

**METATECH (AP) INC.
AND SUBSIDIARIES**

Consolidated Financial Statements

**With Independent Auditors' Review Report
For the Nine Months Ended September 30, 2025 and 2024**

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The independent auditors' 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' report and consolidated financial statements, the Chinese version shall prevail.

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Independent Auditors' Review Report

To the Board of Directors of METATECH (AP) INC.:

Introduction

We have reviewed the accompanying consolidated balance sheets of METATECH (AP) INC. and its subsidiaries as of September 30, 2025 and 2024, and the related consolidated statements of comprehensive income for the three months and nine months ended September 30, 2025 and 2024, as well as the changes in equity and cash flows for the nine months ended September 30, 2025 and 2024, 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 reviews.

Scope of Review

We conducted our reviews in accordance with the Standard on Review Engagements 2410, "Review of Interim 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.

Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of METATECH (AP) INC. and its subsidiaries as of September 30, 2025 and 2024, and of its consolidated financial performance for the three months and nine months ended September 30, 2025 and 2024, as well as its consolidated cash flows for the nine months ended September 30, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

**Other Matter**

The financial statements of METATECH (AP) INC. for the three months and nine months ended September 30, 2024 were reviewed by other independent auditors and were issued on November 12, 2024.

The engagement partners on the reviews resulting in this independent auditors' review report are Kuo, Hsin-Yi and Ko, Hui-Chih.

KPMG

Taipei, Taiwan (Republic of China)

November 11, 2025

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated statement 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)
METATECH (AP) INC. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income
For the three months and nine months ended September 30, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)

	For the three months ended September 30,				For the nine months ended September 30,					
	2025		2024		2025		2024			
	Amount	%	Amount	%	Amount	%	Amount	%		
4000	Operating revenues (note 6(s))		\$ 390,927	100	413,947	100	1,149,680	100	1,076,555	100
5000	Operating costs (notes 6(d), (g), (h) and (n))		343,347	88	358,851	87	1,007,615	88	943,721	88
	Gross profit from operations		47,580	12	55,096	13	142,065	12	132,834	12
	Operating expenses (notes 6(g), (h), (i), (n) and (t)):									
6100	Selling expenses		31,271	8	25,449	6	93,856	8	73,165	7
6200	Administrative expenses		40,245	10	42,581	10	127,479	11	129,540	12
6300	Research and development expenses		37,646	10	31,600	8	104,461	9	86,603	8
6450	Impairment loss (reversal of impairment loss) determined in accordance with IFRS 9 (note 6(c))		2	-	(4)	-	2	-	1	-
	Total operating expenses		109,164	28	99,626	24	325,798	28	289,309	27
	Net operating loss		(61,584)	(16)	(44,530)	(11)	(183,733)	(16)	(156,475)	(15)
	Non-operating income and expenses (notes 6(l) and (u)):									
7100	Interest income		4,121	1	10,754	3	19,248	2	34,118	3
7010	Other income		159	-	3,019	1	1,077	-	3,309	-
7020	Other gains and losses, net		7,458	2	(4,663)	(1)	(30,636)	(3)	14,598	1
7050	Finance costs		(2,857)	(1)	(2,080)	(1)	(7,562)	(1)	(6,160)	-
7375	Share of profit of associates and joint ventures accounted for using equity method (note 6(f))		(423)	-	(976)	-	(1,709)	-	(3,472)	-
	Total non-operating income and expenses		8,458	2	6,054	2	(19,582)	(2)	42,393	4
7900	Loss before income tax		(53,126)	(14)	(38,476)	(9)	(203,315)	(18)	(114,082)	(11)
7951	Less: Income tax (benefit) expenses (note 6(o))		(2,471)	(1)	1,908	1	(9,170)	(1)	5,797	-
	Loss		(50,655)	(13)	(40,384)	(10)	(194,145)	(17)	(119,879)	(11)
8300	Other comprehensive income (note 6(p))									
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss									
8361	Exchange differences on translation		20,418	5	(9,251)	(2)	(34,594)	(3)	19,580	2
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss		4,049	1	(1,850)	-	(6,962)	(1)	3,916	(1)
	Total items that may be reclassified subsequently to profit or loss		16,369	4	(7,401)	(2)	(27,632)	(2)	15,664	1
8300	Other comprehensive income (loss)		16,369	4	(7,401)	(2)	(27,632)	(2)	15,664	1
	Total comprehensive income (loss)		\$ (34,286)	(9)	(47,785)	(12)	(221,777)	(19)	(104,215)	(10)
	Profit, attributable to:									
8610	Owners of parent		(16,129)	(4)	(11,973)	(3)	(71,821)	(6)	(47,209)	(4)
8620	Non-controlling interests		(34,526)	(9)	(28,411)	(7)	(122,324)	(11)	(72,670)	(7)
			\$ (50,655)	(13)	(40,384)	(10)	(194,145)	(17)	(119,879)	(11)
	Comprehensive income attributable to:									
8710	Owners of parent		95	-	(19,374)	(5)	(99,636)	(9)	(31,545)	(3)
8720	Non-controlling interests		(34,381)	(9)	(28,411)	(7)	(122,141)	(10)	(72,670)	(7)
			\$ (34,286)	(9)	(47,785)	(12)	(221,777)	(19)	(104,215)	(10)
	Loss per share (note 6(r))									
9750	Basic loss per share (NT Dollars)		(0.24)		(0.18)		(1.05)		(0.69)	
9850	Diluted loss per share (NT Dollars)		(0.24)		(0.18)		(1.05)		(0.69)	

See accompanying notes to consolidated financial statements.

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

METATECH (AP) INC. AND SUBSIDIARIES**Consolidated Statements of Changes in Equity****For the nine months ended September 30, 2025 and 2024****(Expressed in Thousands of New Taiwan Dollars)**

	<u>Ordinary shares</u>	<u>Capital surplus</u>	<u>Retained earnings</u> <u>Unappropriated retained earnings</u>	<u>Other equity</u> <u>Exchange</u> <u>differences on</u> <u>translation of</u> <u>foreign</u> <u>financial</u> <u>statements</u>	<u>Treasury shares</u>	<u>Total equity</u> <u>attributable</u> <u>to owners of</u> <u>parent</u>	<u>Non-controlling</u> <u>interests</u>	<u>Total equity</u>
Balance at January 1, 2024	\$ 681,726	677,168	(166,695)	(8,500)	(1,864)	1,181,835	1,551,944	2,733,779
Net loss for the nine months ended September 30, 2024	-	-	(47,209)	-	-	(47,209)	(72,670)	(119,879)
Other comprehensive income (loss) for the nine months ended September 30, 2024	-	-	-	15,664	-	15,664	-	15,664
Total comprehensive (loss) income for the nine months ended September 30, 2024	-	-	(47,209)	15,664	-	(31,545)	(72,670)	(104,215)
Share-based payment transactions	-	1,162	-	-	-	1,162	6,582	7,744
Balance at September 30, 2024	\$ 681,726	678,330	(213,904)	7,164	(1,864)	1,151,452	1,485,856	2,637,308
Balance at January 1, 2025	\$ 681,726	678,639	(234,718)	19,278	(1,864)	1,143,061	1,464,215	2,607,276
Net loss for the nine months ended September 30, 2025	-	-	(71,821)	-	-	(71,821)	(122,324)	(194,145)
Other comprehensive income (loss) for the nine months ended September 30, 2025	-	-	-	(27,815)	-	(27,815)	183	(27,632)
Total comprehensive income (loss) for the nine months ended September 30, 2025	-	-	(71,821)	(27,815)	-	(99,636)	(122,141)	(221,777)
Share-based payment transactions	-	1,113	-	-	-	1,113	6,309	7,422
Employee stock options exercised	-	19	-	-	-	19	497	516
Balance at September 30, 2025	\$ 681,726	679,771	(306,539)	(8,537)	(1,864)	1,044,557	1,348,880	2,393,437

See accompanying notes to consolidated financial statements.

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

METATECH (AP) INC. AND SUBSIDIARIES**Consolidated Statements of Cash Flows****For the nine-month periods ended September 30, 2025 and 2024****(Expressed in Thousands of New Taiwan Dollars)**

	For the nine months ended September 30	
	2025	2024
Cash flows from (used in) operating activities:		
Loss before tax	\$ (203,315)	(114,082)
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expenses	39,875	34,703
Amortization expenses	8,191	6,936
Impairment loss determined in accordance with IFRS 9	2	1
Interest expenses	7,562	6,160
Interest income	(19,248)	(34,118)
Share-based payment transactions	7,422	7,744
Share of losses of associates and joint ventures accounted for using equity method	1,709	3,472
(Gain)Loss on disposal of property, plant and equipment	(1)	14
Gains arising from lease modifications	(3)	(46)
Total adjustments to reconcile profit	<u>45,509</u>	<u>24,866</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Notes receivable	46	114
Accounts receivable	(21,521)	(140,925)
Other receivables	(442)	(8,543)
Inventories	(13,503)	(8,637)
Prepayments	(20,775)	(20,539)
Other current assets	(175)	(135)
Net defined benefit assets	(13)	12
Total net changes used in operating assets	<u>(56,383)</u>	<u>(178,653)</u>
Changes in operating liabilities:		
Contract liabilities	(2,610)	7,158
Notes payable	(98)	(548)
Accounts payable	10,994	87,140
Other payables	17,167	11,965
Other current liabilities	(703)	1,023
Total net changes used in operating liabilities	<u>24,750</u>	<u>106,738</u>
Total net changes used in operating assets and liabilities	<u>(31,633)</u>	<u>(71,915)</u>
Total adjustments	<u>13,876</u>	<u>(47,049)</u>
Cash outflow generated from operations	(189,439)	(161,131)
Interest received	19,248	34,118
Interest paid	(7,382)	(6,160)
Income taxes refunded (paid)	2,072	(2,514)
Net cash flows used in operating activities	<u>(175,501)</u>	<u>(135,687)</u>
Cash flows from (used in) investing activities:		
Acquisition of financial assets at amortized cost	(1,000)	(223,100)
Proceeds from repayments of financial assets at amortised cost	24,500	200,100
Acquisition of property, plant and equipment	(276,595)	(324,927)
Proceeds from disposal of property, plant and equipment	1	-
Decrease in refundable deposits	170	2,176
Acquisition of intangible assets	(773)	-
Increase in other non-current assets	(29,858)	(4,921)
Net cash flows used in investing activities	<u>(283,555)</u>	<u>(350,672)</u>
Cash flows from (used in) financing activities:		
Increase in short-term borrowings	3,000	23,000
Raise long-term loans	177,380	-
Payments of lease liabilities	(17,962)	(16,383)
Exercise of employee stock options	516	-
Net cash flows used in financing activities	<u>162,934</u>	<u>6,617</u>
Effect of exchange rate changes on cash and cash equivalents	(34,588)	17,847
Net decrease in cash and cash equivalents	<u>(330,710)</u>	<u>(461,895)</u>
Cash and cash equivalents at beginning of period	<u>1,618,500</u>	<u>2,228,530</u>
Cash and cash equivalents at end of period	<u>\$ 1,287,790</u>	<u>1,766,635</u>

See accompanying notes to consolidated financial statements.

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

METATECH (AP) INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

September 30, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

(1) Company history

METATECH (AP) INC. (the “Company”). was incorporated in September 1998 as a company limited by shares under the approval of the Ministry of Economic Affairs. Its registered address is on 14 F.-3, No. 75, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City 221432, Taiwan (R.O.C.). The Company and its subsidiaries (hereinafter referred to as the "Consolidated Company") are mainly engaged in the wholesale and retail of electronic products and equipment, and the development and operation of biomedical related businesses.

(2) Approval date and procedures of the consolidated financial statements:

The consolidated financial statements for the nine months ended September 30, 2025 and 2024 were authorized for issuance by the Board of Directors on November 11, 2025.

(3) New standards, amendments and interpretations adopted:

- (a) The impact of the IFRS Accounting Standards endorsed by the Financial Supervisory Commission, R.O.C. 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, 2025:

- Amendments to IAS21 “Lack of Exchangeability”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” regarding the application guidance requirements for Section 4.1 of IFRS 9 and the related disclosure requirements of IFRS 7

- (b) 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, 2026, would not have a significant impact on its consolidated financial statements:

- 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” regarding the application guidance requirements for Sections 3.1 and 3.3 of IFRS 9 and the related disclosure requirements of IFRS 7
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

(Continued)

METATECH (AP) INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

- (c) The impact of IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	<p>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.</p> <ul style="list-style-type: none"> ● 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. 	January 1, 2027 note: On September 25, 2025, the FSC issued a press release announcing that Taiwan will adopt IFRS 18 beginning in 2028. Entities that need to adopt the new standard earlier may do with the endorsement of the FSC.

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METATECH (AP) INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

The Group is evaluating the impact on its consolidated financial position and consolidated financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the following other 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 19 “Subsidiaries without Public Accountability: Disclosures” and amendments to IFRS 19 “Subsidiaries without Public Accountability: Disclosures”

(4) Summary of material accounting policies:

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the preparation and guidelines of IAS 34 “Interim Financial Reporting” which are endorsed and issued into effect by FSC, and 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 (hereinafter referred to IFRS Accounting Standards endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except 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 statement for the year ended December 31, 2024. For the related information, please refer to note 4 of the financial statements for the year ended December 31, 2024.

(b) Basis of consolidation

(i) List of subsidiaries in the consolidated financial statements

Name of investor	Name of subsidiary	Principal activity	Shareholding			Note
			September 30, 2025	December 31, 2024	September 30, 2024	
The Company	MetaTech Investment Holding Co., Ltd. (MetaTech Investment)	Investment holding and reinvestment business	100 %	100 %	100 %	
"	Chienhwa Travel Service Co., Ltd.	Travel business	100 %	100 %	100 %	
"	LOCUS CELL CO., LTD.	Cell R&D and production business	15 %	15 %	15 %	Note 1
MetaTech Investment	MTI Holding Co., Ltd. (MTI Holding)	Investment holding and reinvestment business	100 %	100 %	100 %	
MTI Holding	MetaTech (S) Pte Ltd. (MetaTech(S))	Wholesale and retail of electronic materials	100 %	100 %	100 %	
"	MetaTech Ltd.	Wholesale and retail of electronic materials	100 %	100 %	100 %	
MetaTech Ltd.	MetaTech (Shenzhen) Ltd. (MetaTech (SZ))	Wholesale and retail of electronic materials	100 %	100 %	100 %	
LOCUS CELL CO., LTD.	Locus Ltd.	Sales of Regenerative Medicine Products	100 %	- %	- %	Note 2

Note 1: The Company has assessed that it has control over the company’s business and personnel, so it is included in the consolidated financial statements.

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METATECH (AP) INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Note 2: Locus Ltd. was established and invested during 2025.

(ii) Subsidiaries excluded from the consolidated financial statements: None.

(c) Employee benefits

The pension cost in the interim period was calculated and disclosed on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off event.

(d) Income taxes

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

The income tax expense for the period is best estimated by multiplying the pre-tax income for the interim reporting period by the management's forecast of the effective annual tax rate. This should be fully recognized as the tax expense for the period and allocated between current and deferred taxes based on the proportionate size.

(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 consolidated financial statements for the year ended December 31, 2024. For related information, please refer to note 5 of the consolidated financial statements for the year ended December 31, 2024.

(6) Explanation of significant accounts:

Except for the following disclosures, there were no material differences in the disclosures of significant accounts between the interim consolidated financial statements for the current period and the 2024 consolidated financial statements. Please refer to note 6 to the 2024 annual consolidated financial statements.

(a) Cash and cash equivalents

	September 30, 2025	December 31, 2024	September 30, 2024
Cash on hand and revolving funds	\$ 555	509	535
Checking accounts and demand deposits	381,103	393,153	450,689
Time deposits	906,132	1,224,838	1,315,411
	<u>\$ 1,287,790</u>	<u>1,618,500</u>	<u>1,766,635</u>

(Continued)

METATECH (AP) INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(b) Financial assets measured at amortized cost

	September 30, 2025	December 31, 2024	September 30, 2024
Time deposits maturing in excess of three months	\$ -	20,000	20,000
Reserved accounts for demand deposits	10,800	14,300	14,300
	<u>\$ 10,800</u>	<u>34,300</u>	<u>34,300</u>

The Group has assessed that the abovementioned financial assets are held-to-maturity to collect contractual cash flows, which consist solely of payments of principal and interest on principal amount outstanding. Therefore, these investments were classified as financial assets measured at amortized cost.

Credit risk information, please refer to note 6(v).

As of September 30, 2025, December 31 and September 30, 2024, the aforementioned financial assets measured at amortized cost of the Group had been pledged as collateral; please refer to note 8.

(c) Notes and accounts receivable, net

	September 30, 2025	December 31, 2024	September 30, 2024
Notes receivable	\$ -	46	291
Accounts receivable	388,047	366,526	394,604
Less: Loss allowance	(2)	-	(1)
Accounts receivable, net	<u>\$ 388,045</u>	<u>366,572</u>	<u>394,894</u>

The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, Notes and accounts receivable have been grouped based on shared credit risk characteristics and the days past due, as well as the incorporated forward looking information. The loss allowance provision were determined as follows:

	September 30, 2025		
	Gross carrying amount	Weighted- average loss rate	Loss allowance provision
Current	\$ 351,946	0.03%	-
1 to 30 days past due	32,014	0.05%	-
31 to 90 days past due	3,929	0.07%	-
More than 91 days past due	158	50%~100%	2
	<u>\$ 388,047</u>		<u>2</u>

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METATECH (AP) INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	December 31, 2024		
	Gross carrying amount	Weighted- average loss rate	Loss allowance provision
Current	\$ 335,378	0.03%	-
1 to 30 days past due	30,017	0.05%	-
31 to 90 days past due	1,017	0.07%	-
More than 91 days past due	160	50%~100%	-
	\$ 366,572		-
	September 30, 2024		
	Gross carrying amount	Weighted- average loss rate	Loss allowance provision
Current	\$ 363,191	0.03%	-
1 to 30 days past due	27,037	0.05%	-
31 to 90 days past due	4,596	0.07%	-
More than 91 days past due	71	50%~100%	1
	\$ 394,895		1

The movements in the allowance for notes and accounts receivable were as follows:

	For the nine months ended September 30,	
	2025	2024
Balance at January 1, 2025 and 2024	\$ -	-
Impairment losses recognized	3	19
Impairment losses reversed	(1)	(18)
Balance at September 30, 2025 and 2024	\$ 2	1

As of September 30, 2025, December 31 and September 30, 2024, the aforementioned notes and accounts receivable of the Group had not been pledged as collateral.

For further credit risk information, please refer to note 6(v).

(Continued)

METATECH (AP) INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(d) Inventories

	September 30, 2025	December 31, 2024	September 30, 2024
Raw materials	\$ 12,553	10,619	9,260
Work in progress	3,201	1,616	1,070
Semi-finished goods	2,992	2,241	2,936
Finished goods	2,855	858	1,117
Merchandises	<u>69,299</u>	<u>62,063</u>	<u>64,329</u>
	<u>\$ 90,900</u>	<u>77,397</u>	<u>78,712</u>

Operating costs for inventory related expenses and losses recognized were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Cost of goods sold	\$ 343,129	359,978	1,009,377	947,135
Reversal of write-downs	(381)	(4,232)	(2,867)	(6,624)
Losses on inventory scrap	<u>599</u>	<u>3,105</u>	<u>1,105</u>	<u>3,210</u>
Operating costs	<u>\$ 343,347</u>	<u>358,851</u>	<u>1,007,615</u>	<u>943,721</u>

The Group reversed the previously recognized allowance for loss on decline in market value of inventories for the three months and nine months ended September 30, 2025 and 2024, as a result of selling a portion of its inventories for which allowance for obsolescence and decline in market value had been recorded.

As of September 30, 2025, December 31 and September 30, 2024, the aforementioned inventory of the Group had not been pledged as collateral.

(e) Investments accounted for using equity method

	September 30, 2025	December 31, 2024	September 30, 2024
Up Cell Biomedical Inc.	<u>\$ 9,024</u>	<u>10,733</u>	<u>11,409</u>

<u>Name of associate</u>	<u>Nature of relationship with the Group</u>	<u>Main operating location/ Registered country of the Company</u>	<u>Proportion of shareholding and voting rights</u>		
			<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Up Cell Biomedical Inc.	Cell sheet development and medical production	Taiwan	29.23 %	29.23 %	29.23 %

(Continued)

METATECH (AP) INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The Group is the single largest shareholder of Up Cell Biomedical Inc., however, the Company does not have absolute voting power over the resolutions in the shareholders' meeting of the Up Cell Biomedical Inc.. Although the Company serves as a corporate director of Up Cell Biomedical Inc. and was elected as the chairman of the Board of Directors of Up Cell Biomedical Inc., the Company does not hold a majority of board seats, which shows that the Company does not have the actual ability to dominate the relevant activities. Thus, the Company has no control, but only has significant influence, over Up Cell Biomedical Inc..

The summarised financial information of the Up Cell Biomedical Inc. was as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Current assets	\$ 19,937	22,154	21,332
Non-current assets	6,738	5,534	8,176
Current liabilities	(2,313)	(1,384)	(890)
Non-current liabilities	(4,104)	(202)	(202)
Net assets	<u>\$ 20,258</u>	<u>26,102</u>	<u>28,416</u>
Carrying amount of investments in related parties	<u>\$ 9,024</u>	<u>10,733</u>	<u>11,409</u>

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Operating revenues	<u>\$ 1,135</u>	<u>634</u>	<u>3,379</u>	<u>634</u>
Loss from continuing operations	\$ (1,447)	(3,617)	(5,527)	(11,880)
Other comprehensive income (loss)	-	-	-	-
Total comprehensive income (loss)	<u>\$ (1,447)</u>	<u>(3,617)</u>	<u>(5,527)</u>	<u>(11,880)</u>
Comprehensive income (loss) attributable to controlling interests	<u>\$ (423)</u>	<u>(976)</u>	<u>(1,709)</u>	<u>(3,472)</u>

(f) Material non-controlling interests of subsidiaries

The material non-controlling interests of subsidiaries were as follows:

Subsidiaries	Main operation place	Percentage of non-controlling interests		
		September 30, 2025	December 31, 2024	September 30, 2024
LOCUS CELL CO., LTD	Taiwan	85.00 %	85.00 %	85.00 %

(Continued)

METATECH (AP) INC. AND SUBSIDIARIES
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The following information on the aforementioned subsidiaries has been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. Intra-group transactions were not eliminated in this information.

The summarised financial information of the LOCUS CELL CO., LTD was as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Current assets	\$ 947,062	1,187,622	1,330,522
Non-current assets	1,023,070	631,382	521,231
Current liabilities	(151,076)	(38,299)	(45,302)
Non-current liabilities	(232,205)	(58,099)	(58,385)
Net assets	<u>\$ 1,586,851</u>	<u>1,722,606</u>	<u>1,748,066</u>
Non-controlling interests	<u>\$ 1,348,880</u>	<u>1,464,215</u>	<u>1,485,856</u>

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Sales revenue	<u>\$ 3,073</u>	<u>-</u>	<u>6,527</u>	<u>634</u>
Net income	\$ (40,617)	(33,424)	(143,908)	(85,494)
Other comprehensive income	170	-	215	-
Comprehensive income	<u>\$ (40,447)</u>	<u>(33,424)</u>	<u>(143,693)</u>	<u>(85,494)</u>
Comprehensive income, attributable to non- controlling interests	<u>\$ (34,381)</u>	<u>(28,411)</u>	<u>(122,141)</u>	<u>(72,670)</u>

	For the nine months ended September 30,	
	2025	2024
Net cash flows from operating activities	\$ (132,328)	(78,862)
Net cash flows from investing activities	(278,228)	(346,553)
Net cash flows from financing activities	165,883	(11,156)
Effect of exchange rate changes on cash and cash equivalents	(3,131)	-
Decrease in cash and cash equivalents	<u>\$ (247,804)</u>	<u>(436,571)</u>

(Continued)

METATECH (AP) INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(g) Property, plant and equipment

The cost and depreciation of the property, plant and equipment of the Group for the nine months ended September 30, 2025 and 2024, were as follows:

	<u>Land</u>	<u>Buildings and structures</u>	<u>Machinery</u>	<u>Office equipment</u>	<u>Other equipment</u>	<u>Construction in progress</u>	<u>Total</u>
Cost:							
Balance at January 1, 2025	\$ 17,209	150,504	128,786	46,010	30,478	497,441	870,428
Additions	-	-	9,596	3,134	420	360,681	373,831
Disposals	-	-	-	(276)	-	-	(276)
Reclassification	-	-	3,914	-	-	-	3,914
Effect of movements in exchange rates	-	-	-	(654)	(202)	-	(856)
Balance at September 30, 2025	<u>\$ 17,209</u>	<u>150,504</u>	<u>142,296</u>	<u>48,214</u>	<u>30,696</u>	<u>858,122</u>	<u>1,247,041</u>
Balance at January 1, 2024	\$ 17,209	150,504	111,089	44,259	26,354	61,888	411,303
Additions	-	-	8,714	1,571	3,560	329,794	343,639
Disposals	-	-	-	(57)	-	-	(57)
Reclassification	-	-	1,138	-	-	-	1,138
Effect of movements in exchange rates	-	-	-	281	105	-	386
Balance at September 30, 2024	<u>\$ 17,209</u>	<u>150,504</u>	<u>120,941</u>	<u>46,054</u>	<u>30,019</u>	<u>391,682</u>	<u>756,409</u>
Depreciation:							
Balance at January 1, 2025	\$ -	46,288	49,699	38,513	19,746	-	154,246
Depreciation for the year	-	4,564	12,639	2,478	2,477	-	22,158
Disposals	-	-	-	(276)	-	-	(276)
Effect of movements in exchange rates	-	-	-	(642)	(200)	-	(842)
Balance at September 30, 2025	<u>\$ -</u>	<u>50,852</u>	<u>62,338</u>	<u>40,073</u>	<u>22,023</u>	<u>-</u>	<u>175,286</u>
Balance at January 1, 2024	\$ -	40,203	36,882	36,663	16,563	-	130,311
Depreciation for the year	-	4,564	9,029	2,645	2,109	-	18,347
Disposals	-	-	-	(43)	-	-	(43)
Effect of movements in exchange rates	-	-	-	275	103	-	378
Balance at September 30, 2024	<u>\$ -</u>	<u>44,767</u>	<u>45,911</u>	<u>39,540</u>	<u>18,775</u>	<u>-</u>	<u>148,993</u>
Carrying amounts:							
Balance at September 30, 2025	<u>\$ 17,209</u>	<u>99,652</u>	<u>79,958</u>	<u>8,141</u>	<u>8,673</u>	<u>858,122</u>	<u>1,071,755</u>
Balance at December 31, 2024	<u>\$ 17,209</u>	<u>104,216</u>	<u>79,087</u>	<u>7,497</u>	<u>10,732</u>	<u>497,441</u>	<u>716,182</u>
Balance at September 30, 2024	<u>\$ 17,209</u>	<u>105,737</u>	<u>75,030</u>	<u>6,514</u>	<u>11,244</u>	<u>391,682</u>	<u>607,416</u>

As of September 30, 2025, December 31 and September 30, 2024, the property, plant and equipment of the Group had been pledged as collateral for loans and financing facilities. Please refer to note 8.

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METATECH (AP) INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(h) Right-of-use assets

	<u>Land</u>	<u>Buildings</u>	<u>Transportation equipment</u>	<u>Total</u>
Carrying amount:				
Balance at September 30, 2025	\$ <u>52,766</u>	<u>30,911</u>	<u>242</u>	<u>83,919</u>
Balance at December 31, 2024	\$ <u>55,754</u>	<u>45,968</u>	<u>515</u>	<u>102,237</u>
Balance at September 30, 2024	\$ <u>56,749</u>	<u>42,272</u>	<u>606</u>	<u>99,627</u>

The Group leases land, buildings and transportation equipment recognized as right-of-use assets which have no significant additions, impairment, or reversals for the nine months ended September 30, 2025 and 2024. For other related information, please refer to note 6(g) of the consolidated financial statement for the year ended December 31, 2024.

(i) Intangible assets

The cost, amortization and impairment of the intangible assets of the Group for the nine months ended September 30, 2024, were as follows:

	<u>Technical skills</u>
Costs:	
Balance at January 1, 2025 (Balance at September 30, 2025)	\$ <u>277,933</u>
Balance at January 1, 2024 (Balance at September 30, 2024)	\$ <u>277,933</u>
Amortization and impairment losses:	
Balance at January 1, 2025	\$ 87,470
Amortization for the year	<u>5,851</u>
Balance at September 30, 2025	\$ <u>93,321</u>
Balance at January 1, 2024	\$ 79,667
Amortization for the year	<u>5,851</u>
Balance at September 30, 2024	\$ <u>85,518</u>
Carrying amount:	
Balance at September 30, 2025	\$ <u>184,612</u>
Balance at December 31, 2024	\$ <u>190,463</u>
Balance at September 30, 2024	\$ <u>192,415</u>

The Group's technical skills-Esophagus are not yet available for use, and therefore are not amortised. It will be amortised on a straight-line basis over their estimated useful life upon being available for use. In accordance with IAS 36, the intangible assets that are not yet available for use should at least be tested for impairment annually by comparing its recoverable amount and the carrying amount.

The information about the intangible assets in terms of the capital expenditure contracted for at the balance sheet date but not yet incurred is provided in Note 9.

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METATECH (AP) INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(j) Short-term borrowings

The short-term borrowings were summarized as follows:

	<u>September 30,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>	<u>September 30,</u> <u>2024</u>
Unsecured Bank Borrowings	\$ 163,000	180,000	155,000
Secured Bank Borrowings	164,000	144,000	162,000
	<u>\$ 327,000</u>	<u>324,000</u>	<u>317,000</u>
Unused credit lines	<u>\$ 316,000</u>	<u>349,000</u>	<u>356,000</u>
Range of interest rates	<u>2.225%~2.34%</u>	<u>0.50%~2.35%</u>	<u>0.50%~2.50%</u>

(i) Issuance and payment of borrowings

For the nine months ended September 30, 2025 and 2024, the Group had the additional short-term borrowings amounting to \$1,129,000 thousand and \$895,000 thousand, interest rates range from 2.20% to 2.50%, and from 0.50% to 2.50% , and the payments amounted to \$1,126,000 thousand and \$872,000 thousand.

(ii) Collateral of borrowings

For the collateral for short-term borrowings, please refer to Note 8.

(k) Long-term borrowings

	<u>September 30,</u> <u>2025</u>
Secured bank borrowings	\$ 177,380
Less : current portion	-
Total	<u>\$ 177,380</u>
Unused long-term credit lines	<u>\$ 632,620</u>
Range of interest rates	<u>2.22%</u>

(i) Issuance and repayment of borrowings

For the nine months ended September 30, 2025, the Group had the additional long-term borrowings amounting to \$177,380 thousand, with an interest rates of 2.22%, and maturing in July 2035. Moreover, there were no significant issuances, repurchases, or repayments for the nine months ended September 30, 2024. Please refer to Note 6(u) for interest expenses.

(ii) Collateral of borrowings

For the collateral for long-term borrowings, please refer to Note 8.

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METATECH (AP) INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(l) Lease liabilities

Group's lease liabilities were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Current	<u>\$ 21,217</u>	<u>24,107</u>	<u>21,242</u>
Non-current	<u>\$ 68,726</u>	<u>84,460</u>	<u>84,728</u>

For the maturity analysis, please refer to note 6(v).

The amounts recognized in profit or loss were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Interest on lease liabilities	<u>\$ 407</u>	<u>492</u>	<u>1,321</u>	<u>1,377</u>
Expenses relating to short-term leases and Low-value Leases	<u>\$ 733</u>	<u>767</u>	<u>2,103</u>	<u>1,802</u>

The amounts recognized in the statement of cash flows for lease were as follows:

	For the nine months ended September 30,	
	2025	2024
Total cash outflow for leases	<u>\$ 21,386</u>	<u>19,562</u>

(i) Leases of Land, Buildings, and Structures

The Group leases various assets including land, buildings and transportation equipment for business purposes. Rental contracts are typically made for periods ranging from 1 to 18 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not contain any other restrictions except that the leased assets may not be used as collateral for loans.

(i) Other leases

The Group leases parking space, warehouse and photocopiers, which are short-term leases or leases of low-value items. The Group has elected not to recognize right-of-use assets and lease liabilities for these leases.

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METATECH (AP) INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(m) Other payables

	September 30, 2025	December 31, 2024	September 30, 2024
Payables on construction and equipment	\$ 114,842	17,606	20,474
Salary and bonus payable	26,085	17,091	28,372
Labor and health insurance payable	2,633	2,537	1,520
Pension liability payable	2,118	2,161	2,346
Service fee payable	3,478	2,948	2,164
Repair and maintenance expense payable	2,134	1,234	740
Other payable	<u>14,132</u>	<u>7,262</u>	<u>7,512</u>
	<u>\$ 165,422</u>	<u>50,839</u>	<u>63,128</u>

(n) Employee benefits

(i) Defined benefit plans

Management believes that there was 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 report as of December 31, 2024 and 2023.

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Operating expenses	<u>\$ (5)</u>	<u>4</u>	<u>(13)</u>	<u>12</u>

(ii) Defined contribution plans

The Group's expenses for the pension plan contributions to the Bureau of Labor Insurance and relevant local authorities were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Operating cost	\$ 200	205	595	599
Operating expenses	<u>2,146</u>	<u>2,218</u>	<u>6,542</u>	<u>6,574</u>
Total	<u>\$ 2,346</u>	<u>2,423</u>	<u>7,137</u>	<u>7,173</u>

(Continued)

METATECH (AP) INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(o) Income taxes

(i) The components of income tax expense (benefit) were as follows:

	For the three months ended		For the nine months ended	
	September 30,		September 30,	
	2025	2024	2025	2024
Current income tax expense	\$ 723	1,908	2,597	3,644
Deferred tax (benefit) expense	(3,194)	-	(11,767)	2,153
Income tax (benefit) expense	<u>\$ (2,471)</u>	<u>1,908</u>	<u>(9,170)</u>	<u>5,797</u>

(ii) The amounts of income tax recognized in other comprehensive income were as follows:

	For the three months ended		For the nine months ended	
	September 30,		September 30,	
	2025	2024	2025	2024
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translation	\$ (4,049)	1,850	6,962	(3,916)

(iii) Status of Corporate Income Tax Filing and Assessment for the Consolidated Entity

Company Name	Assessed Fiscal Year
The Company	2023
LOCUS CELL CO., LTD	2023
Chienhwa Travel Service Co.,Ltd.	2023

(p) 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, 2025 and 2024. For the related information, please refer to Note 6(13) of the consolidated financial statements for the year ended December 31, 2024.

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METATECH (AP) INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(i) Capital surplus

The balances of capital surplus as of September 30, 2025 and 2024, were as follows:

	<u>September 30,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>	<u>September 30,</u> <u>2024</u>
Share capital	\$ 617,151	617,151	617,151
Recognition of changes in ownership in subsidiaries	4,272	3,140	2,831
Employee share options	-		295
Share options	5,424	5,424	5,424
Lapsed share options	<u>52,924</u>	<u>52,924</u>	<u>52,629</u>
	<u>\$ 679,771</u>	<u>678,639</u>	<u>678,330</u>

(ii) Retained earnings

In accordance with the Company's Articles of Incorporation, if there is a surplus upon the completion of the annual final accounts, the Company shall first pay taxes and offset prior years' accumulated deficits. Thereafter, 10% of the remaining earnings shall be appropriated as legal reserve. The remainder, together with unappropriated earnings from previous years, shall be proposed by the Board of Directors for resolution at the shareholders' meeting to either be retained or distributed. Of the dividends distributed to shareholders, the portion distributed in cash shall not be less than 30%, with the remainder to be distributed in stock dividends.

The legal reserve may only be used to offset Company losses or be distributed as stock or cash dividends in proportion to shareholders' existing shareholdings. However, such distribution is limited to the portion of the legal reserve that exceeds; 25% of the Company's paid-in capital.

When distributing earnings, the Company is required by applicable laws and regulations to appropriate a special reserve equivalent to the debit balance of other equity items as of the balance sheet date. When the debit balance of other equity items is subsequently reversed, the reversed amount may be included in distributable earnings.

On June 24, 2025 and June 27, 2024, respectively, the Company resolved at its annual shareholders' meetings to offset the deficits for the years 2024 and 2023. As of those dates, there were no accumulated earnings available for distribution.

(iii) Treasury shares

In accordance with Article 167-1 of the Company Act, the Company repurchased a total of 40 thousand shares as treasury stock for the nine months ended September 30, 2025 and 2024, for the purpose of transferring shares to employees. As of September 30, 2025, the repurchased shares which have not been canceled totaled 40 thousand shares.

In accordance with the Company Act, treasury shares held by the Company do not carry shareholders' rights prior to their transfer.

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METATECH (AP) INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iv) Other equity accounts, net of tax

	Exchange differences on translation of foreign financial statements
Balance at January 1, 2025	\$ 19,278
Exchange differences on translation of foreign financial statements, net of tax	<u>(27,815)</u>
Balance at September 30, 2025	<u>\$ (8,537)</u>
Balance at January 1, 2024	\$ (8,500)
Exchange differences on translation of foreign financial statements, net of tax	<u>15,664</u>
Balance at September 30, 2024	<u>\$ 7,164</u>

(q) Share-based payment

Employee stock option plans

There were no significant changes in share-based payment during the periods for the nine months ended September 30, 2025 and 2024. For the related information, please refer to note 6(12) to the financial statements for the year ended December 31, 2024.

Relevant information of employee stock option plans

Details of the employee stock option were as follows:

The Company (No such situation on September 30, 2025)

	For the nine months ended September 30, 2024	
	Employee stock options	
	Weighted average exercise price	Number of options
Outstanding at January 1	\$ 58.08	2,271
Forfeited during the year	(58.10)	(2,257)
Exercised during the year	-	-
Outstanding at September 30	54.50	<u>14</u>
Exercisable at September 30	-	<u>14</u>

(Continued)

METATECH (AP) INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Subsidiaries

	For the nine months ended September 30, 2025		For the nine months ended September 30, 2024	
	Employee stock options		Employee stock options	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
Outstanding at January 1	\$ 11.00	1,933	11.00	2,158
Forfeited during the year	(11.00)	(86)	11.00	(20)
Exercised during the year	(11.00)	(47)	-	-
Outstanding at September 30	11.00	<u>1,800</u>	11.00	<u>2,138</u>
Exercisable at September 30	11.00	<u>83</u>	-	<u>-</u>

Compensation cost

	For the nine months ended September 30,	
	2025	2024
Expenses resulting from granted employee stock options	\$ <u>7,422</u>	<u>7,744</u>

(r) Loss per share

The details on the calculation of basic and diluted loss per share were as follow :

(i) Basic and diluted loss per share

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Loss attributable to ordinary shareholders of the Company	\$ <u>(16,129)</u>	<u>(11,973)</u>	<u>(71,821)</u>	<u>(47,209)</u>

Weighted average number of ordinary shares outstanding

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Issued ordinary shares at 1 January	\$ 68,173	68,173	68,173	68,173
Effect of treasury shares	(40)	(40)	(40)	(40)
Weighted average number of ordinary shares at September 30	<u>\$ 68,133</u>	<u>68,133</u>	<u>68,133</u>	<u>68,133</u>
Basic and diluted loss per share	<u>\$ (0.24)</u>	<u>(0.18)</u>	<u>(1.05)</u>	<u>(0.69)</u>

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METATECH (AP) INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(s) Revenue from contracts with customers

(i) Disaggregation of revenue

For the three months ended September 30, 2025						
	Hong Kong and Mainland China	Southeast Asia	Taiwan Electronics	Taiwan Biomedine	Others	Total
Major regional markets :						
Hong Kong and Mainland China	\$ 96,637	7,539	41,963	-	-	146,139
Southeast Asia	-	77,554	10,276	-	-	87,830
Taiwan	-	-	143,477	11,074	56	154,607
Japan	-	-	-	1,612	-	1,612
Other	-	-	739	-	-	739
Total	\$ 96,637	85,093	196,455	12,686	56	390,927
Major product and service categories :						
Electronics	\$ 96,637	85,093	196,455	-	-	378,185
Biomedicine	-	-	-	12,686	-	12,686
Others	-	-	-	-	56	56
Total	\$ 96,637	85,093	196,455	12,686	56	390,927
For the three months ended September 30, 2024						
	Hong Kong and Mainland China	Southeast Asia	Taiwan Electronics	Taiwan Biomedine	Others	Total
Major regional markets :						
Hong Kong and Mainland China	\$ 115,142	1,184	17,161	-	-	133,487
Southeast Asia	-	81,571	6,701	-	-	88,272
Taiwan	-	-	185,436	5,574	43	191,053
Other	-	-	1,135	-	-	1,135
Total	\$ 115,142	82,755	210,433	5,574	43	413,947
Major product and service categories :						
Electronics	\$ 115,142	82,755	210,433	-	-	408,330
Biomedicine	-	-	-	5,574	-	5,574
Others	-	-	-	-	43	43
Total	\$ 115,142	82,755	210,433	5,574	43	413,947
For the nine months ended September 30, 2025						
	Hong Kong and Mainland China	Southeast Asia	Taiwan Electronics	Taiwan Biomedine	Others	Total
Major regional markets :						
Hong Kong and Mainland China	\$ 302,661	17,504	92,985	-	-	413,150
Southeast Asia	-	225,341	20,907	-	-	246,248
Taiwan	-	-	455,288	27,684	193	483,165
Japan	-	-	-	3,776	-	3,776
Other	-	-	3,341	-	-	3,341
Total	\$ 302,661	242,845	572,521	31,460	193	1,149,680
Major product and service categories :						
Electronics	\$ 302,661	242,845	572,521	-	-	1,118,027
Biomedicine	-	-	-	31,460	-	31,460
Others	-	-	-	-	193	193
Total	\$ 302,661	242,845	572,521	31,460	193	1,149,680

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METATECH (AP) INC. AND SUBSIDIARIES
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For the nine months ended September 30, 2024						
	Hong Kong and Mainland China	Southeast Asia	Taiwan Electronics	Taiwan Biomedine	Others	Total
Major regional markets :						
Hong Kong and Mainland China	\$ 316,230	1,257	58,185	-	-	375,672
Southeast Asia	-	282,915	15,285	-	-	298,200
Taiwan	-	-	387,891	9,874	280	398,045
Other	-	-	4,638	-	-	4,638
Total	<u>\$ 316,230</u>	<u>284,172</u>	<u>465,999</u>	<u>9,874</u>	<u>280</u>	<u>1,076,555</u>
Major product and service categories :						
Electronics	\$ 316,230	284,172	465,999	-	-	1,066,401
Biomedicine	-	-	-	9,874	-	9,874
Others	-	-	-	-	280	280
Total	<u>\$ 316,230</u>	<u>284,172</u>	<u>465,999</u>	<u>9,874</u>	<u>280</u>	<u>1,076,555</u>

(ii) Contract balances

	September 30, 2025	December 31, 2024	September 30, 2024
Notes and accounts receivable	\$ 388,047	366,572	394,895
Less: allowance for impairment	(2)	-	(1)
Total	<u>\$ 388,045</u>	<u>366,572</u>	<u>394,894</u>
	September 30, 2025	December 31, 2024	September 30, 2024
Contract liabilities	<u>\$ 22,253</u>	<u>24,863</u>	<u>20,763</u>

The contract liabilities primarily relate to the advance consideration received from product sales, which will be transferred to revenue when the related products are delivered to customers.

For details on notes and accounts receivable and allowance for impairment, please refer to note 6(c).

The amounts of revenue recognized for the nine months ended September 30, 2025 and 2024 that were included in the contract liability balance at the beginning of the periods were \$19,665 thousand and \$7,115 thousand, respectively.

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METATECH (AP) INC. AND SUBSIDIARIES
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(t) Employee and directors' compensation

The Company's Articles of Incorporation were amended on June 24, 2025 by a resolution of the shareholders' meeting. Under the amended Articles of Incorporation, the current year's earnings, if any, shall be distributed as employees' compensation at 1%- to 5% and as directors' compensation at not more than 5% of the total earnings. However, if the Company has accumulated losses, the Company should reserve an amount to cover such losses in advance.

At least 30% of the total amount of employee compensation shall be allocated to the entry-level rank-and-file employees. Employee compensation may be distributed in the form of shares or cash, and eligible recipients may include employees of the Company's subsidiaries who meet certain criteria, as determined by the Board of Directors. Employees of the Company's investee subsidiaries (or those of affiliated subsidiaries meeting specific conditions) may also be entitled to receive such compensation, with the eligibility and distribution method to be prescribed by the Board of Directors.

Prior to the amendment of the Articles of Incorporation, the Company was required to allocate 1% to 5% of annual profits as employee compensation, provided that any accumulated deficits must first be offset in advance.

As of nine months ended September 30, 2025 and 2024, no employees' compensation and directors' compensation were accrued due to the accumulated deficit of the Company.

(u) Non-operating income and expenses

(i) Interest income

	For the three months ended		For the nine months ended	
	September 30,		September 30,	
	2025	2024	2025	2024
Interest income from bank deposits	\$ 4,073	9,916	19,068	32,350
Interest income from financial assets measured at amortized cost	41	829	150	1,748
Other interest income	7	9	30	20
	\$ 4,121	10,754	19,248	34,118

(ii) Other income

	For the three months ended		For the nine months ended	
	September 30,		September 30,	
	2025	2024	2025	2024
Other income	\$ 159	3,019	1,077	3,309

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METATECH (AP) INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iii) Other gains and losses

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Gains (losses) on disposals of property, plant and equipment	\$ 1	-	1	(14)
Gain from lease modifications	-	-	3	46
Foreign currency exchange gains (losses)	7,458	(4,663)	(30,576)	14,566
Others	(1)	-	(64)	-
	<u>\$ 7,458</u>	<u>(4,663)</u>	<u>(30,636)</u>	<u>14,598</u>

(iv) Finance costs

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Interest expense	\$ 2,450	1,588	6,241	4,783
Amortization interest of lease liabilities	407	492	1,321	1,377
	<u>\$ 2,857</u>	<u>2,080</u>	<u>7,562</u>	<u>6,160</u>

(v) Financial instruments

Except for the contention mentioned below, there was no significant change in the fair value of the Group's financial instruments and degree of exposure to credit risk and other price risk arising from financial instruments. For related information, please refer to note 12(2) to the consolidated financial statements for the year ended December 31, 2024.

(i) Liquidity risk

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

September 30, 2025	Carrying amount	Contractual cash flows	Within 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Short-term borrowings	\$ 327,000	328,547	303,513	25,034	-	-	-
Long-term borrowings	177,380	200,515	1,969	1,969	7,630	75,931	113,016
Notes payable	908	908	908	-	-	-	-
Accounts payable (including related parties)	148,341	148,341	148,341	-	-	-	-
Other payables (including related parties)	165,422	165,422	165,422	-	-	-	-
Lease liabilities (including current portion)	89,943	107,009	15,818	13,600	19,063	20,702	37,826
	<u>\$ 908,994</u>	<u>950,742</u>	<u>635,971</u>	<u>40,603</u>	<u>26,693</u>	<u>96,633</u>	<u>150,842</u>

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METATECH (AP) INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>Within 6 months</u>	<u>6-12 months</u>	<u>1-2 years</u>	<u>2-5 years</u>	<u>More than 5 years</u>
December 31, 2024							
Short-term borrowings	\$ 324,000	325,870	325,870	-	-	-	-
Notes payable	1,006	1,006	1,006	-	-	-	-
Accounts payable (including related parties)	137,347	137,347	137,347	-	-	-	-
Other payables (including related parties)	50,839	50,839	50,839	-	-	-	-
Lease liabilities (including current portion)	<u>108,567</u>	<u>117,833</u>	<u>14,246</u>	<u>12,715</u>	<u>20,850</u>	<u>28,758</u>	<u>41,264</u>
	<u>\$ 621,759</u>	<u>632,895</u>	<u>529,308</u>	<u>12,715</u>	<u>20,850</u>	<u>28,758</u>	<u>41,264</u>
September 30, 2024							
Non-derivative financial liabilities							
Short-term borrowings	\$ 317,000	319,074	319,074	-	-	-	-
Notes payable	1,909	1,909	1,909	-	-	-	-
Accounts payable (including related parties)	164,511	164,511	164,511	-	-	-	-
Other payables (including related parties)	63,128	63,128	63,128	-	-	-	-
Lease liabilities (including current portion)	<u>105,970</u>	<u>117,188</u>	<u>14,568</u>	<u>11,218</u>	<u>19,476</u>	<u>29,515</u>	<u>42,411</u>
	<u>\$ 652,518</u>	<u>665,810</u>	<u>563,190</u>	<u>11,218</u>	<u>19,476</u>	<u>29,515</u>	<u>42,411</u>

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

(ii) Currency risk

1) Exposure to foreign currency risk

The Group's significant exposure to foreign currency risk was as follows:

	<u>September 30, 2025</u>			<u>December 31, 2024</u>			<u>September 30, 2024</u>		
	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>NTD</u>	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>NTD</u>	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>NTD</u>
<u>Financial assets</u>									
<u>Monetary items</u>									
USD	\$ 19,493	30.45	593,464	25,422	32.785	833,460	26,149	31.650	827,616
JPY	282,246	0.2058	58,086	348,224	0.2099	73,092	350,621	0.2223	77,943
<u>Financial liabilities</u>									
<u>Monetary items</u>									
USD	5,977	30.445	181,970	4,587	32.785	150,384	5,350	31.650	169,327

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 and other receivables, loans and borrowings; and accounts and other payables that are denominated in foreign currency. A weakening of 1% of the NTD against the USD and JPY as of September 30, 2025 and 2024 would have increased the net income before tax by \$4,696 thousand and \$7,362 thousand, respectively. The analysis is performed on the same basis for prior year.

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METATECH (AP) INC. AND SUBSIDIARIES
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2) Foreign exchange gain and loss on monetary items

Since the Group has many kinds of functional currency, the information on foreign exchange gain (loss) on monetary items is disclosed by total amount. For the nine months ended September 30, 2025 and 2024, foreign exchange (loss) gain (including realized and unrealized portions) amounted to \$30,576 thousand and \$14,566 thousand, respectively.

(iii) Interest rate analysis

Please refer to the notes on liquidity risk management and interest rate exposure of the Group's financial assets and liabilities.

The following sensitivity analysis is based on the exposure to the interest rate risk of derivative and non-derivative financial instruments on the reporting date. Regarding liabilities with variable interest rates, the analysis is based on the assumption that the amount of liabilities outstanding at the reporting date is outstanding throughout the year. The rate of change is expressed as the interest rate increasing range of or decreasing by 1% when reporting to management internally, which also represents the Group management's assessment of the reasonably possible range of interest rate changes. An increase or decrease of 1% in interest rates mainly from loans with floating interest rates at the reporting date would have increased or decreased net income by \$5,044 and \$3,170 for the nine months ended September 30, 2025 and 2024, respectively.

(iv) Fair value of financial statements

1) Fair value hierarchy

The financial assets at fair value through other comprehensive income is measured on a recurring basis. The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value and lease liabilities, disclosure of fair value information is not required:

	September 30, 2025				
	Book Value	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets measured at amortized cost					
Cash and cash equivalents	\$ 1,287,790	-	-	-	-
Financial assets at amortized cost	10,800	-	-	-	-
Accounts receivable	388,045	-	-	-	-
Other receivables	5,023	-	-	-	-
Refundable deposits (recognized as other non-current assets)	7,738	-	-	-	-
Total	<u>\$ 1,699,396</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

(Continued)

METATECH (AP) INC. AND SUBSIDIARIES
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	September 30, 2024				
	Book Value	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets measured at amortized cost					
Cash and cash equivalents	\$ 1,766,635	-	-	-	-
Financial assets at amortized cost	34,300	-	-	-	-
Notes receivable	291	-	-	-	-
Accounts receivable	394,603	-	-	-	-
Other receivables	10,701	-	-	-	-
Refundable deposits (recognized as other non-current assets)	<u>7,363</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>2,213,893</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial liabilities measured at amortized cost					
Short-term borrowings	\$ 317,000	-	-	-	-
Notes payable	1,909	-	-	-	-
Accounts payable	164,511	-	-	-	-
Other payables (including related parties)	63,128	-	-	-	-
Lease liabilities (including current portion)	<u>105,970</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 652,518</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

(w) Financial risk management

There were no significant changes in the Group's financial risk management and policies as disclosed in note 12(2) to the consolidated financial statements for the year ended December 31, 2024.

(x) 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 consolidated financial statements for the year ended December 31, 2024. Also, management believes that there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2024. Please refer to note 12(1) to the consolidated financial statements for the year ended December 31, 2024 for further details.

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METATECH (AP) INC. AND SUBSIDIARIES
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(y) Investing and financing activities not affecting current cash flow

The Group's investing and financing activities, which did not affect the current cash flow in the nine months ended September 30, 2025 and 2024, were as follows:

(i) Cash outflow for acquisition of property, plant and equipment was as follows:

	For the nine months ended September 30,	
	2025	2024
Acquisition of property, plant and equipment	\$ 373,831	343,639
Add: beginning equipment payables	17,606	1,762
Less: ending equipment payables	<u>(114,842)</u>	<u>(20,474)</u>
Cash outflow	<u><u>\$ 276,595</u></u>	<u><u>324,927</u></u>

(ii) Reconciliation of liabilities arising from financing activities was as follows:

	January 1, 2025	Cash flows	Non-cash changes		September 30, 2025
			Foreign exchange movement	Others	
Short-term borrowings	\$ 324,000	3,000	-	-	327,000
Long-term borrowings	-	177,380	-	-	177,380
Lease liabilities (including current portion)	108,567	(17,962)	(562)	(100)	89,943
Guarantee deposits (recognized as other non-current liabilities)	<u>300</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>300</u>
Total liabilities from financing activities	<u><u>\$ 432,867</u></u>	<u><u>162,418</u></u>	<u><u>(562)</u></u>	<u><u>(100)</u></u>	<u><u>594,623</u></u>

	January 1, 2024	Cash flows	Non-cash changes		December 31, 2024
			Foreign exchange movement	Others	
Short-term borrowings	\$ 294,000	23,000	-	-	317,000
Lease liabilities (including current portion)	107,319	(16,383)	161	14,873	105,970
Guarantee deposits (recognized as other non-current liabilities)	<u>300</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>300</u>
Total liabilities from financing activities	<u><u>\$ 401,619</u></u>	<u><u>6,617</u></u>	<u><u>161</u></u>	<u><u>14,873</u></u>	<u><u>423,270</u></u>

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METATECH (AP) INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(7) Related-party transactions

(a) Names of related parties and their relationships with related parties

The followings are related parties that have had transactions with the Group during the periods covered in the consolidated financial statements.

<u>Name of related party</u>	<u>Relationship with the Group</u>
Up Cell Biomedical Inc.	Associates
SHAREHOPE MEDICINE CO., LTD.	Other related party

(b) Significant transactions with related parties

(i) Purchases

	<u>For the three months ended</u> <u>September 30,</u>		<u>For the nine months ended</u> <u>September 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Associates	\$ 941	634	2,787	634
Other related party	-	-	6	-
	<u>\$ 941</u>	<u>634</u>	<u>2,793</u>	<u>634</u>

The Group purchases goods from the abovementioned related parties. The prices and terms are determined in accordance with mutual agreement, and the payment term is 30~60 days after monthly billings.

(ii) Accounts payable

	<u>September 30,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>
Associates	<u>\$ 416</u>	<u>360</u>

(iii) Other payables

	<u>September 30,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>	<u>September 30,</u> <u>2024</u>
Associates	<u>\$ 136</u>	<u>105</u>	<u>105</u>

(iv) Operating cost

	<u>For the three months ended</u> <u>September 30,</u>		<u>For the nine months ended</u> <u>September 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Associates	<u>\$ 369</u>	<u>26</u>	<u>871</u>	<u>116</u>

It is mainly the rent and utilities expenses paid to the associates on a monthly basis.

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METATECH (AP) INC. AND SUBSIDIARIES
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(c) Key management personnel compensation

Key management personnel compensation comprised:

	For the three months ended		For the nine months ended	
	September 30,		September 30,	
	2025	2024	2025	2024
Short-term employee benefits \$	8,450	7,010	25,929	23,673
Share-based payments	1,676	1,729	5,134	5,187
Post-employment benefits	121	122	363	311
	\$ 10,247	8,861	31,426	29,171

(8) Assets pledged as security:

The carrying amounts of assets pledged as security as follows:

Assets pledged as security	Liabilities secured by pledge	September 30, 2025	December 31, 2024	September 30, 2024
Current financial assets at amortized cost	Guarantee for customs, credit card, performance bond of lease agreements, limit on short-term borrowings and bank loans	\$ 10,800	14,300	14,300
Property, plant and equipment -Land	Bank loans	17,209	17,209	17,209
Property, plant and equipment -Buildings and structures	Bank loans	23,321	23,914	24,112
Investment property- construction in progress	Bank loans	858,122	-	-
Total		\$ 909,452	55,423	55,621

(9) Significant Commitments and contingencies:

(a) Unrecognized contractual commitments

(i) The joint credit line of the Group and its third-tier subsidiary, MetaTech Ltd., for financial institution short-term secured borrowings was NTD 85 million as of September 30, 2025, December 31 and September 30, 2024. As of September 30, 2025, December 31 and September 30, 2024, the promissory notes amounting to NTD 85 million was issued to a bank as guarantee and the abovementioned joint credit line all amounting to NTD 85 million.

(ii) Unrecognized contractual commitments were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Acquisition of property , plant and equipment	\$ 255,162	528,659	626,383
Acquisition of intangible assets (Note)	26,167	29,449	16,673
Issued for subsidiaries borrowings	15,223	16,393	15,825
	\$ 296,552	574,501	658,881

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METATECH (AP) INC. AND SUBSIDIARIES
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Note: The Group entered into a start-up agreement of cell sheet regenerative medical cooperation with Japan CellSeed Inc. on December 21, 2016 with the consideration amounting to JPY 50 million for expanding biomedical research and development, business development, as well as promoting the Group's innovative transformation of regenerative medicine. The Board of Directors during its meeting on March 24, 2017 adopted a resolution to enter into a cooperation agreement of abovementioned cell sheet regenerative medicine with Japan CellSeed Inc., which was formally signed on April 24, 2017 with the consideration amounting to JPY 1.25 billion. As of September 30, 2025, the Group has paid JPY 1,246,727,004 in respect of the payment schedule for arrangement. For information on foregoing cooperation agreement, please refer to Note 9(b)(ii).

(b) Contingencies

- (i) The Company's former Chairman and the former CEO of the subsidiary, Locus cell Co., Ltd. ("Locus"), Ms. Chih-Hui Yang, along with certain former employees of the IT Department, were suspected of improperly stealing, disclosing, or using confidential information belonging to the Group. Following criminal complaints filed by the Company and Locus, a subsequent investigation had been conducted by the Taipei District Prosecutors Office, who found sufficient evidence to indict Ms. Yang and others for violations including: unauthorized disclosure and reproduction of trade secrets, infringement of intellectual property rights, breach of trust under the Criminal Code, unlawful disclosure of business secrets, and unauthorized acquisition of electromagnetic records.

On February 19, 2025, the prosecutor filed formal charges against Ms. Yang and the other parties involved, wherein the case is still currently under trial at the Intellectual Property and Commercial Court (Case No. 114-Ying-Su-7), with preparatory proceedings to be held on April 14, June 23, and August 29, 2025.

In addition, Ms. Yang and others are suspected of further unauthorized reproduction and disclosure of the Group's trade secrets. Although the prosecutor initially issued a non-prosecution ruling, the Taiwan High Prosecutors Office ordered the investigation to be continued. The case is still in progress under investigation by the Taipei District Prosecutors Office.

Based on the Group's assessment, this matter does not have any material impact on its financial statements.

- (ii) In 2023, the Group has received an attorney's letter from CellSeed Inc., a company based in Japan, claiming the termination of the cooperation contract signed by both parties due to the Group's alleged breach of contract. In order to protect the Group's own interests, the Group has appointed Japanese attorneys to file a lawsuit of confirming the contractual relationship to the Tokyo District Court. As of November 11, 2025, the aforementioned case is still on trial.

(10) Losses Due to Major Disasters: None

(11) Subsequent Events: None

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METATECH (AP) INC. AND SUBSIDIARIES
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(12) Other:

- (a) A summary of current-period employee benefits, depreciation, and amortization, by function, were as follows:

By item	By function	For the three months ended September 30,					
		2025			2024		
		Cost of Sales	Operating Expenses	Total	Cost of Sales	Operating Expenses	Total
Employee benefits							
Salary		3,550	42,030	45,580	3,530	46,117	49,647
Labor and health insurance		423	3,189	3,612	402	3,102	3,504
Pension		200	2,141	2,341	205	2,222	2,427
Compensation of directors		-	2,440	2,440	-	1,787	1,787
Others		182	1,643	1,825	198	2,081	2,279
Depreciation		4,573	8,646	13,219	4,807	7,133	11,940
Amortization		2,000	757	2,757	1,973	511	2,484

By item	By function	For the nine months ended September 30,					
		2025			2024		
		Cost of Sales	Operating Expenses	Total	Cost of Sales	Operating Expenses	Total
Employee benefits							
Salary		11,093	128,295	139,388	10,806	129,070	139,876
Labor and health insurance		1,245	9,870	11,115	1,191	9,324	10,515
Pension		595	6,529	7,124	599	6,586	7,185
Compensation of directors		-	7,070	7,070	-	5,035	5,035
Others		576	5,358	5,934	561	5,476	6,037
Depreciation		13,737	26,138	39,875	14,205	20,498	34,703
Amortization		5,978	2,213	8,191	5,881	1,055	6,936

- (b) Seasonality of operations

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

(Continued)

METATECH (AP) INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

(13) Other disclosures:

(a) Information on significant transaction:

The followings were the information on significant transactions required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” for the Group for the nine months ended September 30, 2025:

(i) Lending to other parties:

(In Thousands of New Taiwan Dollars)

Number Note (1)	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower (note 1)	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Individual funding loan limits (note 4)	Maximum limit of fund financing (note 4)	Notes
													Item	Value			
1	MTI Holding Co., Ltd.	MetaTech (S) Pte Ltd. (Note 6)	Other receivables from related parties	Yes	66,410 (USD200)	60,890 (USD2,000)	-	5.85%	2	-	Operations	-	None	-	387,390	484,237	Note 4、5
1	MTI Holding Co., Ltd.	the Company (Note 6)	Other receivables from related parties	Yes	61,180 (USD200)	60,890 (USD200)	30,155	7.78%	2	-	Operations	-	None	-	387,390	484,237	Note 4、5

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:

(1)The Company is ‘0’.

(2)The subsidiaries are numbered in order starting from ‘1’.

Note 2: According to the company’s “Regulations for Provision of Loans”, the interest rate of loans to others should be no less than the average interest rate of the Company’s short-term funds borrowed from financial institutions at that time.

Note 3: According to the Company’s “Regulations for Provision of Loans”, the Company’s celling on total loans granted to others are as follows:

A. For business transactions, the accumulated loan amount is the transaction amount.

B. For short-term financing, the total amount is lower than 40% of the creditor’s net assets.

C. The limit on total loans to the same party is 20% of the Company’s net assets.

Note 4: According to the subsidiary’s “Regulations for Provision of Loans”, the subsidiary’s celling on total loans granted to others are as follows:

A. For business transactions, the accumulated loan amount is the transaction amount.

B. For short-term financing, the total amount is lower than 100% of the creditor’s net assets.

C. The limit on total loans to the same party is 80% of the subsidiary’s net assets.

The subsidiary’s celling on total loans granted to related parties, which its 100% voting shares directly or indirectly held by the parent Company and to the same party is 100% and 80% of the subsidiary’s net assets, respectively.

Note 5: The exchange rate of New Taiwan dollars to US dollars as of September 30,2025 was 30.445 to 1.

Note 6: The transaction has been written off during the consolidation process.

(ii) Guarantees and endorsements for other parties:

(In Thousands of New Taiwan Dollars)

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise (Note 2)	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements (Note 3)	Parent company endorsements/ guarantees to third parties on behalf of subsidiary	Subsidiary endorsements/ guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company (Note 1)										
0	Metatech (AP) Inc.	MetaTech Ltd.	2	522,278	16,603	-	15,223	15,223	1.46 %	1,044,557	Y	N	N

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:

(1)The Company is ‘0’.

(2)The subsidiaries are numbered in order starting from ‘1’.

Note 2: According to the Company’s “Regulations for Provision of Endorsements and Guarantees”, the Company’s limit on endorsements/guarantees provided for a single party is 50% of the Company’s net assets.

(Continued)

METATECH (AP) INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

Note 3: According to the Company's "Regulations for Provision of Endorsements and Guarantees", the Company's limit on total endorsements/guarantees is 100% of the Company's net assets.

Note 4: According to the Subsidiary's "Regulations for Provision of Endorsements and Guarantees", the Subsidiary's limit on endorsements/guarantees provided for a single party is 50% of the Subsidiary's net assets.

Note 5: According to the Subsidiary's "Regulations for Provision of Endorsements and Guarantees", the Subsidiary's limit on total endorsements/guarantees is 100% of the Subsidiary's net assets.

Note 6: The exchange rate of New Taiwan dollars to US dollars as of September 30, 2025 was 30.445 to 1.

- (iii) Information regarding securities held at the reporting date (subsidiaries, associates and joint ventures not included): None
- (iv) Information regarding related-party purchases and/or sales exceeding 100 million or 20% of the Company's paid-in capital: None
- (v) Information regarding receivables from related parties exceeding 100 million or 20% of the Company's paid-in capital: None
- (vi) Significant transactions and business relationship between the parent company and its subsidiaries for the nine months ended September 30, 2025:

No. (note1)	Name of company	Name of counter-party	Nature of relationship (note1)	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
1	MetaTech Ltd.	MetaTech (Shenzhen) Ltd.	3	Advance sales receipts	9,451	Prices are determined according to the gross profits in mutual agreement, 90 days after monthly billing	0.28%

Note 1: Assigned numbers represent the following:

1. 0 represents the parent company.
2. The subsidiaries are represented numerically starting from 1.

Note 2: The terms of transactions are defined as follows:

1. Parent company to subsidiary.
2. Subsidiary to parent company.
3. Subsidiary to subsidiary.

Note 3: Intercompany relationships and significant intercompany transactions are only disclosed sales and accounts receivable. The corresponding purchases and accounts payables are not disclosed.

Note 4: The transaction has already been written off in the consolidated financial statement.

(b) Information on Investees:

The followings are the information on investees for the nine months ended September 30, 2025 (excluding information on investees in Mainland China):

(In Thousands of New Taiwan Dollars)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of September 30, 2025			Net income (losses) of investee	Share of profits/losses of investee	Note
				September 30, 2025	December 31, 2024	Shares	Percentage	Carrying value			
Metatech (AP) Inc.	MetaTech Investment Holding Co., Ltd.	British Virgin Islands	Investment holding and reinvestment business	333,065	333,065	10,000,000	100.00 %	484,237	18,073	18,073	Note 1
Metatech (AP) Inc.	Chienhwa Travel Service Co., Ltd.	Taiwan	Travel business	4,900	4,900	1,050	100.00 %	2,383	(334)	(334)	Note 1
Metatech (AP) Inc.	Up Cell Biomedical Inc.	Taiwan	Cell sheet development and medical production	38,000	38,000	3,800,000	29.23 %	9,024	(5,527)	(1,709)	Note 2
Metatech (AP) Inc.	LOCUS CELL CO., LTD.	Taiwan	Cell therapy phase available product and commissioned to manufacturing services	300,000	300,000	30,000,000	15.00 %	238,020	(143,907)	(21,563)	Note 1
MetaTech Investment Holding Co., Ltd.	MTI Holding Co., Ltd.	Samoa	Investment holding and reinvestment business	333,065	333,065	10,000,000	100.00 %	484,237 (USD 15,905)	18,073 (USD 579)	18,073 (USD 579)	Note 1
MTI Holding Co., Ltd.	MetaTech (S) Pte Ltd.	Singapore	Wholesale and retail of electronic materials	82,259	82,259	3,800,000	100.00 %	131,798 (USD 4,329)	2,976 (USD 95)	2,976 (USD 95)	Note 1

(Continued)

METATECH (AP) INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of September 30, 2025			Net income (losses) of investee	Share of profits/losses of investee	Note
				September 30, 2025	December 31, 2024	Shares	Percentage	Carrying value			
MTI Holding Co., Ltd.	MetaTech Ltd.	Hong Kong	Wholesale and retail of electronic materials	199,170	199,170	46,000,000	100.00 %	279,354 (USD 9,176)	14,210 (USD 455)	14,210 (USD 455)	Note 1
LOCUS CELL CO., LTD.	Locus Ltd.	Japan	Sales of Regenerative Medicine Products	10,131	-	5,000	100.00 %	6,949	(2,360)	(2,360)	Note 1

Note 1: The transaction has already been written off in the consolidated financial statements.

Note 2: The Company is Associate.

(c) Information on investment in Mainland China:

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

(In Thousands of New Taiwan Dollars)

Name of investee	Main businesses and products	Total amount of paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2025 (note 2)	Investment flows		Accumulated outflow of investment from Taiwan as of September 30, 2025 (note 2)	Net income (losses) of the investee (note 2 and 3)	Percentage of ownership	Investment income (losses) (note 2 and 3)	Book value (note 2)	Accumulated remittance of earnings in current period
					Outflow	Inflow						
MetaTech (Shenzhen) Ltd.	Wholesale and retail of electronic materials	79,957	- Note 1	79,957	-	-	79,957	445	100.00%	445	65,229	-

Note 1: Through investing in the subsidiary, MetaTech Investment Holding Co, Ltd in the third areas by cash and reinvesting by its second-tier subsidiary, MetaTech Ltd. The investments were approved by the Investment Commission of the Ministry of Economic Affairs.

Note 2: The exchange rate of New Taiwan dollars to US dollars as of September 30, 2025 was 30.445 to 1. The average exchange rate of New Taiwan dollars to US dollars for the year ended September 30, 2025 was 31.222 to 1.

Note 3: Investment income (losses) is recognized according to the financial statements audited by the CPA of the parent company.

Note 4: The transaction has already been written off in the consolidated financial statement.

(ii) Upper limit on investment in Mainland China:

Accumulated Investment in Mainland China as of September 30, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment (Note)
79,957	80,870	1,436,062

Note : Whichever is higher than 60% of the standalone net assets or the consolidated net assets will be deemed as the upper limit.

(iii) Significant transactions:

The significant inter-company transactions with the subsidiary in Mainland China, which were eliminated in the preparation of consolidated financial statements, are disclosed in "Information on significant transactions".

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METATECH (AP) INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(14) Segment information:

Management has determined the reportable operating segments based on the reports reviewed by the Chief Operating Decision-Maker that are used to make strategic decisions. The Group considers the business from a geographic perspective.

	For the three months ended September 30, 2025						
	Hong Kong and Mainland China	Southeast Asia	Taiwan Electronics	Taiwan Biomedicine	Others	Reconciliations	Total
Revenue :							
Revenue from external customers	96,637	85,093	196,455	12,686	56	-	390,927
Intersegment revenue	488	-	801	1,751	75	(3,115)	-
Total revenue	\$ 97,125	85,093	197,256	14,437	131	(3,115)	390,927
Reportable segment profit or loss	\$ 3,196	1,167	5,601	(79,513)	841	15,582	(53,126)

	For the three months ended September 30, 2024						
	Hong Kong and Mainland China	Southeast Asia	Taiwan Electronics	Taiwan Biomedicine	Others	Reconciliations	Total
Revenue							
Revenue from external customers	115,142	82,755	210,433	5,574	43	-	413,947
Intersegment revenue	15	-	892	170	30	(1,107)	-
Total revenue	\$ 115,157	82,755	211,325	5,744	73	(1,107)	413,947
Reportable segment profit or loss	\$ 9,772	2,286	20,931	(68,119)	2,091	(5,437)	(38,476)

	For the nine months ended September 30, 2025						
	Hong Kong and Mainland China	Southeast Asia	Taiwan Electronics	Taiwan Biomedicine	Others	Reconciliations	Total
Revenue							
Revenue from external customers \$	302,661	242,845	572,521	31,460	193	-	1,149,680
Intersegment revenue	1,145	-	11,729	3,234	159	(16,267)	-
Total revenue	\$ 303,806	242,845	584,250	34,694	352	(16,267)	1,149,680
Reportable segment profit or loss	\$ 16,163	3,621	36,621	(264,117)	553	3,844	(203,315)

	For the nine months ended September 30, 2024						
	Hong Kong and Mainland China	Southeast Asia	Taiwan Electronics	Taiwan Biomedicine	Others	Reconciliations	Total
Revenue							
Revenue from external customers \$	316,230	284,172	465,999	9,874	280	-	1,076,555
Intersegment revenue	1,150	-	3,055	170	131	(4,506)	-
Total revenue	\$ 317,380	284,172	469,054	10,044	411	(4,506)	1,076,555
Reportable segment profit or loss	\$ 21,187	6,140	59,664	(190,214)	1,848	(12,707)	(114,082)

The measured amounts of the Group's assets/liabilities of the reportable segments are not available for operational decision making, and therefore the measured amounts of assets/liabilities are not disclosed.