

Cenra Inc.
Parent Company only Financial Statements and
Independent Auditor's Report
December 31,2024 and 2023
(Stock Code: 3716)

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Cenra Inc.
December 31, 2024 and 2023 Parent Company only Financial Statements and
Independent Auditor's Report
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INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Stockholders of Cenra Inc.

Opinion

We have audited the accompanying parent company only balance sheet of Cenra Inc. and subsidiary as of December 31, 2024 and 2023, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including major accounting policy.

In my opinion, the financial statements as referred to, on the basis of my audit findings and the audit reports compiled by other certified public accountants, present fairly, in all material aspects, the financial position of Cenra Inc. as of December 31, 2024 and 2023, and the results of its operation and cash flows for the year then ended in conformity to the “Regulations Governing the Preparation of Financial Reports by Securities Issuers”.

Basis for opinion

We conducted our audit in accordance with the “Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants” and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the responsibilities of auditors for the audit of the Parent Company only Financial Statements. We are independent of Cenra Inc. in accordance with the Code of Ethics for certified public accountants in the part relevant to the audit of the financial statements of the Company and we have fulfilled our other ethical responsibilities in accordance with these requirements. On the basis of my audit findings and the audit reports compiled by other certified public accountants, we believed that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

As stated in Note 1 to the Parent Company only Financial Statements, Cenra Inc. obtained 100% of the shares of CCPC through a share swap. The consideration for the share swap was 0.5 shares of the Company for every 1 share of CCPC. The share swap transaction was completed on September 2, 2024. The above share swap is a reorganization under joint control. As Cenra Inc. is a continuation of CCPC, the Parent Company only Financial Statements of CCPC are recognized as relevant assets and liabilities based on the carrying amount of CCPC's Parent Company only Financial Statements, and are regarded as the Parent Company only Financial Statements of CCPC and its subsidiaries for the comparative period from the beginning of the combination.

Key audit matters

Key audit matters are those matter that, in our professional judgment, were of most significant in our audit of the parent company only financial statements of Cenra Inc. in 2024. These matters were addressed in the content of our audit of the Parent Company only Financial Statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on those matters.

Key audit procedures of the Parent Company only Financial Statements of Cenra Inc. in 2024 included:

Evaluation of the balance of investments accounted for using the equity method

For the accounting policies of investments under the equity method, please refer to Note 4(7) to the parent company only financial statements; for the description of investments under the equity method, please refer to Note 6(2) to the parent company only financial statements.

The investment in China Chemical & Pharmaceutical Co., Ltd. held by Cenra Inc. accounted for under the equity method on December 31, 2024 was NTD 7,540,072 thousand, and the investment gain recognized was NTD 344,320 thousand. As the investment in the company under the equity method accounted for 99.72% of the total assets, and the investment gain recognized in 2024 accounted for 110.83% of the net profit before tax, China Chemical & Pharmaceutical Co., Ltd. has a significant impact on the parent company only financial statements of Cenra Inc. Therefore, we have listed the investment balance of China Chemical & Pharmaceutical Co., Ltd. under the equity method as one of the most important matters, and the key audit matters of China Chemical & Pharmaceutical Co., Ltd. - refund liabilities - estimated sales returns and inventory valuation as key audit matters of Cenra Inc.

China Chemical & Pharmaceutical Co., Ltd.

Description of the matter

For information on the accounting policy of refund liability - estimated sale return, refer to Note 4 (30) to consolidated financial statement. For information on the uncertainty of accounting estimate an assumption on refund liability - estimated sale return, refer to Note 5 (2) to consolidated financial statement. For information on note to accounting items of refund liability - estimated sale return, refer to Note 6 (20) to consolidated financial statement.

The refund liabilities of the subsidiary invested under the equity method held by Cenra Inc. - estimated sale returns are mainly based on the historical experience of product sales as the estimate basis. Since the basis of the refund liability-estimated sales return is mainly historical experience value, the relevant estimation uncertainty is relatively high, so it is listed as one of the key inspection items.

Audit response

We estimated the refund liabilities for the subsidiary of Cenra Inc. under the equity method - the main audit procedures for the return of sales are as follows:

1. Based on the understanding of the company's operations and the nature of the industry and the historical return experience, evaluate its refund liability - estimate the rationality of the sales return policy.
2. Sampling test of refund liabilities - the correctness of the calculation of estimated sales return amount and estimated return rate.
3. Reverse the amount and documents after the verification period, check the relevant supporting documents, and evaluate whether the sales return period it belongs to is appropriate.

China Chemical & Pharmaceutical Co., Ltd.- Evaluation on inventory

Description of the matter

For the accounting policy of the assessment of inventory write-downs, please refer to Note 4(14). For critical accounting judgments and key sources of estimation uncertainty please, refer to Note 5(2). For other relevant disclosures, please refer to Note 6(4).

The subsidiary of Cenra Inc. invested under the equity method is mainly engaged in the production and sale of pharmaceuticals and health products. Because the price of medicine is vulnerable to the price of health insurance products and the products are subject to expiration dates, the risk of losses from inventory impairment is high. Since the balance of inventories has a significant weight on the financial statements, the variety of inventories is vast, and the management needs to apply judgment to evaluate the impairment or obsolescence of the value, the valuation of inventories was deemed to be one of the key audit matters.

Audit response

Our main audit procedures for the valuation of the inventory of the subsidiary of Cenra Inc. under the equity method are as follows:

1. Evaluate the accounting policy of allowances for losses of investment impairment based on the understanding of the Company's operations and the nature of its industry.
2. To confirm if the price used for net realizable value is corresponding to the company policy, and if the calculation of net realizable value of for individual inventory part number is correct with sampling test.
3. Obtaining details of outdated inventories identified by the management, reviewing relevant information, and verifying the accounting records.

Other Matters - Reference to the audits of other auditors

The companies invested in recorded using the equity method which have been included in the Parent Company only Financial Statements of Cenra Inc. are not audited by us, but are audited by other CPAs. Therefore, in our opinion, the amounts referred to above regarding those companies included in the Parent Company only Financial Statements are based on the audit reports of other CPAs. The amounts of investments using the equity method for the aforementioned companies were NTD 610,740 thousand and NTD 633,492 thousand as of December 31, 2024 and 2023, respectively, which accounted for 8.08% and 8.52% of the total assets, respectively. The consolidated profit and loss recognized by the aforementioned companies were NTD 71,778 thousand and NTD 97,655 thousand for the year ending December 31, 2024 and 2023, respectively, which accounted for 31.08% and 35.18%, respectively, of the consolidated profit and loss.

Responsibilities of Management and Those in Charge with Governance of the Parent Company only Financial Statements

The Management is responsible for the preparation and fair presentation of the Parent Company

only Financial Statements in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers”, and for such internal control as the management determines is necessary to enable the preparation of the Parent Company only Financial Statements to be free from material misstatement whether due to fraud or error.

In preparing the Parent Company only Financial Statements, the management is responsible for assessing the ability of Cenra Inc. as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate Cenra Inc. or to create operations, or has no realistic alternative but to do so.

Those in charge of governance (including the Auditing Committee) are responsible for overseeing the reporting process of the Cenra Inc..

Auditor’s Responsibilities for the Audit of the Parent Company only Financial Statements

Our objectives are to obtain reasonable assurance about whether the Parent Company only Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report. Reasonable assurance means a high degree of assurance. However, the audit conducted in accordance with auditing standards of the R.O.C. does not guarantee having any material misstatement in the Parent Company only Financial Statements detected. Misstatements can arise from fraud or error. If fraud or errors are considered materials, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Parent Company only Financial Statements.

We have utilized our professional judgment and maintained professional doubt when performing the audit work in accordance with the auditing standards generally accepted in the Republic of China. We also perform the following works:

1. Identify and assess the risks of material misstatement of the Parent Company only Financial Statements, whether due to fraud or error, design, and perform audit procedures responsive risks, and obtain evidence that is sufficient and appropriate to provide a basis of our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control effective in the Cenra Inc..
3. Evaluate the appropriateness of accounting policies used and the reasonability of accounting estimates and related disclosures made by the management.
4. Conclude the appropriateness of the use of the going concern basis of accounting by the management, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Cenra Inc. and its ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the Parent Company only Financial

Statements or, if such disclosure are inappropriate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause Cenra Inc. to cease to continue as a going concern.

5. Evaluate the overall presentation, structure, and content of the parent company only financial statements, including related notes, whether the parent company only financial statements represent the underlying transactions and events in a matter that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information or the entities or business activities with the Group to express an opinion on the Parent Company only Financial Statements. The independent auditor is responsible for guiding, supervising, and implementing the audit of the Group; also, is responsible for forming an opinion on the audit of the Group.

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

The independent auditor has provided the declaration of independence of the CPA Firm personnel subject to the Code of Ethics to the governing unit; also, it has communicated with the governing unit regarding the relationship and other matters (including the relevant protection measures) that may affect the independence of the independent auditor.

From the matters communicated with those in charge of governance, we determine those matters that were of most significance in the audit of the Parent Company only Financial Statements of Cenra Inc. of 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communications.

Lin, Po-Chuan

Yu, Shu-Fen

for and on behalf of PricewaterhouseCoopers, Taiwan
March 10, 2025

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers, Taiwan cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

Cenra Inc.
Parent Company Only Balance Sheets
December 31, 2024 and 2023

Unit: NTD thousand

Assets	Additional notes	December 31, 2024		December 31, 2023		
		Amount	%	Amount	%	
Current assets						
1100	Cash and cash equivalents	6 (1)	\$ 10,817	-	\$ -	-
1210	Other receivables - related parties	7	2	-	-	-
1410	Prepayments		1,585	-	-	-
11XX	Total current assets		<u>12,404</u>	-	<u>-</u>	<u>-</u>
Non-Current assets						
1550	Investment under the equity method	6 (2)	7,540,072	100	7,432,362	100
1600	Property, plant, and equipment		11	-	-	-
1840	Deferred income tax assets	6 (10)	6,906	-	-	-
1915	Prepayments for equipment		1,278	-	-	-
1975	Defined benefit assets - non-current	6(3)	489	-	-	-
15XX	Total of Non-Current Assets		<u>7,548,756</u>	<u>100</u>	<u>7,432,362</u>	<u>100</u>
1XXX	Total assets		<u>\$ 7,561,160</u>	<u>100</u>	<u>\$ 7,432,362</u>	<u>100</u>
Liabilities and equity						
Current liabilities						
2200	Other payables		\$ 39,432	1	\$ -	-
2220	Other payables - related parties	7	11,099	-	-	-
2300	Other current liabilities		1,110	-	-	-
21XX	Total current liabilities		<u>51,641</u>	<u>1</u>	<u>-</u>	<u>-</u>
2XXX	Total liabilities		<u>51,641</u>	<u>1</u>	<u>-</u>	<u>-</u>
Equity						
Capital stock						
3110	Common stock capital	6 (4)	1,490,405	20	2,980,811	40
Capital surplus						
3200	Capital surplus	6 (5)	5,971,603	79	648,102	9
Retained earnings						
3310	Legal reserve	6 (6)	-	-	777,269	10
3320	Special reserve		188,958	2	188,958	3
3350	Undistributed earnings		113,624	1	3,012,349	40
Other equity						
3400	Other equity	6 (7)	(222,767)	(3)	(147,073)	(2)
3500	Treasury stock	6 (4)	(32,304)	-	(28,054)	-
3XXX	Total equity		<u>7,509,519</u>	<u>99</u>	<u>7,432,362</u>	<u>100</u>
Significant contingent liabilities and unrecognized contractual commitments						
Significant subsequent events						
3X2X	Total Liabilities and Equity	6(6) and 11	<u>\$ 7,561,160</u>	<u>100</u>	<u>\$ 7,432,360</u>	<u>100</u>

The accompanying notes are an integral part of these parent company only financial statements.

Chairman: Wang Ming-Ning Memorial Foundation President: Wang, Hou-Kai
Representative: Wang Hsien, I-Chen

Accounting Supervisor: Hsiao, Hui-Wen

Cenra Inc.
Parent Company Only Statements Of Comprehensive Income
Years Ended December 31, 2024 and 2023

Unit: NTD thousand
(except EPS in NTD)

	Item	Additional notes	2024		2023	
			Amount	%	Amount	%
4000	Operating revenues	6(2) (8) and 7	\$ 376,000	100	\$ 322,294	100
5000	Operating cost	6(9) and 7	(65,324)	(18)	-	-
5900	Gross profit		310,676	82	322,294	100
5950	Gross profit		310,676	82	322,294	100
6900	Operating profit		310,676	82	322,294	100
	Non-operating revenues and expenses					
7100	Interest income		5	-	-	-
7010	Other income		10	-	-	-
7050	Financial costs	7	(6)	-	-	-
7000	Total non-operating revenues and expenses		9	-	-	-
7900	Income before income tax		310,685	82	322,294	100
7950	Income tax profit	6 (10)	6,663	2	-	-
8000	Current year profit of continuing business units		317,348	84	322,294	100
8200	Net income		\$ 317,348	84	\$ 322,294	100
	Other comprehensive profit or loss					
	The items that are not re-classified as profit or loss					
8311	Reevaluation of determined benefit plan	6(3)	(\$ 1,218)	-	\$ -	-
8330	The proportion of other comprehensive incomes from subsidiary, associates, and equity joint-ventures accounted for under the equity method – not reclassified as profit and loss		(116,795)	(31)	(13,843)	(4)
8349	Incomes tax related to titles not subject to reclassification	6 (10)	243	-	-	-
8310	Total amount of items not reclassified to profit or income		(117,770)	(31)	(13,843)	(4)
	Items that may be re-classified subsequently under profit or loss					
8380	The proportion of other comprehensive incomes from subsidiary, associates, and equity joint-ventures accounted for under the equity method – reclassified as profit and loss	6 (7)	31,396	8	(30,884)	(10)
8360	Total amount of items probably reclassified to profit or loss subsequently		31,396	8	(30,884)	(10)
8300	Other comprehensive profit or loss (net)		(\$ 86,374)	(23)	(\$ 44,727)	(14)
8500	Current period other comprehensive income (Gross)		\$ 230,974	61	\$ 277,567	86
	Earnings per share					
9750	Basic earnings per share	6 (11)	\$ 2.49		\$ 2.17	
9850	Diluted earnings per share		\$ 2.48		\$ 2.16	

The accompanying notes are an integral part of these parent company only financial statements.

Chairman: Wang Ming-Ning Memorial Foundation President: Wang, Hou-Kai Accounting Supervisor: Hsiao, Hui-Wen
Representative: Wang Hsien, I-Chen

Centra Inc.
Parent Company Only Statements Of Changes In Equity
Years Ended December 31, 2024 and 2023

Unit: NTD thousand

	Additional notes	Capital surplus				Retained earnings			Other equity			Total equity
		Common stock capital	Issuance premium	Treasury stock trade	Others	Legal reserve	Special reserve	Undistributed earnings	Exchange differences from the translation of financial statements of foreign operations	Unrealized valuation gain or loss on financial assets at fair value through other comprehensive profit or loss	Treasury stock	
<u>2023</u>												
Balance at January 1		\$ 2,980,811	\$ 578,416	\$ 67,367	\$ 1,844	\$ 724,856	\$ 188,958	\$ 2,959,395	(\$ 85,682)	\$ 4,874	(\$ 28,054)	\$ 7,392,785
Net income		-	-	-	-	-	-	322,294	-	-	-	322,294
Current period other comprehensive income	6(6)(7)	-	-	-	-	-	-	(417)	(30,884)	(13,426)	-	(44,727)
Current period other comprehensive income (Gross)		-	-	-	-	-	-	321,877	(30,884)	(13,426)	-	277,567
The 2022 appropriation and distribution of earnings	6 (6)											
Legal reserve		-	-	-	-	52,413	-	(52,413)	-	-	-	-
Cash dividends		-	-	-	-	-	-	(238,465)	-	-	-	(238,465)
Cash dividends which Subsidiary obtained from the Parent company	6 (5)	-	-	475	-	-	-	-	-	-	-	475
Equity instrument at fair value through other comprehensive income statement	6(6)(7)	-	-	-	-	-	-	21,955	-	(21,955)	-	-
Balance at December 31		\$ 2,980,811	\$ 578,416	\$ 67,842	\$ 1,844	\$ 777,269	\$ 188,958	\$ 3,012,349	(\$ 116,566)	(\$ 30,507)	(\$ 28,054)	\$ 7,432,362
<u>2024</u>												
Balance at January 1		\$ 2,980,811	\$ 578,416	\$ 67,842	\$ 1,844	\$ 777,269	\$ 188,958	\$ 3,012,349	(\$ 116,566)	(\$ 30,507)	(\$ 28,054)	\$ 7,432,362
Net income		-	-	-	-	-	-	317,348	-	-	-	317,348
Current period other comprehensive income	6(6)(7)	-	-	-	-	-	-	30,587	31,396	(148,357)	-	(86,374)
Current period other comprehensive income (Gross)		-	-	-	-	-	-	347,935	31,396	(148,357)	-	230,974
The 2023 appropriation and distribution of earnings	6 (6)											
Legal reserve		-	-	-	-	34,383	-	(34,383)	-	-	-	-
Cash dividends		-	-	-	-	-	-	(149,041)	-	-	-	(149,041)
Difference between the actual acquisition or disposal of equity interest in a subsidiary and its book value	6 (5)(6)	-	-	-	112	-	-	(883)	-	-	-	(771)
Equity instruments at fair value through other comprehensive income disposed of by investees	6(6)(7)	-	-	-	-	-	-	(41,267)	-	41,267	-	-
Repurchase of treasury stock	6 (4)	-	-	-	-	-	-	-	-	-	(4,637)	(4,637)
Sale of treasury stock	6 (5)	-	-	(51)	-	-	-	-	-	-	387	336
Cash dividends which Subsidiary obtained from the Parent company	6 (5)	-	-	296	-	-	-	-	-	-	-	296
Conversion effect of share swap agreement	6 (4)(5)(6)	(1,490,406)	5,323,144	-	-	(811,652)	-	(3,021,086)	-	-	-	-
Balance at December 31		\$ 1,490,405	\$ 5,901,560	\$ 68,087	\$ 1,956	\$ -	\$ 188,958	\$ 113,624	(\$ 85,170)	(\$ 137,597)	(\$ 32,304)	\$ 7,509,519

The accompanying notes are an integral part of these parent company only financial statements.

Chairman: Wang Ming-Ning Memorial Foundation
Representative: Wang Hsien, I-Chen

President: Wang, Hou-Kai

Accounting Supervisor: Hsiao, Hui-Wen

Cenra Inc.
Parent Company Only Statements Of Cash Flows
Years Ended December 31, 2024 and 2023

Unit: NTD thousand

	<u>Additional notes</u>	<u>January 1 to December 31, 2024</u>	<u>January 1 to December 31, 2023</u>
<u>Cash flow from operating activities</u>			
Current year net profit before taxation		\$ 310,685	\$ 322,294
Adjustments			
Profits and loss			
Interest expenses	7	6	-
Interest income		(5)	-
Shareholdings in the subsidiaries, affiliated companies and joint ventures under the equity method	6 (2)	(344,320)	(322,294)
Changes in assets/liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Other receivables - related parties		(2)	-
Prepayments		(1,585)	-
Net defined benefit assets - non-current		(64)	-
Net changes in liabilities relating to operating activities			
Other payables		49,251	-
Other current liabilities		1,110	-
Cash inflow from operating activities		15,076	-
Interest payment		(4)	-
Interest received		5	-
Net cash inflow from operating activities		15,077	-
<u>Cash flow from investing activities</u>			
Purchase of property, plant, and equipment	6 (12)	(10)	-
Net cash outflow from investing activities		(10)	-
<u>Cash flow from financing activities</u>			
Repurchase of treasury stock	6 (4)	(4,250)	-
Net cash outflow from financing activities		(4,250)	-
Current cash and cash equivalents increase		10,817	-
Balance of cash and cash equivalents, beginning of period		-	-
Balance of cash and cash equivalent, end of period		\$ 10,817	\$ -

The accompanying notes are an integral part of these parent company only financial statements.

Chairman: Wang Ming-Ning Memorial Foundation President: Wang, Hou-Kai Accounting Supervisor: Hsiao, Hui-Wen
Representative: Wang Hsien, I-Chen

Cenra Inc.
Notes to the Parent Company only Financial Statements
Years Ended December 31 2024 and 2023

Unit: NTD thousand
(Except where otherwise stated)

1. Company history

- (1) Cenra Inc. (hereinafter referred to as the “Company”) was established on September 2, 2024 and listed on TWSE on the same day.
- (2) On May 28, 2024, China Chemical and Pharmaceutical Co., Ltd. (hereinafter referred to as “CCPC”) resolved to apply for the establishment of the Company at the shareholders’ meeting and the meeting of the Company’s founders. The Company acquired 100% of the equity of CCPC through a share swap. The consideration for the share swap was 0.5 shares of the Company for every 1 share of CCPC. The Company completed the share swap transaction on September 2, 2024. CCPC became a wholly owned subsidiary of the Company and ceased its listing and public offering. The Company’s common stock shares are listed on the Taiwan Stock Exchange (TWSE) on the same day with the stock code of “3716.”
- (3) The Company’s main business is the management of the investees.

2. Financial statements approval date and procedure

These Parent Company only Financial Statements were authorized for issuance by the Board of Directors on March 6, 2025.

3. Application of New Standards, Amendments and Interpretations

- (1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS”) as endorsed and issued into effect by the Financial Supervisory Commission (“FSC”)

The new publication, amendments, and revision of the 2024 International Financial Reporting Standards (IFRS) that was endorsed and issued into effect by the Financial Supervisory Commission are as follows:

New releases / amendments / revisions of the Standards and Interpretations	The effective date announced by the International Accounting Standards Board
Amendments to IFRS 16, “Lease Liability in a Sale and Leaseback”	January 1, 2024
“Classification of Liabilities as Current or Non-Current” (Amendments to IAS 1)	January 1, 2024
Amendments to IAS 1 “Non-current Liabilities with Covenants”	January 1, 2024
Amendments to IAS 7 and IFRS 7 “Supplier Financing Arrangements”	January 1, 2024

The Company has assessed the aforementioned standards, interpretations, and interpretative announcements and has concluded that they have no material impact on the Company’s financial position and financial performance.

- (2) Effect of new issuances of or amendments to IFRS as endorsed by the FSC but not yet adopted by the Company and subsidiaries

The new publication, amendments, and revision of the 2025 International Financial Reporting Standards (IFRS) that was recognized by the Financial Supervisory Commission are as follows:

New releases / amendments / revisions of the Standards and Interpretations	The effective date announced by the International Accounting Standards Board
Amendments to IAS No. 21 "Lack of Exchangeability"	January 1, 2025

The Company has assessed the aforementioned standards, interpretations, and interpretative announcements and has concluded that they have no material impact on the Company's financial position and financial performance.

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

The newly released, revised and amended IFRS standards and interpretations by the IASB but not yet recognized by the FSC are summarized as follows:

New releases / amendments / revisions of the Standards and Interpretations	The effective date announced by the International Accounting Standards Board
Amendments to IFRIS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments to IFRS 9 and IFRS 7, "Contracts Referencing Nature-dependent Electricity"	January 1, 2026
Amendment to IFRS 10 and IAS 28 "The Assets Sales or Purchase between Investors and Their Affiliates or Joint Ventures"	To be determined by the "International Accounting Standards Board (IASB)."
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17 - Application of IFRS 17 and IFRS 9 — Comparative Information	January 1, 2023
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027
Annual Improvements to IFRSs—Volume 11	January 1, 2026

Except for the following statements, the Company has assessed the aforementioned standards, interpretations, and interpretative announcements and has concluded that they have no material impact on the Company's financial position and financial performance.

IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 "Presentation and Disclosure in Financial Statements" has replaced IAS 1, updating the structure of the statement of comprehensive income, and adding the disclosure of management performance measurements, while strengthening the summary and division of the use in the main financial statements and notes.

4. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these Parent Company only Financial Statements are set out below. These policies have been consistently applied to all the period presented, unless otherwise stated.

(1) Compliance Statement

This Parent Company only Financial Report is drafted according to Regulations Governing the Preparation of Financial Reports by Securities Issuers.

(2) Basis of preparation

1. Except for the following items, the parent company only financial statements have been prepared under the historical cost convention:

The defined benefit obligation are recognized according to the pension fund assets deducting the present value of the defined benefit obligation.

2. The preparation of the parent company only financial statements in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers requires the use of certain significant accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the parent company only financial statements are disclosed in Note 5.

(3) Foreign-currency translations

The items in the Company's Parent Company only Financial Report are measured in the currency (i.e. the functional currency) prevailing in the primary economic environment. The Parent Company only Financial Statements are presented in New Taiwan Dollars, which is the Company's functional currency.

1. Foreign Currency Transactions and Balances

(1) Transactions denominated in foreign currency are translated into a functional currency at the spot exchange rate on the date of the transaction or measurement. Foreign currency differences arising from translating such transactions are recognized in current profit or loss.

(2) The foreign currency asset or liability balances are revaluated based on spot exchange rate of the balance sheet date, and any exchange difference arising from the adjustment is included in the profit and loss for the year.

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

(4) All exchange gains and losses are reported in the "Other profits and losses" account of the comprehensive income statements.

2. Translation of the financial statements of foreign operations

(1) The operating results and financial position of all the Group's entities, affiliated

enterprises and joint arrangements in the consolidated financial statements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- A. Assets and liabilities presented in the balance sheet are translated at the closing exchange rates prevailing on the balance sheet date;
 - B. Income and expenses presented in the Statement of Comprehensive Income are translated at the average exchange rates for the period; and
 - C. All resulting exchange differences are recognized in other comprehensive income.
- (2) When a foreign operation for partial disposal or sale is an associate or joint arrangement, classifying the exchange difference of comprehensive income by portions as part of gain on sale or loss of the net income or loss for current period. Only when The Company even remains partial equity of previous associate or joint arrangement but loses the significant influence on a foreign operation of an associate or loses the joint control over a joint arrangement of a foreign operation, the disposal will be full benefit of the foreign operation.
 - (3) When a foreign operation for partial disposal or sale is subsidiary, categorizing as the accumulated exchange difference of comprehensive income by portion for recognition which belongs to the non-controlling interests of that foreign operation. Only when The Company even retains partial equity of a previous subsidiary but loses the control of the subsidiary of the foreign operation, the disposal will be full benefit of the foreign operations.

(4) Criteria for distinguishing Current or Non-Current on the Balance Sheet

1. Assets that meet one of the following criteria are classified as current assets:

- (1) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle.
- (2) Held mainly for the purpose of trading.
- (3) Assets that are expected to be realized within twelve months from the balance sheet date.
- (4) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve month after the balance sheet date.

The Company classifies assets that do not meet any of the above criteria as non-current assets.

2. Liabilities that meet one of the following criteria are classified as current liabilities:

- (1) Liabilities that are expected to be paid off within the normal operating cycle.
- (2) Held mainly for the purpose of trading.
- (3) Expected to be repaid within 12 months of the balance sheet date.
- (4) Does not have a right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

The Company classifies liabilities that do not meet any of the above criteria as non-current assets.

(5) Impairment of Financial Assets

The Company measures allowance for loss according to the expected credit loss amount for 12-month after considering all reasonable and provable information (including forward-looking one) for financial assets at amortized cost and accounts receivable on each balance sheet date; for accounts receivable without significant financing component, measures allowance for loss according to expected credit loss within duration.

(6) The de-recognition of financial assets

When the Company's contractual rights received from the cash flows of financial assets are invalid, the financial assets will be written-off.

(7) Investment under the equity method Subsidiaries- subsidiaries

1. The subsidiaries of the Company refers to the (including the entity) controlled by the Company. When the Company is exposed to the variable return of the subsidiary or is entitled to such variable return; also, when the Company can influence such variable return through the power over the subsidiary, the Company controls the subsidiary.
2. The unrealized gains and losses resulting from the transactions conducted between the Company and its subsidiaries had been written-off. Subsidiaries' financial statements are adjusted to align the accounting policies with those of the Company.
3. The Company recognized the shares of profit and/or loss of subsidiaries after acquisition as the profit and/or loss of the current term, and recognized the shares of profit and/or loss of other consolidated income after acquisition as other consolidated profit and/or loss of the current term. In the event that the shares of losses in a subsidiary recognized by the Company exceed the Company's equity in that subsidiary, the Company would continually recognize the losses pro rata to the shareholder percentages.
4. As expressly provided for in "Regulations Governing the Preparation of Financial Reports by Securities Issuers": The profit or loss for the period and other comprehensive income presented in parent company only financial reports shall be the same as the allocations of profit or loss for the period and of other comprehensive income attributable to owners of the parent presented in the financial reports prepared on a consolidated basis, and the owners' equity presented in the parent company only financial reports shall be the same as the equity attributable to owners of the parent presented in the financial reports prepared on a consolidated basis.

(8) Property, plant, and equipment

1. Property, plant and equipment are initially recorded at cost.
2. Subsequent costs are included in the asset's carrying amount or recognized as a spate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the period in which they are incurred.
3. Property, plant and equipment are subsequently measured in cost mode with depreciation amortized using the straight-line method based on the period of depreciation except land for which no depreciation is to be amortized. If each component of property, plant and equipment are significant, it is depreciated separately.
4. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each balance sheet date. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, "Accounting Policies, Changes in Accounting Estimates and Errors", from the date of change. Useful lives of assets are as follows:

Other equipment	3 years
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(9) Losses in non-financial asset

The company estimates recoverable amounts on assets with signs of losses on the balance sheet date, and when the recoverable amount is lower than the book amount, then loss is recognized. Recoverable amount refers to an asset's fair value less the cost of disposal or the useful value, whichever is the higher. Except for goodwill, when the impairment of assets recognized in prior period is non-existent or reduced, the impairment loss should be reversed. However, the increased book value of the asset due to the reversed impairment loss may not exceed the book value net of depreciation or amortization before recognizing impairment loss.

(10) De-recognition of financial liabilities

The Company de-recognizes financial liabilities for the performance of obligations, cancelation or expiration as stated in the contract.

(11) Employee benefits

1. Short-term employee benefits

Short-term employee benefits are measured at the discounted amount of the benefits expected to be paid in respect of service rendered by employees and are recognized as expenses in the period when the employees render service.

2. Pension

(1) Defined contribution plan

The defined contribution plans are to recognize the pension fund to be contributed as the net periodic pension cost for current period according to the accrual basis. Prepaid contributions are recognized to the extent of a cash refund or a reduction in the future payments.

(2) Defined benefit plan

A. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services in current period or prior periods. The liability recognized in the balance sheet in respect of the defined benefit pension plan is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated by the actuary with projected unit credit method, the discount rate uses the date of balance sheet and the currency for defined benefit as well as the market yield of government bonds (on the date of balance sheet) with consistent period.

B. The revaluation amount of the defined benefit plan is recognized upon occurrence in the "Other comprehensive profit and loss" and included in the retained earnings.

C. The expense associated with prior service cost is recognized immediately as a profit or loss.

3. Employee compensation and remuneration to directors

Employee compensation and remuneration to directors are recognized as expenses and liabilities, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. If the accrued amounts for employees' compensation and remuneration to directors and supervisors are different from the actual distributed amounts, the differences should be recognized based on the accounting for changes in estimates. For employee bonus with stocks, the basis to calculate the stock is the closing price of the day prior to the resolution of the board meeting.

(12) Income tax

1. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.
2. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with the applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the shareholders resolve to retain the earnings.
3. Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. The deferred income tax liabilities caused by the goodwill originated from the initial recognition will not be recognized. If the deferred income tax originates from the initial recognition for assets or liabilities of transactions (excluding business combination), and the transactions do not affect the accounting profit or taxable profit at that time (tax loss), then not to recognize. Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted as of the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.
4. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred income tax assets are reassessed.
5. Current income tax and liabilities are offset, and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities.

(13) Capital stock

1. Common shares are classified as equity. The incremental cost directly attributable to the issuance of new shares or subscription rights is deducted by the net amount after income tax and listed in the equity as a deduction in payment.
2. When the Company repurchases the issued shares, the consideration paid for the repurchase includes any directly attributable incremental cost, which is recognized as a deduction in shareholders' equity based on the net amount after tax. If the repurchase of shares is followed by a subsequent issuance, the difference between the consideration received and the carrying amount, after deducting any directly attributable incremental cost and income tax effect, is recognized as an adjustment to shareholders' equity.

(14) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are approved by the Company's shareholders. Cash dividends are recorded as liabilities.

(15) Recognition of revenue

The Company's main business is the management of the investees. The service revenue is billed at rates agreed upon with the investees during the financial reporting period in which the management services are rendered to the investees. The Company recognizes the revenue based on the amount of the right to issue an invoice.

(16) Business combination – reorganization under joint control

1. As IFRS 3 “Business Combinations” has no specific requirements for the business combinations (organization restructuring) under joint control, the Company adopts the book value approach in accordance with the relevant interpretations and Q&A issued in Taiwan. The comparative financial statements were prepared on a consolidated basis from the beginning and were not restricted by the establishment date.
2. According to the requirements of Letter (100) Ji-Mi-Zi No. 390 issued by the Accounting Research and Development Foundation, the Company has reclassified the equity items related to the reorganization of assets and liabilities to the original amount, and the balance of the equity items exceeding the Company's newly issued capital stock and the aforementioned equity items to be deferred are adjusted to increase capital surplus.

5. Critical accounting judgments, estimates and key sources of assumption uncertainty

The preparation of these financial statements requires management to make critical judgments in applying the Company's accounting policies and make critical assumptions and estimates based on the expectation of future events that are believed to be reasonable under the circumstances at the end of the reporting period. The resulting accounting estimates might be different from the related actual results, the judgments and estimates are continually evaluated and adjusted based on historical experience and other factors. Such estimation and assumption contain risk of being significantly adjusted for the carrying amount of asset or liabilities in the next financial year. Critical accounting judgments, estimates and key sources of assumption uncertainty are explained as follows:

(1) Critical judgments concerning the application of accounting policies

none.

(2) Critical accounting estimates and assumptions

none.

6. Summary of significant accounting titles

(1) Cash and cash equivalents

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Cash on hand	\$ 57	\$ -
Check deposit and demand deposit	10,760	-
	<u>\$ 10,817</u>	<u>\$ -</u>

1. The financial institutions that the Company deals with are with good credit quality; also, the Company deals with a number of financial institutions to diversify credit risk; therefore, the possibility of default is very unlikely.

2. None of the Company's cash and cash equivalents pledged to others as collateral.

(2) Investment under the equity method

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Subsidiaries:		
China Chemical and Pharmaceutical Co., Ltd.	<u>\$ 7,540,072</u>	<u>\$ 7,432,362</u>

1. For more details of the information of the subsidiaries, please refer to Note 4 (3) of the Company's Consolidated Financial Report, 2024.

	<u>Major places of business</u>	<u>Ratio of Shareholding</u>	
		<u>December 31, 2024</u>	<u>December 31, 2023</u>
China Chemical and Pharmaceutical Co., Ltd.	Taiwan	100%	100%

2. The Company's share of the profit or loss of subsidiaries accounted for using the equity method is as follows (recorded in operating revenue):

	<u>2024</u>	<u>2023</u>
China Chemical and Pharmaceutical Co., Ltd.	<u>\$ 344,320</u>	<u>\$ 322,294</u>

(3) Pension

1.(1) Some of the Company's employees are employees of the subsidiary, CCPC, and were transferred to the Company at the time of share conversion. Therefore, the Company has a defined benefit pension plan in accordance with the "Labor Standards Act," covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. When an employee meets the requirements of retirement, the payment of pension is based on service years and the average salary of the six months prior to retirement, with services within 15 years accumulating 2 basis points per year, and service years beyond 15 years accumulating 1 basis point per year up to a maximum of 45 basis points. The Company provisions 5% of total monthly salary to the pension fund in the name of the Pension Supervisory Committee at the Bank of Taiwan. In addition, the Company has the labor pension reserve account balance referred to in the preceding paragraph estimated at the end of each fiscal year. If the account balance is insufficient to pay pension benefit to the employees who qualify for retirement within next year for the pension benefit calculated in the preceding paragraph, the Company will have the spread amount appropriated in a lump sum before the end of March next year.

(2) The amounts recognized in the balance sheet are as follows:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Present value of the defined benefit obligations	(\$ 45,852)	\$ -
The fair value of plan assets	<u>46,341</u>	<u>-</u>
Net defined benefit assets	<u>\$ 489</u>	<u>\$ -</u>

(3) The changes in net defined benefit assets are as follows:

	<u>Present value of the defined benefit obligations</u>	<u>The fair value of plan assets</u>	<u>Net defined benefit assets</u>
2024			
January 1	\$ -	\$ -	\$ -
Transferred from subsidiary on November 28	(48,164)	49,807	1,643
Interest expenses (income)	<u>(209)</u>	<u>216</u>	<u>7</u>
	<u>(48,373)</u>	<u>50,023</u>	<u>1,650</u>
Revaluation amount:			
The effect of changes in financial assumptions	36	-	36
Experience adjustments	<u>(1,038)</u>	<u>(216)</u>	<u>(1,254)</u>
	<u>(1,002)</u>	<u>(216)</u>	<u>(1,218)</u>
The appropriation of pension fund	-	57	57
Pension payments	<u>3,523</u>	<u>(3,523)</u>	<u>-</u>
Balance at December 31	<u>(\$ 45,852)</u>	<u>\$ 46,341</u>	<u>\$ 489</u>

(4) The fund assets for defined benefit plan of the Company are with entrusted management by Bank of Taiwan based on the investment program of the year to set the proportion of commission items and scope of amount, and in accordance with the items in Article 6 of Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund (which means deposit in the financial institutions domestically and overseas, investment in the equity securities and real estate securitization products of public, public listed and private companies), the relevant operation is supervised by Labor Pension Fund Supervisory Committee. For the use of this fund, the minimum earnings distribution every year shall not be for an amount less than the income calculated in accordance with the local bank's two-year time deposit rate; also, the insufficient fund, if any, should be made up by the National Treasury with the approval of the competent authorities. Since the Company is not entitled to participating in the operation and management of the Fund, the classification of the fair value of plant asset cannot be disclosed in accordance with International Accounting Standards No. 19, paragraph 142. Please refer to the "Annual Labor Pension Fund Implementation Report" published by the government for the fair value of the total fund assets on December 31, 2024.

(5) Assumptions for the actuation of pension funds are summarized as follows:

	<u>2024</u>	<u>2023</u>
Discounted rate	<u>1.42%</u>	=
Future salary increases rate	<u>1.00%</u>	=

Future mortality assumptions are based on the sixth Taiwan Standard Ordinary Experience Life Table.

The present value of the defined benefit obligations affected by the changes in the actuarial assumptions is analyzed as follows:

	<u>Discounted rate</u>		<u>Future salary increases rate</u>	
	<u>Increase by</u> <u>0.5%</u>	<u>Decrease by</u> <u>0.5%</u>	<u>Increase by</u> <u>0.5%</u>	<u>Decrease by</u> <u>0.5%</u>
December 31, 2024				
The impact on the present value of the defined benefit obligations	<u>(\$ 140)</u>	<u>\$ 155</u>	<u>\$ 155</u>	<u>(\$ 141)</u>

The sensitivity analysis referred to above is based on the impact of the changes in one single hypothesis while other assumptions remain unchanged. In practice, many changes in assumptions may be mutually interactive. The sensitivity analysis is consistent with the method adopted for calculating the net pension liability on the balance sheet.

(6) As of December 31, 2024, the weighted average duration of the pension plan was for 1 years.

2. (1) The Company has a retirement policy with a defined pension contribution plan regulated in accordance with the “Labor Pension Act” for the employees of Taiwan nationality since July 1, 2005. The Company and its domestic subsidiaries have established a defined contribution pension plan (the “New Plan”) under the “Labor Pension Act” covering all regular employees. Under the New Plan, the Group contributes monthly an amount based on 6% of the employees’ monthly salaries and wages to an employee’s individual pension account at the Bureau of Labor Insurance. The payment of pension benefits is based on an employee’s individual pension fund account and the cumulative profit in such account, and employees can choose to receive such pension benefits monthly or in one lump sum.

(2) For financial year 2024, the net pension cost recorded by the company according to the above mentioned pension plans is NTD 1,057 respectively.

(4) Capital stock

1. On September 2, 2024, the Company acquired 100% of the equity of CCPC by 0.5 share of the Company for every 1 share of CCPC. As of December 31, 2024, the Company’s authorized capital was NTD 5,000,000, and the actual number of common shares issued was 149,041 thousand, with a paid-in capital of NTD 1,490,405, with a par value of \$10 per share.

2. The beginning and ending outstanding shares for the financial statements for the comparative period of the Company for 2024 and 2023 is as follows: (Unit: thousand shares)

	<u>2024</u>	<u>2023</u>
January 1	297,253	297,253
Repurchase of treasury stock	(129)	-
Re-issuance of treasury stock	16	-
Conversion effect of share swap agreement	(148,626)	-
December 31	<u>148,514</u>	<u>297,253</u>

3. As of December 31, 2024, and 2023, the number of shares of the Company and CCPC held by Tairung Enterprise Co., Ltd. due to long-term investment was 414 thousand shares and 828 thousand shares, respectively, with an average book value of NTD 67.78 and NTD 33.89, respectively, and fair values of NTD 37.4 and NTD 24.35, respectively.
4. As of December 31, 2024 and 2023, the associates of the Company held 21,027 thousand shares and 42,053 thousand shares of the Company and CCPC (prior to the share swap), respectively.
5. The Company's Board of Directors resolved on December 26, 2024 to buy back treasury stocks for transfer to employees. It is estimated that 1,000 thousand shares will be bought back, with a price range of NTD 27 to NTD 43 per share. However, the shares may be continuously bought back at a price lower than the range price. As of December 31, 2024, the Company's recovery of treasury stocks is as follows:

<u>Name of holding company</u>	<u>Reasons for recovery</u>	<u>December 31, 2024</u>	
		<u>Number of shares</u> <u>(thousand shares)</u>	<u>Book value</u>
The Company	for transfer of shares to employees	113	\$ 4,250

As of February 26, 2025, a total of 1,000 thousand shares were recovered with a book value of NTD 38,350.

- (1) According to the Securities and Exchange Act, the percentage of shares repurchased by the Company shall not exceed 10% of the total number of issued shares, and the total amount of the repurchase shall not exceed the sum of retained earnings plus the premium of issued shares and the realized capital reserve.
- (2) The treasury stock held by the Company shall not be pledged and shall not be entitled to the rights of shareholders before transfer in accordance with the Securities and Exchange Act.
- (3) According to the Securities and Exchange Act, the shares repurchased for transfer to employees should be transferred within five years from the date of repurchase. If the shares are not transferred after the expiration date, they should be deemed as unissued shares of the Company and should be canceled for change of registration. The shares repurchased for the protection of the credit and shareholders' equity of the Company should be canceled within six months from the date of the repurchase.

(5) Capital surplus

2024

	Issuance premium	Treasury stock trade	Others	
			Difference between the actual acquisition or disposal of equity interest in a subsidiary and its book value	Changes in the ownership equity on a subsidiary
January 1	\$578,416	\$67,842	\$ -	\$ 1,844
Disposal of treasury stock	-	(51)	-	-
Difference between the actual acquisition or disposal of equity interest in a subsidiary and its book value	-	-	112	-
Cash dividends which Subsidiary obtained from the Parent company	-	296	-	-
Conversion effect of share swap agreement	<u>5,323,144</u>	<u>-</u>	<u>-</u>	<u>-</u>
December 31	<u>\$5,901,560</u>	<u>\$ 68,087</u>	<u>\$ 112</u>	<u>\$ 1,844</u>

2023

	Issuance premium	Treasury stock trade	Others
			Changes in the ownership equity on a subsidiary
January 1	\$ 578,416	\$ 67,367	\$ 1,844
Cash dividends which Subsidiary obtained from the Parent company	-	475	-
December 31	<u>\$ 578,416</u>	<u>\$ 67,842</u>	<u>\$ 1,844</u>

1. According to the IFRS Q&A set and Letter (100) Ji-Mi-Zi No. 390 issued by the Accounting Research and Development Foundation dated October 26, 2018, the share exchange transaction between the CCPC on September 2, 2024 was deemed a reorganization under joint control. The Company is a continuation of the CCPC. The Company has reclassified the equity items related to the reorganization of assets and liabilities to the original amount, and the balance of the equity items exceeding the Company's newly issued capital stock and the aforementioned equity items to be deferred are adjusted to increase capital surplus.
2. According to the Company Act, capital reserves from premium income for issuing shares over face values and gift income, not only can offset losses, it can also issue new shares or cash according to the original shareholding when there is no accumulated losses in the company. According to the Securities and Exchange Act and its related rules, where capital reserve is applied to supplement capital as above, the total amount cannot exceed 10% of the paid up capital. When the retained earnings of a company is not enough to offset capital losses, the capital reserves cannot be applied.

(6) Retained earnings

	2024		
	<u>Legal reserve</u>	<u>Special reserve</u>	<u>Undistributed earnings</u>
January 1	\$ 777,269	\$ 188,958	\$ 3,012,349
Current profit or loss	-	-	317,348
Current period other comprehensive income	-	-	30,587
Earnings distribution	-	-	(149,041)
Statutory earnings reserve	34,383	-	(34,383)
Equity instrument at fair value through other comprehensive income statement	-	-	(41,267)
Difference between the actual acquisition or disposal of equity interest in a subsidiary and its book value	-	-	(883)
Conversion effect of share swap agreement	(811,652)	-	(3,021,086)
December 31 (Note)	<u>\$ -</u>	<u>\$ 188,958</u>	<u>\$ 113,624</u>
	2023		
	<u>Legal reserve</u>	<u>Special reserve</u>	<u>Undistributed earnings</u>
January 1	\$ 724,856	\$ 188,958	\$ 2,959,395
Current profit or loss	-	-	322,294
Current period other comprehensive income	-	-	(417)
Earnings distribution	-	-	(238,465)
Statutory earnings reserve	52,413	-	(52,413)
Equity instrument at fair value through other comprehensive income statement	-	-	21,955
December 31	<u>\$ 777,269</u>	<u>\$ 188,958</u>	<u>\$ 3,012,349</u>

Note: The Company's undistributed earnings are the total amount of other comprehensive income of the current period from September 2, 2024 (inception date) to December 31, 2024 and the adjustment of undistributed earnings.

1. According to the Articles of Incorporation of the Company, the dividend policy is planned with consideration of the future capital requirements and long-term financial arrangements, as well as to meet the cash inflow requirements of the shareholders. If there are any earnings reported in the annual report, taxes should be paid first, followed by offsetting any previous annual losses. Next, 10% should be allocated as a legal reserve and special reserve in accordance with regulations. If any earnings remain, they will be accumulated with the undistributed earnings from the previous year to determine the profit available for

distribution. This amount will be reserved at the discretion of management, and bonuses will be allocated to shareholders, with cash dividends comprising no less than 50% of the shareholder bonus. If the cash dividend is less than NTD 0.1, a stock dividend will be issued instead.

2. Legal earnings reserves can only be applied to offset company losses or issue new shares or cash according to the original shareholding ratio, and nothing else. When it is applied to new share or cash issues, the reserve shall exceed 25% of the paid-up capital.
3. (1) In accordance with the regulations, the Company shall set aside special reserve from the debit balance of other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.
- (2) As stated in Note 6(5), the Company is a continuation of the CCPC. When it first adopted IFRSs, the Financial Supervisory Commission (FSC) issued Jin-Guan-Zheng-FA-Zi No. 1010012865. On April 6, 2012, which the Company adopts hereafter to implement, the disposal or reclassification of relevant assets is reversed by the proportion of the special earned surplus as initially recognized. If the relevant assets previously stated are investment real properties, any reversal with disposal or reclassification applies to those classified as land. For assets other than land, reversals should occur gradually while they are in use.
4. Upon the resolution made by the shareholders on May 28, 2024 and May 25, 2023, the disposition of earnings of CCPC for 2023 and 2022 are as follows:

	2023		2022	
	<u>Amount</u>	<u>Dividends per share (\$)</u>	<u>Amount</u>	<u>Dividends per share (\$)</u>
Legal reserve	\$ 34,383	-	\$ 52,413	-
Cash dividends	<u>149,041</u>	0.5	<u>238,465</u>	0.8
	<u>\$ 183,424</u>		<u>\$ 290,878</u>	

5. On March 6, 2025, the Company's Board of Directors proposed to distribute cash of NTD 0.6 per share from the additional paid-in capital, totaling NTD 89,356.
6. The Board of Directors proposed in their meeting on March 6, 2025 to appropriate the 2024 earnings as follows:

	2024	
	<u>Amount</u>	<u>Dividends per share (\$)</u>
Legal reserve	\$ 11,362	-
Special reserve	33,809	-
Cash dividends	<u>59,571</u>	0.4
	<u>\$ 104,742</u>	

(7) Other equity

	2024		
	<u>Unrealized loss of</u>	<u>Foreign-currency</u>	
	<u>profit valuation</u>	<u>translations</u>	<u>Total</u>
January 1	(\$ 30,507)	(\$ 116,566)	(\$ 147,073)
Evaluation adjustment:			
- Subsidiary and associate	(148,357)	-	(148,357)
- Valuation adjustment changes to retained earnings	41,267	-	41,267
Foreign currency translation differences:			
- Subsidiary and associate	-	31,396	31,396
December 31	<u>(\$ 137,597)</u>	<u>(\$ 85,170)</u>	<u>(\$ 222,767)</u>

	2023		
	<u>Unrealized loss of</u>	<u>Foreign-currency</u>	
	<u>profit valuation</u>	<u>translations</u>	<u>Total</u>
January 1	\$ 4,874	(\$ 85,682)	(\$ 80,808)
Evaluation adjustment:			
- Subsidiary and associate	(13,426)	-	(13,426)
- Valuation adjustment changes to retained earnings	(21,955)	-	(21,955)
Foreign currency translation differences:			
- Subsidiary and associate	-	(30,884)	(30,884)
December 31	<u>(\$ 30,507)</u>	<u>(\$ 116,566)</u>	<u>(\$ 147,073)</u>

(8) Operating revenues

	2024	2023
The profit or loss in the subsidiary and affiliated company recognized under the equity method	\$ 344,320	\$ 322,294
Labor revenue	31,680	-
	<u>\$ 376,000</u>	<u>\$ 322,294</u>

(9) Employees' welfare and depreciation, amortization expenses

Functionality \ Characteristics	2024		
	Allocated as operating cost	Attributable to operating expenses	Total
Employee benefits expenses			
Salaries and wages	\$ 40,218	\$ -	\$ 40,218
Labor insurance and national health insurance	2,129	-	2,129
Pension expenses	1,050	-	1,050
Remuneration to Directors	6,083	-	6,083
Other employee benefits expenses	795	-	795
Depreciation expenses	-	-	-
Amortization expenses	-	-	-

Functionality \ Characteristics	2023		
	Allocated as operating cost	Attributable to operating expenses	Total
Employee benefits expenses			
Salaries and wages	\$ -	\$ -	\$ -
Labor insurance and national health insurance	-	-	-
Pension expenses	-	-	-
Remuneration to Directors	-	-	-
Other employee benefits expenses	-	-	-
Depreciation expenses	-	-	-
Amortization expenses	-	-	-

1. According to the Articles of Incorporation of the Company, the Company, in accordance with the accumulated profit after deducting the accumulated losses, shall have the "remuneration to employees" appropriated for an amount equivalent to 1%~15% of the remaining earnings and not more than 3% of the earnings as the remuneration of the directors, if any.
2. (1) From September 2, 2024 (inception date) to December 31, 2024, the estimated amount of employee remuneration was NTD 5,328; the estimated amount of director remuneration was NTD 2,417. The above amounts were recognized as salary expenses.
- (2) Based on the profit after the inception date of the Company for 2024, the remuneration to employees and directors is estimated to be 5.81% and 2.63%, respectively. The above stated employee bonus is distributed in cash.

- (3) The Board resolved to grant remuneration to employees amounting to NTD 5,328 in 2024, respectively. The payment to the Directors were recognized at NTD 2,417, which was congruent with the recognized amount in 2024, respectively.
3. Information on the employee and remuneration for directors as approved by the board of directors can be found on the Market Observation Post System.
4. Total number of people employed for the current years was 66, respectively, of which six members were independent directors.
5. The additional disclosures below were required to Taiwan-Exchange listed companies:
- (1) Average employee benefit expense for the current year was NTD 740.
 - (2) The average employee salary expense for the current year was NTD 673.
 - (3) As the Company was established on September 2, 2024, it is impossible to disclose the average employee salary adjustment change.
 - (4) The Company did not have supervisors in 2024, therefore, there was no supervisor-related remuneration.
6. The Company has an Audit Committee organized in accordance with the company's Articles of Incorporation. The Audit Committee evaluates the remuneration policies and systems of the company's directors and managers in a professional and objective position, performs its duties faithfully in due diligence, and makes suggestions to the board of directors for reference in decision-making.

The Company's remuneration related systems and regulations include:

- (1) Management of remuneration to directors;
- (2) Management of remuneration to employees;
- (3) Management of employee performance evaluation;
- (4) The test run for financial incentives and remuneration to the management;
- (5) Employee performance evaluation bonus;

(10) Income tax

1. Income tax expenses

- (1) Components of income tax expense:

	<u>2024</u>	<u>2023</u>
Deferred income tax:		
Origin and reversal of temporary differences	(\$ 6,663)	\$ -
Total deferred income tax	<u>(6,663)</u>	<u>-</u>
Income tax profit	<u>(\$ 6,663)</u>	<u>\$ -</u>

- (2) Income tax amounts relating to other comprehensive profit and loss:

	<u>2024</u>	<u>2023</u>
Defined benefit obligation revaluation amount and volume	<u>\$ 243</u>	<u>\$ -</u>

2. Relationship between income tax expense and accounting profit:

	<u>2024</u>	<u>2023</u>
Income tax derived by applying the statutory tax rate to pre-tax net profit	\$ 62,137	\$ -
Excluded expenses and losses by Income Tax Law	64	-
Tax-free income by Income Tax Law	(68,864)	-
Income tax profit	<u>(\$ 6,663)</u>	<u>\$ -</u>

3. Deferred income tax assets or liabilities arising from temporary differences:

	<u>2024</u>			
	<u>January 1</u>	<u>Recognized in the profit or loss</u>	<u>Recognized in the other comprehensive profit of loss</u>	<u>December 31</u>
Timing difference:				
- Deferred income tax assets				
Leave encashment	\$ -	\$ 992	\$ -	\$ 992
Defined benefit obligation revaluation amount and volume	-	(14)	243	229
Tax loss	-	5,685	-	5,685
	<u>\$ -</u>	<u>\$ 6,663</u>	<u>\$ 243</u>	<u>\$ 6,906</u>

4. Deductible temporary differences not recognized as deferred tax assets by the Company.

5. As the Company was established on September 2, 2024, no profit-seeking enterprise income tax had been filed.

(11) Earnings per share

	<u>2024</u>		
	<u>After-tax amount</u>	<u>Weighted average outstanding shares (thousand shares)</u>	<u>Earnings per share (NT\$)</u>
<u>Basic earnings per share</u>			
Net income	<u>\$ 317,348</u>	<u>127,565</u>	<u>\$ 2.49</u>
<u>Diluted earnings per share</u>			
Net income	\$ 317,348	127,565	
The impact of potential diluting common stock: remuneration to employees	-	247	
The potential influence of the increase of net income in current period on common shares	<u>\$ 317,348</u>	<u>127,812</u>	<u>\$ 2.48</u>

	2023		
	After-tax amount	Weighted average outstanding shares (thousand shares)	Earnings per share (NT\$)
<u>Basic earnings per share</u>			
Net income	\$ 322,294	148,627	\$ 2.17
<u>Diluted earnings per share</u>			
Net income	\$ 322,294	148,627	
The impact of potential diluting common stock: remuneration to employees	-	700	
The potential influence of the increase of net income in current period on common shares	\$ 322,294	149,327	\$ 2.16

The Company exchanged shares with CCPC according to the share swap agreement. As it is deemed the reorganization under joint control, the Company retroactively adjusted the weighted average number of outstanding shares based on the share swap ratio agreed upon in the share swap agreement when calculating the earnings per share during the comparative period.

(12) Supplementary information about the cash flows

Investing activities partially funded with cash:

	2024	2023
Purchase of property, plant, and equipment	\$ 10	\$ -
Add: Ending prepayment for business facilities	1,278	-
Less: Ending payment payable for business facilities	(1,278)	-
Cash Paid for the Period	\$ 10	\$ -

7. Related party transactions

(1) Name and relationship of related parties

<u>Name</u>	<u>Relationship with The Company</u>
China Chemical & Pharmaceutical Co., Ltd. (CCPC)	Subsidiary of the Company
Chunghwa Yuming Healthcare Co., Ltd. (Chunghwa Yuming)	Sub-subsidiary of the Company
Chunghwa Senior Lifestyle Services Co. Ltd. (Chunghwa Senior Lifestyle Services)	Sub-subsidiary of the Company
Tairung Enterprise Co., Ltd. (Tairung Enterprise)	Sub-subsidiary of the Company
Suzhou Chung-Hwa Chemical & Pharmaceutical Industrial Co., Ltd. (SCCPC)	Sub-subsidiary of the Company
Chunghwa Chemical Synthesis & Biotech Co., Ltd. (CCSB)	The associate of the Company
Sino-Japan Chemical Co., Ltd. (Sino-Japan Chemical)	The associate of the Company
PHERMPEP CO., LTD. (PHERMPEP)	The associate of the Company
Wuxi Jirui Medical Technology Co., Ltd. (Wuxi Jirui)	The associate of the Sub-subsidiary
Trium Therapeutics Co., Ltd (Trium)	Joint venture of subsidiaries
HU-YU CO., LTD (HU-YU)	The individual controlled by major management team of The Company.
Ma Jia De Enterprise Co., Ltd. (Ma Jia De)	The individual controlled by major management team of The Company.
Sela Holdings Inc.	The individual controlled by major management team of The Company.

(2) Major transactions with related parties

1. Operating revenues

	<u>2024</u>	<u>2023</u>
Labor revenue:		
Subsidiaries- CCPC	<u>\$ 31,680</u>	<u>\$ -</u>

The Company has entered into an administrative support service contract with the above related party, and there is no comparable subject to compare.

2. Rent expense (listed as operating cost)

	<u>2024</u>	<u>2023</u>
Rent expense:		
Subsidiaries- CCPC	<u>\$ 4,160</u>	<u>\$ -</u>

The Company's office is rented from CCPC for a period from September 2, 2024 to September 2, 2025. The rent price is negotiated and determined based on the rent level in the neighborhood and is agreed to be collected on the 20th day of each month.

3. Other receivables

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Subsidiaries- CCPC	<u>\$ 2</u>	<u>\$ -</u>
Payable lecturer fees.		

4. Other payables

(1) A. Loaning of funds – loans from related parties

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Other payables		
Subsidiaries- CCPC	<u>\$ 10,900</u>	<u>\$ -</u>
B. Interest expenses		

	<u>2024</u>		<u>2023</u>	
	<u>Interest</u>	<u>Interest</u>	<u>Interest</u>	<u>Interest</u>
	<u>expenses</u>	<u>rate</u>	<u>expenses</u>	<u>rate</u>
Subsidiaries- CCPC	<u>\$ 6</u>	2.0%	<u>\$ -</u>	- %

(2) Interest payable and collection and payment transfer

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Subsidiaries- CCPC	\$ 195	\$ -
Sub-subsidiary -Chunghwa Yuming	<u>4</u>	<u>-</u>
	<u>\$ 199</u>	<u>\$ -</u>

(3) Remuneration to key management

	<u>2024</u>	<u>2023</u>
Short-term employee benefits	\$ 21,767	\$ -
Retirement benefits	<u>171</u>	<u>-</u>
	<u>\$ 21,938</u>	<u>\$ -</u>

8. Pledged assets

No such event

9. Significant contingent liabilities and unrecognized contractual commitments

(1) Contingencies

No such event

(2) Commitments

The Company has signed a contract for the purchase of machinery and equipment, plant construction and consultation services. As of December 31, 2024, the amount of the unpaid price was NTD 5,016.

10. Significant disaster loss

No such event

11. Significant subsequent events

1. For details of the Company's repurchase of treasury stocks after the period, please refer to Note 6(4)5.
2. For the distribution of cash and earnings from the additional paid-in capital, please refer to Note 6(6)5 and 6.
3. In February 2025, the Company received a letter from the Securities and Futures Investors Protection Center, claiming that the Company should compensate the counterparty, which the Supreme Court has enforced. The Company is currently in the process of negotiating with the lawyer on the subsequent compulsory enforcement.

12. Others

(1) Capital management

The Company's capital risk management objectives are to ensure that the Group is capable of continuing operations, to maintain the most appropriate capital structure in order to reduce cost of capital and to maximize returns for shareholders. The Company may make adjustments to dividends paid to shareholders, refund capital to shareholders, issue new shares or sell assets to reduce the level of debts in order to maintain or adjust the Company's capital structure.

(2) Financial instruments

1. Categories of financial instruments

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
<u>Financial assets</u>		
Financial assets measured at the amortized cost		
Cash and cash equivalents	\$ 10,817	\$ -
Other receivables	<u>2</u>	<u>-</u>
	<u>\$ 10,819</u>	<u>\$ -</u>
	<u>December 31, 2024</u>	<u>December 31, 2023</u>
<u>Financial liabilities</u>		
Financial liability measured at the amortized cost		
Other payables	<u>\$ 50,531</u>	<u>\$ -</u>

2. Risk management policies

- (1) The daily operations of the Company are affected by multiple financial risks, which include the market risk (currency risk, interest rate risk and price risk), credit risk and liquidity risk. The overall risk management policy of The Company is to focus on the unpredictable matters of the financial market and seek for the method to decrease the potential adverse impact on the financial situation and financial performance of The Company.
- (2) The risk management is executed by the financial center of The Company according to the policy approved by the board of director. The financial center of the Company works close with the operating unit to identify, evaluate and avoid risks. The board of director also sets the written principle for the overall management risk and provides a written policy for specific scope and matters, ex. currency risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments as well as the investment of the remaining liquidity.

3. Nature and degree of the significant financial risk.

(1) Market Risk

Exchange rate risk

As the Company had no assets and liabilities denominated in foreign currencies as of December 31, 2024, no significant exchange rate risk is expected.

Price risk

Except for the investment accounted for using the equity method, the Company does not hold any other investment, so the Company is not significantly exposed to the price risk of equity instruments.

Cash flows and the interest risk of fair value

The Company's interest rate risk arises from the loaning of funds from related parties. However, as the Company's borrowings from related parties are with fixed interest rates, interest rate risk does not have a significant impact on the Company.

(2) Credit Risk

Credit risk is the risk of financial losses incurred by the Company due to the failure of the counterparty's financial instruments transactions to perform its contractual obligations. The main credit risk comes from cash and cash equivalents and deposits in banks and financial institutions. Only banks and financial institutions with good credit ratings can be accepted as counterparties.

(3) Liquidity risk

A. The Company's Financial Center is responsible cash flow forecast. The Financial Center monitors the Company's forecast of the demand for working capital to ensure that it has sufficient funds to meet operational needs.

B. The table below is the non-derivative financial liabilities of The Company, which is classified based on the due date. The non-derivative financial liabilities are analyzed according to the remaining period between the dates of balance sheet to the expiry date of the contract. The amount of the cash flows in the contract disclosed by the following table is the undiscounted amount.

Non-derivative financial liabilities:

December 31, 2024	<u>Less than 3 months</u>	<u>3 months to 1 year</u>	<u>1 to 2 years</u>	<u>2 to 5 years</u>	<u>Over 5 year</u>
Other payables (including related parties)	\$ -	\$50,531	\$ -	\$ -	\$ -

(3) Fair value information

1. The valuation technique for measuring the fair value of financial and non-financial instruments is defined as follows:

Level 1: The quotation (unadjusted) of the same assets or liabilities that can be acquired by the company in an active market on the measurement date. An active market refers to the market with sufficient frequency and quantity of the assets or liabilities transactions took place in order to provide market pricing information constantly. The fair value of the stock investment for the listed stock invested by the Company is all included.

Level 2: It refers to the directly or indirectly observable input value of asset or liability, except for those quotations included in Level 1.

Level 3: The unobservable inputs of assets or liabilities.

2. The financial instruments not measured at fair values.

The book value of cash and cash equivalents, other receivables, accounts payable, and other payables is the reasonable approximate value of the fair value.

13. Notes of disclosure

(1) Information about important transactions

According to the “Regulations Governing the Preparation of Financial Reports by Securities Issuers.” The significant transaction matters of The Company in 2024 is as follows:

1. The Loaning of funds: please see Attached table 1.
2. Endorsement and Guarantee: please see Attached table 2.
3. Marketable securities held at yearend (excluding investments in subsidiaries, affiliated companies, and joint venture): please see Attached table 3.
4. The cumulative purchase or sale of the same security for an amount exceeding NTD 300 million or 20% of paid-in capital: Not applicable.
5. Acquisition of real estate properties amounting to more than NTD 300 million or 20% of paid up capital: Not applicable.
6. Disposition of real estate properties amounting to more than NTD 300 million or 20% of paid up capital: Not applicable.
7. Purchase/sale amount of transactions with related parties reaching 100 million NTD or more than 20% of the paid-in capital: please see the Attached table 4.
8. Amounts receivable from related parties totaling more than NTD 100 million or 20% of paid up capital: please see Attached table 5.

9. Involved with the transaction of derivatives: No such situation.

10. For the business relationship among the parent company/subsidiary and each subsidiary and the important transactions, please see Attached table 6.

(2) Information related to reinvested enterprises

The relevant information of names, area of location of the investees (excluding the investees in China), please see Attached table 7.

(3) Information about investment in mainland China

1. Basic information: please see Attached table 8.

2. Significant transactions with investee companies in the Mainland China, either directly or indirectly through a third country: Not applicable.

(4) Major shareholder information

Major shareholder information: please see Attached table 9.

14. Segment information

According to the regulations of IAS 8, disclosed in the consolidated financial statements.

Cenra Inc.
Loans to others
January 1 to December 31, 2024

Attached table 1

Unit: NTD thousand
(Except where otherwise stated)

No. (Note 1)	The lender of fund	The borrower of fund	Transaction title	Are they related parties	Maximum amount – current period (Note 2)	Balance, ending	The actual amounts disbursed	Interest rate collars	Nature of financing (Note 3)	Amount of business transactions	Reasons for the necessity of short-term financing	Amount of provision for bad debts	Collateral		Limit of financing particular beneficiary	Total limit of financing	Remarks
													Name	Value			
1	China Chemical & Pharmaceutical Co., Ltd.	HU-YU Co., Ltd.	Other receivable	Y	\$ 206,836	\$ 159,342	\$ 159,342	2.00%	1	\$ 182,739	-	\$ 23,901	Note 5	\$ -	\$ 182,739	\$ 2,263,250	Note 4(1), (2)
1	China Chemical & Pharmaceutical Co., Ltd.	Cenra Inc.	Other receivable	Y	100,000	100,000	10,900	2.00%	2	-	Working capital	-	-	-	1,131,625	2,263,250	Note 4(2)
2	Tairung Enterprise Co., Ltd.	HU-YU Co., Ltd.	Other receivable	Y	36,000	36,000	36,000	2.30%	2	-	Working capital	-	-	-	48,818	48,818	Note 4(3), Note 5
3	Chunghwa Yuming Healthcare Co., Ltd.	HU-YU Co., Ltd.	Other receivable	Y	65,000	65,000	65,000	2.10%	2	-	Working capital	-	-	-	81,657	163,314	Note 4(4), Note 5

Note 1: The filing method for the numbering of lending money by the Company is as follows:

- (1) Fill in 0 for the issuer.
- (2) The investees are sequentially numbered from 1 and so forth.

Note 2: Maximum balance of financing a third party in current period.

Note 3: Below are the two filing methods for the nature of lending money

- (1) With business dealings
- (2) With necessity of short-term financing

Note 4: Maximum and aggregate amount of loans made to a single entity by the Company:

- (1) Company and its subsidiaries with business transactions with the company whose individual lending amount may not exceed the most recent one year or the current year's incoming goods amount or total sales amount with the company, at the time of capital lending.
- (2) No loan made to a single entitle by CCPC shall exceed 15% of its net worth. Aggregated loans made shall not exceed 30% of its net worth.
- (3) No loan made to a single entitle by Tairung Development Co., Ltd. shall exceed 40% of its net worth. Aggregated loans made shall not exceed 40% of its net worth.
- (4) No loan made to a single entitle by Chunghwa Yuming Healthcare Co. shall exceed 15% of its net worth. Aggregated loans made shall not exceed 30% of its net worth.

Note 5: The full value guarantee will be provided by the Chairman of The Company

Cenra Inc.
Endorsements and guarantees made for others
January 1 to December 31, 2024

Attached table 2

Unit: NTD thousand
(Except where otherwise stated)

No. (Note 1)	The company providing the endorsement and/or guarantee	The party receiving the endorsement and/or guarantee		The limit of endorsements and/or guarantees to a single business entity	The highest balance of endorsements and/or guarantees in the current period	The ending balance of endorsements and/or guarantees	The actual amounts disbursed	The endorsements and/or guarantees secured with property	Total endorsements and guarantees as a percentage of equity in the most recent financial statement	The upper limit of an endorsement and/or guarantee	Guarantee and endorsement of parent company to subsidiary	Guarantee and endorsement by subsidiary to parent company	Guarantee and endorsement in Mainland China	Remarks
		Company name	Relation (Note 2)											
1	China Chemical & Pharmaceutical Co., Ltd.	HU-YU Co., Ltd.	1	\$ 182,739	\$ 396,600	\$ 252,600	\$ 173,300	\$ -	3.35%	\$ 3,772,084	N	N	N	Note 3, 4, 5 and 6

Note 1: The column for numbering is elaborated below:

- (1) Fill in 0 for the issuer.
- (2) The investees are sequentially numbered from 1 and so forth.

Note 2: The 6 types of relations between the endorsement/ guarantee provider and subject of endorsement/ guarantee are as follows. Indication of types is applicable.

- (1) Business relation.
- (2) Subsidiary owns over 50% of ordinary equity share with direct possession.
- (3) The aggregation of the ordinary share possessed by The Company and its Subsidiary exceeds 50% by the investee.
- (4) The Parent Company which possesses more than 50% of the ordinary equity share directly or through its Subsidiary with indirect possession.
- (5) For building construction, The Company holds a mutual guarantee with other companies based on the peer agreement.
- (6) Due to the joint investment relationship, shareholders are to provide endorsement and guarantee to the company proportionately to the respective shareholding ratio.

Note 3: Endorsement and guarantee to a particular enterprise shall not exceed 30% of the net worth of the Company. The limit of endorsement and guarantee to companies in business transactions with the Company shall not exceed the amount of purchase or sale with the Company in the previous period or current period at the time of endorsement and guarantee, whichever is higher.

Note 4: The endorsement/ guarantee amount of The Company is limited to 50% of the net value of The Company.

Note 5: The highest amount of endorsement and guarantee of NT\$165,300 thousand has been reported to the Board for approval before contract renewal, and risk deriving from the undertaking of guarantee in favor of Hu Yu Co., Ltd. is NT\$231,300 thousand.

Note 6: The amount of NT\$79,300 thousand in endorsement and guarantee has been reported to the Board for approval before contract renewal, and risk deriving from the undertaking of guarantee in favor of Hu Yu Co., Ltd. is NT\$173,300 thousand, which accounted for 2.30% of the net worth as presented in the financial statement covering the previous period.

Cenra Inc.
 Marketable securities held at yearend (excluding investments in subsidiaries, associated companies, and joint ventures)
 December 31, 2024

Attached table 3

Unit: NTD thousand
 (Except where otherwise stated)

Holding company	Types of negotiable securities	Names of negotiable securities (Note 1)	Relationship with the securities issuer	Account titles in book	At ending				Remarks
					Quantity	Book value	Ratio of Shareholding	Fair value	
China Chemical & Pharmaceutical Co., Ltd.	Stock	momo.com Inc.	-	Investment of equity instruments at fair value through other comprehensive income	566,087	\$ 294,181	0.22%	\$ 188,790	None
		Green Management International Co., Ltd.	-	"	111,237	710	5.21%	1,664	"
		CDIB Capital Healthcare Ventures Limited	-	"	677,143	6,771	1.71%	17,433	"
		MegaPro Biomedical Co., Ltd.	Other related parties	"	2,938,458	95,046	4.54%	42,755	"
		NEUROLOGIC, INC.	-	Investment of equity instruments at fair value through profit and loss	857,067	-	7.12%	-	"
		SynZyme Technologies,LLC	-	"	462,900	-	4.34%	-	"
	Equity	Seraph partners	-	Investment of equity instruments at fair value through other comprehensive income	-	7,390	3.14%	6,609	"
			Evaluation adjustment		(146,847)		-	"	
					\$ 257,251				
Tairung Enterprise Co., Ltd.	Stock	Cenra Inc.	The Company	Investment of equity instruments at fair value through other comprehensive income	413,941	\$ 28,057	0.28%	\$ 15,481	None
				Evaluation adjustment		(12,576)			
						\$ 15,481			
Chemical&pharmaceutical Industrial Co., Ltd.	Equity	Kunshan CDIB Yida Healthcare Enterprise Ltd.	-	Investment of equity instruments at fair value through other comprehensive income	-	\$ 44,100	2.37%	\$ 72,717	None
				Evaluation adjustment		28,617			
						\$ 72,717			

Note 1: Securities as stated in this table are the stocks, bonds, beneficiary certificates and the securities deriving from the above items within the scope of IFRS 9, "Financial Instruments"

Cenra Inc.

Purchase from or sale to related parties for an amount exceeding NTD 100 million or 20% of paid-in capital

January 1 to December 31, 2024

Attached table 4

Unit: NTD thousand

Purchase (sale) company	Name of counterparty	Relation	Transactions			Trading terms different from general trade and reasons			Notes and accounts receivable (payable)		Remarks
			Purchase (sale)	Amount	Percentage of total purchase (sale)	The credit period	Unit price	The credit period	Balance	Percentage of total notes and accounts receivable (payable)	
China Chemical & Pharmaceutical Co., Ltd.	Chunghwa Yuming Healthcare Co., Ltd.	Subsidiaries	Sale	\$ 2,789,780	67.67%	The payment term is 150 days	Agreed by the quotation in the purchase agreement signed by both parties.	The payment term is 150 days.	\$ 1,724,524	73.48%	
China Chemical & Pharmaceutical Co., Ltd.	HU-YU Co., Ltd.	The Chairman is the same person of The Company.	Sale	182,739	4.43%	The payment term is 240 days	Due to the unique sales item; no similar items for sales; the selling price is the import cost plus 4%.	Due to the unique nature of The Company the usance of the bill should be longer than regular deals.	\$ 403,762	17.20%	

Note: Individual accounts payable transactions less than NTS100,000 will not be disclosed.

Cenra Inc.

Accounts receivable from related parties for an amount exceeding NTD 100 million or 20% of paid-in capital

December 31, 2024

Attached table 5

Unit: NTD thousand
(Except where otherwise stated)

The company booked in the receivables	Name of counterparty	Relation	Receivables from related party	Turnover rate	Overdue Receivables from related parties		Receivables amount collected from related parties subsequently	Amount of provision for bad debts	Remarks
					Amount	Process			
China Chemical & Pharmaceutical Co., Ltd.	HU-YU Co., Ltd.	The Chairman is the same person of The Company.	\$ 403,762	0.44	\$ 284,321	To obtain the proven guarantee from the chairman of The Company and take joint and several liability for the unpaid debts or bills.	\$ 125,245	\$ 60,564	
	Chunghwa Yuming Healthcare Co., Ltd.	Subsidiaries	1,724,524	1.59	476,526	Active debt collection.	295,000	-	

Cenra Inc.

Business relationships and significant transactions and amount between parent company and subsidiaries and among subsidiaries.

January 1 to December 31, 2024

Attached table 6

Unit: NTD thousand
(Except where otherwise stated)

No. (Note 1)	Trader's name	Counterparty	Affiliation to trader (Note 2)	Transactions			Percentage in consolidated total revenue or total assets (Note 3)
				Title	Amount	Terms and conditions	
1	China Chemical and Pharmaceutical Co., Ltd.	Chunghwa Yuming Healthcare Co., Ltd.	3	Sale	\$ 2,789,780	Note 4	31.28%
1	"	"	3	Accounts receivable	1,724,524	"	13.50%

Note 1: The information about transactions between parent company and subsidiaries shall be numbered and noted in the following manner in the box of numbers:

- (1) Fill in "0" for parent company.
- (2) Subsidiaries are numbered from number 1.

Note 2: There are three types of relationships with traders, please mark the type intended.

- (1) Parent company vs. subsidiaries.
- (2) Subsidiaries vs. parent company.
- (3) Subsidiaries vs. subsidiaries.

Note 3: For computing the ratio of trade amount to total sales revenue or total assets, if it is for asset and liability account, the computation is based on the ratio of ending balance to total consolidated assets; however, if it is for income and expense account, the computation is based on the ratio of interim cumulative amount to total consolidated revenue.

Note 4: The selling price is agreed to by the quotation in the purchase agreement signed by both parties. The payment of the selling goods is 150 days.

Note 5: The significant matters between the parent company and subsidiaries have been written off.

Note 6: The amount of individual deal below NTD\$100,000 will not be disclosed.

Centra Inc.

The relevant information of names, area of location of the investees (excluding the investees in China)

January 1 to December 31, 2024

Attached table 7

Unit: NTD thousand
(Except where otherwise stated)

Investor	Name of investee	Location	Principal business	Sum of initial investment		Ending shareholding			Current period profit / loss of the investee	Recognized investment Income	Remarks
				Current period-end	The end of last year	Number of shares	Ratio	Book value			
Centra Inc.	China Chemical & Pharmaceutical Co., Ltd.	Taiwan	Manufacture and sales of Western medicine preparations and health-care articles.	\$ 7,396,144	\$ -	298,081,080	100.00	\$ 7,540,074	\$ 344,320	\$ 344,320	Subsidiary (Note 3)
China Chemical & Pharmaceutical Co., Ltd.	Tairung Enterprise Co., Ltd.	Taiwan	Manufacture and sales of glass, plastics made containers	226,920	226,920	4,376	71.64	87,177	249	-	Sub-subsiidiary (Note 1)
China Chemical & Pharmaceutical Co., Ltd.	Chunghwa Holding Co., Ltd	Cayman Islands	Professional investment company	910,384	910,384	44,485,000	100.00	1,237,853	12,797	-	Sub-subsiidiary (Note 1)
China Chemical & Pharmaceutical Co., Ltd.	Chunghwa Yuming Healthcare Co., Ltd.	Taiwan	Wholesale of medicine and medical equipment	547,600	547,600	29,590,000	100.00	418,583	174,795	-	Sub-subsiidiary (Note 1)
China Chemical & Pharmaceutical Co., Ltd.	Chunghwa Senior Lifestyle Services Co. Ltd.	Taiwan	Medicine, wholesale of medicine equipment and home care service	333,600	333,600	5,000,000	100.00	7,626 (18,636)	-	Sub-subsiidiary (Note 1)
China Chemical & Pharmaceutical Co., Ltd.	Sino-Japan Chemical Co., Ltd.	Taiwan	Manufacture and selling of the chemical materials	37,474	37,474	318,216	21.99	519,603	349,350	-	Evaluation of equity method
China Chemical & Pharmaceutical Co., Ltd.	Chunghwa Chemical Synthesis & Biotech Co., Ltd.	Taiwan	Manufacture and selling of the chemical materials	563,849	563,849	21,575,064	27.82	987,475	53,032	-	Evaluation of equity method
China Chemical & Pharmaceutical Co., Ltd.	PHERMPEP CO., LTD.	Taiwan	Wholesale of biotechnology services and health products.	54,480	54,480	3,311,000	41.39	3,960 (17,573)	-	Evaluation of equity method
China Chemical & Pharmaceutical Co., Ltd.	Trium Therapeutics Co., Ltd	Cayman Islands	New drug development	-	24,372	-	-	-	7	-	Evaluation of equity method
Chunghwa Yuming Healthcare Co., Ltd.	Chunghwa Biomedical Technology Corp.	Taiwan	Manufacturer of cleaning products	17,680	17,380	1,768,000	75.23	15,856	5,658	-	Sub-subsiidiary (Note 1)
Suzhou Chung-hwa Chemical&pharmaceutical Industrial Co., Ltd.	Chung-Hwa Le Huo Jian Kang (HK) Co., Ltd.	Hong Kong	Biotech products sold as an agent	-	-	-	100.00	-	-	-	Sub-subsiidiary (Note 1)

Note 1: The Company does not recognize investment profit and loss directly.

Note 2: For the relevant information about the significant deals of the investees; please refer to the enclosed Table 1-6.

Note 3: The Company was established on September 2, 2024, and acquired 100% of the equity of CCPC through a share swap, making the Company the ultimate parent company of the Group. As the organization is a joint control entity, the Group treats the merger as a self-initiated merger, so the investment gain or loss recognized in the current period is from January 1, 2024 to December 31, 2024.

Cenra Inc.
Basic information- Information of the investees in China
January 1 to December 31, 2024

Attached table 8

Unit: NTD thousand
(Except where otherwise stated)

Names of investees in China	Principal business	Paid-in shares Capital	Mode of investments (Note 1)	Accumulated amount of investment remitted from	Amount of investment remitted or recovered in current period		Accumulated amount of investment remitted from	Current period profit / loss of the investee	The Company's directly or indirectly invested shareholding	Investment Profit or Loss for Current Period (Note 2)	Book value of investment at ending	The investment income received at the end of the current period	Remarks
				Taiwan at beginning	remittance	Recover	Taiwan at ending						
Suzhou Chung-hwa Chemical&pharmaceutical Industrial Co., Ltd.	Manufacture and sales of pharmaceutical medicine and health products.	\$ 755,151	2	\$ 768,672	\$ -	\$ -	\$ 768,672	\$ 12,806	100	\$ 12,806	\$ 1,240,279	\$ 472,412	Note 1 (2), Note 2(2)B and Note 7
Suzhou Chung-hwa Yuming Pharmaceutical Co., Ltd.	Wholesale and sales of pharmaceutical medicine and medical equipment.	132,149	3	-	-	-	-	(43,676)	100	-	37,188	-	Note 2(2)B, Note 3 and Note 7
Shanghai Yu Hou Trading Co., Ltd. (formerly known as Pei Fu (Shanghai) Co., Ltd.)	Wholesale and sales of medical equipment.	200,070	3	-	-	-	-	(461)	100	-	7,694	-	Note 2(2)B, Note 4 and Note 7
Suzhou Chung-Hwa Le Huo Jian Kang Co., Ltd.	E-commerce sales of health products	87,156	3	-	-	-	-	(17,148)	100	-	29,900	-	Note 2(2)B, Note 5 and Note 7
Wuxi Jirui Medical Technology Co., Ltd.	Production and sales of APIs	22,089	3	-	-	-	-	(219)	34	-	3,918	-	Note 2(2)B, Note 6 and Note 7

Company name	Accumulated investment from Taiwan to Mainland China at ending	Amount of investment approved	
		by Investment Commission of MOEA	Investment amount approved by the Commission of Investment MOEAIC
China Chemical & Pharmaceutical Co., Ltd.	\$ 296,260	\$ 769,143	\$ 4,526,500

Note 1: There are three types of investments labeled by the respective number:

- (1) Direct investment in Mainland China.
- (2) Indirect investment in Mainland China through a third country (please specify the investment company in the third country):
Investment in Suzhou Chung-Hwa Chemical & Pharmaceutical Industrial Co., Ltd. through Chung-hwa Holding Co., Ltd.
- (3) Other ways.

Note 2: Recognized as gains or losses on investment in current period:

- (1) Please note if the investee is still under preparation and there was no investment gain or loss.
- (2) The basis of recognition of investment income is classified into following three types, which should be marked out.
 - A. Financial statements audited and attested by an international accounting firm that has a cooperative relationship with a certified public accounting firm registered in the Republic of China.
 - B. Financial statements audited by the CPAs who audit the parent company in Taiwan.
 - C. Others.

Note 3: Direct investment with RMB 30,000 thousand by Suzhou Chung-Hwa Chemical & Pharmaceutical Industrial CO., LTD

Note 4: Up to 100% equity of Pei Fu (Shanghai) Co., Ltd. was purchased with a fund of RMB 1,797 thousand from Suzhou Chung-hwa Chemical&pharmaceutical Industrial Co., Ltd. in June 2016. In 2023, a total of RMB 41,278 thousand from Suzhou Chung-hwa Chemical&pharmaceutical Industrial Co., Ltd. was used for direct capital increase.

Note 5: Direct investment with RMB 20,000 thousand by Suzhou Chung-Hwa Chemical & Pharmaceutical Industrial CO., LTD

Note 6: Acquired 34% shareholding of Wuxi Jirui Medical Technology Co., Ltd. by use of RMB2,210 thousand capital from The Suzhou Chung-Hwa Yuming Pharmaceutical Co., Ltd.

Note 7: The Company does not recognize investment profit and loss directly.

Centra Inc.
Major shareholder information
December 31, 2024

Attached table 9

Names of Dominant Shareholders	Shareholding	
	Number of shares held	Ratio of Shareholding
Chunghwa Chemical Synthesis & Biotech Co., Ltd.	21,026,568	14.11%

Cenra Inc.
Investment under the equity method
January 1 to December 31, 2024

List 1

Unit: NTD thousand

Name of investee	Balance, beginning		Increase		Decrease		Balance, ending			Net market price or equity		Valuation basis	Collateral or pledge
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Ratio of Shareholding	Amount	Unit price (NT\$)	Total amount		
China Chemical and Pharmaceutical Co., Ltd.	298,081,080	\$ 7,436,753	-	\$ 152,520	-	(\$ 44,810)	298,081,080	100%	\$ 7,544,463	-	-	Equity method	None
Less: Change recognition to curtailment The subsidiary possesses the share of The Company		(4,391)		-		-			(4,391)				
		<u>\$ 7,432,362</u>		<u>\$ 152,520</u>		<u>(\$ 44,810)</u>			<u>\$ 7,540,072</u>				

Centra Inc.
Operating cost
January 1 to December 31, 2024

List 2

Unit: NTD thousand

<u>Item</u>	<u>Summary</u>	<u>Amount</u>	<u>Remarks</u>
Salaries and wages		\$ 40,218	The amount of the rest of the other items doesn't exceed 5% of the balance amount in this subject
Professional service expenses		9,137	
Rental expenses		4,298	
Other Expenses		11,671	
		<u>\$ 65,324</u>	