Stock Code:1795

Lotus Pharmaceutical Co., Ltd. and Subsidiaries

Consolidated Financial Statements

With Independent Auditors' Review Report
For the Nine Months Ended September 30, 2026 and 2025

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The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

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Independent Auditors' Review Report

To the Board of Directors
of Lotus Pharmaceutical Co., Ltd.:

Introduction

We have reviewed the accompanying consolidated balance sheets of Lotus Pharmaceutical Co., Ltd. ("the Company") and its subsidiaries ("the Group") as of September 30, 2026 and 2025, and the related consolidated statements of comprehensive income for the three months and nine months ended September 30, 2026 and 2025, as well as the changes in equity and cash flows for the nine months ended September 30, 2026 and 2025, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our review.

Scope of Review

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

Basis for Qualified Conclusion

As stated in Note 4(2), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect total assets amounting to $2,561,999 thousand and $3,330,109 thousand, constituting 2% and 8% of the consolidated total assets; and the total liabilities amounting to $465,522 thousand and $516,628 thousand, representing 1% and 3% of the consolidated total liabilities as of both September 30, 2026 and 2025, respectively; as well as the total comprehensive income amounting to $97,934 thousand, $100,516 thousand, $137,594 thousand and $205,107 thousand, constituting 20%, 6%, 9% and 7% of the total consolidated comprehensive income for the three months and nine months ended September 30, 2026 and 2025, respectively.

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Qualified Conclusion

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of September 30, 2026 and 2025, and of its consolidated financial performance for the three months and nine months ended September 30, 2026 and 2025, as well as its consolidated cash flows for the nine months ended September 30, 2026 and 2025 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' review report are Cheng, An-Chih and Lu, Chien-Hui.

KPMG

Taipei, Taiwan (Republic of China)
November 12, 2026

Notes to Readers

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

The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

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

Lotus Pharmaceutical Co., Ltd. and Subsidiaries

Consolidated Balance Sheets

September 30, 2026, December 31 and September 30, 2025

(Expressed in Thousands of New Taiwan Dollars)

		September 30, 2026		December 31, 2025		September 30, 2025	
	Assets	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current assets:						
1100	Cash and cash equivalents (notes 6(1) and 8)	$ 7,259,021	7	7,739,617	8	5,669,624	14
1140	Contract assets－current (notes 6(23) and 7)	52,030	-	184,878	-	112,669	-
1170	Accounts receivable, net (notes 6(5), (12) and 8)	8,696,258	8	6,677,828	6	2,553,005	6
1180	Accounts receivable－related parties (note 7)	31,615	-	-	-	2,978,113	8
1200	Other receivables	174,397	-	667,266	1	23,177	-
1210	Other receivables－related parties (note 7)	-	-	108	-	2,460	-
1220	Current tax assets	165,852	-	269,183	-	186,791	1
1310	Inventories (notes 6(6) and 8)	8,972,182	8	9,649,408	9	3,930,330	10
1479	Other current assets (note 8)	1,226,128	1	1,264,430	1	621,134	2
	Total current assets	26,577,483	24	26,452,718	25	16,077,303	41
	Non-current assets:						
1510	Financial asset at fair value through profit or loss－non-current (note 6(2))	-	-	-	-	3,483,555	9
1517	Financial asset at fair value through other comprehensive income－non-current (note 6(3))	389,361	-	463,882	-	385,471	1
1600	Property, plant and equipment (notes 6(7), (8) and 8)	7,079,183	6	6,926,706	7	3,305,350	8
1755	Right-of-use assets (notes 6(9) and 8)	691,335	1	680,158	1	215,333	1
1805	Goodwill (notes 6(7) and (10))	33,359,098	30	31,954,931	30	6,030,608	15
1821	Other intangible assets (notes 6(7), (11), 7 and 8)	28,018,371	25	25,323,596	24	9,306,845	24
1840	Deferred tax assets (notes 6(7) and 8)	14,453,801	13	13,942,232	13	503,888	1
1930	Long-term accounts receivable (note 6(12))	110,395	-	113,853	-	125,200	-
1990	Other non-current assets (notes 8 and 9)	450,036	1	295,855	-	165,993	-
	Total non-current assets	84,551,580	76	79,701,213	75	23,522,243	59
	Total assets	**$ 111,129,063**	**100**	**106,153,931**	**100**	**39,599,546**	**100**

		September 30, 2026		December 31, 2025		September 30, 2025	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current liabilities:						
2100	Short-term borrowings (note 6(13))	$ 2,412,719	2	1,608,742	2	1,516,656	4
2128	Financial liabilities measured at amortized cost－current (note 6(4))	1,319,957	1	1,332,304	1	2,139	-
2130	Contract liabilities－current (notes 6(23) and 7)	127,252	-	179,157	-	171,801	1
2170	Notes and accounts payable (note 6(7))	3,641,775	3	2,416,233	2	924,555	2
2180	Accounts payable－related parties (note 7)	-	-	-	-	126,457	-
2200	Other payables	3,089,083	3	2,977,111	3	1,056,628	3
2220	Other payables－related parties (note 7)	174,701	-	40,893	-	180,550	1
2230	Current tax liabilities	767,256	1	1,416,138	1	427,905	1
2250	Provisions－current (notes 6(7) and (17))	3,874,071	4	4,184,295	4	59,121	-
2280	Lease liabilities－current (note 6(15))	171,249	-	159,630	-	83,062	-
2320	Current portion of long-term borrowings (notes 6(14) and 8)	4,383,416	4	2,541,466	3	4,236,415	11
2399	Other current liabilities	27,603	-	22,857	-	83,923	-
	Total current liabilities	19,989,082	18	16,878,826	16	8,869,212	23
	Non-current liabilities:						
2500	Financial liabilities at fair value through profit or loss－non-current (note 6(2))	10,287,486	9	10,187,370	10	-	-
2520	Financial liabilities measured at amortized cost－non-current (note 6(4))	1,133,962	1	1,129,663	1	130,453	-
2527	Contract liabilities－non-current (note 6(23))	10,747	-	16,287	-	18,531	-
2540	Long-term borrowings (notes 6(7)、(14) and 8)	42,607,774	38	42,447,455	40	6,437,619	16
2550	Provisions－non-current (notes 6(7) and (17))	136,251	-	131,309	-	33,812	-
2570	Deferred tax liabilities	1,894,204	2	1,697,093	1	1,093,480	3
2580	Lease liabilities－non-current (note 6(15))	714,325	1	718,622	1	142,693	-
2635	Preference share liabilities－non-current (notes 6(7) and (16))	8,663,844	8	8,458,032	8	-	-
2640	Defined benefit liabilities, net	772,693	1	641,510	1	692,350	2
2670	Other non-current liabilities	62,459	-	67,908	-	9,174	-
	Total non-current liabilities	66,283,745	60	65,495,249	62	8,558,112	21
	Total liabilities	86,272,827	78	82,374,075	78	17,427,324	44
	Equity (notes 6(20) and (21))**:**						
3100	Share capital	2,700,353	2	2,668,738	3	2,670,438	7
3200	Capital surplus	7,718,054	7	7,641,635	7	7,641,134	19
3300	Retained earnings	16,297,255	15	15,903,639	15	14,740,141	37
3400	Other equity	(1,089,619)	(1)	(1,609,996)	(2)	(2,054,131)	(5)
3500	Treasury shares	(769,807)	(1)	(824,160)	(1)	(825,360)	(2)
	Total equity	24,856,236	22	23,779,856	22	22,172,222	56
	Total liabilities and equity	**$ 111,129,063**	**100**	**106,153,931**	**100**	**39,599,546**	**100**

See accompanying notes to consolidated financial statements.

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

Lotus Pharmaceutical Co., Ltd. and Subsidiaries

Consolidated Statements of Comprehensive Income

For the Three Months and Nine Months Ended September 30, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

		For the three months ended September 30,				For the nine months ended September 30,			
		2026		2025		2026		2025	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	**Net revenue** (notes 6(23) and 7)	$ 7,365,334	100	4,770,699	100	24,818,419	100	14,247,508	100
5000	**Cost of sales** (notes 6(6) and 7)	3,870,720	53	2,036,202	43	12,209,969	49	5,804,566	41
5900	**Gross profit from operations**	3,494,614	47	2,734,497	57	12,608,450	51	8,442,942	59
	Operating expenses (notes 6(7) and 7)**:**								
6100	Selling expenses	1,394,403	19	712,519	15	3,934,542	16	2,113,821	15
6200	Administrative expenses	857,049	11	387,296	8	2,608,631	10	1,169,081	8
6300	Research and development expenses	353,667	5	447,993	9	879,274	4	757,565	5
6450	Expected credit loss recognized (reversed) (note 6(5))	31,431	-	(6,083)	-	35,729	-	(8,729)	-
	Total operating expenses	2,636,550	35	1,541,725	32	7,458,176	30	4,031,738	28
6900	**Operating income**	858,064	12	1,192,772	25	5,150,274	21	4,411,204	31
	Non-operating income and expenses:								
7100	Interest income	24,824	-	27,626	1	86,546	-	82,757	1
7010	Other income (notes 6(3) and 7)	9,191	-	7,701	-	32,138	-	39,638	-
7020	Other gains and losses, net (note 6(25))	219,276	3	730,961	15	(12,960)	-	268,965	2
7050	Finance costs (note 6(25))	(1,268,618)	(17)	(126,794)	(3)	(3,697,115)	(15)	(400,618)	(3)
		(1,015,327)	(14)	639,494	13	(3,591,391)	(15)	(9,258)	-
7900	**Income (loss) before income tax**	(157,263)	(2)	1,832,266	38	1,558,883	6	4,401,946	31
7950	Less: Income tax expense (income) (note 6(19))	(49,274)	(1)	397,557	8	457,419	2	803,543	6
	Net income (loss)	(107,989)	(1)	1,434,709	30	1,101,464	4	3,598,403	25
8300	**Other comprehensive income (loss):**								
8310	**Components of other comprehensive income (loss) that will not be reclassified to profit or loss**								
8316	Unrealized gains (losses) from investment in equity instrument measured at fair value through other comprehensive income	(48,922)	(1)	39,638	1	(11,284)	-	(15,498)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss (note 6(19))	14,277	-	-	-	-	-	-	-
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss	(34,645)	(1)	39,638	1	(11,284)	-	(15,498)	-
8360	**Components of other comprehensive income that may be reclassified to profit or loss**								
8361	Exchange differences on translation of foreign financial statements	635,992	9	259,345	5	487,678	2	(512,224)	(4)
	Components of other comprehensive income that may be reclassified to profit or loss	635,992	9	259,345	5	487,678	2	(512,224)	(4)
8300	**Other comprehensive income (loss), net**	601,347	8	298,983	6	476,394	2	(527,722)	(4)
8500	**Total comprehensive income**	**$ 493,358**	**7**	**1,733,692**	**36**	**1,577,858**	**6**	**3,070,681**	**21**
	Earnings (loss) per share (note 6(22))								
9750	Basic earnings (loss) per share	**$ (0.41)**		**5.46**		**4.18**		**13.64**	
9850	Diluted earnings (loss) per share	**$ (0.41)**		**5.44**		**4.17**		**13.59**	

See accompanying notes to consolidated financial statements.

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

Lotus Pharmaceutical Co., Ltd. and Subsidiaries

Consolidated Statements of Changes in Equity

For the Nine Months Ended September 30, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollars)

			Retained earnings				Other equity					
	Share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial asset at fair value through other comprehensive income	Unearned share-based payments	Total	Treasury shares	Total equity
Balance at January 1, 2025	$ 2,658,583	7,430,959	899,209	846,074	10,914,823	12,660,106	(990,465)	(117,745)	(412,626)	(1,520,836)	(48,386)	21,180,426
Net income	-	-	-	-	3,598,403	3,598,403	-	-	-	-	-	3,598,403
Other comprehensive loss	-	-	-	-	-	-	(512,224)	(15,498)	-	(527,722)	-	(527,722)
Total comprehensive income (loss)	-	-	-	-	3,598,403	3,598,403	(512,224)	(15,498)	-	(527,722)	-	3,070,681
Appropriation of earnings:												
Legal reserve appropriated	-	-	499,171	-	(499,171)	-	-	-	-	-	-	-
Special reserve appropriated	-	-	-	262,134	(262,134)	-	-	-	-	-	-	-
Cash dividends to shareholders	-	-	-	-	(1,519,653)	(1,519,653)	-	-	-	-	-	(1,519,653)
Share-based payments	11,855	210,175	-	-	1,285	1,285	-	-	(5,573)	(5,573)	(776,974)	(559,232)
Balance at September 30, 2025	**$ 2,670,438**	**7,641,134**	**1,398,380**	**1,108,208**	**12,233,553**	**14,740,141**	**(1,502,689)**	**(133,243)**	**(418,199)**	**(2,054,131)**	**(825,360)**	**22,172,222**
Balance at January 1, 2026	$ 2,668,738	7,641,635	1,398,380	1,108,208	13,397,051	15,903,639	(1,206,475)	(49,426)	(354,095)	(1,609,996)	(824,160)	23,779,856
Net income	-	-	-	-	1,101,464	1,101,464	-	-	-	-	-	1,101,464
Other comprehensive income (loss)	-	-	-	-	-	-	487,678	(11,284)	-	476,394	-	476,394
Total comprehensive income (loss)	-	-	-	-	1,101,464	1,101,464	487,678	(11,284)	-	476,394	-	1,577,858
Appropriation of earnings:												
Legal reserve appropriated	-	-	476,319	-	(476,319)	-	-	-	-	-	-	-
Special reserve appropriated	-	-	-	147,692	(147,692)	-	-	-	-	-	-	-
Cash dividends to shareholders	-	-	-	-	(673,843)	(673,843)	-	-	-	-	-	(673,843)
Stock dividends to shareholders	34,165	-	-	-	(34,165)	(34,165)	-	-	-	-	-	-
Disposal of investments in equity instrument designated at fair value through other comprehensive income	-	-	-	-	(486)	(486)	-	486	-	486	-	-
Share-based payments	(2,550)	76,419	-	-	646	646	-	-	43,497	43,497	54,353	172,365
Balance at September 30, 2026	**$ 2,700,353**	**7,718,054**	**1,874,699**	**1,255,900**	**13,166,656**	**16,297,255**	**(718,797)**	**(60,224)**	**(310,598)**	**(1,089,619)**	**(769,807)**	**24,856,236**

See accompanying notes to consolidated financial statements.

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

Lotus Pharmaceutical Co., Ltd. and Subsidiaries

Consolidated Statements of Cash Flows

For the Nine Months Ended September 30, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollars)

	For the nine months ended September 30,	
	2026	**2025**
Cash flows from operating activities:		
Income before income tax	$ 1,558,883	4,401,946
Adjustments:		
Adjustments to reconcile income		
Depreciation expense	595,190	284,080
Amortization expense	1,350,934	801,151
Expected credit loss recognized (reversed)	35,729	(8,729)
Gains on financial asset at fair value through profit or loss	-	(294,696)
Finance costs	3,697,115	400,618
Gains on financial liabilities at amortized cost	(160,062)	(95,001)
Interest income	(86,546)	(82,757)
Dividend income	(11,439)	(11,795)
Share-based payment costs	168,268	215,273
Losses on disposal of property, plant and equipment	713	11,035
Gains on disposal of intangible assets	(17,649)	(1,347)
Impairment losses on intangible assets	20,813	234,409
Unrealized foreign exchange losses	105,101	63,979
Write-downs of inventories	391,573	119,291
Losses (gains) on lease modifications	(1,474)	1,585
Total adjustments to reconcile income	6,088,266	1,637,096
Changes in operating assets and liabilities:		
Changes in operating assets:		
Contract assets	132,849	108,853
Accounts receivable, net	(1,988,872)	(639,807)
Accounts receivable－related parties	(31,786)	2,074,013
Other receivables	324,628	44,599
Other receivables－related parties	108	64,519
Inventories	455,134	(280,104)
Other current assets	11,406	(103,871)
Long-term accounts receivable	15,758	-
Other non-current assets	(10,778)	(1,642)
Total changes in operating assets	(1,091,553)	1,266,560
Changes in operating liabilities:		
Contract liabilities	(58,352)	(15,715)
Notes and accounts payable	529,667	(41,569)
Accounts payable－related parties	-	50,953
Other payables	(682,007)	(7,489)
Other payables－related parties	(24,998)	84,323
Provisions	(345,056)	9,054
Other current liabilities	2,601	31,820
Defined benefit liabilities, net	80,783	74,951
Total changes in operating liabilities	(497,362)	186,328
Total changes in operating assets and liabilities	(1,588,915)	1,452,888
Total adjustments	4,499,351	3,089,984

(Continued)

See accompanying notes to consolidated financial statements.

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

Lotus Pharmaceutical Co., Ltd. and Subsidiaries

Consolidated Statements of Cash Flows (Continued)

For the Nine Months Ended September 30, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollars)

	For the nine months ended September 30,	
	2026	**2025**
Cash flows generated from operations	6,058,234	7,491,930
Interest received	80,534	75,183
Interest paid	(2,359,453)	(338,881)
Income taxes paid	(1,291,366)	(1,095,423)
Net cash flows generated from operating activities	2,487,949	6,132,809
Cash flows from investing activities:		
Net cash outflow arising from acquisition of business	(1,272,884)	-
Acquisition of property, plant and equipment	(464,326)	(258,076)
Proceeds from disposal of property, plant and equipment	2,417	114
Proceeds from disposal of intangible assets	19,256	-
Increase in refundable deposits	(16,002)	(261)
Acquisition of intangible assets (including capitalized development expenses)	(2,902,241)	(2,492,260)
Increase in other current assets	(6,524)	-
Decrease (increase) in other non-current assets	(37,583)	870
Dividends received	5,637	10,761
Net cash flows used in investing activities	(4,672,250)	(2,738,852)
Cash flows from financing activities:		
Proceeds from short-term borrowings	4,000,940	2,700,000
Repayments of short-term borrowings	(3,291,753)	(2,791,418)
Proceeds from long-term borrowings	3,536,357	450,000
Repayments of long-term borrowings	(2,743,068)	(1,505,399)
Payments of lease liabilities	(144,527)	(85,233)
Payments of dividends	-	(1,519,653)
Payment to acquire treasury shares	-	(780,988)
Treasury shares transferred to employees	8,450	5,198
Cash dividends returned from unvested restricted stock awards	646	1,285
Net cash flows generated from (used in) financing activities	1,367,045	(3,526,208)
Effect of exchange rate changes on cash and cash equivalents	336,660	(228,238)
Net decrease in cash and cash equivalents	(480,596)	(360,489)
Cash and cash equivalents at beginning of period	7,739,617	6,030,113
Cash and cash equivalents at end of period	**$ 7,259,021**	**5,669,624**

See accompanying notes to consolidated financial statements.

1. Company history

Lotus Pharmaceutical Co., Ltd. (the "Company") was incorporated in Taiwan, the Republic of China (R.O.C.), on June 30, 1966. On January 29, 2010, the Company's shares were traded on the Taipei Exchange and on December 16, 2019, the Company switched the listing venue of its shares to the Taiwan Stock Exchange (the "TWSE").

On August 11, 2014, the Company issued privately placed shares of 151,100,000 shares to Innobic Asia Investment Holding Limited ("INIH", formerly known as Alvogen Emerging Markets Holdings Limited), a wholly owned subsidiary under the Alvogen Group; consequently, INIH becomes the largest shareholder of the Company. The Company subsequently acquired equity interest in certain subsidiaries of the Alvogen Group in South Korea, India and Taiwan (collectively, the "legal subsidiaries"). The consolidated financial statements were issued in the name of the Company but presented as a continuation of the financial statements of the legal subsidiaries.

On April 7, 2022, the Alvogen Group disposed of its investment in INIH to Innobic Hong Kong Biddingco Limited (formerly known as Aztiq II BidCo Limited); consequently, the Company's ultimate controlling party changed to PTT Public Company Limited ("PTT"), a listed company on the Stock Exchange of Thailand. In July 2025, PTT announced a shareholding restructuring plan involving its investment in the Company. On December 31, 2025, the Company ceased to be a subsidiary and become an associate of the PTT Group. Together with the ownership interest held by another PTT's subsidiary, Innobic LL Holding Company Limited, PTT owned an aggregate ownership interest of 37.72% in the Company as of September 30, 2026.

On December 3, 2025, the Company transferred its investment in preferred shares of New Alvogen Group Holdings Inc. ("NAGH") to its wholly owned subsidiary, Lotus US Financing S.ā .r.l., where the shares were converted into 13.66% of NAGH's common shares. At the same time, Lotus US Financing S.ā .r.l. acquired the remaining common shares of NAGH, thereby obtaining 100% of the equity interest in, and control of, NAGH and its eight subsidiaries. Please refer to note 6(7) for further details.

The Company and its subsidiaries (collectively referred to as the "Group") is engaged mainly in the research and development, manufacturing and sales of generic and branded pharmaceutical products, as well as consulting services.

2. Approval date and procedures of the consolidated financial statements

These consolidated financial statements as of and for the nine months ended September 30, 2026 and 2025 were authorized for issuance by the Board of Directors of the Company on November 12, 2026.

3. New standards, amendments and interpretations adopted

(1) The impact of the IFRS Accounting Standards endorsed by the Financial Supervisory Commission, R.O.C. (the "FSC") which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2026:

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

(2) The impact of IFRS Accounting Standards endorsed by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2027, would not have a significant impact on its consolidated financial statements:

- IFRS 19 "Subsidiaries without Public Accountability: Disclosures" and amendments to IFRS 19
- Amendments to IAS 21 "Translation to a Hyperinflationary Presentation Currency"

The Group expects to adopt the following new and amended standards, which effective for annual period beginning on January 1, 2028:

(i) IFRS 18 "Presentation and Disclosure in Financial Statements"

The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities.

- A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company's main business activities.
- Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.

- Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.

The new standard introduces consequential amendments to IAS 7, which require to use the newly defined operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method. The consequential amendments also provide specific guidance on the classification of interest and dividend cash flows.

The Group is evaluating the impact on its consolidated financial statements upon the initial adoption of the new standard.

(ii) Amendments to IAS 28 " The Fair Value Option for Investments in Associates and Joint Ventures"

The Group does not expect the amendments to have a significant impact on its consolidated financial statements.

(3) The impact of IFRS Accounting Standards issued by the International Accounting Standards Board but not yet endorsed by the FSC

The Group does not expect the following new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"
- IFRS 20 "Regulatory Assets and Regulatory Liabilities"

4. Summary of material accounting policies

(1) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as "the Regulations") and IAS 34 "Interim Financial Reporting" which are endorsed and issued into effect by the FSC. The consolidated financial statements do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (altogether referred to "IFRS Accounting Standards" endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except for the following accounting policies mentioned below, the material accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statements for the year ended December 31, 2025. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2025.

(2) Basis of consolidation

The principles of preparation of the consolidated financial statements are the same as those of the 2025 annual consolidated financial statements. For the related information, please refer to note 4 of the 2025 annual consolidated financial statements.

A. List of subsidiaries included in the consolidated financial statements:

Investor	Subsidiary	Nature of business	Shareholding			Notes
			September 30, 2026	December 31, 2025	September 30, 2025	
The Company	Alvogen Korea Holdings Ltd. (“Alvogen Korea Holdings”)	Investment business	100.00 %	100.00 %	100.00 %	
The Company	Alvogen Pharma India Pvt Ltd. (“Alvogen India”)	Investment business	100.00 %	100.00 %	100.00 %	(Note 1)
The Company	Lotus International Pte. Ltd.	Investment business and sale of medicine	100.00 %	100.00 %	100.00 %	
The Company	Lotus Japan Holdings Co., Ltd.	Sale of medicine and clinical machine retail	-	100.00 %	100.00 %	(Note 3&6)
The Company	Avos Pharma Science Co., Ltd.	Biotech technological consulting services, clinical machine retail and related consulting services	100.00 %	100.00 %	100.00 %	(Note 1)
The Company	Lotus Pharmaceutical HK Ltd.	Data collection and agent services in Hong Kong	1.56 %	1.56 %	1.56 %	(Note 1)
The Company	Alvogen (Thailand) Ltd.	Sale of pharmaceuticals and medicinal chemical products	99.97 %	2.52 %	2.52 %	(Note 1&7)
The Company	Lotus Pharmaceutical (Thailand) Co., Ltd.	Sale of pharmaceuticals and medicinal chemical products	90.00 %	90.00 %	90.00 %	
The Company	Lotus US Financing S. ā .r.l.	Investment business	100.00 %	100.00 %	100.00 %	(Note 3)
The Company	Lotus Pharmaceuticals US, Inc.	Data collection and agency affairs in U.S.A.	100.00 %	100.00 %	100.00 %	(Note 1)
The Company	Lotus Investment Holding SARL	Investment business	100.00 %	-	-	(Note 1&5)
Alvogen Korea Holdings	Alvogen Korea Co., Ltd. (“Alvogen Korea”)	Manufactures and sells medicines	100.00 %	100.00 %	100.00 %	
Alvogen India	Norwich Clinical Services Private Limited (“NCS”)	Contract research organization	100.00 %	100.00 %	100.00 %	(Note 1)
Lotus Pharmaceutical HK Ltd.	Lotus Pharmaceutical (Shanghai) Health Management Consulting Limited	Consultation on health management, health technology, trading information, market planning, and business information	100.00 %	100.00 %	100.00 %	(Note 1)
Lotus Pharmaceutical HK Ltd.	Alvogen (Thailand) Ltd.	Sale of pharmaceuticals and medicinal chemical products	0.03 %	0.03 %	0.03 %	(Note 1)

Lotus Pharmaceutical Co., Ltd. and Subsidiaries
Notes to the Consolidated Financial Statements

Investor	Subsidiary	Nature of business	Shareholding			Notes
			September 30, 2026	December 31, 2025	September 30, 2025	
Lotus US Financing S. ā .r.l.	Lotus Alvogen Group Holdings S. ā .r.l.	Investment business	100.00 %	100.00 %	100.00 %	(Note 3)
Lotus Investment Holding SARL	Lotus Pharma Bulgaria EOOD	Sale of pharmaceuticals and medicinal chemical products	100.00 %	-	-	(Note 3&8)
Lotus International Pte. Ltd.	Lotus Support Services SRL	Pharmaceutical regulatory affairs project management services	100.00 %	100.00 %	100.00 %	(Note 1)
Lotus International Pte. Ltd.	Alvogen (Thailand) Ltd.	Sale of pharmaceuticals and medicinal chemical products	-	97.45 %	97.45 %	(Note 1&7)
Lotus International Pte. Ltd.	Lotus Alvogen Malta Ltd.	Marketing activities and healthcare consultancy	100.00 %	100.00 %	100.00 %	(Note 1)
Lotus International Pte. Ltd.	Lotus Pharmaceutical HK Ltd.	Data collection and agent services in Hong Kong	98.44 %	98.44 %	98.44 %	(Note 1)
Lotus International Pte. Ltd.	Lotus Healthcare Malaysia Sdn. Bhd.	Marketing activities and healthcare consultancy	100.00 %	100.00 %	100.00 %	(Note 1)
Lotus International Pte. Ltd.	Lotus Healthcare Philippines Corp.	Sale of pharmaceuticals and medicinal chemical products	100.00 %	100.00 %	100.00 %	(Note 1)
Lotus International Pte. Ltd.	Lotus Pharma Bulgaria EOOD	Sale of pharmaceuticals and medicinal chemical products	-	100.00 %	100.00 %	(Note 3&8)
Lotus International Pte. Ltd.	Lotus Pharma ehf.	Marketing activities and healthcare consultancy	100.00 %	100.00 %	100.00 %	(Note 1&9)
Lotus International Pte. Ltd.	Meishi Pharma Services Private Limited	Pharmaceutical research and development service	100.00 %	100.00 %	100.00 %	(Note 1)
Lotus International Pte. Ltd.	Meishi Pharma Service Pte. Ltd.	Management consultancy service	100.00 %	100.00 %	100.00 %	(Note 1)
Lotus International Pte. Ltd.	Lotus Pharmaceutical (Thailand) Co., Ltd.	Sale of pharmaceuticals and medicinal chemical products	10.00 %	10.00 %	10.00 %	
Lotus International Pte. Ltd.	Lotus Pharmaceutical (Vietnam) LLC	Sale of pharmaceuticals and medicinal chemical products	100.00 %	-	-	(Note 1&4)
Lotus International Pte. Ltd.	Lotus Japan Holdings Co., Ltd.	Sale of medicine and clinical machine retail	100.00 %	-	-	(Note 3&6)
Lotus Alvogen Group Holdings S. ā .r.l.	NAGH	Investment business	100.00 %	100.00 %	-	(Note 2&3)
NAGH	Alvogen Group Inc.	Investment business	100.00 %	100.00 %	-	(Note 2&3)

Investor	Subsidiary	Nature of business	Shareholding			Notes
			September 30, 2026	December 31, 2025	September 30, 2025	
Alvogen Group Inc.	Alvogen Pharma US Inc.	Investment business and financing activities	100.00 %	100.00 %	-	(Note 2&3)
Alvogen Pharma US Inc.	Alvogen Inc.	Sale of pharmaceuticals and medicinal chemical products	100.00 %	100.00 %	-	(Note 2&3)
Alvogen Pharma US Inc.	Norwich Pharmaceutical, Inc.	Manufactures and sells medicines	100.00 %	100.00 %	-	(Note 2&3)
Alvogen Pharma US Inc.	Alvogen PB Research & Development LLC ("Alvogen PB R&D")	Pharmaceutical research and development service	100.00 %	100.00 %	-	(Note 2&3)
Alvogen Pharma US Inc.	Almaject, Inc.	Sale of pharmaceuticals and medicinal chemical products	100.00 %	100.00 %	-	(Note 2&3)
Alvogen Pharma US Inc.	Alvogen AMO B Share Holdings LLC	Investment business	100.00 %	100.00 %	-	(Note 2&3)
Alvogen Inc.	Almatica Pharma LLC	Sale of pharmaceuticals and medicinal chemical products	100.00 %	100.00 %	-	(Note 2&3)

Note 1: Non-significant subsidiary, which was not reviewed by independent auditors.

Note 2: On December 3, 2025, the Company through its subsidiary, Lotus US Financing S. à .r.l., completed the acquisition of 100% equity interest in NAGH. Please refer to note 6(7) for more details.

Note 3:(a) Since the first quarter of 2026, Lotus Japan Holdings Co., Ltd., Lotus US Financing S. à .r.l., Lotus Alvogen Group Holdings S. à .r.l., NAGH and its subsidiaries have been reviewed by independent auditors.

(b) Since the first quarter of 2025, Lotus Pharma Bulgaria EOOD has been reviewed by independent auditors.

Note 4: Newly incorporated subsidiary in the second quarter of 2026.

Note 5: Newly incorporated subsidiary in the third quarter of 2026.

Note 6: On May 11, 2026, the Company contributed its 100% equity interest in Lotus Japan Holdings Co., Ltd. as an in kind capital contribution to Lotus International Pte. Ltd.

Note 7: On August 13, 2026, the Company acquired 97.45% of the equity interest in Alvogen (Thailand) Ltd. from Lotus International Pte. Ltd.

Note 8: On August 17, 2026, Lotus Investment Holding SARL acquired 100% of the equity interest in Lotus Pharma Bulgaria EOOD from Lotus International Pte. Ltd.

Note 9: Lotus Pharma ehf is currently under liquidation process.

B. List of subsidiaries not included in the consolidated financial statements: None.

(3) Employee benefits

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

(4) Income taxes

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

Income tax expenses for the period are measured by multiplying together the pre-tax income for the interim reporting period and the management's best estimate of effective annual tax rate. This should be recognized fully as tax expense for the current period.

Income taxes that are recognized directly in equity or other comprehensive income are measured in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding tax bases at the tax rates that are expected to be applied in the year in which the asset is realized or the liability is settled.

5. Significant accounting assumptions and judgments, and major sources of estimation uncertainty

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

The preparation of the consolidated interim financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the 2025 annual consolidated financial statements. For related information, please refer to note 5 of the 2025 annual consolidated financial statements.

6. Explanation of significant accounts

Except for the following disclosures, there were no material differences in the disclosures of significant accounts between the consolidated financial statements for the current period and the 2025 annual consolidated financial statements. Please refer to note 6 of the 2025 annual consolidated financial statements.

(1) Cash and cash equivalents

	September 30, 2026	December 31, 2025	September 30, 2025
Cash on hand and demand deposits	$ 7,237,363	7,425,191	5,669,624
Cash equivalents	21,658	314,426	-
	$ 7,259,021	**7,739,617**	**5,669,624**

As of September 30, 2026 and December 31, 2025, certain cash and cash equivalents were pledged as collateral; please refer to note 8. None of the cash and cash equivalents were pledged as collateral as of September 30, 2025.

(2) Financial asset and liabilities measured at fair value through profit or loss ("FVTPL")

	September 30, 2026	December 31, 2025	September 30, 2025
Financial asset mandatorily measured at FVTPL:			
Foreign preferred stock－NAGH	$ -	-	3,483,555
Financial liabilities measured at FVTPL:			
Contingent consideration from business combinations	$ 10,287,486	10,187,370	-

In December 2025, in connection with the Group's acquisition of 100% equity interest in NAGH, the Company's investment in the preferred stock issued by NAGH was converted into the common shares of NAGH. The consideration transferred by the Group to the selling shareholders of NAGH included contingent consideration based on the achievement of certain agreed-upon performance targets over the next three years. The Group has included such additional consideration as contingent consideration, which represents the fair value at the date of acquisition. Please refer to note 6(7).

For the information of fair value of financial instruments, please refer to note 6(26)D.

(3) Financial asset at fair value through other comprehensive income ("FVOCI")

	September 30, 2026	December 31, 2025	September 30, 2025
Financial asset at FVOCI:			
Foreign listed stock－Fuji Pharma Co., Ltd.	$ 389,361	463,882	385,471

A. The Group designated above investment as financial asset at FVOCI because it intends to hold the investment for long-term strategic purposes.

B. During the three months and nine months ended September 30, 2026 and 2025, dividends of $5,802, $6,401, $11,439 and $11,795, respectively, relating to the above investment were recognized in other income.

C. In September 2026, the Group sold part of its shares in Fuji Pharma Co., Ltd. at a fair value of $52,270. The related losses of $486 were reclassified from other equity to retained earnings.

D. There was no disposal of the above investment nor transfer of any cumulative gain or loss within equity relating to the above investment for the nine months ended September 30, 2025.

(4) Financial liabilities measured at amortized cost

	September 30, 2026	December 31, 2025	September 30, 2025
Products related milestone payments:			
Current	**$ 1,319,957**	**1,332,304**	**2,139**
Non-current	**$ 1,133,962**	**1,129,663**	**130,453**

Please refer to note 6(7) of the assumed liabilities through a business combination for further details.

(5) Accounts receivable, net

	September 30, 2026	December 31, 2025	September 30, 2025
Accounts receivable	$ 8,758,885	6,707,088	2,582,447
Less: Expected credit loss allowance	(62,627)	(29,260)	(29,442)
	$ 8,696,258	**6,677,828**	**2,553,005**

The Group applies the simplified approach to measure the expected credit loss allowance, which uses lifetime expected loss provision for all accounts receivable. To measure the expected credit losses and accounts receivable are grouped based on shared credit risk characteristics and the days past due.

The expected credit loss allowances were determined as follows:

	September 30, 2026		
	Gross carrying amount	Weighted average loss rate	Expected credit loss allowance
Group 1			
Current	$ 3,104,290	- %	109
1 to 60 days past due	350,995	0.16 %	555
61 to 90 days past due	12,843	0.02 %	2
91 to 120 days past due	2,103	0.10 %	2
121 to 150 days past due	3,593	3.17 %	114
151 to 180 days past due	10,324	14.71 %	1,519
181 to 360 days past due	63,730	49.19 %	31,350
More than 360 days past due	29,022	99.84 %	28,976
	$ 3,576,900		**62,627**
Group 2			
Current	**$ 5,181,985**	- %	**-**

	December 31, 2025		
	Gross carrying amount	Weighted average loss rate	Expected credit loss allowance
Group 1			
Current	$ 2,558,606	- %	31
1 to 60 days past due	78,052	0.02 %	13
61 to 90 days past due	11,287	2.14 %	241
91 to 120 days past due	3,027	- %	-
121 to 150 days past due	63	- %	-
151 to 180 days past due	131	7.63 %	10
181 to 360 days past due	879	8.65 %	76
More than 360 days past due	29,449	98.10 %	28,889
	$ 2,681,494		**29,260**
Group 2			
Current	**$ 4,025,594**	- %	**-**

	September 30, 2025		
	Gross carrying amount	Weighted average loss rate	Expected credit loss allowance
Group 1			
Current	$ 1,758,704	- %	37
1 to 60 days past due	113,302	0.09 %	97
61 to 90 days past due	2,999	0.10 %	3
91 to 120 days past due	191	6.81 %	13
121 to 150 days past due	34	11.76 %	4
151 to 180 days past due	29	41.38 %	12
181 to 360 days past due	94	57.45 %	54
More than 360 days past due	29,427	99.30 %	29,222
	$ 1,904,780		**29,442**
Group 2			
Current	**$ 677,667**	- %	**-**

Group 1: Customer of general risk.
Group 2: Customer of low risk.

The movement in the expected credit loss allowance was as follows:

	2026	2025
Balance at January 1	$ 29,260	38,628
Expected credit loss recognized (reversed)	35,729	(8,729)
Amounts written off	(2,850)	-
Effect of exchange rate changes	488	(457)
Balance at September 30	**$ 62,627**	**29,442**

As of September 30, 2026 and December 31, 2025, certain accounts receivable were pledged as collateral; please refer to note 8. None of the accounts receivable were pledged as collateral as of September 30, 2025.

(6) Inventories

	September 30, 2026	December 31, 2025	September 30, 2025
Raw materials	$ 2,278,654	2,595,257	1,211,929
Work in progress	1,345,654	1,373,164	642,522
Finished goods and merchandise	5,182,272	5,454,743	1,935,663
Inventory in transit	165,602	226,244	140,216
	$ 8,972,182	**9,649,408**	**3,930,330**

For the three months and nine months ended September 30, 2026 and 2025, write-downs of inventories to net realizable value in the amount of $24,798, $35,179, $391,573 and $119,291, respectively, were included in the cost of sales.

As of September 30, 2026 and December 31, 2025, certain inventories were pledged as collateral; please refer to note 8. None of the inventories were pledged as collateral as of September 30, 2025.

(7) Business combinations

A. Acquisition of business

(a) On April 2, 2026, the Company’ s Board of Directors approved an Asset Purchase Agreement with Sandoz AG for the acquisition of Sandoz’ s business in the Philippines through its subsidiary, Lotus International Pte. Ltd., for a consideration of USD 40 million ($1,272,884). The acquisition is part of the Group’s strategy to expand its presence across Southeast Asia and to strengthen its position in high-value generics and biosimilars. The transaction was consummated on July 1, 2026.

(b) The Group incurred the acquisition related costs of $23,414 for legal fees, tax consultation, and other transaction related services. These costs have been included in operating expenses in the consolidated statements of comprehensive income.

(c) The following table summarizes the consideration paid for the acquired businesses and the fair values of the assets acquired at the acquisition date:

Consideration transferred (translated at the exchange rates on July 1, 2026)		**$ 1,272,884**
Fair value of the identifiable assets acquired and liabilities assumed:		
Intangible assets	$	429,598
Deferred tax liabilities		(107,400)
Fair value of identifiable net assets		322,198
Goodwill		**$ 950,686**

The goodwill is attributable mainly to the synergies expected from integrating the acquired business with the Group's existing business operations in the Philippines. None of the goodwill recognized is expected to be deductible for tax purposes.

(d) The fair value of the acquired identifiable intangible assets of $429,598 (including customer relationship and product rights in use) is provisional pending receipt of the final valuations for those assets.

(e) The evaluation of the fair value of the identifiable assets is still in progress and the relevant acquisition price allocation will be completed within a year.

B. Acquisition of subsidiaries

On September 23, 2025, to support the Company's strategic development and business expansion in the United States, the Company's Board of Directors approved the acquisition of 100% equity interest in NAGH through its subsidiary, Lotus US Financing S.à .r.l. The purchase price for the acquisition was amounting to USD 1,096,647 thousand ($34,483,181). Lotus US Financing S.à .r.l. subsequently transferred the acquired 100% equity interest in NAGH to another subsidiary of the Company, Lotus Alvogen Group Holdings S.à .r.l. followed the Group's restructuring plan. The business combination was consummated on December 3, 2025.

If the acquisition had occurred on January 1, 2025, management estimates that consolidated revenue and consolidated net income for the nine months ended September 30, 2025 would have been $28,422,566 and $4,692,706, respectively. In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the acquisition date would have been the same if the acquisition had occurred on January 1, 2025.

The Group incurred the acquisition-related costs of $256,004 on legal fees and due diligence costs. These costs have been included in operating expenses in the consolidated statements of comprehensive income.

(a) The fair value of identifiable net assets acquired, and liabilities assumed at the acquisition date were as follows:

Cash and cash equivalents	$	3,960,733
Accounts receivable, net		4,754,692
Other receivables		521,214
Inventories and other current assets		6,075,919
Property, plant and equipment		3,604,987
Right-of-use assets		479,830
Other intangible assets		15,900,045
Deferred tax assets		12,849,618
Other non-current assets		161,171
Short-term borrowings		(103,781)
Financial liabilities measured at amortized cost		(2,300,214)
Accounts payable		(4,443,714)
Other payables and other current liabilities		(3,299,997)
Long-term borrowings (including current portion)		(23,635,264)
Provisions		(4,253,773)
Deferred tax liabilities		(984,955)
Lease liabilities		(660,746)
Other non-current liabilities		(55,888)
Fair value of identifiable net assets	**$**	**8,569,877**

The fair value of other intangible assets (including product use rights) of $15,900,045 has been determined provisionally pending completion of an independent valuation.

(b) Goodwill

I. Goodwill arising from the acquisition has been recognized as follows.

Consideration transferred	$	34,483,181
Less: Fair value of identifiable net assets		(8,569,877)
Goodwill	**$**	**25,913,304**

The goodwill is attributable mainly to the synergies expected to be achieved from integrating NAGH and its subsidiaries with the Group' s existing business in the United States. None of the goodwill recognized is expected to be deductible for tax purposes.

The fair value of the assets acquired and the liabilities assumed by the Company were determined provisionally, and those amounts are subject to final evaluation. The Company will continue to review the aforesaid matters during the measurement period. If new information obtained within one year from the acquisition date about facts and circumstances that existed at the acquisition date which leads to an adjustment to the above provisional amounts, or any additional provisions as at the acquisition date, then the accounting for the acquisition will be revised.

II. Consideration transferred (translated at the exchange rates on December 3, 2025)

The detail of the consideration transferred was as follows:

Cash consideration	$	12,254,794
Fair value of previously held interest (note 6(2))		3,741,860
Preference share liabilities at fair value (Note 1)		8,458,490
Contingent consideration (Note 2)		10,187,920
Closing adjustment		(159,883)
Total	**$**	**34,483,181**

Note 1: Preference shares with fair value of $8,458,490 were issued as part of the consideration transferred for the purchase of NAGH and its subsidiaries.

Note 2: In accordance with the arrangement, if NAGH and its subsidiaries achieve the agreed-upon performance targets over the next three years, the Group shall pay the former shareholders of NAGH consideration of up to USD 500,000 thousand. Under this arrangement, the undiscounted range of all potential future payments that the Company may be required to make is between USD 0 and USD 500,000 thousand. The fair value of the contingent consideration arrangement, measured using an income approach, amounted to $10,187,920. The fair value measurement is based on significant unobservable inputs, which are classified as Level 3 inputs under IFRS 13 " Fair Value Measurement" as endorsed by the FSC; please refer to note 6(26) for further details. As of September 30, 2026 and December 31, 2025, the amount recognized in respect of this contingent consideration arrangement was measured at fair value, with changes recognized in profit or loss as a financial liability measured at fair value through profit or loss. The valuation range and the assumptions used in the estimation remained unchanged.

(8) Property, plant and equipment

The movement in the property, plant and equipment of the Group for the nine months ended September 30, 2026 and 2025, was as follows:

	Land	Buildings and plant equipment	Machinery and experiment equipment	Miscellaneous equipment	Construction in progress and inspection equipment	Leasehold improvements	Total
Cost:							
Balance at January 1, 2026	$ 624,650	4,031,316	3,348,989	272,545	657,970	127,334	9,062,804
Additions	-	4,249	13,381	26,156	538,160	9,676	591,622
Disposals	-	(2,217)	(42,469)	(7,729)	-	-	(52,415)
Reclassification	-	31,564	210,682	20,035	(308,680)	46,399	-
Effect of exchange rate changes	25,232	59,423	(80,622)	5,101	(13,192)	(4,145)	(8,203)
Balance at September 30, 2026	**$ 649,882**	**4,124,335**	**3,449,961**	**316,108**	**874,258**	**179,264**	**9,593,808**

	Land	Buildings and plant equipment	Machinery and experiment equipment	Miscellaneous equipment	Construction in progress and inspection equipment	Leasehold improvements	Total
Balance at January 1, 2025	$ 599,333	2,073,578	1,651,786	213,225	706,377	100,146	5,344,445
Additions	-	4,437	17,415	20,380	95,212	11,986	149,430
Disposals	-	(2,265)	(35,343)	(9,396)	(616)	(15,931)	(63,551)
Reclassification	-	49,584	140,589	18,574	(208,747)	-	-
Effect of exchange rate changes	(11,876)	(19,439)	(24,711)	(8,145)	(6,685)	(5,672)	(76,528)
Balance at September 30, 2025	**$ 587,457**	**2,105,895**	**1,749,736**	**234,638**	**585,541**	**90,529**	**5,353,796**
Accumulated depreciation:							
Balance at January 1, 2026	$ -	715,118	1,206,240	152,490	-	62,250	2,136,098
Depreciation	-	118,675	265,691	40,105	-	32,448	456,919
Disposals	-	(2,217)	(41,394)	(5,674)	-	-	(49,285)
Effect of exchange rate changes	-	28,763	(58,807)	4,886	-	(3,949)	(29,107)
Balance at September 30, 2026	**$ -**	**860,339**	**1,371,730**	**191,807**	**-**	**90,749**	**2,514,625**
Balance at January 1, 2025	$ -	657,122	1,082,935	149,976	-	59,052	1,949,085
Depreciation	-	46,142	118,420	21,526	-	10,226	196,314
Disposals	-	(2,265)	(35,327)	(9,117)	-	(5,693)	(52,402)
Effect of exchange rate changes	-	(12,849)	(20,619)	(6,506)	-	(4,577)	(44,551)
Balance at September 30, 2025	**$ -**	**688,150**	**1,145,409**	**155,879**	**-**	**59,008**	**2,048,446**
Carrying amounts:							
Balance at January 1, 2026	**$ 624,650**	**3,316,198**	**2,142,749**	**120,055**	**657,970**	**65,084**	**6,926,706**
Balance at September 30, 2026	**$ 649,882**	**3,263,996**	**2,078,231**	**124,301**	**874,258**	**88,515**	**7,079,183**
Balance at January 1, 2025	**$ 599,333**	**1,416,456**	**568,851**	**63,249**	**706,377**	**41,094**	**3,395,360**
Balance at September 30, 2025	**$ 587,457**	**1,417,745**	**604,327**	**78,759**	**585,541**	**31,521**	**3,305,350**

As of September 30, 2026, December 31 and September 30, 2025, certain property, plant and equipment were pledged as collateral; please refer to note 8.

(9) Right-of-use assets

The Group leases certain buildings, office equipment and vehicles. The carrying amounts of the leases for which the Group is a lessee were as follows:

	Buildings	Office equipment	Vehicles	Total
Carrying amounts:				
Balance at January 1, 2026	**$ 649,750**	**16,877**	**13,531**	**680,158**
Balance at September 30, 2026	**$ 653,556**	**18,134**	**19,645**	**691,335**
Balance at January 1, 2025	**$ 242,893**	**19,871**	**8,207**	**270,971**
Balance at September 30, 2025	**$ 187,185**	**16,620**	**11,528**	**215,333**

There was no significant addition, disposal, or recognition and reversal of impairment losses of right-of-use assets for the nine months ended September 30, 2026 and 2025. Please refer to note 6(9) of the 2025 annual consolidated financial statements for other related information.

Information on depreciation for the periods was as follow:

	Buildings	Office equipment	Vehicles	Total
Depreciation:				
For the nine months ended September 30, 2026	$ 124,931	7,941	5,399	138,271
For the nine months ended September 30, 2025	$ 75,725	7,184	4,857	87,766

As of September 30, 2026 and December 31, 2025, certain right of use assets were pledged as collateral; please refer to note 8. None of the right of use assets were pledged as collateral as of September 30, 2025.

(10) Goodwill

The carrying amounts of goodwill of the Group were as follows:

	September 30, 2026	December 31, 2025	September 30, 2025
Goodwill	$ 33,359,098	31,954,931	6,030,608

There was no significant addition, disposal, or recognition of impairment losses of goodwill for the nine months ended September 30, 2026 and 2025, except for the goodwill arising in July 2026 from the acquisition of business in the Philippines; please refer to note 6(7). Please also refer to note 6(10) of the 2025 annual consolidated financial statements for other related information.

(11) Other intangible assets

The movement in the intangible assets of the Group for the nine months ended September 30, 2026 and 2025, was as follows:

	Product Rights	Brand	In-process R&D	Capitalization of Development Expenses	Customer Relationship	Others	Total
Cost:							
Balance at January 1, 2026	$ 13,058,227	616,549	294,386	14,254,158	3,860,798	518,654	32,602,772
Acquired through a business combination	111,377	-	-	-	318,221	-	429,598
Additions	316,212	-	-	3,166,440	-	4,266	3,486,918
Disposals	(1,607)	-	-	-	-	-	(1,607)
Reclassification	628,160	-	-	(636,448)	-	8,288	-
Effect of exchange rate changes	299,392	46,799	22,346	117,351	33,481	17,668	537,037
Balance at September 30, 2026	**$ 14,411,761**	**663,348**	**316,732**	**16,901,501**	**4,212,500**	**548,876**	**37,054,718**
Balance at January 1, 2025	$ 8,562,401	635,995	303,671	3,537,101	362,708	416,277	13,818,153
Additions	1,510,534	-	-	1,059,859	-	6,744	2,577,137
Disposals	(54)	-	-	-	-	(8,621)	(8,675)
Reclassification	196,289	-	-	(250,585)	-	54,296	-
Effect of exchange rate changes	(135,206)	(22,338)	(10,666)	(46,750)	-	(10,893)	(225,853)
Balance at September 30, 2025	**$ 10,133,964**	**613,657**	**293,005**	**4,299,625**	**362,708**	**457,803**	**16,160,762**

	Product Rights	Brand	In-process R&D	Capitalization of Development Expenses	Customer Relationship	Others	Total
Accumulated amortization and impairment losses:							
Balance at January 1, 2026	$ 5,011,756	489,361	259,102	1,135,026	77,397	306,534	7,279,176
Amortization	950,734	-	6,993	-	327,899	65,308	1,350,934
Impairment losses (Note)	8,682	-	-	12,131	-	-	20,813
Effect of exchange rate changes	299,440	37,145	20,219	11,028	524	17,068	385,424
Balance at September 30, 2026	**$ 6,270,612**	**526,506**	**286,314**	**1,158,185**	**405,820**	**388,910**	**9,036,347**
Balance at January 1, 2025	$ 4,021,754	504,795	257,630	897,983	13,237	284,669	5,980,068
Amortization	736,937	-	7,116	-	23,829	33,269	801,151
Impairment losses (Note)	-	-	-	234,409	-	-	234,409
Disposals	(49)	-	-	-	-	(8,621)	(8,670)
Effect of exchange rate changes	(104,471)	(17,730)	(9,186)	(11,668)	-	(9,986)	(153,041)
Balance at September 30, 2025	**$ 4,654,171**	**487,065**	**255,560**	**1,120,724**	**37,066**	**299,331**	**6,853,917**
Carrying amounts:							
Balance at January 1, 2026	**$ 8,046,471**	**127,188**	**35,284**	**13,119,132**	**3,783,401**	**212,120**	**25,323,596**
Balance at September 30, 2026	**$ 8,141,149**	**136,842**	**30,418**	**15,743,316**	**3,806,680**	**159,966**	**28,018,371**
Balance at January 1, 2025	**$ 4,540,647**	**131,200**	**46,041**	**2,639,118**	**349,471**	**131,608**	**7,838,085**
Balance at September 30, 2025	**$ 5,479,793**	**126,592**	**37,445**	**3,178,901**	**325,642**	**158,472**	**9,306,845**

Note: The Group recognized impairment losses on certain product use rights and capitalized development projects, reflecting lower forecast sales and management' s decisions to discontinue development where increases in the estimated costs to complete made further development no longer economically viable. The impairment losses were recorded in operating expenses.

As of September 30, 2026, December 31, 2025, certain other intangible assets were pledged as collateral; please refer to note 8. None of the other intangible assets were pledged as collateral as of September 30, 2025.

(12) Long-term accounts receivable

The long-term accounts receivable were summarized as follows:

	September 30, 2026	December 31, 2025	September 30, 2025
Long-term accounts receivable	$ 168,860	217,619	186,866
Less: Discount	(11,040)	(15,605)	(17,793)
	157,820	202,014	169,073
Less: Current portion (classified as accounts receivable, net)	(47,425)	(88,161)	(43,873)
Total	**$ 110,395**	**113,853**	**125,200**

In the first quarter of 2024, the Group entered into an agreement with a third-party distributor for a total consideration of KRW 3.15 billion ($73,773), payable in equal instalments over six years from 2024 to 2029.

In the third quarter of 2023, the Court issued final judgment requiring a third-party distributor to pay KRW 9 billion ($210,780) in compensation, payable in equal instalments over six years from 2023 to 2028.

As of September 30, 2026, December 31 and September 30, 2025, no expected credit loss was recognized.

(13) Short-term borrowings

The short-term borrowings were summarized as follows:

	September 30, 2026	December 31, 2025	September 30, 2025
Unsecured bank loans	$ 2,345,502	1,517,678	1,516,656
Unsecured loans from other financial institutions	67,217	91,064	-
	$ 2,412,719	**1,608,742**	**1,516,656**
Unused credit line	**$ 210,780**	**195,910**	**194,990**
Range of interest rates	**2.09%~6.39%**	**2.08%~6.94%**	**2.10%~3.70%**

(14) Long-term borrowings

The long-term borrowings were summarized as follows:

	September 30, 2026	December 31, 2025	September 30, 2025
Unsecured bank loans	$ 234,200	217,677	216,656
Secured bank loans	22,910,441	20,815,963	9,919,810
Secured loans from other financial institutions	23,846,549	23,955,281	537,568
	46,991,190	44,988,921	10,674,034
Less: Current portion	(4,383,416)	(2,541,466)	(4,236,415)
Total	**$ 42,607,774**	**42,447,455**	**6,437,619**
Unused credit line	**$ 421,598**	**4,973,100**	**1,050,000**
Range of maturity period (year/month)	**2026/10~2029/03**	**2026/05~2029/03**	**2025/10~2026/10**
Range of interest rates	**3.20%~14.23%**	**3.20%~14.81%**	**3.09%~6.04%**

In September 2025, the Company entered into a syndicated loan facility in an aggregate amount of $21,730,000 equivalent with a syndicate of banks led by CTBC. Pursuant to the terms set forth in the loan agreement, the facility is subject to the following financial covenants: (i) the net leverage ratio of the Group shall not exceed 3.75 times and the net leverage ratio of the Group (excluding subsidiaries in Korea and the United States) shall not exceed 3.5 times, and (ii) interest cover ratio of the Group must exceed 3 times.

In December 2025, the Group's subsidiary in Korea entered into a syndicated loan facility in an aggregate amount of KRW 120 billion ($2,810,398) with the banks led by Shinhan Bank. Pursuant to the terms set forth in the loan agreement, the net leverage ratio of Alvogen Korea must be less than 4.25 times.

Alvogen Pharma US, Inc.'s first lien term loan is subject to financial covenants requiring the net leverage ratio not to exceed 3.5 times on an annualized trailing six-month basis and 2.5 times on a trailing twelve-month basis, decreasing to 2.0 times from March 31, 2027. Alvogen Pharma US, Inc. and the lenders entered into an amendment to the loan agreement, effective as of September 30, 2026, pursuant to which the financial covenant testing requirements originally applicable to September 30, 2026 were replaced. Accordingly, compliance with the financial covenants was not required to be tested as of September 30, 2026. As of September 30, 2026, the carrying amount of the aforementioned loan classified as non-current was USD 463,340 thousand ($14,711,733).

The Group complied with the abovementioned financial covenants as of June 30, 2026 and December 31, 2025.

For assets pledged as collateral for aforementioned long-term borrowings, please refer to note 8.

(15) Lease liabilities－current and non-current

The carrying amounts of the lease liabilities were as follows:

	September 30, 2026	December 31, 2025	September 30, 2025
Current	$ 171,249	159,630	83,062
Non-current	$ 714,325	718,622	142,693

Please refer to note 6(26) for the maturity analysis.

The amounts recognized in profit or loss were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2026	2025	2026	2025
Interest expenses on lease liabilities	$ 14,515	3,595	42,349	11,337
Expenses relating to short-term leases	$ 5,197	2,928	11,114	9,959
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	$ 267	219	805	574

The amounts recognized in the statements of cash flows for the Group were as follows:

	For the nine months ended September 30,	
	2026	2025
Total cash outflow for leases	$ 198,795	107,103

A. Real estate leases

The Group leases buildings for its office space and residential property. The leases typically run for a period of one to ten years. Certain leases include an option to renew the lease for an additional period after the end of the contract term.

Certain leases also require the Group to make payments that relate to the property taxes levied on the lessor and insurance payments made by the lessor; these amounts are generally determined annually.

B. Other leases

The Group leases transportation equipment and office equipment with contract terms of one to five years. In certain cases, the Group has options to purchase the assets at the end of the contract term; in other cases, it guarantees the residual value of the leased assets at the end of the contract term.

Certain of the transportation equipment and office equipment leases are short-term or for low-value items. The Group has elected not to recognize its right-of-use assets and lease liabilities for these leases.

(16) Preference share liabilities

	September 30, 2026	December 31, 2025	September 30, 2025
Redeemable Preferred Stock	$ 8,663,844	8,458,032	-

On December 3, 2025, the Company's subsidiary, Lotus US Financing S.à .r.l. issued 228,387 redeemable preferred shares as part of the consideration for the 100% equity acquisition of NAGH, please refer to note 6(7) for further details.

According to the issuance terms, the key features of the shares are as follows:

A. Redemption Obligation: The term is three years from the closing date. The Group is obligated to redeem all outstanding preferred shares at maturity, with an option for early redemption.

B. Dividend Distribution: Dividends are set at escalating annual rates (11%, 17.5%, and 20% for Years 1 to 3, respectively) payable in kind or in cash, or a combination thereof, as determined by the agreement.

C. Conversion Rights: Any portion not fully redeemed at maturity will be automatically converted into common shares of Lotus Alvogen Group Holdings S.à .r.l. at a conversion ratio determined in the agreement.

For the three months and nine months ended September 30, 2026, the Group recognized $37,270 and $122,887 of interest expense on preference share liabilities, respectively. Please refer to note 6(25).

(17) Provisions－current and non-current

	Estimated return of goods	Employee benefit obligations	Rebate	Other	Total
Balance at January 1, 2026	$ 1,311,868	126,013	2,849,867	27,856	4,315,604
Provisions made	672,470	31,349	4,982,189	144	5,686,152
Provisions used	(640,217)	(30,962)	(5,343,417)	(18,784)	(6,033,380)
Effect of exchange rate changes	14,810	3,998	22,506	632	41,946
Balance at September 30, 2026	1,358,931	130,398	2,511,145	9,848	4,010,322
Less: current	(1,358,931)	-	(2,511,145)	(3,995)	(3,874,071)
Non-current	**$ -**	**130,398**	**-**	**5,853**	**136,251**
Balance at January 1, 2025	$ 43,374	32,312	-	10,745	86,431
Provisions made	19,525	3,298	-	4,025	26,848
Provisions used	(8,099)	(6,081)	-	(3,532)	(17,712)
Effect of exchange rate changes and others	(1,595)	(941)	-	(98)	(2,634)
Balance at September 30, 2025	53,205	28,588	-	11,140	92,933
Less: current	(53,205)	-	-	(5,916)	(59,121)
Non-current	**$ -**	**28,588**	**-**	**5,224**	**33,812**

(18) Employee benefits

A. Defined benefit plans

Management believes that there were no material volatility of the market, no material reimbursement and settlement or other material one-time events since prior fiscal year. As a result, the pension cost in the accompanying interim period was measured and disclosed according to the actuarial reports as of December 31, 2025 and 2024.

The pension cost recognized in profit or loss for the three months and nine months ended September 30, 2026 and 2025 were $53,873, $32,862, $155,903 and $101,560, respectively.

B. Defined contribution plans

In accordance with the provisions of the Labor Pension Act, the Company contributes 6% of its employees' monthly wages to their labor pension personal accounts of the Bureau of Labor Insurance, Ministry of Labor (hereinafter referred to as the Bureau of Labor Insurance).

Under this defined contribution plan, the Company contributes a fixed amount to the Bureau of Labor Insurance without additional legal or constructive obligations.

Foreign subsidiaries within the Group have also set up defined contribution plans, as necessary, in accordance with the regulations in respective countries.

The total pension costs under the defined contribution plans were $41,696, $14,890, $140,976 and $42,852 for the three months and nine months ended September 30, 2026 and 2025, respectively.

(19) Income tax

A. Income tax expense (income)

The components of income tax for the three months and nine months ended September 30, 2026 and 2025 were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2026	**2025**	**2026**	**2025**
Current tax expense (income)				
Current period	$ (48,766)	397,563	338,481	803,438
Adjustments in respect of prior years	(508)	(6)	13,772	105
Unappropriated earnings tax	-	-	105,166	-
Income tax expense (income)	**$ (49,274)**	**397,557**	**457,419**	**803,543**

B. The amounts of income tax recognized in other comprehensive income for the three months and nine months ended September 30, 2026 and 2025 were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2026	**2025**	**2026**	**2025**
Items that will not be reclassified subsequently to profit or loss:				
Unrealized income on equity instruments at fair value through other comprehensive income	**$ 14,277**	**-**	**-**	**-**

C. Income tax assessments

As of September 30, 2026, the tax authorities have completed the examination of the Company's income tax returns through 2022, except for 2021, for which the examination has not yet been finalized.

(20) Capital and other equity

Except for the following disclosure, there was no significant change in capital and other equity for the periods from January 1 to September 30, 2026 and 2025. For the related information, please refer to note 6(20) of the 2025 annual consolidated financial statements.

A. Share capital

On June 18, 2025, November 7, 2024, August 8, 2024, March 14, 2024 and August 10, 2023, the Board of Directors approved the issuance of 1,230 thousand, 200 thousand, 170 thousand, 560 thousand and 2,487 thousand shares, respectively, under the 2023 RSA Plan. Please refer to note 6(21). The relevant statutory registration procedures have since been completed.

About the cancellation of the forfeited shares under the 2019 Employee Restricted Stock Awards Plan (the "2019 RSA Plan") and the 2023 Employee Restricted Stock Awards Plan (the "2023 RSA Plan"), please refer to note 6(21).

On June 16, 2026, the shareholders approved to appropriate $34,165 thousand from the earnings for 2025 as stock dividends and issue 3,417 thousand new shares through capitalization with a par value of NT$10 per share in the shareholders' meeting. The record date for the capital increase was on September 6, 2026.

B. Capital surplus

The ending balances of capital surplus were as follows:

	September 30, 2026	December 31, 2025	September 30, 2025
Additional paid-in capital	$ 5,926,351	5,692,533	5,681,333
Treasury share transactions	134,683	37,131	37,131
Conversion of convertible bonds	1,268,876	1,268,876	1,268,876
Restricted stock awards	388,144	643,095	653,794
	$ 7,718,054	**7,641,635**	**7,641,134**

According to the R.O.C. Company Act, capital surplus can only be used to offset a deficit, and only the realized capital surplus can be used to increase the common stock or be distributed as cash dividends.

For the details about treasury share transactions and restricted stock awards, please refer to note 6(21).

C. Retained earnings

According to the articles of incorporation, in years of earnings, the Company has to offset any accumulated deficit, pay income tax, and appropriate 10% of the balance as a legal reserve before distribution of earnings, unless the amount in the legal reserve is already equal to or greater than the total paid-in capital. Thereafter, any remainder shall be set aside or reversed as special reserve in accordance with the relevant laws and regulations. Distribution of the remaining profit after setting aside the abovementioned amounts, together with the balance of the unappropriated retained earnings of the previous year, shall be proposed by the Board of Directors during the shareholders' meeting for approval.

The Board of Directors is authorized to pay dividends and bonuses, legal reserves, and capital surpluses in whole or in part in cash, providing a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors and such a resolution shall be reported to the shareholders' meeting. If the Company incurs no loss, it may, pursuant to a resolution by a shareholders' meeting, distribute its legal reserve by distributing cash, and only the portion of legal reserve which exceeds 25% of capital may be distributed.

In allocating dividends from distributable earnings, among which cash dividend shall not be less than 10% of total distribution, the Company takes into consideration its future capital demand, long-term financial planning, the cash inflow demand of the shareholders, plans for corporate growth, and the operating environment. During their meeting, the shareholders may adjust the Board of Directors' proposal and percentage of appropriations depending on the Company's actual profit and capital situation.

Pursuant to relevant laws or regulations or as requested by the local authority, total net debit balance of the other components of equity shall be set aside from current earnings as special reserve, and not for distribution. Subsequent decrease pertaining to items that are accounted for as a reduction to the other components of equity shall be reclassified from special reserve to undistributed earnings.

D. Earnings distribution

The appropriation of earnings for 2024 was approved by the Board of Directors on March 6, 2025; cash dividend at $5.73 dollars per share in the amount of $1,519,653 was approved. The appropriation of earnings to legal reserve and special reserve was approved in the shareholders' meeting held on June 26, 2025.

The appropriation of earnings for 2025 was approved by the Board of Directors on March 12, 2026; cash dividend at $2.56 dollars per share in the amount of $673,843 and stock dividend at $0.13 dollars per share in the amount of $34,165 were approved. Stock dividend and the remaining items were approved in the shareholders' meeting held on June 16, 2026.

The information related to the appropriation of earnings is available on the Market Observation Post System website.

E. Treasury shares

During the second quarter of 2025 and during the third quarter of 2021, the Company repurchased 3,650 thousand and 550 thousand shares as treasury shares with an amount of $780,988 and $57,354, respectively, for the purposes of transferring to employees in accordance with the requirements under section 28(2) of the Securities and Exchange Act.

On August 13, 2026, March 6, 2025, April 30, 2024 and August 10, 2023, the Board of Directors approved the transfer of 912 thousand, 50 thousand, 26 thousand and 66 thousand treasury shares, respectively, to employees. As of September 30, 2026, December 31 and September 30, 2025, 484, 136 and 136 thousand treasury shares, respectively, were transferred. Please refer to note 6(21) for the details.

On September 28, 2026, the Board of Directors approved to cancel 119 thousand of the forfeited shares, respectively.

As of September 30, 2026, December 31 and September 30, 2025, the number of shares yet to be transferred were 3,597, 4,064 and 4,064 thousand shares, respectively.

About the information of forfeited shares under the 2023 RSA Plans, please refer to note 6(21).

In accordance with the Securities and Exchange Act, treasury shares held by the Company should not be pledged and should not hold any shareholder rights before their transfer.

(21) Share-based payment

A. 2019 RSA Plan

On June 24, 2019, the Company' s shareholders approved the 2019 RSA Plan for eligible employees. On May 14 and November 12, 2020, the Board of Directors approved the issuance of 2,190 thousand and 50 thousand shares, respectively, under the 2019 RSA Plan. The Plan was executed and completed in the second quarter of 2025. Please refer to note 6(21) to the consolidated financial statements for the year ended December 31, 2025.

B. 2023 RSA Plan

On June 15, 2023, the Company's shareholders approved the 2023 RSA Plan to issue new ordinary shares. Except for the following disclosure, there was no significant change in the 2023 RSA Plan for the periods from January 1 to September 30, 2026 and 2025. For the related information, please refer to note 6(21) of the 2025 annual consolidated financial statements.

As of September 30, 2026, the number of shares forfeited under the 2023 RSA Plan was 384 thousand shares. On August 13, 2026, December 18, 2025, November 12, 2025, January 21, 2025 and August 8, 2024, the Board of Directors approved to cancel 136 thousand, 50 thousand, 120 thousand, 32 thousand and 30 thousand of the forfeited shares, respectively.

As of September 30, 2026, December 31 and September 30, 2025, there were 0 thousand, 0 thousand and 353 thousand shares, respectively, available for future grants under the 2023 RSA Plan.

C. The movement in the unearned share-based payments was as follows:

	2026	2025
Balance at January 1	$ (353,768)	(410,771)
Granted	-	(237,626)
Share-based payment costs	147,793	207,477
Change of estimation	21,266	23,266
Balance at September 30	**$ (184,709)**	**(417,654)**

D. Employee treasury shares

The Company used Black-Scholes option pricing model in measuring the fair value of the share-based payment at the grant date. The Company recognized compensation cost amounting to $20,475 and $7,796 for the nine months ended September 30, 2026 and 2025, respectively.

Grant date	Total shares granted (thousands)	Vesting conditions	Share price	Exercise price	Fair value per unit
May 19, 2024	26	Note 1	301	10	291
April 1, 2025	50	Vest immediately	234	104.28	129.72
August 20,2026	295	Note 2	195	10	185
August 20,2026	53	Note 3	195	10	185
September 14, 2026	500	Note 4	173.5	10	163.5

Note 1: 14,000 shares was vested immediately on the grant date and 12,000 shares has been vested in the second quarter of 2026.

Note 2: 4,500 shares was vested immediately on the grant date and 290,000 will be vested in two instalments upon satisfaction of service condition in 2027.

Note 3: 6,000 shares was vested immediately on the grant date and 47,000 shares will be vested upon satisfaction of service condition in 2027.

Note 4: 500,000 shares will be vested upon satisfaction of service condition in 2027.

The movement in the unearned share-based payments related to the employee treasury shares was as follows:

	2026	2025
Balance at January 1	$ (327)	(1,855)
Granted	(144,095)	-
Share-based payment costs	18,533	1,310
Balance at September 30	**$ (125,889)**	**(545)**

(22) Earnings (loss) per share

The calculation of basic earnings (loss) per share and diluted earnings (loss) per share was as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2026	2025	2026	2025
Basic earnings (loss) per share				
Net income (loss) attributable to owners of the Company	**$ (107,989)**	**1,434,709**	**1,101,464**	**3,598,403**
Weighted average number of ordinary shares (in thousands)	**263,670**	**262,603**	**263,443**	**263,776**
Basic earnings (loss) per share (in dollars)	**$ (0.41)**	**5.46**	**4.18**	**13.64**
Diluted earnings (loss) per share				
Net income (loss) attributable to owners of the Company	**$ (107,989)**	**1,434,709**	**1,101,464**	**3,598,403**
Weighted average number of ordinary shares (in thousands)	263,670	262,603	263,443	263,776
Effect of dilutive potential ordinary shares				
Share-based payment to employees (in thousands)	-	846	923	852
Remuneration to employees (in thousands)	-	152	86	152
Weighted average number of ordinary shares (diluted) (in thousands)	**263,670**	**263,601**	**264,452**	**264,780**
Diluted earnings (loss) per share (in dollars)	**$ (0.41)**	**5.44**	**4.17**	**13.59**

The weighted-average number of ordinary shares outstanding used in the computation of basic and diluted earnings per share for the current and prior periods has been retrospectively adjusted to reflect the stock dividend approved at the shareholders' meeting on June 16, 2026.

For the three months ended September 30, 2026, the Company incurred a net loss after tax. Accordingly, potential ordinary shares were anti-dilutive and therefore excluded from the calculation of diluted earnings per share.

(23) Revenue from contracts with customers

A. Disaggregation of revenue

	For the three months ended September 30, 2026		
	Pharmaceuticals Segment	Other Segment	Total
Primary geographical markets:			
United States	$ 3,842,260	1,537	3,843,797
South Korea	1,530,439	-	1,530,439
Taiwan	645,007	-	645,007
Malta	405,471	3,252	408,723
Others	915,525	21,843	937,368
	$ 7,338,702	**26,632**	**7,365,334**
Major products/services lines:			
Sale of goods	$ 7,316,536	-	7,316,536
Out-licensing of IP rights	19,056	-	19,056
Services and others	3,110	26,632	29,742
	$ 7,338,702	**26,632**	**7,365,334**

	For the three months ended September 30, 2025		
	Pharmaceuticals Segment	Other Segment	Total
Primary geographical markets:			
United States	$ 1,539,927	10,872	1,550,799
South Korea	1,650,761	-	1,650,761
Taiwan	627,194	-	627,194
Malta	220,156	4,342	224,498
Others	697,172	20,275	717,447
	$ 4,735,210	**35,489**	**4,770,699**
Major products/services lines:			
Sale of goods	$ 4,698,511	-	4,698,511
Out-licensing of IP rights	35,923	-	35,923
Services and others	776	35,489	36,265
	$ 4,735,210	**35,489**	**4,770,699**

	For the nine months ended September 30, 2026		
	Pharmaceuticals Segment	Other Segment	Total
Primary geographical markets:			
United States	$ 14,351,822	5,222	14,357,044
South Korea	4,432,482	-	4,432,482
Taiwan	1,912,490	43	1,912,533
Malta	1,880,987	10,033	1,891,020
Others	2,169,022	56,318	2,225,340
	$ 24,746,803	**71,616**	**24,818,419**
Major products/services lines:			
Sale of goods	$ 24,542,432	-	24,542,432
Out-licensing of IP rights	173,189	-	173,189
Services and others	31,182	71,616	102,798
	$ 24,746,803	**71,616**	**24,818,419**

	For the nine months ended September 30, 2025		
	Pharmaceuticals Segment	Other Segment	Total
Primary geographical markets:			
United States	$ 5,374,714	44,011	5,418,725
South Korea	4,532,120	-	4,532,120
Taiwan	1,925,048	-	1,925,048
Malta	642,874	21,826	664,700
Others	1,650,089	56,826	1,706,915
	$ 14,124,845	**122,663**	**14,247,508**
Major products/services lines:			
Sale of goods	$ 14,014,543	-	14,014,543
Out-licensing of IP rights	107,609	-	107,609
Services and others	2,693	122,663	125,356
	$ 14,124,845	**122,663**	**14,247,508**

B. Contract balances

	September 30, 2026	December 31, 2025	September 30, 2025	January 1, 2025
Contract assets－current	$ 52,030	184,878	112,669	221,774
Contract liabilities－current	$ 127,252	179,157	171,801	180,900
Contract liabilities－non-current	$ 10,747	16,287	18,531	26,563

For details on accounts receivable, net and expected credit loss allowance, please refer to note 6(5). For details on accounts receivable－related parties, please refer to note 7.

The amount of $79,285 and $37,414 included in contract liabilities balance at the beginning of the year has been recognized as revenue for the nine months ended September 30, 2026 and 2025, respectively.

(24) Remuneration to employees and directors

On June 26, 2025, the Company resolved at the shareholders' meeting to amend its Articles of Incorporation. According to the amended Articles, if the Company has profit in a given fiscal year, the profit shall be used to offset against any accumulated losses incurred by the Company. Then, a minimum of 1% will be distributed as employee remuneration, with at least one-third of this amount distributed to non-executive employees, and no more than 10% of the annual profit as directors' remuneration. Employees who are entitled to receive the above-mentioned employee remuneration, in share or cash, include the employees of the Company' s subsidiaries who meet certain specific requirements.

For the three months and nine months ended September 30, 2026 and 2025, the Company accrued and recognized employee remuneration amounting to ($364), $17,142, $15,420 and $39,625, respectively; however, no remuneration to directors was accrued for both periods. These amounts were calculated by using the Company's income before income tax for the period before deducting the amounts of the remuneration to employees and directors, multiplied by the distribution of ratio of the remuneration to employees and directors based on the Company's articles of incorporation, and expensed under cost of sales or expenses. If there would be any changes after the reporting date, the changes shall be accounted for as changes in accounting estimates and recognized as profit or loss in the following year. If, however, the Board of Directors determines that the employee remuneration is to be distributed through stock dividends, the calculation, based on the shares, shall be calculated using the stock price on the day before the approval by the Board of Directors.

For the years ended December 31, 2025 and 2024, the remunerations to employees amounted to $55,296 and $61,832, respectively, and no remunerations to directors. There is no difference between the remuneration to employees and directors and the actual distribution in 2025 and 2024. The related information about remuneration to employees and directors is available at the Market Observation Post System website.

(25) Non-operating income and expenses

A. Other gains and losses

The details of other gains and losses were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2026	2025	2026	2025
Losses on disposal of property, plant and equipment	$ -	(645)	(713)	(11,035)
Gains on disposal of intangible assets	17,649	1,347	17,649	1,347
Gains on financial asset at FVTPL	-	615,878	-	294,696
Foreign exchange gains (losses)	55,818	153,872	(147,990)	(62,209)
Gains on financial liabilities at amortized cost	166,267	-	160,062	95,001
Others	(20,458)	(39,491)	(41,968)	(48,835)
	$ 219,276	**730,961**	**(12,960)**	**268,965**

B. Finance costs

The details of finance costs were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2026	2025	2026	2025
Interest expenses on borrowings	$ 1,208,772	119,607	3,509,685	376,362
Interest expenses on lease liabilities	14,515	3,595	42,349	11,337
Interest expenses on preference share liabilities	37,270	-	122,887	-
Others	8,061	3,592	22,194	12,919
	$ 1,268,618	**126,794**	**3,697,115**	**400,618**

(26) Financial instruments

Except as described in the following paragraphs, there was no significant change in the fair value of the Group's financial instruments and degree of exposure to credit risk, liquidity risk and market risk arising from financial instruments. For related information, please refer to note 6(26) of the 2025 annual consolidated financial statements.

A. Credit risk

For credit risk exposure of accounts receivable (including related parties), please refer to notes 6(5) and 7.

The Group deposits its cash and cash equivalents with various reputable financial institutions. Management performs periodic evaluation on the relative credit standing of these financial institutions and limits the amount of credit exposure with any one institution. Management believes that there is a limited concentration of credit risk in cash and cash equivalents.

B. Liquidity risk

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

	Carrying amount	Contractual cash flows	Within 1 year	1~2 years	2~3 years	3~5 years	Over 5 years
September 30, 2026							
Non-derivative financial liabilities							
Financial liabilities measured at FVTPL－non-current	$ 10,287,486	13,707,123	-	-	13,707,123	-	-
Financial liabilities measured at amortized cost－current and non-current	2,453,919	7,733,625	1,570,220	2,824,844	2,047,838	656,877	633,846
Short-term borrowings	2,412,719	2,437,653	2,437,653	-	-	-	-
Notes and accounts payable	3,641,775	3,641,775	3,641,775	-	-	-	-
Other payables (including related parties)	3,263,784	3,263,784	3,263,784	-	-	-	-
Long-term borrowings (including current portion)	46,991,190	55,696,827	6,713,974	20,338,899	28,643,954	-	-
Lease liabilities－current and non-current	885,574	1,055,878	217,585	218,596	156,608	222,201	240,888
Preference share liabilities－non- current	8,663,844	8,763,264	-	-	8,763,264	-	-
	$ 78,600,291	**96,299,929**	**17,844,991**	**23,382,339**	**53,318,787**	**879,078**	**874,734**
December 31, 2025							
Non-derivative financial liabilities							
Financial liabilities measured at FVTPL－non-current	$ 10,187,370	13,573,727	-	-	13,573,727	-	-
Financial liabilities measured at amortized cost－current and non-current	2,461,967	2,854,407	1,395,104	1,203,046	209,093	-	47,164
Short-term borrowings	1,608,742	1,617,999	1,617,999	-	-	-	-
Notes and accounts payable	2,416,233	2,416,233	2,416,233	-	-	-	-
Other payables (including related parties)	3,018,004	3,018,004	3,018,004	-	-	-	-
Long-term borrowings (including current portion)	44,988,921	56,471,516	6,244,587	11,583,192	35,923,526	2,720,211	-
Lease liabilities－current and non-current	878,252	1,068,783	206,085	181,847	153,374	210,278	317,199
Preference share liabilities－non- current	8,458,032	8,677,981	-	-	8,677,981	-	-
	$ 74,017,521	**89,698,650**	**14,898,012**	**12,968,085**	**58,537,701**	**2,930,489**	**364,363**

	Carrying amount	Contractual cash flows	Within 1 year	1~2 years	2~3 years	3~5 years	Over 5 years
September 30, 2025							
Non-derivative financial liabilities							
Financial liabilities measured at amortized cost－current and non-current	$ 132,592	167,477	2,139	328	165,010	-	-
Short-term borrowings	1,516,656	1,524,574	1,524,574	-	-	-	-
Notes and accounts payable (including related parties)	1,051,012	1,051,012	1,051,012	-	-	-	-
Other payables (including related parties)	1,237,178	1,237,178	1,237,178	-	-	-	-
Long-term borrowings (including current portion)	10,674,034	11,053,869	4,535,148	6,518,721	-	-	-
Lease liabilities－current and non-current	225,755	247,692	93,138	80,716	55,987	17,851	-
	$ 14,837,227	**15,281,802**	**8,443,189**	**6,599,765**	**220,997**	**17,851**	**-**

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

C. Market risk

(a) Currency risk

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

	September 30, 2026			December 31, 2025			September 30, 2025		
	Foreign Currency	Exchange Rate	NTD	Foreign Currency	Exchange Rate	NTD	Foreign Currency	Exchange Rate	NTD
Financial assets									
Monetary items									
USD	$ 77,184	31.75	2,450,708	105,735	31.44	3,324,573	129,624	30.56	3,960,985
EUR	36,874	36.20	1,334,899	25,744	37.07	954,348	26,076	35.71	931,201
Non-monetary items									
USD	-	-	-	-	-	-	114,000	30.56	3,483,555
Financial liabilities									
Monetary items									
USD	396,324	31.75	12,583,881	403,539	31.44	12,688,275	47,922	30.56	1,464,377
EUR	3,126	36.20	113,166	6,536	37.07	242,294	572	35.71	20,427

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts receivable (including related parties), other receivables (including related parties), financial asset at FVTPL, notes and accounts payable (including related parties), other payables (including related parties), long term borrowings and other non-current liabilities that are denominated in foreign currency.

A weakening or strengthening of 5% of the NTD against the USD and EUR for the nine months ended September 30, 2026 and 2025, with all other variable factors remaining constant, would have increased or decreased the income before income tax by ($445,572) and $170,369, respectively.

With varieties of functional currencies within the Group, the information on foreign exchange gain or loss on monetary items was disclosed based on the total amount. For the three months and nine months ended September 30, 2026 and 2025, the foreign exchange gains (losses) (including realized and unrealized portions) amounted to $55,818, $153,872, ($147,990) and ($62,209), respectively.

(b) Interest rate risk

The Group's exposure to interest rate risk arises mainly from outstanding bank and other financial institutions borrowings carried at floating interest rates, wherein the cash flow risk arises from the changes in interest rates.

Assuming the amount of floating-rate bank borrowings at the reporting date had been outstanding throughout the year, with all other variable factors remaining constant, as the interest rate increases or decreases by 0.05%, the Group's income before income tax would have decreased or increased by $15,456 and $2,447 for the nine months ended September 30, 2026 and 2025, respectively.

(c) Other market value risk

The Group's exposure to equity price risk arises from its investment in financial asset at FVOCI.

Assuming an increase or a decrease by 10% in the securities price at the reporting date, the Group's other comprehensive income would have increased or decreased by $38,936 and $38,547 for the nine months ended September 30, 2026 and 2025, respectively.

D. Fair value of financial instruments

The Group strives to use market observable inputs when measuring assets and liabilities. Different levels of the fair value hierarchy to be used in determining the fair value of financial instruments are as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the assets or liability that are not based on observable market data.

For any transfer within the fair value hierarchy, the impact of the transfer is recognized on the reporting date.

Except as described in the following table, the Group considers the carrying amounts of financial instruments, including cash and cash equivalents, accounts receivable (including related parties), other receivables (including related parties), long-term accounts receivable, notes and accounts payable (including related parties), other payables (including related parties) and lease liabilities, approximate their fair value, disclosure of fair value information is not required.

The following table presents the carrying amount and fair value of the Group' s financial instruments measured at fair value on a recurring basis:

	September 30, 2026				
	Book Value	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial asset at FVOCI					
Foreign listed stock	$ 389,361	389,361	-	-	389,361
Financial liabilities at FVTPL					
Contingent consideration from business combinations	$ 10,287,486	-	-	10,287,486	10,287,486

	December 31, 2025				
	Book Value	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial asset at FVOCI					
Foreign listed stock	$ 463,882	463,882	-	-	463,882
Financial liabilities at FVTPL					
Contingent consideration from business combinations	$ 10,187,370	-	-	10,187,370	10,187,370

	September 30, 2025				
	Book Value	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial asset at FVTPL					
Foreign preferred stock	$ 3,483,555	-	-	3,483,555	3,483,555
Financial asset at FVOCI					
Foreign listed stock	$ 385,471	385,471	-	-	385,471

(a) Valuation techniques and assumptions used in fair value measurement

The Group's investment in foreign listed stock is traded in an active market. The fair value is determined with reference to quoted market prices.

The Group' s investment in foreign preferred stock without an active market is initially recognized at the fair value of the cash consideration paid and is subsequently remeasured to fair value based on valuation technique. Management reviews the policy and procedures of fair value measurement at least once at the end of the annual reporting period, or more frequently as deemed necessary.

For the measurement of contingent consideration from business combination, please refer note 6(26)D(d) for more details.

(b) Transfer between levels

There was no transfer between levels for the nine months ended September 30, 2026 and 2025.

(c) Reconciliation of Level 3 fair values

For the nine months ended September 30, 2025, the changes of fair values $294,696 was recognized in profit or loss.

About the conversion of the preferred stock investment to the common shares investment in NAGH, please refer to note 6(2).

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

The Group's financial instrument that use Level 3 inputs to measure fair value is financial asset or liabilities at FVTPL.

Quantified information of significant unobservable inputs was as follows:

Item	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Financial asset at FVTPL－non-current	Discounted Cash Flow Method	· Minority Discount rate (17.3% at Sep. 30, 2025.)	· The estimated fair value would decrease if the minority discount rate were higher.
		· Estimated stock price (USD 1,999.60 at Sep. 30, 2025.)	· The estimated fair value would increase if the estimated stock price were higher.
Financial liabilities at FVTPL－non-current	Discounted Cash Flow method	· Discount rate (9.8% and 9.8% at Sep. 30, 2026 and Dec 31, 2025, respectively.)	· The estimated fair value would decrease if the discount rate were higher.

(e) Fair value measurements in Level 3－sensitivity analysis of reasonably possible alternative assumptions

If there is a change in assumption as of September 30, 2026, December 31 and September 30, 2025, the impact on the fair value of financial asset or liabilities at FVTPL would be as follows:

	Impact on income statement	
	Increased	Decreased
Financial liabilities at FVTPL－non-current:		
Balance at September 30, 2026		
Discount rate (1.00% movement)	**$ 308,701**	**(266,998)**
Balance at December 31, 2025		
Discount rate (1.00% movement)	**$ 305,697**	**(264,400)**

	Impact on income statement	
	Increased	**Decreased**
Financial asset at FVTPL－non-current:		
Balance at September 30, 2025		
Estimated stock price (5.00% movement)	**$ 174,178**	**(174,178)**

(27) Capital management

Management believes that the objectives, policies and processes of capital management of the Group has been applied consistently with those described in the 2025 annual consolidated financial statements. Also, management believes that there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2025. Please refer to note 6(27) of the 2025 annual consolidated financial statements for further details.

(28) Financing activities not affecting current cash flow

The Group's financing activities which did not affect the current cash flow were as follows:

A. For leased right-of-use assets, please refer to note 6(9).

B. Reconciliations of liabilities arising from financing activities were as follows:

	January 1, 2026	**Cash flow**	**Foreign exchange movement**	**Others**	**September 30, 2026**
Short-term borrowings	$ 1,608,742	709,187	21,335	73,455	2,412,719
Long-term borrowings (including current portion) (Note 1)	44,988,921	793,289	587,598	621,382	46,991,190
Lease liabilities (Note 2)	878,252	(144,527)	9,606	142,243	885,574
Total liabilities from financing activities	**$ 47,475,915**	**1,357,949**	**618,539**	**837,080**	**50,289,483**

	January 1, 2025	**Cash flow**	**Foreign exchange movement**	**Others**	**September 30, 2025**
Short-term borrowings	$ 1,614,619	(91,418)	(6,545)	-	1,516,656
Long-term borrowings (including current portion) (Note 1)	11,773,507	(1,055,399)	(97,775)	53,701	10,674,034
Lease liabilities (Note 2)	278,378	(85,233)	(10,304)	42,914	225,755
Total liabilities from financing activities	**$ 13,666,504**	**(1,232,050)**	**(114,624)**	**96,615**	**12,416,445**

Note 1: Other items include the amortization of deferred financing cost.

Note 2: Other items include the addition and other changes in lease liabilities.

7. Related-party transactions

(1) Parent company and ultimate controlling party

Upon deconsolidation by the PTT Group on December 31, 2025, the Company is the ultimate parent company of the Group and it is considered that there is no ultimate controlling party; please refer to note 1.

(2) Name and relationship with related parties

The following is a summary of related parties that have had transactions with the Group during the periods covered in the consolidated financial statements:

Name of related parties	Relationship with the Group
INIH	Other related party (Note1)
Adalvo Competence Center SRL	Other related party (Note2)
Adalvo Limited	Other related party (Note2)
Alvogen Holding (Thailand) Ltd.	Other related party
Alvogen Inc.	Other related party (Note3)
Alvogen PB R&D	Other related party (Note3)
Alvotech hf.	Other related party
AZTIQ Consulting ehf.	Other related party
Innobic (Asia) Co., Ltd.	Other related party
Innobic LL Holding Company Limited	Other related party
Innobic Asia Investment Holding Limited	Other related party
NAGH	Other related party (Note3)
Norwich Pharmaceuticals, Inc.	Other related party (Note3)

Note 1: INIH is no longer the Company's parent company since December 31, 2025; please refer to note 7(1).

Note 2: The company ceased to be a related party to the Company effective from October 2025.

Note 3: Due to the acquisition of 100% equity interest in NAGH, the company became the Company's subsidiary effective from December 3, 2025. Please refer to note 6(7) for more details.

(3) Significant transactions with related parties

A. Sales

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

	For the three months ended September 30,		For the nine months ended September 30,	
	2026	2025	2026	2025
Alvotech hf.	$ 13,251	-	37,066	-
Alvogen Inc.	-	1,541,736	-	5,380,850
Adalvo Limited	-	223,323	-	663,012
INIH	-	775	-	2,692
Other related parties	-	7,701	-	33,237
	$ 13,251	**1,773,535**	**37,066**	**6,079,791**

When there is a substantial price decline in the market, revenue deduction provision for shelf stock adjustment is estimated based on the inventory level held by the related parties and the anticipated decline in the market price. Shelf stock adjustment accrual is recorded in other payables－related parties.

The selling prices for sales to related parties were determined by market price and adjusted according to the sales area and sales volume. The credit terms were mainly 90~180 days, which were similar to transactions with unrelated customers.

B. Receivables from related parties

Accounts	Name of related parties	September 30, 2026	December 31, 2025	September 30, 2025
Accounts receivable－related parties	Alvotech hf.	$ 31,615	-	-
	Alvogen Inc.	-	-	2,513,736
	Adalvo Limited	-	-	459,346
	INIH	-	-	244
	Other related parties	-	-	4,787
		$ 31,615	**-**	**2,978,113**

Accounts	Name of related parties	September 30, 2026	December 31, 2025	September 30, 2025
Other receivables－related parties	Adalvo Limited	$ -	-	2,266
	Other related parties	-	108	194
		$ -	**108**	**2,460**

Receivables from related parties were not pledged as collateral, and were assessed not to provide for any loss allowance.

C. Payables to related parties

Accounts	Names of related parties	September 30, 2026	December 31, 2025	September 30, 2025
Accounts payable —related parties	Alvogen Inc.	**$ -**	**-**	**126,457**
Other payables— related parties	AZTIQ Consulting ehf.	$ 15,943	39,882	15,425
	Alvotech hf.	158,758	-	-
	Alvogen Inc.	-	-	99,779
	Adalvo Limited	-	-	49,171
	Alvogen PB R&D	-	-	16,043
	INIH	-	256	-
	Other related parties	-	755	132
		$ 174,701	**40,893**	**180,550**

D. Acquisition of intangible assets

Prices of intangible assets purchased from related parties were summarized as follows:

Names of related parties	Accounts	For the three months ended September 30, 2026	For the three months ended September 30, 2025	For the nine months ended September 30, 2026	For the nine months ended September 30, 2025
Alvotech hf.	Intangible assets	**$ 160,733**	**-**	**160,733**	**-**
Adalvo Limited	Intangible assets	**$ -**	**45,605**	**-**	**46,225**

The Group entered into two license and supply agreements with Alvotech hf. for two biosimilar products under development, under which the Group is required to make upfront and milestone payments of up to USD 150 million ($4,762,725) in aggregate. As of September 30, 2026, the upfront payment of USD 5 million ($160,733) had been accrued and was subsequently paid. The remaining payments are payable only upon the achievement of the specified milestones.

As of September 30, 2025, the Group entered into several agreements with Adalvo Limited to acquire product rights and made upfront and milestone payments in accordance with the agreements.

E. Others

(a)

Accounts	Names of related parties	For the three months ended September 30, 2026	For the three months ended September 30, 2025	For the nine months ended September 30, 2026	For the nine months ended September 30, 2025
Capitalization of development expenses	Adalvo Limited	**$ -**	**2,585**	**-**	**2,585**
Cost of sales	Other related parties	**$ -**	**22,657**	**-**	**64,567**
Operating expenses	Other related parties	**$ 67,363**	**17,264**	**199,299**	**67,155**
Other income	Alvogen Inc.	$ -	1,285	-	2,913
	Adalvo Limited	-	(4,425)	-	13,302
	Other related parties	-	270	-	846
		$ -	**(2,870)**	**-**	**17,061**
Reimbursed income recognized as an offset to cost of sales	Alvogen Inc.	**$ -**	**-**	**-**	**(3,066)**

(b)

Accounts	Names of related parties	September 30, 2025
Contract assets－current	Adalvo Limited	**$ 102,035**

(c)

Accounts	Names of related parties	September 30, 2025
Contract liabilities－current	Adalvo Limited	**$ 145,452**

(4) Key management personnel compensation

	For the three months ended September 30, 2026	For the three months ended September 30, 2025	For the nine months ended September 30, 2026	For the nine months ended September 30, 2025
Short-term employee benefits	$ 37,062	40,394	179,057	154,711
Share-based payments	33,289	37,357	89,091	139,321
	$ 70,351	**77,751**	**268,148**	**294,032**

8. Assets pledged as security

As of September 30, 2026, December 31 and September 30, 2025, the following assets were pledged as collaterals:

Asset	Purpose of pledge	September 30, 2026	December 31, 2025	September 30, 2025
Bank demand deposits and others (classified as cash and cash equivalents)	Long-term borrowings	$ 66,102	1,797,884	-
Bank demand deposits (classified as other current assets)	Compensation balances	15,000	15,000	15,000
Bank demand deposits (classified as other non-current assets)	Deposit for drug application, performance guarantee and customs, etc.	-	65	65
Accounts receivable	Long-term borrowings	5,439,285	4,213,863	-
Inventories	Long-term borrowings	5,679,004	5,372,814	-
Prepayments and other current assets	Long-term borrowings	808,717	1,232,975	-
Land	Long-term borrowings	649,882	624,650	545,264
Buildings and plant equipment	Long-term borrowings	2,756,985	2,814,036	1,416,822
Machinery equipment	Long-term borrowings	1,565,862	1,575,049	121,628
Other property, plant and equipment	Long-term borrowings	725,712	723,047	-
Right-of-use assets	Long-term borrowings	429,557	474,361	-
Other intangible assets	Long-term borrowings	18,241,913	13,139,201	-
Deferred tax assets and other non-current assets	Long-term borrowings	13,239,659	12,908,018	-
		$ 49,617,678	**44,890,963**	**2,098,779**

In addition, the entire shares of the following subsidiaries were pledged to secure the Group's bank loan facilities: Alvogen Korea Holdings and Alvogen Korea as of September 30, 2026, December 31, 2025, and September 30, 2025; Lotus US Financing S. à .r.l. as of September 30, 2026, and December 31, 2025; and Lotus Japan Holdings Co., Ltd. as of September 30, 2026.

9. Commitments and contingencies

(1) The Company has entered into contracts for the purchase of machinery and equipment and the construction of plant facilities with an aggregate contract value of $408,794. As of September 30, 2026, the remaining contractual commitments under these contracts amounted to $317,513.

(2) On May 12, 2021, the Company was informed of the resolution by the Fair Trade Commission ("FTC") in Taiwan on incompliance of the exclusive out-licensing agreement entered into between the Company and TTY Biopharm Company Limited for product Furil Capsules "LOTUS" used in the treatment of colorectal cancer with the Taiwanese competition laws; as a result, the FTC imposed a fine of $65,000 on the Company. In 2021, the Company deposited the full amount of fine, which is presented in other non-current assets. The Company retained legal counsel and initiated litigation in July 2021 through administrative legal procedures before Taipei High Administrative Court; the case is in progress. The Company believes that the aforementioned business arrangement was implemented in a legally compliant manner and intends to pursue available legal remedies to defend the Company's interests.

(3) During the second quarter of 2026, the Group initiated the termination of a distribution agreement with a distributor related to a specific product in a particular country. Pursuant to the termination clause in the distribution agreement, the Group has the option to repurchase inventories remaining unsold by the distributor. The Group finalized the repurchased quantities in August 2026. In the third quarter of 2026, the Group began selling the product directly to end customers. This matter is not expected to have a material impact on the consolidated financial statements.

10. Losses due to major disasters: None.

11. Subsequent events:

(1) In October 2026, Alvogen Korea paid USD 55 million ($1,766,335) to complete the acquisition of the Uro-Vaxom product rights in Korea. The acquisition was approved by the Company's Board of Directors on May 21, 2026 for a total consideration of up to USD 69 million ($2,175,676), of which USD 5 million ($157,658) was paid in May 2026. The remaining amount is payable upon the achievement of specified milestone.

(2) On November 12, 2026, the Company's Board of Directors approved the withdrawal of 47 thousand shares of employee restricted stock awards.

(3) On November 12, 2026, the Company's Board of Directors approved an unsecured shareholder loan agreement with Innobic (Asia) Co., Ltd. ("Innobic"), a member of the PTT Group, under which Innobic will provide the Company with a short-term loan facility of up to USD 100 million ($3,175,150) bearing interest at six-month Term SOFR plus 3.75% per annum. The proceeds will be used to partially repay the Company's syndicated loan.

12. Other

(1) A summary of employee benefits, depreciation and amortization expenses, by function, was as follows:

By item \ By function	For the three months ended September 30,					
	2026			2025		
	Cost of Sales	Operating Expenses	Total	Cost of Sales	Operating Expenses	Total
Employee benefits						
Salary	428,353	605,870	1,034,223	205,111	375,946	581,057
Labor and health insurance	9,068	6,590	15,658	8,035	7,407	15,442
Pension	30,134	65,435	95,569	13,986	33,766	47,752
Others	37,693	198,305	235,998	9,386	137,146	146,532
Depreciation	123,553	84,096	207,649	56,893	37,513	94,406
Amortization	5,038	464,753	469,791	5,112	266,785	271,897

By item \ By function	For the nine months ended September 30,					
	2026			2025		
	Cost of Sales	Operating Expenses	Total	Cost of Sales	Operating Expenses	Total
Employee benefits						
Salary	1,343,464	1,827,349	3,170,813	626,387	1,113,463	1,739,850
Labor and health insurance	28,451	20,390	48,841	25,374	23,005	48,379
Pension	94,987	201,892	296,879	43,786	100,626	144,412
Others	115,713	596,362	712,075	33,591	364,288	397,879
Depreciation	371,443	223,747	595,190	162,634	121,446	284,080
Amortization	15,061	1,335,873	1,350,934	15,167	785,984	801,151

(2) Seasonality of operations

The Group's operations were not affected by seasonality or cyclicality factors.

13. Other disclosures

(1) Information on significant transactions:

The following is the information on significant transactions required by the Regulations for the Group for the nine months ended September 30, 2026:

A. Loans to other parties: Please refer to Table 1.

B. Guarantees and endorsements for other parties: None.

C. Material securities held as of September 30, 2026 (excluding investment in subsidiaries, associates and joint ventures): Please refer to Table 2.

D. Related-party transactions for purchases and sales with amounts exceeding the lower of NT$100 million or 20% of the capital stock: None.

E. Receivables from related parties with amounts exceeding the lower of NT$100 million or 20% of the capital stock: None.

F. Business relationships and significant intercompany transactions: Please refer to Table 3.

(2) Information on investees (excluding information on investees in Mainland China): Please refer to Table 4.

(3) Information on investment in Mainland China:

A. The names of investees in Mainland China, the main businesses and products, and other information: Please refer to Table 5.

B. Limitation on investment in Mainland China: Please refer to Table 5.

C. Significant transactions: None.

14. Segment information

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

	For the three months ended September 30, 2026			
	Pharmaceuticals Segment	**Other Segment**	**Elimination**	**Total**
Net revenue:				
Revenue from external customers	$ 7,338,702	26,632	-	7,365,334
Intersegment revenues	-	135,685	(135,685)	-
Total net revenue	**$ 7,338,702**	**162,317**	**(135,685)**	**7,365,334**
Operating income (loss)	**$ 813,174**	**18,858**	**26,032**	**858,064**
Reportable segment assets	**$ 104,941,943**	**26,458,113**	**(20,270,993)**	**111,129,063**

	For the three months ended September 30, 2025			
	Pharmaceuticals Segment	**Other Segment**	**Elimination**	**Total**
Net revenue:				
Revenue from external customers	$ 4,735,210	35,489	-	4,770,699
Intersegment revenues	-	71,842	(71,842)	-
Total net revenue	**$ 4,735,210**	**107,331**	**(71,842)**	**4,770,699**
Operating income	**$ 1,183,710**	**11,543**	**(2,481)**	**1,192,772**
Reportable segment assets	**$ 39,533,470**	**867,752**	**(801,676)**	**39,599,546**

	For the nine months ended September 30, 2026			
	Pharmaceuticals Segment	**Other Segment**	**Elimination**	**Total**
Net revenue:				
Revenue from external customers	$ 24,746,803	71,616	-	24,818,419
Intersegment revenues	-	358,925	(358,925)	-
Total net revenue	**$ 24,746,803**	**430,541**	**(358,925)**	**24,818,419**
Operating income (loss)	**$ 4,996,046**	**25,246**	**128,982**	**5,150,274**
Reportable segment assets	**$ 104,941,943**	**26,458,113**	**(20,270,993)**	**111,129,063**

	For the nine months ended September 30, 2025			
	Pharmaceuticals Segment	**Other Segment**	**Elimination**	**Total**
Net revenue:				
Revenue from external customers	$ 14,124,845	122,663	-	14,247,508
Intersegment revenues	-	168,500	(168,500)	-
Total net revenue	**$ 14,124,845**	**291,163**	**(168,500)**	**14,247,508**
Operating income	**$ 4,386,056**	**30,742**	**(5,594)**	**4,411,204**
Reportable segment assets	**$ 39,533,470**	**867,752**	**(801,676)**	**39,599,546**

Lotus Pharmaceutical Co., Ltd. and Subsidiaries

Loans to other parties

For the nine months ended September 30, 2026

Table 1 (Amounts in Thousands)

No. (Note 1)	Name of Lender	Name of Borrower	Account Name	Related Party	Highest Balance of Financing to Other Parties During the Period	Ending Balance (Note 4)	Actual Usage Amount During the Period	Range of Interest Rates During the Period	Purposes of Fund Financing for the Borrower (Note 2)	Transaction Amount for Business Between Two Parties	Reasons for Short-Term Financing	Loss Allowance	Collateral		Individual Funding Loan Limits (Note 3)	Maximum Limit of Fund Financing (Note 3)	Note
													Item	Value			
0	The Company	Alvogen Korea Holdings	Other receivables from related parties	Yes	471,266	-	-	-	2	-	Operating funding	-	-	-	9,942,494	9,942,494	Note 5
0	The Company	Lotus International Pte. Ltd.	Other receivables from related parties	Yes	628,354	-	-	-	2	-	Operating funding	-	-	-	9,942,494	9,942,494	Note 5
0	The Company	Alvogen Pharma US Inc.	Other receivables from related parties	Yes	952,545	952,545	319,641	14.4%	2	-	Operating funding	-	-	-	9,942,494	9,942,494	Note 5
1	Lotus International Pte. Ltd.	Alvogen (Thailand) Ltd.	Other receivables from related parties	Yes	1,320,585	1,143,054	920,794	5.2%	2	-	Operating funding	-	-	-	54,390,330	54,390,330	Note 5
1	Lotus International Pte. Ltd.	Lotus Healthcare Philippines Corp.	Other receivables from related parties	Yes	165,146	161,933	161,933	5.1%~ 5.2%	2	-	Operating funding	-	-	-	54,390,330	54,390,330	Note 5
1	Lotus International Pte. Ltd.	The Company	Other receivables from related parties	Yes	1,886,550	571,527	571,527	5.3%	2	-	Operating funding	-	-	-	54,390,330	54,390,330	Note 5
2	NCS	Meishi Pharma Services Private Limited	Other receivables from related parties	Yes	104,791	100,726	100,726	10.0%	2	-	Operating funding	-	-	-	160,432	160,432	Note 5

No. (Note 1)	Name of Lender	Name of Borrower	Account Name	Related Party	Highest Balance of Financing to Other Parties During the Period	Ending Balance (Note 4)	Actual Usage Amount During the Period	Range of Interest Rates During the Period	Purposes of Fund Financing for the Borrower (Note 2)	Transaction Amount for Business Between Two Parties	Reasons for Short-Term Financing	Loss Allowance	Collateral		Individual Funding Loan Limits (Note 3)	Maximum Limit of Fund Financing (Note 3)	Note
													Item	Value			
3	Lotus Pharma Bulgaria EOOD	Lotus International Pte. Ltd.	Other receivables from related parties	Yes	2,784,809	2,730,629	2,730,629	5.0%~ 5.1%	2	-	Operating funding	-	-	-	2,795,158	2,795,158	Note 5
3	Lotus Pharma Bulgaria EOOD	Lotus US Financing S. à .r.l.	Other receivables from related parties	Yes	63,503	63,503	-	-	2	-	Operating funding	-	-	-	2,795,158	2,795,158	Note 5
4	Alvogen Inc.	Alvogen Group Inc.	Other receivables from related parties	Yes	18,357,250	18,000,100	18,000,100	6.0%	2	-	Operating funding	-	-	-	93,670,377	93,670,377	Note 5
5	Alvogen Group Inc.	Alvogen Inc.	Other receivables from related parties	Yes	3,881,720	3,806,199	3,806,199	0.2%	2	-	Operating funding	-	-	-	77,308,554	77,308,554	Note 5
6	Alvogen Pharma US Inc.	Norwich Pharmaceutical, Inc.	Other receivables from related parties	Yes	1,037,253	1,017,073	1,017,073	2.3%	2	-	Operating funding	-	-	-	79,835,937	79,835,937	Note 5
6	Alvogen Pharma US Inc.	Alvogen Inc.	Other receivables from related parties	Yes	44,653,795	43,785,030	43,785,030	2.3%~ 7.3%	2	-	Operating funding	-	-	-	79,835,937	79,835,937	Note 5
6	Alvogen Pharma US Inc.	Almatica Pharma LLC	Other receivables from related parties	Yes	5,904,395	5,789,521	5,789,521	2.3%~ 7.3%	2	-	Operating funding	-	-	-	79,835,937	79,835,937	Note 5
7	Alvogen Korea Holdings	Alvogen Korea	Other receivables from related parties	Yes	460,064	-	-	-	2	-	Operating funding	-	-	-	1,982,911	1,982,911	Note 5
8	Lotus US Financing S. à .r.l.	Lotus Alvogen Group Holdings S. à .r.l.	Other receivables from related parties	Yes	158,758	158,758	-	-	2	-	Operating funding	-	-	-	3,260,386	3,260,386	Note 5

Note 1: The numbers denote the following:

(1) The issuer is number 0.

(2) Investees are listed in accordance with names and in sequential order starting with 1.

Note 2: Purposes of fund financing for the borrower:

1. For those companies with business transactions with the company, please fill in 1.

2. For those companies with short-term financing needs, please fill in 2.

Note 3: For transaction No. 0, the individual funding loan limits and the maximum limit of fund financing were both 40% of the Company's net worth as stated in its latest financial statement. Transactions No. 1 through No. 8 are inter company loan transactions among the foreign subsidiaries that are directly or indirectly 100% owned by the Company. According to the lenders' policy, the related information of loan limits are described as follows:

(1) For No.1, the individual funding loan limits and the maximum limit of fund financing were both 900% of the lender's net worth as stated in its latest financial statement.

(2) For No.2, the individual funding loan limits and the maximum limit of fund financing were both 60% of the lender's audited net worth.

(3) For No.3 and No.8, the individual funding loan limits and the maximum limit of fund financing were both 100% of the lender's net worth as stated in its latest financial statement.

(4) For No.4, No.5 and No.6, the individual funding loan limits and the maximum limit of fund financing were both 300% of the lender's net worth as stated in its latest financial statement.

(5) For No.7, the individual funding loan limits and the maximum limit of fund financing were both 40% of the lender's net worth as stated in its latest financial statement.

Note 4: The ending balance is the valid loan amount approved by the Board of Directors.

Note 5: The inter-company transactions and balances had been eliminated in the consolidated financial statements.

Lotus Pharmaceutical Co., Ltd. and Subsidiaries

Material securities held as of September 30, 2026 (excluding investment in subsidiaries, associates and joint ventures)

September 30, 2026

Table 2 (Shares in Thousands/ Amounts in Thousands)

Company Names	Marketable Securities Types and Names	Relationship with the Company	Financial Statement Accounts	Ending Balance				Note
				Shares/Units	Carrying Amount	Percentages of Ownership	Fair Value	
Lotus Japan Holdings Co., Ltd.	Fuji Pharma Co., Ltd.	-	FVOCI - non-current	1,076	389,361	4.12 %	389,361	

Lotus Pharmaceutical Co., Ltd. and Subsidiaries

Business relationships and significant intercompany transactions

For the nine months ended September 30, 2026

Table 3 (Amounts in Thousands)

No. (Note 1)	Company Names	Counterparties	Nature of Relationship (Note 2)	Intercompany Transactions			
				Financial Statement Items	Amounts	Trading Terms	Percentages of the Consolidated Net Revenue or Total Assets (Note 4)
0	The Company	Lotus Pharma Bulgaria EOOD	1	Sales	376,314	(Note 3)	1.52 %
0	The Company	Lotus International Pte. Ltd.	1	Purchases	465,573	(Note 3)	1.88 %
0	The Company	Alvogen Inc.	1	Sales	3,058,463	(Note 3)	12.32 %
0	The Company	Alvogen Inc.	1	Accounts receivable－related parties	3,232,730	(Note 3)	2.91 %
1	Alvogen Group Inc.	Alvogen Inc.	2	Accounts receivable－related parties	5,866,140	(Note 3)	5.28 %
1	Alvogen Group Inc.	Alvogen PB R&D	2	Accounts payable－related parties	2,431,821	(Note 3)	2.19 %
1	Alvogen Group Inc.	Alvogen Inc.	2	Interest expense	380,567	(Note 3)	1.53 %
2	Alvogen Pharma US Inc.	Norwich Pharmaceutical, Inc.	2	Accounts receivable－related parties	30,872,077	(Note 3)	27.78 %
2	Alvogen Pharma US Inc.	Alvogen Inc.	2	Accounts payable－related parties	59,648,370	(Note 3)	53.67 %
2	Alvogen Pharma US Inc.	Almatica Pharma LLC	2	Accounts payable－related parties	20,508,555	(Note 3)	18.45 %
2	Alvogen Pharma US Inc.	Alvogen PB R&D	2	Accounts receivable－related parties	14,392,567	(Note 3)	12.95 %
2	Alvogen Pharma US Inc.	Alvogen Inc.	2	Interest income	965,092	(Note 3)	3.89 %
3	Norwich Pharmaceutical, Inc.	Alvogen Inc.	2	Sales	2,996,134	(Note 3)	12.07 %
3	Norwich Pharmaceutical, Inc.	Alvogen Inc.	2	Purchases	1,919,116	(Note 3)	7.73 %
3	Norwich Pharmaceutical, Inc.	Alvogen Inc.	2	Accounts receivable－related parties	21,905,632	(Note 3)	19.71 %

No. (Note 1)	Company Names	Counterparties	Nature of Relationship (Note 2)	Intercompany Transactions			
				Financial Statement Items	Amounts	Trading Terms	Percentages of the Consolidated Net Revenue or Total Assets (Note 4)
3	Norwich Pharmaceutical, Inc.	Almatica Pharma LLC	2	Accounts receivable－related parties	1,157,674	(Note 3)	1.04 %
3	Norwich Pharmaceutical, Inc.	Alvogen PB R&D	2	Accounts receivable－related parties	4,503,737	(Note 3)	4.05 %
4	Alvogen Inc.	Almatica Pharma LLC	2	Sales	288,773	(Note 3)	1.16 %
4	Alvogen Inc.	Almatica Pharma LLC	2	Accounts receivable－related parties	13,319,502	(Note 3)	11.99 %
4	Alvogen Inc.	Alvogen PB R&D	2	Accounts payable－related parties	7,908,661	(Note 3)	7.12 %
4	Alvogen Inc.	Almaject, Inc.	2	Accounts receivable－related parties	1,504,753	(Note 3)	1.35 %
5	Alvogen PB R&D	Almatica Pharma LLC	2	Accounts receivable－related parties	2,630,898	(Note 3)	2.37 %
6	Lotus International Pte. Ltd.	Lotus Investment Holding SARL	2	Other receivable－related parties	3,143,399	(Note 3)	2.83 %

Note 1: The characters of business transactions between the parent company and its subsidiaries are coded as follows:

(1) The parent company is number 0.

(2) Investees are listed in accordance with names and in sequential order starting with 1.

Note 2: The nature of relationship is as follows:

(1) represents parent company to subsidiary

(2) represents subsidiary to subsidiary

Note 3: The intercompany transaction terms are determined in accordance with mutual agreements.

Note 4: Other transactions with an amount less than 1% of the consolidated net revenue or total assets were not disclosed.

Note 5: For information of loans to others, please refer to Table 1.

Lotus Pharmaceutical Co., Ltd. and Subsidiaries

Information on investees (excluding information on investees in Mainland China)

For the nine months ended September 30, 2026

Table 4

(Shares in Thousands)
(Amounts in Thousands)

Investor Companies	Investee Companies	Locations	Main Businesses and Products	Original Investment Amounts		Balance as of September 30, 2026			Net Income (Losses) of Investee	Investment Income (Losses) (Note 1)	Notes
				September 30, 2026	December 31, 2025	Shares	Percentages of Ownership	Carrying Amount (Note 1)			
The Company	Lotus International Pte. Ltd.	Singapore	Investment business and sale of medicine	2,714,534 (USD 86,100)	3,473,141 (USD 110,100)	86,100	100.00 %	5,197,372	3,511,917	98,183	
The Company	Lotus Pharmaceutical HK Ltd.	Hong Kong	Data collection and agent services in Hong Kong	967 (HKD 250)	967 (HKD 250)	250	1.56 %	22	902	14	
The Company	Alvogen Korea Holdings	Korea	Investment business	5,279,755 (USD 170,274)	4,858,270 (USD 157,029)	1,608	100.00 %	5,344,268	88,484	236,168	Note 2
The Company	Alvogen India	India	Investment business	298,509 (USD 9,950)	298,509 (USD 9,950)	512	100.00 %	254,632	47,249	39,682	Note 2
The Company	Lotus Japan Holdings Co., Ltd.	Japan	Sale of medicine and clinical machine retail	-	623,647 (JPY 2,225,400)	-	-	-	7,999	4,103	Note 4
The Company	Alvogen (Thailand) Ltd.	Thailand	Sale of pharmaceuticals and medicinal chemical products	361,587 (USD 11,231)	3,859 (USD 131)	1,570	99.97 %	604,477	218,245	93,702	Note 5
The Company	Avos Pharma Science Co., Ltd.	Taiwan	Biotech technological consulting services, clinical machine retail and related consulting services	100	100	-	100.00 %	270	(5)	(5)	
The Company	Lotus Pharmaceutical (Thailand) Co., Ltd.	Thailand	Sale of pharmaceuticals and medicinal chemical products	1,368,693 (USD 41,648)	1,368,693 (USD 41,648)	462	90.00 %	1,438,124	51,375	22,604	
The Company	Lotus US Financing S. ã .r.l.	Luxembourg	Investment business	15,936,884 (USD 509,113)	15,936,884 (USD 509,113)	15,509	100.00 %	16,244,274	73,273	73,273	
The Company	Lotus Pharmaceuticals US, Inc.	U.S.A.	Data collection and agency affairs in U.S.A.	180,644 (USD 5,677)	-	1	100.00 %	155,210	(22,518)	(22,518)	
The Company	Lotus Investment Holding SARL	Luxembourg	Investment business	1,019 (EUR 28)	-	1,387	100.00 %	(13,000)	(12,542)	(13,296)	
Lotus International Pte. Ltd.	Lotus Support Services SRL	Romania	Pharmaceutical regulatory affairs project management services	3,010 (RON 445)	3,010 (RON 445)	44	100.00 %	18,795	1,549	1,549	

Investor Companies	Investee Companies	Locations	Main Businesses and Products	Original Investment Amounts		Balance as of September 30, 2026			Net Income (Losses) of Investee	Investment Income (Losses) (Note 1)	Notes
				September 30, 2026	December 31, 2025	Shares	Percentages of Ownership	Carrying Amount (Note 1)			
Lotus International Pte. Ltd.	Alvogen (Thailand) Ltd.	Thailand	Sale of pharmaceuticals and medicinal chemical products	-	142,237 (USD 4,655)	-	- %	-	218,245	109,644	Note 5
Lotus International Pte. Ltd.	Lotus Alvogen Malta Ltd.	Malta	Marketing activities and healthcare consultancy	1,419 (EUR 42)	1,419 (EUR 42)	42	100.00 %	5,175	(292)	(292)	
Lotus International Pte. Ltd.	Lotus Pharmaceutical HK Ltd.	Hong Kong	Data collection and agent services in Hong Kong	59,029 (HKD 15,749)	59,029 (HKD 15,749)	15,749	98.44 %	1,407	902	888	
Lotus International Pte. Ltd.	Lotus Healthcare Malaysia Sdn. Bhd.	Malaysia	Marketing activities and healthcare consultancy	7 (MYR 1)	7 (MYR 1)	1	100.00 %	1,438	409	409	
Lotus International Pte. Ltd.	Lotus Healthcare Philippines Corp.	Philippines	Sale of pharmaceuticals and medicinal chemical products	59,763 (PHP 106,485)	59,763 (PHP 106,485)	106,485	100.00 %	(85,238)	(69,768)	(69,768)	
Lotus International Pte. Ltd.	Lotus Pharma Bulgaria EOOD	Bulgaria	Sale of pharmaceuticals and medicinal chemical products	-	8,503 (BGN 538)	-	- %	-	(2,613)	9,424	Note 6
Lotus International Pte. Ltd.	Lotus Pharma ehf.	Iceland	Marketing activities and healthcare consultancy	106 (ISK 500)	106 (ISK 500)	500	100.00 %	2,633	-	-	Note 3
Lotus International Pte. Ltd.	Meishi Pharma Services Private Limited	India	Pharmaceutical research and development service	158,658 (INR 436,463)	158,658 (INR 436,463)	91	100.00 %	118,146	(5,686)	9,051	
Lotus International Pte. Ltd.	Meishi Pharma Service Pte. Ltd.	Singapore	Management consultancy service	-	-	-	100.00 %	(90)	-	-	
Lotus International Pte. Ltd.	Lotus Pharmaceutical (Thailand) Co., Ltd.	Thailand	Sale of pharmaceuticals and medicinal chemical products	152,076 (USD 4,628)	152,076 (USD 4,628)	51	10.00 %	159,792	51,375	2,512	
Lotus International Pte. Ltd.	Lotus Pharmaceutical (Vietnam) LLC	Vietnam	Sale of pharmaceuticals and medicinal chemical products	15,911 (VND 13,025)	-	-	100.00 %	15,953	-	-	
Lotus International Pte. Ltd.	Lotus Japan Holdings Co., Ltd.	Japan	Sale of medicine and clinical machine retail	572,798 (USD 18,000)	-	-	100.00 %	485,360	7,999	3,896	Note 4
Lotus Pharmaceutical HK Ltd.	Alvogen (Thailand) Ltd.	Thailand	Sale of pharmaceuticals and medicinal chemical products	30 (USD 1)	30 (USD 1)	-	0.03 %	159	218,245	65	
Lotus US Financing S. à .r.l.	Lotus Alvogen Group Holdings S. à .r.l.	Luxembourg	Investment business	21,867,440 (USD 695,440)	21,867,440 (USD 695,440)	516	100.00 %	22,192,646	199,460	199,460	

Investor Companies	Investee Companies	Locations	Main Businesses and Products	Original Investment Amounts		Balance as of September 30, 2026			Net Income (Losses) of Investee	Investment Income (Losses) (Note 1)	Notes
				September 30, 2026	December 31, 2025	Shares	Percentages of Ownership	Carrying Amount (Note 1)			
Lotus Investment Holding SARL	Lotus Pharma Bulgaria EOOD	Bulgaria	Sale of pharmaceuticals and medicinal chemical products	3,143,398 (USD 99,000)	-	538	100.00 %	2,795,158	(2,613)	(12,037)	Note 6
Lotus Alvogen Group Holdings S. ā .r.l.	NAGH	U.S.A.	Investment business	21,701,261 (USD 698,189)	21,701,261 (USD 698,189)	576	100.00 %	34,560,941	106,999	200,795	Note 2

Note 1: The inter-company transactions and balances had been eliminated in the consolidated financial statements.
Note 2: The main financial statements of the Company's subsidiary Alvogen Korea Holdings, NAGH and Alvogen India are their consolidated financial statements.
Note 3: Lotus Pharma ehf. is currently under liquidation process.
Note 4: On May 11, 2026, the Company contributed its 100% equity interest in Lotus Japan Holdings Co., Ltd. as an in-kind capital contribution to Lotus International Pte. Ltd.
Note 5: On August 13, 2026, the Company acquired 97.45% of the equity interest in Alvogen (Thailand) Ltd. from Lotus International Pte. Ltd.
Note 6: On August 17, 2026, Lotus Investment Holding SARL acquired 100% of the equity interest in Lotus Pharma Bulgaria EOOD from Lotus International Pte. Ltd.

Lotus Pharmaceutical Co., Ltd. and Subsidiaries

Information on investment in Mainland China

For the nine months ended September 30, 2026

Table 5 (Amounts in Thousands)

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

Investee Companies	Main Businesses and Products	Total Amounts of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2026	Investment Flows		Accumulated Outflow of Investment from Taiwan as of September 30, 2026	Net Income of the Investee	Percentages of Ownership	Investment Income	Carrying Amount	Accumulated Inward Remittance of Earnings as of September 30, 2026
					Outflow	Inflow						
Lotus Pharmaceutical (Shanghai) Health Management Consulting Limited (Note 2)	Consultation on health management, health technology, trading information, market planning, and business information	911	(Note 1)	911	-	-	911	154	100.00%	154	(536)	-
Lotus Biotech (Shanghai) Limited (Note 3)	Consulting on health technology, chemical drugs, chemical reagents, biotech technology consulting, and biotech production	20,100	(Note 1)	20,100	-	-	20,100	-	-	-	-	-

(2) Limitation on investment in Mainland China

Accumulated Investment in Mainland China as of September 30, 2026	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment (Note 4)
21,011	21,011	14,913,741

Note 1: Reinvestment in Mainland China through another investee in a third area.

Note 2: The investment amount has been approved by the Investment Commission, MOEA No. 10700074190.

Note 3: The investment amount has been approved by the Investment Commission, MOEA No. 092031304 and No. 09500181300. Lotus Biotech (Shanghai) Limited has been divested in 2017, with the approval of the Investment Commission, MOEA No. 10800070030.

Note 4: The amount limit is in accordance with No. 006130 issued by the Ministry of Finance on November 16, 2001 and No. 09704604680 issued by the Investment Commission, MOEA on August 29, 2008.