HERON NEUTRON MEDICAL CORP. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND

INDEPENDENT AUDITORS' REVIEW REPORT

MARCH 31, 2026 AND 2025

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

REPORT ON REVIEW OF FINANCIAL STATEMENTS TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of HERON NEUTRON MEDICAL CORP.

Introduction

We have reviewed the accompanying consolidated balance sheets of HERON NEUTRON MEDICAL CORP. and its subsidiaries (the “Group”) as at March 31, 2026 and 2025, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the three months then ended, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” that came into effect as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these financial statements based on our reviews.

Scope of Review

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

Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the financial position of the Group as at March 31, 2026 and 2025, and of its financial performance and its cash flows for the three months then ended in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” that came into effect as endorsed by the Financial Supervisory Commission.

Li, Tien-Yi	Shu-Chien Pai

For and on behalf of PricewaterhouseCoopers, Taiwan

April 15, 2026

HERON NEUTRON MEDICAL CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2026, DECEMBER 31, 2025 AND MARCH 31, 2025
(Expressed in thousands of New Taiwan dollars)

			March 31, 2026		December 31, 2025		March 31, 2025	
	Assets	Notes	AMOUNT	%	AMOUNT	%	AMOUNT	%
	Current assets							
1100	Cash and cash equivalents	6(1)	$ 2,207,595	19	$ 2,348,611	20	$ 620,932	42
1136	Financial assets at amortised cost, net-current	6(3) and 8	7,882,000	68	7,880,000	68	130,000	9
1170	Accounts receivable, net		760	-	331	-	-	-
1200	Other receivables		9,003	-	5,182	-	27	-
1220	Current tax assets		7,883	-	4,654	-	1,048	-
130X	Inventories	6(4)	87,641	1	67,340	1	14,498	1
1410	Prepayments	6(5)	261,113	2	246,587	2	91,080	6
11XX	**Total current assets**		10,455,995	90	10,552,705	91	857,585	58
	Non-current assets							
1517	Non-current financial assets at fair value through other comprehensive income	6(2)	351,748	3	415,032	4	-	-
1535	Non-current financial assets at amortised cost	6(3) and 8	7,832	-	-	-	-	-
1600	Property, plant and equipment	6(6)	278,822	2	283,792	2	282,319	19
1755	Right-of-use assets	6(7)	522,121	5	291,650	3	300,563	20
1780	Intangible assets	6(8)	33,141	-	34,245	-	37,260	3
1900	Other non-current assets		16,953	-	1,192	-	1,426	-
15XX	**Total non-current assets**		1,210,617	10	1,025,911	9	621,568	42
1XXX	**Total assets**		$ 11,666,612	100	$ 11,578,616	100	$ 1,479,153	100

(Continued)

HERON NEUTRON MEDICAL CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2026, DECEMBER 31, 2025 AND MARCH 31, 2025
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	March 31, 2026 AMOUNT	%	December 31, 2025 AMOUNT	%	March 31, 2025 AMOUNT	%
	Current liabilities							
2170	Accounts payable		$ 8,519	-	$ 13,256	-	$ 347	-
2200	Other payables		16,994	-	45,564	1	35,576	3
2280	Lease liabilities-current		7,614	-	5,535	-	3,961	-
2300	Other current liabilities		1,086	-	420	-	329	-
21XX	**Total current liabilities**		34,213	-	64,775	1	40,213	3
	Non-current liabilities							
2550	Provisions for liabilities-non-current	6(11)	33,287	-	22,838	-	22,292	2
2580	Lease liabilities-non-current		222,833	2	1,691	-	4,568	-
25XX	**Total non-current liabilities**		256,120	2	24,529	-	26,860	2
2XXX	**Total liabilities**		290,333	2	89,304	1	67,073	5
	Equity							
	Share capital	6(12)						
3110	Ordinary share		1,576,755	14	1,575,120	14	1,406,395	95
3140	Advance receipts for ordinary share		3,200	-	360	-	-	-
	Capital surplus	6(13)						
3200	Capital surplus		10,936,610	94	10,934,084	94	683,323	46
	Accumulated deficit	6(14)						
3350	Accumulated deficit		(539,244)	(5)	(481,666)	(4)	(677,638)	(46)
	Other equity interest							
3400	Other equity interest		(601,042)	(5)	(538,586)	(5)	-	-
3XXX	**Total equity**		11,376,279	98	11,489,312	99	1,412,080	95
	Significant Contingent Liabilities and Unrecognised Contract Commitments	9						
	Significant Events After the Balance Sheet Date	11						
3X2X	**Total liabilities and equity**		$ 11,666,612	100	$ 11,578,616	100	$ 1,479,153	100

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

HERON NEUTRON MEDICAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS ENDED MARCH 31, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars, except losses per share amount)

			Three months ended March 31			
			2026		2025	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(15)	$ 2,885	100	$ 229	100
5000	Operating costs	6(4)	(2,902)	(100)	192	84
5900	Gross (loss) profit from operations		(17)	-	421	184
	Operating expenses	6(19)(20) and 7				
6100	Selling expenses		(9,799)	(340)	(5,024)	(2194)
6200	Administrative expenses		(24,960)	(865)	(18,160)	(7930)
6300	Research and development expenses		(53,718)	(1862)	(60,853)	(26573)
6000	Total operating expenses		(88,477)	(3067)	(84,037)	(36697)
6900	Net operating loss		(88,494)	(3067)	(83,616)	(36513)
	Non-operating income and expenses					
7100	Interest income	6(16)	32,673	1132	2,176	950
7010	Other income		108	4	36	16
7020	Other gains and losses	6(17)	(658)	(23)	(27)	(12)
7050	Finance costs	6(18)	(1,207)	(42)	(215)	(94)
7000	Total other non-operating income and expenses		30,916	1071	1,970	860
7900	**Loss before income tax**		(57,578)	(1996)	(81,646)	(35653)
7950	Income tax expense	6(21)	-	-	-	-
8200	**Loss for the period**		($ 57,578)	(1996)	($ 81,646)	(35653)
	Other comprehensive income					
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8316	Unrealised gains (loss) on valuation of financial assets at fair value through other comprehensive income	6(2)	($ 63,284)	(2194)	$ -	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Exchange differences on translation		828	29	-	-
8300	**Other comprehensive loss**		($ 62,456)	(2165)	$ -	-
8500	**Total comprehensive loss for the period**		($ 120,034)	(4161)	($ 81,646)	(35653)
	Loss, attributable to:					
8610	Owners of parent		($ 57,578)	(1996)	($ 81,646)	(35653)
	Comprehensive loss attributable to:					
8710	Owners of parent		($ 120,034)	(4161)	($ 81,646)	(35653)
	Losses per share (in dollars)	6(22)				
9750	Basic earnings per share		($ 0.37)		($ 0.59)	
9850	Diluted earnings per share		($ 0.37)		($ 0.59)	

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

HERON NEUTRON MEDICAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
THREE MONTHS ENDED MARCH 31, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent						
		Share capital				Other equity interest		
	Notes	Ordinary share	Advance receipts for share capital	Capital surplus	Accumulated deficit	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Total equity
2025								
Balance at January 1, 2025		$ 1,393,550	$ -	$ 674,865	($ 595,992)	$ -	$ -	$ 1,472,423
Loss for the period		-	-	-	(81,646)	-	-	(81,646)
Total comprehensive loss		-	-	-	(81,646)	-	-	(81,646)
Issuance of employee stock options	6(10)(12)(13)	12,845	-	-	-	-	-	12,845
Compensation cost of share-based payments	6(10)(13)(20)	-	-	8,458	-	-	-	8,458
Balance at March 31, 2025		$ 1,406,395	$ -	$ 683,323	($ 677,638)	$ -	$ -	$ 1,412,080
2026								
Balance at January 1, 2026		$ 1,575,120	$ 360	$ 10,934,084	($ 481,666)	$ -	($ 538,586)	$ 11,489,312
Loss for the period		-	-	-	(57,578)	-	-	(57,578)
Other comprehensive (loss) income	6(2)	-	-	-	-	828	(63,284)	(62,456)
Total comprehensive loss		-	-	-	(57,578)	828	(63,284)	(120,034)
Issuance of employee stock options	6(10)(12)(13)	1,635	2,840	-	-	-	-	4,475
Compensation cost of share-based payments	6(10)(13)(20)	-	-	2,526	-	-	-	2,526
Balance at March 31, 2026		$ 1,576,755	$ 3,200	$ 10,936,610	($ 539,244)	$ 828	($ 601,870)	$ 11,376,279

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

HERON NEUTRON MEDICAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars)

	Notes	Three months ended March 31 2026	Three months ended March 31 2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		($ 57,578)	($ 81,646)
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(6)(7)(19)	10,574	8,242
Amortization	6(8)(19)	1,104	1,118
Interest expense	6(18)	1,207	215
Interest income		(32,673)	(2,176)
Compensation cost of share-based payment	6(10)(20)	2,526	8,458
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable, net		(429)	-
Inventories		(20,301)	(8,126)
Other receivables		(3,440)	406
Prepayments		(14,526)	(6,639)
Changes in operating liabilities			
Accounts payable		(4,737)	124
Other payables		(25,433)	(3,672)
Other current liabilities		666	72
Cash outflow generated from operations		(143,040)	(83,624)
Interest received		32,292	2,176
Interest paid		(919)	(36)
Income tax paid		(3,229)	(110)
Net cash flows used in operating activities		(114,896)	(81,594)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets measured at amortised cost	6(3)	(9,832)	(30,000)
Acquisition of property, plant and equipment	6(6)(23)	(19,537)	(3,701)
Acquisition of intangible assets	6(8)	-	(2,000)
(Increase)decrease in guarantee deposits paid		(115)	2,400
Net cash flows used in investing activities		(29,484)	(33,301)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liabilities	6(24)	(1,936)	(984)
Issuance of employee stock options	6(12)	4,475	12,845
Net cash flows from financing activities		2,539	11,861
Effects of exchange rate changes		825	-
Net decrease in cash and cash equivalents		(141,016)	(103,034)
Cash and cash equivalents at beginning of period	6(1)	2,348,611	723,966
Cash and cash equivalents at end of period	6(1)	$ 2,207,595	$ 620,932

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

HERON NEUTRON MEDICAL CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. History and Organisation

The Company was incorporated on August 8, 2017 as a company limited by shares under the Company Act of the Republic of China (R.O.C). The Company is primarily engaged in the manufacturing, development and sales of medical equipment, etc. The Group currently focuses on the integration of talents to provide accelerator-based boron neutron capture therapy (AB-BNCT) total solutions, including proton accelerator system, neutron source target system, beam shaping assembly, treatment control system, treatment planning system, patients positioning system, and relative boronophenylalanine for treatment and detection.

The Company was listed on the Taiwan Stock Exchange on September 15, 2025.

2. The Date of Authorisation for Issuance of the Financial Statements and Procedures for Authorisation

These consolidated financial statements were authorised for issuance by the Board of Directors on April 15, 2026.

3. Application of New Standards, Amendments and Interpretations

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS®”) Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by the FSC and became effective from 2026 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board (IASB)
Specific provisions of 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
IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendments to IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendment to IFRS 17, ‘Initial application of IFRS 17 and IFRS 9 – comparative information’	January 1, 2023
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

The above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

(2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Group

None.

(3) IFRS issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
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 International Accounting Standards Board
IFRS 18, 'Presentation and disclosure in financial statements'	January 1, 2027(Note)
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027
Amendments to IAS 21, 'Translation to a Hyperinflationary Presentation Currency'	January 1, 2027

Note：The FSC has announced in a press release on September 25, 2025 that public companies will apply IFRS 18 starting from the fiscal year 2028. Additionally, entities can choose to adopt IFRS 18 earlier based on their requirements after the FSC endorses IFRS 18.

Except for the following, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment:

IFRS 18, 'Presentation and disclosure in financial statements'

IFRS 18, 'Presentation and disclosure in financial statements' replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

4. Summary of Material Accounting Policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

The consolidated financial statements are the first interim consolidated financial statements prepared by the Group in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers", IAS 34, 'Interim Financial Reporting', and IFRS 1, 'First-time Adoption of International Financial Reporting Standards', that came into effect as endorsed by the FSC.

(2) Basis of preparation

A. Except for financial assets at fair value through other comprehensive income, the consolidated financial statements have been prepared under the historical cost convention.

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC® Interpretations, and SIC® Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the"IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

(a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.

(b) Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

(c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.

(e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership(%)			Description
			March 31, 2026	December 31, 2025	March 31, 2025	
The Company	HERON NEUTRON MEDICAL NANJING CO., LTD.	Sales of medical equipment	100	-	-	Note 1
The Company	HERON NEUTRON MEDICAL SINGAPORE PTE. LTD.	Sales of medical equipment	100	-	-	Note 2
The Company	HERON NEUTRON MEDICAL JAPAN CORPORATION	Sales of medical equipment	100	-	-	Note 2

Note 1: On January 5, 2026, the Company invested and incorporated the wholly-owned subsidiary, HERON NEUTRON MEDICAL NANJING CO., LTD.

Note 2: In January 2026 and March 2026, the Company incorporated HERON NEUTRON MEDICAL SINGAPORE PTE. LTD. and HERON NEUTRON MEDICAL JAPAN CORPORATION, respectively. However, the capital has not yet been injected as of March 31, 2026.

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4) Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operate (the "functional currency"). The consolidated financial statements are presented in New Taiwan Dollars, which is the Group's functional and presentation currency. Foreign currency transactions and balances.

A. Foreign currency transactions and balances

(a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.

(b) Monetary assets and liabilities denominated in foreign currencies at the period end are retranslated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon retranslation at the balance sheet date are recognised in profit or loss.

(c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are retranslated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

(d) All foreign exchange gains and losses are presented in the statement of comprehensive income within 'other gains and losses'.

B. Translation of foreign operations

(a) The operating results and financial position of all the group entities, associates and joint arrangements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

iii. All resulting exchange differences are recognised in other comprehensive income.

(b) When the foreign operation partially disposed of or sold is an associate or joint arrangement, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, even when the Group retains partial interest in the former foreign associate or joint arrangement after losing significant influence over the former foreign associate, or losing joint control of the former joint arrangement, such transactions should be accounted for as disposal of all interest in these foreign operations.

(c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Group retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(5) Classification of current and non-current items

A. Assets arising from operating activities that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(a) Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed in the normal operating cycle;

(b) Assets that are held primarily for the purpose of trading;

(c) Assets that are expected to be realised within twelve months after the reporting period;

(d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities for at least twelve months after the reporting period.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(a) Liabilities that are expected to be settled in the normal operating cycle;

(b) Liabilities that are held primarily for the purpose of trading;

(c) Liabilities that are due to be settled within twelve months after the reporting period;

(d) It does not have the right at the end of the reporting period to defer settlement of the liability at least twelve months after the reporting period.

(6) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

(7) Financial assets at fair value through other comprehensive income

A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognised and derecognised using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. The Group subsequently measures the financial assets at fair value:

The changes in fair value of equity investments that were recognised in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognised as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(8) Financial assets at amortised cost

A. Financial assets at amortised cost are those that meet all of the following criteria:

(a) The objective of the Group's business model is achieved by collecting contractual cash flows.

(b) The assets' contractual cash flows represent solely payments of principal and interest.

B. On a regular way purchase or sale basis, financial assets at amortised cost are recognised and derecognised using trade date accounting.

C. The Group's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(9) Accounts receivable

A. Accounts and notes receivable entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services.

B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(10) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted-average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (allocated based on normal operating capacity). It excludes borrowing costs. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(11) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.

B. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. Property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Machinery and equipment	2 ~ 21 years
Office equipment	3 ~ 7 years
Leased improvements	7 ~ 8 years

(12) Leasing arrangements (lessee)－right-of-use assets/ lease liabilities

A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate.

Lease payments are comprised of the following:

(a) Fixed payments, less any lease incentives receivable;

(b) Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The Group subsequently measures the lease liability at amortised cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:

(a) The amount of the initial measurement of lease liability;

(b) Any lease payments made at or before the commencement date;

(c) Any initial direct costs incurred by the lessee; and

(d) An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognised as an adjustment to the right-of-use asset.

D. For lease modifications that decrease the scope of the lease, the lessee shall decrease the carrying amount of the right-of-use asset and remeasure the lease liability to reflect the partial or full termination of the lease, and recognise the difference in profit or loss. For all other lease modifications, the lessee shall remeasure the lease liability and adjust the right-of-use asset, correspondingly.

(13) Intangible assets

Intangible assets, mainly patents and computer software, are amortised on a straight-line basis over their estimated useful lives of 4 ~ 15 years.

(14) Impairment of non-financial assets

The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. When the circumstances or reasons for recognising impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.

(15) Notes and accounts payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services.

B. The short-term accounts payable without bearing interest are subsequently measured at initialinvoice amount as the effect of discounting is immaterial.

(16) Provisions

Provisions (including decommissioning liabilities) are recognised when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation on the balance sheet date, which is discounted using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognised as interest expense. Provisions are not recognised for future operating losses.

(17) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognised as expense in that period when the employees render service.

B. Pensions

Defined contribution plans

For defined contribution plans, the contributions are recognised as pension expense when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

C. Employees' compensation and directors' and supervisors' remuneration

Employees' compensation and directors' and supervisors' remuneration are recognised as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates.

(18) Employee share-based payment

For the equity-settled share-based payment arrangements, the employee services received are measured at the fair value of the equity instruments granted at the grant date, and are recognised as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of the equity instruments granted shall reflect the impact of market vesting conditions and non-vesting conditions. Compensation cost is subject to adjustment based on the service conditions that are expected to be satisfied and the estimates of the number of equity instruments that are expected to vest under the non-market vesting conditions at each balance sheet date. Ultimately, the amount of compensation cost recognised is based on the number of equity instruments that eventually vest.

(19) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

D. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred tax assets are reassessed.

E. A deferred tax asset shall be recognised for the carryforward of unused tax credits resulting from acquisitions of equipment or research and development expenditures to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilised.

F. The interim period income tax expense is recognised based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

(20) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

(21) Revenue recognition

A. Sales revenue

(a) The Group sells medical equipment and medications. Sales are recognised when control of the goods has transferred, and there is no unfulfilled obligation that could affect the customer's acceptance of the goods. Delivery occurs when the goods have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the goods in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.

(b) The Group's obligation to provide maintenance and repair services for certain equipment under the standard warranty terms is recognised as a provision.

(c) A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

B. Sales of services

The Group's irradiation fee income is recognised as income based on the number of times the irradiation is provided to customers; maintenance and repair services as well as research services are recognised in the service period in which the services are rendered.

5. Critical Accounting Judgements, Estimates and Key Sources of Assumption Uncertainty

The preparation of these consolidated financial statements requires management to make critical judgements in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

(1) Critical judgements in applying the Group's accounting policies

None.

(2) Critical accounting estimates and assumptions

None.

6. Details of Significant Accounts

(1) Cash and cash equivalents

	March 31, 2026	December 31, 2025	March 31, 2025
Cash	$ 50	$ 50	$ -
Demand deposits	1,707,545	1,848,561	59,332
Time deposits	500,000	500,000	561,600
	$ 2,207,595	$ 2,348,611	$ 620,932

A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. The Group has no cash and cash equivalents pledged to others.

(2) Financial assets at fair value through other comprehensive income

Items	March 31, 2026	December 31, 2025	March 31, 2025
Non-current items:			
Equity instruments			
Listed stocks	$ 953,618	$ 953,618	$ -
Valuation adjustment	(601,870)	(538,586)	-
	$ 351,748	$ 415,032	$ -

A. The Group recognised $63,284 and $0, respectively, in other comprehensive loss for fair value change for the three months ended March 31, 2026 and 2025.

B. The Group has elected to classify medium and long-term investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to $351,748, $415,032 and $0, respectively, as at March 31, 2026, December 31, 2025 and March 31, 2025.

C. Information relating to credit risk of financial assets at fair value through other comprehensive income is provided in Note 12(3).

(3) Financial assets at amortised cost

Items	March 31, 2026	December 31, 2025	March 31, 2025
Current items：			
Time deposits	$ 7,882,000	$ 7,880,000	$ 130,000
Non-current items：			
Pledged time deposits	$ 7,832	$ -	$ -

A. Amounts recognised in profit or loss in relation to financial assets at amortised cost are listed below:

	March 31, 2026	December 31, 2025	March 31, 2025
Current items：			
Interest income	$ 31,238	$ 7,780	$ 331

B. As at March 31, 2026, December 31, 2025 and March 31, 2025, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortised cost held by the Group was $7,889,832, $7,880,000 and $130,000, respectively.

C. Information relating to credit risk of financial assets at amortised cost is provided in Note 12(2). The counterparties of the Group’s investments in certificates of deposit are financial institutions with high credit quality, so the Group expects that the probability of counterparty default is remote.

D. Information about the financial assets at amortised cost that were pledged to others as collaterals is provided in Note 8.

(4) Inventories

	March 31, 2026		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 20,833	($ 444)	$ 20,389
Work in progress	18,432	(2,688)	15,744
Finished goods	51,508	-	51,508
Total	$ 90,773	($ 3,132)	$ 87,641

	December 31, 2025		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 14,943	($ 575)	$ 14,368
Work in progress	27,129	(3,415)	23,714
Finished goods	31,903	(2,645)	29,258
Total	$ 73,975	($ 6,635)	$ 67,340

	March 31, 2025		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 1,792	($ 153)	$ 1,639
Work in progress	7,651	(1,530)	6,121
Finished goods	8,450	(1,712)	6,738
Total	$ 17,893	($ 3,395)	$ 14,498

The cost of inventories recognised as expense for the period：

	Three months ended March 31,	
	2026	2025
Cost of goods sold	$ 4,936	$ -
Reversal of loss on market value decline and obsolete and slow-moving inventories	(3,503)	(192)
	$ 1,433	($ 192)

For the three months ended March 31, 2026 and 2025, the Group reversed a previous inventory write-down and accounted for as reduction of cost of goods sold because of active inventory closeout.

(5) Prepayments

	March 31, 2026	December 31, 2025	March 31, 2025
Prepayments to suppliers	$ 196,544	$ 184,048	$ 48,924
Accumulated offset against VAT tax payable	55,515	46,366	35,798
Other prepayments	9,054	16,173	6,358
	$ 261,113	$ 246,587	$ 91,080

(6) Property, plant and equipment

	2026				
	Machinery and Equipment	Office equipment	Leasehold improvements	Construction in progress and equipment under acceptance	Total
At January 1					
Cost	$ 278,577	$ 5,420	$ 34,636	$ 7,049	$ 325,682
Accumulated depreciation	(30,302)	(2,839)	(8,749)	-	(41,890)
	$ 248,275	$ 2,581	$ 25,887	$ 7,049	$ 283,792
At January 1	$ 248,275	$ 2,581	$ 25,887	$ 7,049	$ 283,792
Additions	-	754	-	-	754
Reclassifications	-	-	7,049	(7,049)	-
Depreciation charge	(4,359)	(284)	(1,083)	-	(5,726)
Net exchange differences	-	2	-	-	2
At March 31	$ 243,916	$ 3,053	$ 31,853	$ -	$ 278,822
At March 31					
Cost	$ 278,577	$ 6,176	$ 41,685	$ -	$ 326,438
Accumulated depreciation	(34,661)	(3,123)	(9,832)	-	(47,616)
	$ 243,916	$ 3,053	$ 31,853	$ -	$ 278,822

	2025				
	Machinery and Equipment	Office equipment	Leasehold improvements	Construction in progress and equipment under acceptance	Total
At January 1					
Cost	$ 266,657	$ 3,621	$ 20,091	$ 14,977	$ 305,346
Accumulated depreciation	(14,080)	(1,936)	(5,373)	-	(21,389)
	$ 252,577	$ 1,685	$ 14,718	$ 14,977	$ 283,957
At January 1	$ 252,577	$ 1,685	$ 14,718	$ 14,977	$ 283,957
Additions	596	-	-	2,480	3,076
Reclassifications	269	251	-	(520)	-
Depreciation charge	(3,890)	(195)	(629)	-	(4,714)
At March 31	$ 249,552	$ 1,741	$ 14,089	$ 16,937	$ 282,319
At March 31					
Cost	$ 267,522	$ 3,872	$ 20,091	$ 16,937	$ 308,422
Accumulated depreciation	(17,970)	(2,131)	(6,002)	-	(26,103)
	$ 249,552	$ 1,741	$ 14,089	$ 16,937	$ 282,319

A. There were no capitalization of borrowing costs attributable to the property, plant and equipment for the three months ended March 31, 2026 and 2025.

B. The Group has no property, plant and equipment pledged to others.

(7) Leasing arrangements－lessee

A. The Group leases various assets including land, buildings and photocopiers. Rental contracts are typically made for periods of 3 to 50 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. To advance cancer treatment technologies, in 2022, the Group signed a lease agreement for a clinical research center with the academic institution. After the construction is completed, the Group will lease the clinical research center from the academic institution to focus on research and development activities in oncology. The construction costs amounting to $272,678 incurred by the Group will be treated as rent payments to the academic institution. In December 2024, the academic institution completed the acceptance procedures for the clinical research center. Subsequently, the Group began leasing the clinical trial center. The lease agreement specifies a period of 20 years, and the Group is entitled to a priority right to renew the lease for an additional 10 years under the original lease terms.

C. The Group leases low-value assets as other equipment.

D. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
	Carrying amount	Carrying amount	Carrying amount
Land	$ 221,980	$ -	$ -
Buildings	299,881	291,341	300,391
Office equipment (Photocopiers)	260	309	172
	$ 522,121	$ 291,650	$ 300,563

	Three months ended March 31,	
	2026	2025
	Depreciation charge	Depreciation charge
Land	$ 743	$ -
Buildings	4,057	3,496
Office equipment (Photocopiers)	48	32
	$ 4,848	$ 3,528

E. For the three months ended March 31, 2026 and 2025, the additions to right-of-use assets were $235,282 and $0, respectively.

F. The information on profit and loss accounts relating to lease contracts is as follows:

	Three months ended March 31,	
	2026	2025
Items affecting profit or loss		
Interest expense on lease liabilities	$ 919	$ 36
Expense on short-term lease contracts	147	201
Expense on leases of low-value assets	172	16

G. For the three months ended March 31, 2026 and 2025, the Group's total cash outflow for leases were $3,174 and $1,237, respectively.

(8) Intangible assets

	2026		
	Patents	Computer software	Total
At January 1			
Cost	$ 63,800	$ 697	$ 64,497
Accumulated amortisation	(30,037)	(215)	(30,252)
	$ 33,763	$ 482	$ 34,245
At January 1	$ 33,763	$ 482	$ 34,245
Amortisation charge	(1,076)	(28)	(1,104)
At March 31	$ 32,687	$ 454	$ 33,141
At March 31			
Cost	$ 63,800	$ 697	$ 64,497
Accumulated amortisation	(31,113)	(243)	(31,356)
	$ 32,687	$ 454	$ 33,141

	2025		
	Patents	Computer software	Total
At January 1			
Cost	$ 61,800	$ 1,015	$ 62,815
Accumulated amortisation	(25,750)	(687)	(26,437)
	$ 36,050	$ 328	$ 36,378
At January 1	$ 36,050	$ 328	$ 36,378
Disposals	2,000	-	2,000
Amortisation charge	(1,060)	(58)	(1,118)
At March 31	$ 36,990	$ 270	$ 37,260
At March 31			
Cost	$ 63,800	$ 1,015	$ 64,815
Accumulated amortisation	(26,810)	(745)	(27,555)
	$ 36,990	$ 270	$ 37,260

A. Details of amortisation on intangible assets are as follows:

	Three months ended March 31,	
	2026	2025
Research and development expenses	$ 1,104	$ 1,118

B. The abovementioned patents pertained to the technology relating to 'Patent and technology of accelerator-based boron neutron capture therapy' that the Group acquired from the Industrial Technology Research Institute and the National Tsing Hua University in 2018. The Group issued 6,180,000 common shares with a par value of $10 (in dollars) per share as consideration, amounting to $61,800.

(9) Pensions

A. The Company has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits will be paid monthly or in lumps sum upon termination of employment.

B. The pension costs under defined contribution pension plans of the Company for the three months ended March 31, 2026 and 2025, were $1,516 and $926, respectively.

(10) Share-based payment

A. For three months ended March 31 2026 and 2025, the Company's share-based payment arrangements were as follows:

Type of arrangement	Grant date	Quantity granted	Contract period	Vesting conditions
Employee stock options	2023.01.01	1,200,000	7 years	50% after 1 year of service 75% after 2 years of service 100% after 3 years of service
Employee stock options	2024.03.22	2,400,000	7 years	50% after 1 year of service 75% after 2 years of service 100% after 3 years of service
Cash capital increase reserved for employee preemption	2024.03.22	2,000,000	NA	Vested immediately
Employee stock options	2024.07.26	2,400,000	7 years	50% after 1 year of service 75% after 2 years of service 100% after 3 years of service
Cash capital increase reserved for employee preemption	2024.08.28	500,000	NA	Vested immediately
Cash capital increase reserved for employee preemption	2025.07.24	1,383,500	NA	Vested immediately

The above share-based payment arrangements are equity-settled.

B. Details of the above share-based payment arrangements are as follows:

	2026	
	Units of option (shares)	Weighted average exercise price (in NT dollars)
Options outstanding at January 1	2,525	$ 10
Options exercised	(448)	10
Options outstanding at March 31	2,077	10
Options exercisable at March 31	392	10

	2025	
	Units of option (shares)	Weighted average exercise price (in NT dollars)
Options outstanding at January 1	5,012	$ 10
Options exercised	(1,284)	10
Options outstanding at March 31	3,728	10
Options exercisable at March 31	50	10

C. As of March 31, 2026 and 2025, the exercise price of stock options outstanding were $10(in dollars), respectively, and the weighted average remaining contractual periods were 3.75~5.32 years and 4.75~6.32 years, respectively.

D. The fair value of stock options granted is measured using the Black-Scholes option-pricing model. Relevant information is as follows:

Type of arrangement	Grant date	Stock price (in dollars)	Exercise price (in dollars)	Projected volatility	Projected time to maturity	Interest rate	Fair value per unit (in dollars)
Cash capital increase reserved for employee preemption	2024.03.22	$ 15.56	$ 25	33.60%	0.171 year	1.076%	$ 0.0002
Cash capital increase reserved for employee preemption	2024.08.28	$ 78.72	$ 80	80.50%	0.06 year	1.2649%	$ 5.64
Cash capital increase reserved for employee preemption	2025.07.24	$ 699.00	$ 600	26.40%	0.14 year	1.1840%	$ 101.60

Note: Expected price volatility rate was estimated by using the stock prices of the most recent period with length of this period approximate to the length of the stock options' expected life, and the standard deviation of return on the stock during this period.

E. Expenses incurred for share-based payment transactions are as follows:

	Three months ended March 31,	
	2026	2025
Equity-settled	$ 2,526	$ 8,458

(11) Provisions

	Decommissioning liabilities	
	2026	2025
At January 1	$ 22,838	$ 22,113
Additions during the period	10,161	-
Unwinding of discount	288	179
At March 31	$ 33,287	$ 22,292

A. Analysis of total provisions:

	March 31, 2026	December 31, 2025	March 31, 2025
Non-current	$ 33,287	$ 22,838	$ 22,292

B. Decommissioning liabilities

According to the policy published, applicable law/regulation requirement, the Company bears dismantling, removing the asset and restoring the site obligations for the leased clinical research center from the academic institution, along with its affiliated medical facilities in the future. A provision is recognised for the present value of costs to be incurred for dismantling, removing the asset and restoring the site.

(12) Share capital

A. As of March 31, 2026, the Company's capital was $2,000,000, consisting of 200,000 thousand shares of ordinary stock (including 20,000 thousand shares reserved for employee stock options), and the paid-in capital was $1,576,755 with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

B. The Company applies to the competent authority for registration of capital changing based on the employee stock options exercised each quarter. There were 448 thousand stock options exercised for the three months ended March 31, 2026, of which the registration of 320 thousand shares has not yet been completed.

Movements in the number of the Company's ordinary shares outstanding are as follows:

(Unit: Thousand share)：

	2026	2025
At January 1	157,512	139,355
The exercise of employee stock options	164	1,285
At March 31	157,676	140,640

C. On July 24, 2025, the Company's Board of Directors resolved to increase its capital by issuing 15,798 thousand ordinary shares for public underwriting before the initial listing. The weighted-average price of the bid auction was NT$720.93 (in dollars) and the public subscription offering price was NT$600 (in dollars) per share. Proceeds from shares amounted to $10,854,357 (before deducting the underwriting commission fees of $3,000). The capital increase was set effective on September 11, 2025 and the registration has been completed.

(13) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

	2026			
	Share premium	Options	Expired stock options	Total
At January 1	$ 10,893,487	$ 19,105	$ 21,492	$ 10,934,084
Employee stock options exercised	1,139	(1,139)	-	-
Compensation cost of share-based payment	-	2,526	-	2,526
At March 31	$ 10,894,626	$ 20,492	$ 21,492	$ 10,936,610

	2025			
	Share premium	Options	Expired stock options	Total
At January 1	$ 654,109	$ 20,600	$ 156	$ 674,865
Capital increase in cash	8,311	(8,311)	-	-
Compensation cost of share-based payment	-	8,458	-	8,458
At March 31	$ 662,420	$ 20,747	$ 156	$ 683,323

(14) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's profit after tax, if any, shall first be used to pay all taxes and offset accumulated operating losses and then 10% of the remaining amount shall be set aside as legal reserve until the legal reserve equals the authorised capital. In addition, after setting aside or reversing special reserve, the remainder along with the beginning unappropriated earnings shall be proposed by the Board of Directors as dividends and submitted to the shareholders for resolution.

B. The Company's dividend policy shall take into consideration factors such as the current and future capital expenditure budget, business development and expansion needs, and capital requirements, along with the consideration of shareholders' interest. Each year, no less than 10% of the distributable earnings shall be distributed for shareholder dividends, among which the shareholder dividends may be distributed in the form of cash or stock, and cash dividends shall account for at least 10% of the total shareholder dividends distributed. However, the aforementioned shareholder dividends may not be distributed if the post-tax profit per share of the current year is less than NT$0.3 (in dollars).

C. On June 19, 2025, the Company's shareholders extraordinary meeting resolved the deficit compensation for 2024 to cover the accumulated deficit with capital surplus of $595,992.

D. On March 10, 2026, the Company's Board of Directors resolved the deficit compensation.

(15) Operating revenue

	Three months ended March 31,	
	2026	2025
Revenue from contracts with customers	$ 2,885	$ 229

Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services at a point in time:

	Three months ended March 31,	
	2026	2025
Timing of revenue recognition		
At a point in time	$ 2,885	$ 229

(16) Interest income

	Three months ended March 31,	
	2026	2025
Interest income from bank deposits	$ 1,435	$ 2,176
Interest income from financial assets measured at amortised cost	31,238	-
	$ 32,673	$ 2,176

(17) Other gains and losses

	Three months ended March 31,	
	2026	2025
Net foreign exchange losses	($ 658)	($ 27)

(18) Finance costs

	Three months ended March 31,	
	2026	2025
Decommissioning liabilities	$ 288	$ 179
Lease liabilities	919	36
	$ 1,207	$ 215

(19) Expenses by nature

	Three months ended March 31, 2026	Three months ended March 31, 2025
Employee benefit expense	$ 40,621	$ 32,017
Depreciation charges	10,574	8,242
Amortisation charges on intangible assets	1,104	1,118
	$ 52,299	$ 41,377

(20) Employee benefit expense

	Three months ended March 31, 2026	Three months ended March 31, 2025
Wages and salaries	$ 31,806	$ 19,549
Compensation cost of share-based payment	2,526	8,458
Labour and health insurance fees	2,720	1,853
Pension costs	1,516	926
Directors' remuneration	100	-
Other personnel expenses	1,953	1,231
	$ 40,621	$ 32,017

A. Details relating to the Company's appropriation of employees' compensation and directors' remuneration are as follows:

(A) On January 14, 2025, the Company's shareholders' extraordinary meeting resolved to amend the Articles of Incorporation. According to the amendment, the Company shall distribute no less than 1% of the distributable profit of the current year for employees' compensation and no more than 3% of the distributable profit of the current year for directors' remuneration (directors' remuneration was directors' and supervisors' remuneration before the shareholders during their extraordinary meeting amended the Articles of Incorporation). However, if the Company has accumulated deficit, earnings shall be first used to cover accumulated deficit.

(B) On June 19, 2025, the Company's shareholders' extraordinary meeting resolved to amend the Articles of Incorporation. According to the amendment, the current year's earnings, if any, the Company shall distribute no less than 1% of the distributable profit of the current year for employees' compensation and no more than 3% of the distributable profit of the current year for directors' remuneration. For the aforementioned employees' compensation, the Company shall distribute no less than 10% for rank-and-file employees' compensation. However, if the Company has accumulated deficit, earnings shall be first used to cover accumulated deficit.

B. The Company has accumulated losses for the three months ended March 31, 2026 and 2025; therefore, employees' compensation and directors' remuneration have not been estimated.

(21) Income tax

The Company's income tax returns through 2024 have been assessed and approved by the Tax Authority.

(22) Losses per share

	Three months ended March 31, 2026		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Loss per share (in dollars)
Basic loss per share			
Loss attributable to ordinary shareholders	($ 57,578)	157,693	($ 0.37)

	Three months ended March 31, 2025		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Loss per share (in dollars)
Basic loss per share			
Loss attributable to ordinary shareholders	($ 81,646)	139,355	($ 0.59)

Note: Employee stock options are not included in the calculation of diluted loss per share due to their anti-dilutive effect.

(23) Supplemental cash flow information

Investing activities with partial cash payments:

	Three months ended March 31, 2026	
	2026	2025
Purchase of property, plant and equipment	$ 754	$ 3,076
Add: Opening balance of payable on equipment	4,497	12,579
Add: Ending balance of prepayments on equipment	15,778	764
Less: Ending balance of payable on equipment	(1,360)	(11,974)
Less: Opening balance of prepayments on equipment	(132)	(744)
Cash paid during the period	$ 19,537	$ 3,701

(24) Changes in liabilities from financing activities

	Three months ended March 31, 2026	
	2026	2025
	Lease liabilities	Lease liabilities
At January 1	$ 7,226	$ 9,513
Changes in cash flow from financing activities	(1,936)	(984)
Interest paid	(919)	(36)
Interest paid on lease liabilities	919	36
Additional lease liabilities	225,120	-
Impact of changes in foreign exchange rate	37	-
At March 31	$ 230,447	$ 8,529

7. Related Party Transactions

(1) Names of related parties and relationship

Names of related parties	Relationship with the Company
HERMES-EPITEK CORPORATION (HERMES-EPITEK)	Other related party
YUN RAY CO., LTD. (YUN RAY)	Other related party

(2) Significant related party transactions

Other :

		Three months ended March 31,	
Item	Trading Partner	2026	2025
Administrative Support Expenses	YUN RAY	$ 39	$ 25
Other Expenses	HERMES-EPITEK	1,659	990

(3) Key management compensation

	Three months ended March 31,	
	2026	2025
Short-term employee benefits	$ 3,624	$ 3,383
Post-employment benefits	135	135
Share-based payment	875	2,854
Total	$ 4,634	$ 6,372

8. Pledged Assets

The Group's assets pledged as collateral are as follows:

	Book value			
Pledged asset	March 31, 2026	December 31, 2025	March 31, 2025	Purpose
Certificate of deposit (shown as current financial assets at amortised cost)	$ -	$ 30,000	$ -	Guarantee for material purchase
Certificate of deposit (shown as non-current financial assets at amortised cost)	$ 7,832	$ -	$ -	Guarantee for land leasing

9. Significant Contingent Liabilities and Unrecognised Contract Commitments

(1) Contingencies

None.

(2) Commitments

A. Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Property, plant and equipment	$ 15,283	$ 27,184	$ 1,682

B. In March 2026, the Company acquired accelerator technology license from Ebco Industries Ltd. for approximately CAD 25,000 thousand. Additionally, the Company paid an agreed amount of royalties based on the quantity of products produced during the period of the technology license agreement signed.

10. Significant Disaster Loss

None.

11. Significant Events after the Balance Sheet Date

None.

12. Others

(1) Capital management

The capital management objective of the Group is to ensure the Group's ability to continue operations and future development, while considering factors such as changes in the external environment, to maintain the optimal capital structure that minimizes capital costs and enhances shareholder value.

(2) Financial instruments

A. Financial instruments by category

	March 31, 2026	December 31, 2025	March 31, 2025
Financial assets			
Financial assets at fair value through other comprehensive income	$ 351,748	$ 415,032	$ -
Financial assets at amortised cost			
Cash and cash equivalents	$ 2,207,595	$ 2,348,611	$ 620,932
Financial assets at amortised cost -current and non-current	7,889,832	7,880,000	130,000
Accounts receivable	760	331	-
Other receivables	9,003	5,182	27
Guarantee deposits paid	1,175	1,060	662
	$ 10,108,365	$ 10,235,184	$ 751,621
Financial liabilities			
Accounts payable	$ 8,519	$ 13,256	$ 347
Other payables	16,994	45,564	35,576
Lease liabilities	230,447	7,226	8,529
	$ 255,960	$ 66,046	$ 44,452

B. Financial risk managements policies

(a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial position and financial performance.

(b) Risk management is carried out by the Company's finance department in accordance with policies approved by the board of directors. The finance department works closely with the Company's operating units to identify, assess, and hedge financial risks.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. The Group operates domestically and is exposed to foreign exchange risk arising from the transactions of the Group used in US dollar and Canadian dollar currency. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. Management has set up a policy to manage their foreign exchange risk against their functional currency.

ii. The total exchange (loss) gain, including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group for the three months ended March 31, 2026 and 2025 amounted to $658 and $27, respectively

iii. The Group conducts business involving several non-functional currencies (the Company's functional currency is the New Taiwan Dollar), but does not have significant foreign currency assets and liabilities exposed to exchange rate risk; therefore, it is not significantly affected by exchange rate fluctuations.

<u>Price risk</u>

i. The Group is exposed to equity price risk arising from its investments in listed stocks. These equity investments are held for strategic investment rather than for trading, and the Group did not actively transact such investments. The Group's equity price risk is primarily concentrated in equity instruments in the Hong Kong market.

ii. The Group's investments in equity securities comprise shares issued by the overseas companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, other components of equity would have increased/decreased by $3,517 and $0, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable and bank deposits based on the agreed terms.

ii. Assessment of credit risk impairment for financial assets measured at amortised cost:

(i) For the Group's term deposits in banks, these banks all have good credit ratings. Considering there are no significant changes in the overall economic environment, the risk of incurring credit losses is assessed to be extremely low.

(ii) For the clients the Group transacts with, only parties whose credit is assessed by the Group are accepted. According to the Group's credit policy, the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings. The utilisation of credit limits is regularly monitored.

(iii) In line with credit risk management procedure, when the counterparty has ceased operations or is poorly managed, the default has occurred. In addition, the Group assesses the expected credit losses on an individual basis if a default has occurred to certain customers.

(iv)As of March 31, 2026, the Group's accounts receivable was all not past due. Considering there are no significant changes in the overall economic environment, the risk of incurring credit losses is assessed to be extremely low and there are no significant expected credit losses of accounts receivable.

(c) Liquidity risk

Cash flow forecasting is conducted by the Group's finance department. The finance department monitors the rolling forecasts of the Group's liquidity needs to ensure that there is adequate cash available to meet operational requirements. Additionally, it maintains sufficient headroom on undrawn committed borrowing facilities to prevent any breach of borrowing limits or covenants.

March 31, 2026	Less than 1 years	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Non-derivative financial liabilities:				
Accounts payable	$ 8,519	$ -	$ -	$ -
Liability provision	-	-	-	63,888
Other payables	16,994	-	-	-
Lease liability	13,045	9,742	23,647	343,118

December 31, 2025	Less than 1 years	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Non-derivative financial liabilities:				
Accounts payable	$ 13,256	$ -	$ -	$ -
Liability provision	-	-	-	42,152
Other payables	45,564	-	-	-
Lease liability	5,614	1,585	122	-

March 31, 2025	Less than 1 years	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Non-derivative financial liabilities:				
Accounts payable	$ 347	$ -	$ -	$ -
Liability provision	-	-	-	42,152
Other payables	35,576	-	-	-
Lease liability	4,086	3,387	1,111	-

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1:Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Comapny's investment in listed stocks is included in Level 1

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3:Unobservable inputs for the asset or liability.

B. Financial instruments not measured at fair value

The carrying amounts of the Group's cash and cash equivalents, financial assets at amortised cost, accounts receivable, other receivables, guarantee deposits, accounts payable, other payables and lease liabilities are approximate to their fair values.

C. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at March 31, 2026, December 31, 2025 and March 31, 2025 is as follows:

(a) The related information of natures of the assets and liabilities is as follows:

March 31, 2026	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value through other comprehensive income				
Equity securities	$ 351,748	$ -	$ -	$ 351,748

December 31, 2025	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value through other comprehensive income				
Equity securities	$ 415,032	$ -	$ -	$ 415,032

March 31, 2025: None.

(b) The methods and assumptions the Group used to measure fair value are as follows:

The instruments the Group used market quoted prices as their fair values (that is, Level 1). Based on the characteristics of the instruments, overseas listed stocks are measured by reference to the closing market price quoted on the balance sheet date.

D. For the three months ended March 31, 2026 and 2025, there was no transfer between Level 1 and Level 2.

E. For the three months ended March 31, 2026 and 2025, there was no transfer into or out from Level 3.

13. Supplementary Disclosures

(1) Significant transactions information

A. Loans to others: None.

B. Provision of endorsements and guarantees to others: None.

C. Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 1.

D. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: None.

E. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: None.

F. Significant inter-company transactions during the reporting period: None.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 2.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 3.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: None.

14. Segment Information

(1) General information

The Group operates business only in a single industry. The chief operating decision-maker, who allocates resources and assesses performance of the Group as a whole, has identified that the Group has only one reportable operating segment.

(2) Information about segment

The Group's operating decision-makers evaluate the performance of the operating segments based on financial statements. The accounting policies of the operating segments are consistent with the significant accounting policies described in Note 4.

(3) Information about segment profit or loss, assets and liabilities

	Three months ended March 31,	
	2026	2025
Revenue from external customers	$ 2,885	$ 229
Segment loss	($ 57,578)	($ 81,646)
Segment assets	$ 11,666,612	$ 1,479,153

(4) Reconciliation for segment income (loss), assets and liabilities

None.