100 thousand)	3.66%~4.34%	The need for short-term financing	\$ -	Operating capital	\$ -	-	\$ -	\$ 560,914	\$ 747,886

Note 1 : The financing limit for any individual borrower within the Group, in which APEX directly or indirectly holds 20% or more of its voting shares, shall not exceed 30% of APEX's net equity as stated in its latest financial statements.

Note 2 : The aggregate financing limit shall not exceed 40% of APEX's net equity as stated in its 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	\$ 373,943	\$ 56,574 (USD 1,800 thousand)	\$ - (USD - thousand)	\$ - (USD - thousand)	\$ -	-	\$ 934,858	Yes	No	No

Note 1 : The 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	December 31, 2025			
				Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value
APEX	Shares : Lytone Enterprise, Inc.	-	FVTPL- current	2,131,800	\$ 49,564	12	\$ 49,564
	Shares : Ascendax Venture Capital Corporation	-	FVTPL- current	1,263,940	16,111	2	16,111
	Shares : H2 Inc.	-	FVTPL- current	439,716	11,600	1	11,600

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

No.	Investee Company	Counterparty	Relationship (Note 1)	Transaction Details			
				Financial Statement Accounts	Amount	Payment Terms (Note 2)	% of Total Sales or Assets
0	APEX	APEX(Suzhou)	1	Sales	\$ 11,898	-	0.61%
				Net receivable from related parties	6,962	-	0.29%
				Purchase	2,857	-	0.15%
		Omnis	1	Sales	51,063	-	2.63%
				Other operating revenue	14	-	-
				Net receivable from related parties	19,710	-	0.82%
1	APEX(Suzhou)	Omnis	2	Interest revenue	1,405	-	0.07%
				Other receivables to related parties	35,968	-	1.49%
				Sales	19,520	-	1.00%
				Net receivable from related parties	5,964	-	0.25%

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 appropriate comparable prices for sales to its subsidiaries. The collection period for these subsidiaries ranges from 120 to 150 days from the end of the month.

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 December 31, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2025	December 31, 2024	Shares	(%)	Carrying Amount			
APEX	Omnis	USA	Wholesale of medical consumable and medical equipment	\$ 526,613	\$ 526,613	70,312,094	99	\$ 26,599	\$ 539	\$ 533	-

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 December 31, 2025	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of December 31, 2025	Accumulated Repatriation of Investment Income as of December 31, 2025
					Outward	Inward						
APEX (Suzhou)	Wholesale of medical consumable and medical equipment	\$ 35,394 (RMB 7,000 thousand)	(Note)	\$ 33,975 (RMB 6,700 thousand)	\$ -	\$ -	\$ 33,975 (RMB 6,700 thousand)	\$ 3,271	96%	\$3,131	\$9,919	\$ -

Accumulated Outward Remittance for Investment in Mainland China as of December 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)	\$1,121,829

Note : Direct investment in mainland China.

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 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 year ended December 31, 2025 and 2024 are shown in the consolidated comprehensive income statements for the year ended December 31, 2025 and 2024. The segment assets as of December 31, 2025 and 2024 are shown in the consolidated balance sheets as of December 31, 2025, and 2024.

a. Revenue from major products and services

The following is an analysis of the Company's revenue from its major products and services.

	For the Year Ended December 31	
	2025	2024
Strip	\$ 1,481,260	\$ 1,338,108
Electrode	42,950	119,396
Meter	329,622	308,355
Others	<u>91,075</u>	<u>86,352</u>
	<u>\$ 1,944,907</u>	<u>\$ 1,852,211</u>

b. Geographical information

The Company's operating revenue from external customers by location of operations and information about its non-current assets by location of assets are detailed below.

	Revenue from External		Non-current Assets	
	Customers		December 31	
	For the Year Ended December 31			
	2025	2024	2025	2024
Taiwan	\$ 75,861	\$ 77,369	\$ 671,635	\$ 712,913
USA	885,179	715,860	18,872	27,439
Italy	535,580	568,530	-	-
Austria	276,071	245,123	-	-
China	23,057	34,287	772	1,850
Others	<u>149,159</u>	<u>211,042</u>	-	-
	<u>\$1,944,907</u>	<u>\$1,852,211</u>	<u>\$ 691,279</u>	<u>\$ 742,202</u>

Non-current assets exclude financial instruments, refundable deposits, net defined benefit assets and deferred tax assets.

c. Information on major customers

Single customers contributing 10% or more to the Company's revenue were as follows:

	For the Year Ended December 31	
	2025	2024
Customer A	\$ 535,580	\$ 568,530
Customer B	462,045	323,091
Customer C	276,071	245,123