ADIMMUNE CORPORATION

PARENT COMPANY ONLY FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2023 AND 2022

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

ADIMMUNE CORPORATION

DECEMBER 31, 2023 AND 2022 PARENT COMPANY ONLY FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

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INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of ADIMMUNE CORPORATION

Opinion

We have audited the accompanying parent company only balance sheets of ADIMMUNE CORPORATION and its subsidiaries (the "Company") as at December 31, 2023 and 2022, 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 a summary of material accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of Company as at December 31, 2023 and 2022, and its parent company only financial performance and its parent company only cash flows for the years then ended in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

We conducted our audits 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 *Auditor's responsibilities for the audit of the parent company only financial statements* section of our report. We are independent of Company in accordance with the Norm of Professional Ethics for Certified Public Accountants of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with the those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Company's 2023 financial statements. These matters were addressed in the context 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 these matters.

Key audit matters for the Company's 2023 parent company only financial statements are stated as follows:

Accuracy of sales revenue recognition

Description

For a description of the accounting policy on revenue recognition, please refer to Note 4(28). For a description of operating revenue, please refer to Note 6(19). The Company is engaged in the manufacture and distribution of vaccines. The export sales revenue accounted for 53% of the consolidated operating revenue for the year ended December 31, 2023. In terms of the trading conditions of certain export sales revenue, control over the goods is transferred when the goods are delivered to the forwarders designated by the customers. Considering the revenue recognition from export sales was material to the financial statements and involved manual control, we consider the accuracy of sales revenue recognition as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the key audit matter mentioned above:

1. Obtained an understanding on and assessed the operating procedures and internal control of sales transactions to assess the effectiveness of the management's control

over sales revenue recognition

2. Performed testing of export sales revenue and inspected relevant receipt documents and invoices of the cargo logistics agent to ascertain the accuracy of the revenue recognition from export sales.
3. Performed testing of significant export sales returns to ascertain the accuracy of the revenue recognition from export sales.

Assessment of allowance for inventory valuation losses

Description

For a description of the accounting policy on inventories, please refer to Note 4(12). For accounting estimates and assumption uncertainty in relation to inventory valuation, please refer to Note 5(2). For a description of allowance for inventory valuation losses, please refer to Note 6(4). As of December 31, 2023, the Company’s inventories and allowance for inventory valuation losses amounted to NT $805,520 thousand and NT $288,259 thousand, respectively

The Company is engaged in the development, manufacture and distribution of vaccines. The production time of vaccine is longer than other industries and the validity period of vaccine should also be considered in the estimate of inventory valuation. The Company’s inventories, which are over the specific inventory aging or identified as having value impairment, were measured at the lower of cost and net realisable value based on the Group’s inventory valuation policy, and the Company’s determination of net realisable value for inventories involves subjective judgement. Considering the Company’s inventories and the allowance for inventory valuation losses were material to the financial statements, we consider the estimation of the allowance for inventory valuation losses as a key audit matter

How our audit addressed the matter

We performed the following audit procedures on the key audit matter mentioned above:

1. Assessed the reasonableness of provision policies on allowance for inventory valuation losses and procedures based on our understanding of the Company's operation and industry.
2. Inspected the annual physical inventory plan and participated in the annual physical inventory count in order to assess how management controls aging inventory.
3. We obtained the valuation data of the lower of cost and net realisable value which was compiled by management, randomly checked selected individual inventory against sales documents and records, and checked the calculation accuracy of the report to assess the basis of net realisable value and the reasonableness of allowance for inventory valuation losses.

Responsibilities of management and those charged with governance for the parent company only financial statements

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 management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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 that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of

accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements of the current period 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 communication.

Hsu, Chien-Yeh	Liu, Mei Lan

For and on Behalf of PricewaterhouseCoopers, Taiwan
March 15, 2024

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 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.

ADIMMUNE CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2023 AMOUNT	December 31, 2022 AMOUNT
	Current assets			
1100	Cash and cash equivalents	6(1)	$ 2,045,022	$ 2,396,652
1136	Current financial assets at amortised cost	6(2)	7,600	7,600
1170	Accounts receivable, net	6(3)	1,296,174	529,750
1180	Accounts receivable - related parties	7	18,061	-
1210	Other receivables - related parties	7	74,268	45,721
130X	Inventory	6(4)	517,261	604,236
1410	Prepayments	6(5)	246,852	259,080
1470	Other current assets	7 and 8	97,270	26,511
11XX	**Current Assets**		4,302,508	3,869,550
	Non-current assets			
1517	Non-current financial assets at fair value through other comprehensive income	6(6)	105,860	100,251
1535	Non-current financial assets at amortised cost	6(2) and 8	4,059	3,596
1560	Non-current contract assets	6(19)	334,933	326,656
1550	Investments accounted for under equity method	6(7)	67,009	192,666
1600	Property, plant and equipment	6(8) and 8	3,541,046	3,552,234
1755	Right-of-use assets		65,758	80,363
1760	Investment property - net		23,252	23,252
1780	Intangible assets	6(9)	70,162	92,839
1840	Deferred income tax assets	6(25)	227,602	227,590
1900	Other non-current assets	6(12)	381,908	217,231
15XX	**Non-current assets**		4,821,589	4,816,678
1XXX	**Total assets**		$ 9,124,097	$ 8,686,228

(Continued)

ADIMMUNE CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2023 AMOUNT	December 31, 2022 AMOUNT
	Current liabilities			
2100	Short-term borrowings	6(11)	$ 500,000	$ -
2130	Current contract liabilities	6(19) and 7	43,750	31,332
2170	Accounts payable		42,350	44,843
2200	Other payables	6(10) and 7	221,131	245,382
2280	Current lease liabilities		12,866	14,851
2320	Long-term liabilities, current portion	6(13)	667,800	122,900
2399	Other current liabilities, others		243,398	5,538
21XX	**Current Liabilities**		1,731,295	464,846
	Non-current liabilities			
2540	Long-term borrowings	6(13) and 8	1,868,300	2,036,100
2580	Non-current lease liabilities		47,931	59,036
2600	Other non-current liabilities	6(14)	2,071	2,485
25XX	**Non-current liabilities**		1,918,302	2,097,621
2XXX	**Total Liabilities**		3,649,597	2,562,467
	Equity			
	Share capital	6(16)		
3110	Share capital - common stock		4,295,078	4,295,078
	Capital surplus	6(17)		
3200	Capital surplus		835,406	849,049
	Retained earnings	6(18)		
3310	Legal reserve		145,781	116,539
3350	Unappropriated retained earnings		451,830	1,121,010
	Other equity interest			
3400	Other equity interest	6(6)	38,943	34,623
3500	Treasury stocks	6(16)	(292,538)	(292,538)
3XXX	**Total equity**		5,474,500	6,123,761
	Significant contingent liabilities and unrecognised contract commitments	9		
	Significant events after the balance sheet date	11		
3X2X	**Total liabilities and equity**		$ 9,124,097	$ 8,686,228

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

ADIMMUNE CORPORATION
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except (losses) earnings per share amount)

	Items	Notes	Year ended December 31 2023 AMOUNT	2022 AMOUNT
4000	Sales revenue	6(19) and 7	$ 1,768,625	$ 2,182,236
5000	Operating costs	6(4)(9)(23)	(1,333,066)	(1,216,256)
5900	Net operating margin		435,559	965,980
5910	Unrealized loss from sales	6(7)	(2,978)	(1,856)
5920	Realized profit on from sales	6(7)	1,736	6,338
5950	Net operating margin		434,317	970,462
	Operating expenses	6(9)(23) and 7		
6100	Selling expenses		(100,940)	(143,811)
6200	General & administrative expenses		(259,040)	(245,241)
6300	Research and development expenses		(155,163)	(200,974)
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	12(2)	(393,708)	-
6000	Total operating expenses		(908,851)	(590,026)
6900	Operating (loss) profit		(474,534)	380,436
	Non-operating income and expenses			
7100	Interest income	6(20)	15,874	5,531
7010	Other income	6(21) and 7	21,639	18,588
7020	Other gains and losses	6(22)	(49,420)	49,476
7050	Finance costs	6(24)	(32,451)	(22,277)
7070	Share of loss of associates and joint ventures accounted for using equity method, net	6(7)	(120,999)	(130,779)
7000	Total non-operating revenue and expenses		(165,357)	(79,461)
7900	**Profit (loss) before income tax**		(639,891)	300,975
7950	Income tax (expense) benefit	6(25)	-	(10,000)
8200	**Profit (loss) for the year**		($ 639,891)	$ 290,975
	Other comprehensive income			
	Components of other comprehensive income that will not be reclassified to profit or loss			
8311	Other comprehensive income, before tax, actuarial gains (losses) on defined benefit plans	6(14)	($ 59)	$ 2,172
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(6) and 12	5,609	(19,086)
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(25)	12	(435)
8310	Components of other comprehensive income that will not be reclassified to profit or loss		5,562	(17,349)
8361	Exchange differences on translation		(1,289)	(78)
8300	**Other comprehensive income for the year**		$ 4,273	($ 17,427)
8500	**Total comprehensive income for the year**		($ 635,618)	$ 273,548
	Basic (losses) earnings per share	6(26)		
9750	Total basic (losses) earnings per share		($ 1.52)	$ 0.68
	Diluted (losses) earnings per share	6(26)		
9850	Diluted (losses) earnings per share		($ 1.52)	$ 0.68

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

ADIMMUNE CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Share capital - common stock	Capital Reserves: Additional paid-in capital	Capital Reserves: Employee stock warrants	Retained Earnings: Legal reserve	Retained Earnings: Unappropriated retained earnings	Other equity interest: Exchange differences on translation of foreign financial statements	Other equity interest: Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Treasury stocks	Total equity
2022										
Balance at January 1, 2022		$4,295,078	$ 817,861	$ 37,259	$ 112,287	$ 832,550	$ -	$ 53,787	$ -	$6,148,822
Net profit		-	-	-	-	290,975	-	-	-	290,975
Other comprehensive income (loss)	6(6)	-	-	-	-	1,737	(78)	(19,086)	-	(17,427)
Total comprehensive income		-	-	-	-	292,712	(78)	(19,086)	-	273,548
Appropriation and distribution of retained earnings										
Legal reserves		-	-	-	4,252	(4,252)	-	-	-	-
Share-based payments	6(15)	-	-	11,193	-	-	-	-	-	11,193
Stock repurchase	6(16)	-	-	-	-	-	-	-	(292,538)	(292,538)
Capital surplus cover accumulated deficits	6(15)	-	-	(17,264)	-	-	-	-	-	(17,264)
Balance at December 31, 2022		$4,295,078	$ 817,861	$ 31,188	$ 116,539	$1,121,010	($ 78)	$ 34,701	($ 292,538)	$6,123,761
2023										
Balance at January 1, 2023		$4,295,078	$ 817,861	$ 31,188	$ 116,539	$1,121,010	($ 78)	$ 34,701	($ 292,538)	$6,123,761
Net profit (loss)		-	-	-	-	(639,891)	-	-	-	(639,891)
Other comprehensive income (loss)		-	-	-	-	(47)	(1,289)	5,609	-	4,273
Total comprehensive income		-	-	-	-	(639,938)	(1,289)	5,609	-	(635,618)
Appropriation and distribution of retained earnings										
Legal reserves	6(18)	-	-	-	29,242	(29,242)	-	-	-	-
Share-based payments	6(15)	-	-	3,621	-	-	-	-	-	3,621
Capital surplus cover accumulated deficits	6(15)	-	-	(17,264)	-	-	-	-	-	(17,264)
Balance at December 31, 2023		$4,295,078	$ 817,861	$ 17,545	$ 145,781	$ 451,830	($ 1,367)	$ 40,310	($ 292,538)	$5,474,500

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

ADIMMUNE CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) profit before tax		($ 639,891)	$ 300,975
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation (including right-of-use assets)	6(23)	196,703	230,996
Amortisation	6(23)	24,627	24,928
Expected credit loss	12(2)	393,708	-
Gain from lease modification	6(22)	(263)	-
Interest expense	6(24)	32,451	22,277
Interest income	6(20)	(15,874)	(5,531)
Dividend income	6(21)	(7,982)	(7,982)
Share-based payments	6(15)	18,724	14,589
Unrealized profit from sales	6(7)	2,978	1,856
Realized profit from sales	6(7)	(1,736)	(6,338)
Share of loss (profit) of subsidiaries, associates and joint ventures accounted for using equity method	6(7)	120,999	130,779
Gains on license of intangible assets	6(7)(22)	(4,953)	(4,953)
Gain on disposal of property, plant and equipment	6(22)	36	(7)
Unrealized foreign exchange (gain) loss		-	(710)
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable		(1,160,132)	(451,920)
Accounts receivable - related parties		(18,061)	-
Other receivables - related parties		(28,547)	(45,450)
Inventory		86,975	(140,417)
Prepayments		12,228	(17,189)
Other current assets		(3,634)	(3,203)
Contract asset		(8,277)	(189,282)
Changes in operating liabilities			
Current contract liabilities		12,418	(17,064)
Accounts payable		(2,493)	39,587
Other payables		18,507	47,960
Other non-current liabilities		269	446
Net defined benefit liabilities		(470)	(868)
Other current liabilities		237,860	1,024
Cash outflow generated from operations		(733,830)	(75,497)
Interest paid		(30,298)	(19,956)
Interest received		15,673	5,478
Dividends received		7,982	7,982
Net cash flows used in operating activities		(740,473)	(81,993)

(Continued)

ADIMMUNE CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES			
Decrease (increase) in non-current financial assets at amortised cost		($ 463)	($ 1,610)
Increase in investments accounted for using equity method	6(7)	-	(147,404)
Acquisition of property, plant and equipment	6(27)	(220,414)	(340,712)
Proceeds from disposal of property, plant and equipment		7	7
Increase in intangible assets	6(9)	(1,043)	(187)
Prepayments for equipment		(157,386)	(78,380)
Increase in refundable deposits		(75,122)	(1,123)
Net cash flows used in investing activities		(454,421)	(569,409)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from short-term borrowings	6(28)	500,000	-
Proceeds from long-term borrowings	6(28)	500,000	898,000
Repayment of long-term borrowings	6(28)	(122,900)	(39,000)
Payments of principal portion of lease liabilities	6(28)	(16,572)	(21,095)
Exercise of employee share options		(17,264)	(17,264)
Stock repurchased	6(16)	-	(292,538)
Net cash flows from financing activities		843,264	528,103
Effect of exchange rate changes on cash and cash		-	(381)
Net decrease in cash and cash equivalents		(351,630)	(123,680)
Cash and cash equivalents at beginning of year		2,396,652	2,520,332
Cash and cash equivalents at end of year		$ 2,045,022	$ 2,396,652

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

ADIMMUNE CORPORATION
NOTES TO THE PARENT COMPANY ONLY FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANISATION

Adimmune Co., Ltd. (the "Company") was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.) on 1965. The Company and its are primarily engaged in the development, manufacture and distribution of vaccines and other biological products. The Company's shares were approved to be traded in the Taiwan Stock Exchange starting from May 3, 2012.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These parent company only financial statements were authorised for issuance by the Board of Directors on March 13, 2023.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

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

New standards, interpretations and amendments endorsed by FSC and became effective from 2023 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 1, 'Disclosure of accounting policies'	January 1, 2023
Amendments to IAS 8, 'Definition of accounting estimates'	January 1, 2023
Amendments to IAS 12, 'Deferred tax related to assets and liabilities arising from a single transaction'	January 1, 2023
Amendments to IAS 12, 'International tax reform - pillar two model rules'	May 23, 2023

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

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

New standards, interpretations and amendments endorsed by the FSC and will become effective from 2024 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 16, ‘Lease liability in a sale and leaseback’	January 1, 2024
Amendments to IAS 1, ‘Classification of liabilities as current or non-current’	January 1, 2024
Amendments to IAS 1, ‘Non-current liabilities with covenants’	January 1, 2024
Amendments to IAS 7 and IFRS 7, ‘Supplier finance arrangements’	January 1, 2024

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

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

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, ‘Sale or contribution of assets between an investor and its associate or joint venture’	To be determined by International Accounting Standards Board
IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendments to IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendment to IFRS 17, ‘Initial application of IFRS 17 and IFRS 9 – comparative information’	January 1, 2023
Amendments to IAS 21, ‘Lack of exchangeability’	January 1, 2025

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

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 periods presented, unless otherwise stated.

(1) Compliance statement

The parent company only financial statements of the Company have been prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers”.

(2) Basis of preparation

A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:

(a) Financial assets at fair value through profit or loss.

(b) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.

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

Items included in the financial statements of the Company's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The parent company only financial statements are presented in New Taiwan Dollars, which is the Company's functional and the Company's presentation currency. The policies about foreign currency transactions and balances are as follows:

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

B. Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.

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

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

(4) Classification of current and non-current items

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

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

(b) Assets held mainly for trading purposes;

(c) Assets that are expected to be realised within twelve months from the balance sheet date;

(d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.

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

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

(b) Liabilities arising mainly from trading activities;

(c) Liabilities that are to be settled within twelve months from the balance sheet date;

(d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(5) Cash equivalents

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

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

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

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

C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. The Company subsequently measures the financial assets at fair value.The changes in fair value of equity investments that were recognised in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognised as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(7) Financial assets at amortised cost

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

(8) Notes and accounts receivable

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

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

(9) Impairment of financial assets

For financial assets at amortised cost including accounts receivable or contract assets that have a significant financing component, at each reporting date, the Company recognises the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognises the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable or contract assets that do not contain a significant financing component, the Company recognises the impairment provision for lifetime ECLs.

(10) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire.

(11) Leasing arrangements (lessor)－lease receivables/ operating leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognised in profit or loss on a straight-line basis over the lease term.

(12) Inventories

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

(13) Investments accounted for using equity method / associates

A. Subsidiaries are all entities controlled by the Company. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

B. Unrealised gains on transactions between the Company and its subsidiaries are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Company.

C. The Company's share of its subsidiaries' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Company's share of losses in a subsidiary equals or exceeds its interest in the subsidiary, the Company recognise loss continuously in proportion to its ownership.

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

E. In accordance with "Regulations Governing the Preparation of Financial Reports by Securities Issuers", the profit or loss and other comprehensive income or loss presented on the parent company only financial statements are consistent with those presented on the consolidated financial statements. In addition, owner's equity presented on the parent company only is consistent with equity attributable to owners of parent presented on the consolidated financial statements.

(14) Property, plant and equipment

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

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

C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each 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 the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings and structures	10 ~ 56 years
Machinery and equipment	2 ~ 29 years
Transportation equipment	2 ~ 10 years
Other equipment	2 ~ 28 years

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

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

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of fixed payments, less any lease incentives receivable.

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

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

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

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

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

(16) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Land is not depreciated.

(17) Intangible assets

A. Authorisation of technique

Authorisation of technique is mainly technology know-how related to the manufacturing of flu vaccines. Authorisation of technique is stated initially at its cost and amortised on a straight-line basis over its estimated useful life of 16 years.

B. Computer software

Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 2 to 20 years.

C. Internally generated intangible assets—research and development expenditures

(a) Research expenditures are recognised as an expense as incurred.

(b) Development expenditures that do not meet the following criteria are recognised as expenses as incurred, but are recognised as intangible assets when the following criteria are met:

i. It is technically feasible to complete the intangible asset so that it will be available for use or sale;

ii. An entity intends to complete the intangible asset and use or sell it;

iii. An entity has the ability to use or sell the intangible asset;

iv. It can be demonstrated how the intangible asset will generate probable future economic benefits;

v. Adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and

vi. The expenditure attributable to the intangible asset during its development can be reliably measured.

(c) Upon being available for use, internally generated intangible assets are amortised on a straight-line basis over their estimated useful life of 10 to 16 years.

(18) Impairment of non-financial assets

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

(19) Borrowings

Borrowings comprise long-term and short-term bank borrowings. Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

(20) Notes and accounts payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.

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

(21) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability specified in the contract is either discharged or cancelled or expires.

(22) Provisions

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

(23) Employee benefits

A. Short-term employee benefits

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

B. Pensions

(a) Defined contribution plans

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

(b) Defined benefit plans

i. 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 with the Group in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefit net obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date).

ii. Remeasurements arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise and are recorded as retained earnings.

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

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

(24) Employee share-based payment

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

(25) Income tax

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

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional 10% tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

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

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

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

(26) Share capital

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

B. Where the Company repurchases the Company's equity share capital that has been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently reissued, the difference between their book value and any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, and is included in equity attributable to the Company's equity holders.

(27) 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; stock dividends are recorded as stock dividends to be distributed and are reclassified to ordinary shares on the effective date of new shares issuance.

(28) Revenue recognition

A. Sales of goods:

(a) The Company manufactures and sells vaccine related products. Sales are recognised when control of the products has transferred. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied.

(b) The Company's obligation to provide a refund for faulty products under the standard warranty terms is recognised as a provision.

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

(d) Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. A refund liability is recognised for expected sales discounts and allowances payable to customers in relation to sales made until the end of the reporting period.

B. Filling service

The Company provides vaccine filling services. Revenue from providing filling service is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on the filled amounts relative to the total amounts of vaccine needed to be filled. The customer pays at the time specified in the payment schedule. If the services rendered exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

C. Sales of services

(a) The Company provides contract testing and development services for biopharmaceuticals. Revenue from providing services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on the actual hours spent relative to the total expected hours. The customer pays at the time specified in the payment schedule. If the services rendered exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

(b) The Company s estimate about revenue, labour hours and progress towards complete satisfaction of a performance obligation is subject to a revision whenever there is a change in circumstances. Any increase or decrease in revenue or labour hours due to an estimate revision is reflected in profit or loss during the period when the management become aware of the changes in circumstances.

(29) Government grants

Government grants are recognised at their fair value only when there is reasonable assurance that the Company will comply with any conditions attached to the grants and the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises expenses for the related costs for which the grants are intended to compensate.

5. CRITICAL ACCOUNTING JUDGEMENTS,ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

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

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

None.

(2) Critical accounting estimates and assumptions

A. Evaluation of inventories

As inventories are stated at the lower of cost and net realisable value, the Company must determine the net realisable value of inventories on balance sheet date using judgements and estimates. The production time of vaccine is longer than other industries and the validity period of vaccine should also be considered in the estimate of inventory valuation. Due to the rapid technology innovation, the Company evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date, and writes down the cost of inventories to the net realisable value. Such an evaluation of inventories is principally based on the demand for the products within the specified period in the future. Therefore, there might be material changes to the evaluation.

As of December 31, 2023, the carrying amount of inventories was $517,261 thousand.

B. Revenue recognition from sales of goods

The Company estimates sales discounts and allowances refund liabilities for sales discounts and allowances based on historical results and other known factors. Provisions for such liabilities are recorded as a deduction item to sales revenues when the sales are recognised. The Company reassesses the reasonableness of estimates of discounts and returns periodically.

As of December 31, 2023, the Company recognised $238,338 thousand of refund liabilities for sales discounts and allowances (shown as other current liabilities, others).

C. Services revenue recognition

(a) Services revenue is recognised under the percentage-of-completion method. The Company establishes the significant assumptions for the estimation of future total labor hours based on the historical operating experience, and regularly reviews and assesses the reasonableness of relevant assumptions.

(b) For the year ended December 31, 2023, the Company's services revenue amounted to $8,277 thousand.

(3) Critical accounting estimates and assumption

The estimated useful lives of property, plant and equipment are reviewed at each balance sheet date. In order to truly reflect the actual use of main assets and truly report the Company's financial position, operating performance and changes in the Company's financial position, the Group extended the useful lives of certain production equipment to manufacture influenza vaccines, which were changed from 5 to 20 years to 7 to 28 years starting from January 1, 2023. The change in accounting estimate is expected to affect depreciation expense for the year ended December 31, 2023 and for the future years as follows:

	2023	2024	2025	2026	The following years
Increase (decrease) in depreciation	($ 54,598)	($ 53,105)	($ 46,076)	($ 35,236)	($ 189,015)

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	December 31, 2023	December 31, 2022
Cash on hand and revolving funds	$ 1,328	$ 1,249
Checking accounts and demand deposits	1,638,366	2,105,403
Time deposits	405,328	290,000
	$ 2,045,022	$ 2,396,652

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

B. The Company's time deposits with maturity over three months that did not meet short-term cash commitments were classified as 'current financial assets at amortised cost'.

(2) Financial assets at amortised cost

Items	December 31, 2023	December 31, 2022
Current items:		
Time deposits maturing in excess of three months	$ 7,600	$ 7,600
Non-current items:		
Corporate bonds and the syndicated loan reserve accoun	$ 4,059	$ 3,596

A. Details of the Company's financial assets at amortised cost pledged to others as collateral are provided in Note 8.

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

(3) Accounts receivable

	December 31, 2023	December 31, 2022
Accounts receivable	$ 1,689,882	$ 529,750
Less: Allowance for uncollectible accounts	(393,708)	-
	$ 1,296,174	$ 529,750

A. The ageing analysis of accounts receivable that were past due but not impaired is as follows:

	December 31, 2023	December 31, 2022
Not past due	$ 1,296,174	$ 529,750
Over 365 days	393,708	-
	$ 1,689,882	$ 529,750

The above ageing analysis was based on past due date.

B. As of December 31, 2023 and December 31, 2022 , and January 1, 2022, the balances of receivables from contracts with customers amounted to $1,689,882 thousand, $529,750 thousand, and $77,830 thousand, respectively.

C. The Company does not hold any collateral as security.

D. As at December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Company’s accounts receivable were $1,296,174 thousand and $529,750 thousand, respectively.

E. The Company recognised $238,338 thousand of refund liabilities for sales discounts and allowances that were expected to occur (shown as other current liabilities, others) as there was discrimination after the sales of goods between the Company’s certain accounts receivable on December 31, 2023 and the customer’s judgement based on the commercial conditions.

F. Information relating to credit risk is provided in Note 12(2).

(4) Inventories

	December 31, 2023		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 149,264	($ 11,139)	$ 138,125
Work in progress	593,272	(252,125)	341,147
Finished goods	62,189	(24,987)	37,202
Merchandise	795	(8)	787
	$ 805,520	($ 288,259)	$ 517,261

	December 31, 2022		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 178,146	($ 10,348)	$ 167,798
Work in progress	566,281	(204,323)	361,958
Finished goods	123,609	(49,378)	74,231
Merchandise	252	(3)	249
	$ 868,288	($ 264,052)	$ 604,236

The cost of inventories recognised as expense for the year:

	Year ended December 31,	
	2023	2022
Cost of goods sold	$ 985,336	$ 827,406
Gain on reversal of decline in market value	24,207	65,844
Loss on physical inventory	3,460	2,869
Revenue from sale of scraps	(13)	(5)
Unallocated overhead expense	320,076	320,142
	$ 1,333,066	$ 1,216,256

(5) Prepayments

	December 31, 2023	December 31, 2022
Office supplies	$ 155,925	$ 156,615
Prepaid purchase	84,515	87,956
Business tax carry forward	-	12,458
Others	6,412	2,051
	$ 246,852	$ 259,080

(6) Financial assets at fair value through other comprehensive income- non-current

Items	December 31, 2023	December 31, 2022
Non-current items:		
Shares of listed companies	$ 61,129	$ 61,129
Shares of unlisted companies	4,421	4,421
	65,550	65,550
Valuation adjustment	40,310	34,701
	$ 105,860	$ 100,251

A. The Company has elected to classify equity investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to $105,860 and $100,251 thousand as at December 31,2023 and 2022, respectively.

B. The Company recognised gain of $5,609 thousand and loss of $19,086 thousand in other comprehensive income for fair value change for the years ended December 31, 2022 and 2021, respectively.

(7) Investments accounted for using equity method

	Year ended December 31,	
	2023	2022
At January 1	$ 192,666	$ 169,230
Addition of investments accounted for using equity method	-	147,404
Share of profit or loss of investments accounted for using equity method	(120,999)	(130,779)
Exchange differences on translation of foreign financial statements	(1,289)	(78)
Recognition of employee stock options issued by the parent company	793	850
Recognition of employee stock options issued by the subsidiary	(7,873)	(3,396)
Realized profit from sales	1,736	6,338
Unrealized profit (loss) from sales	(2,978)	(1,856)
Gains on license of intangible assets	4,953	4,953
At December 31	$ 67,009	$ 192,666

Please refer to Note 4(3) in the consolidated financial statements for the year ended December 31, 2023 for the information regarding the Company's subsidiaries.

(8) Property, plant and equipment

	Year ended December 31, 2023				
	Beginning balance	Addtions	Disposals	Transferred	Ending balance
Cost					
Land	$ 14,357	$ -	$ -	$ -	$ 14,357
Buildings and structures	2,117,280	2,724	-	17,556	2,137,560
Machinery equipment	2,246,287	10,575	(454)	66,912	2,323,320
Transportation equipment	4,171	-	-	-	4,171
Other equipment	1,060,571	5,804	(2,732)	136,109	1,199,752
Construction in progress prepayments for business facilities	1,099,532	149,839	-	(220,577)	1,028,794
	6,542,198	168,942	(3,186)	-	6,707,954
Accumulated depreciation					
Buildings and structures	(877,968)	(64,054)	-	-	(942,022)
Machinery equipment	(1,235,950)	(93,462)	411	-	(1,329,001)
Transportation equipment	(2,588)	(288)	-	-	(2,876)
Other equipment	(873,458)	(22,283)	2,732	-	(893,009)
	(2,989,964)	(180,087)	3,143	-	(3,166,908)
	$ 3,552,234				$ 3,541,046

	Year ended December 31, 2022				
	Beginning balance	Addtions	Disposals	Transferred	Ending balance
Cost					
Land	$ 14,357	$ -	$ -	$ -	$ 14,357
Buildings and structures	2,107,937	8,983	(2,189)	2,549	2,117,280
Machinery equipment	1,991,995	29,453	(2,205)	227,044	2,246,287
Transportation equipment	3,029	1,142	-	-	4,171
Other equipment	1,055,773	4,809	(762)	751	1,060,571
Construction in progress prepayments for business facilities	1,031,518	297,361	-	(229,347)	1,099,532
	6,204,609	341,748	(5,156)	997	6,542,198
Accumulated depreciation					
Buildings and structures	(816,572)	(63,585)	2,189	-	(877,968)
Machinery equipment	(1,114,391)	(123,349)	2,205	(415)	(1,235,950)
Transportation equipment	(2,371)	(217)	-	-	(2,588)
Other equipment	(843,477)	(30,743)	762	-	(873,458)
	(2,776,811)	(217,894)	5,156	(415)	(2,989,964)
	$ 3,427,798				$ 3,552,234

A. Amount of borrowing costs capitalised as part of property, plant and equipment and the range of the interest rates for such capitalisation are as follows:

	Year ended December 31,	
	2023	2022
Amount capitalised	$ 28,630	$ 20,596
Range of the interest rates for capitalisation	1.96 ~ 2.23%	1.80 ~ 2.02%

B. Information about the property, plant and equipment that were pledged to others as collaterals is provided in Note 8.

(9) Intangible assets

	Year ended December 31, 2023				
	Beginning balance	Addtions	Disposals	Transferred	Ending balance
Cost					
Technology transfer royalties	$ 427,828	$ -	$ -	$ -	$427,828
Internal production cost	232,706	-	-	-	232,706
Computer software expenditure	44,228	1,043	-	-	45,271
	704,762	1,043	-	-	705,805
Accumulated amortisation					
Technology transfer royalties	(245,062)	(12,915)	-	-	(257,977)
Internal production cost	(207,391)	(5,957)	-	-	(213,348)
Computer software expenditure	(31,596)	(4,848)	-	-	(36,444)
	(484,049)	(23,720)	-	-	(507,769)
Accumulated impairment	-	-	-	-	-
Technonlogy transfer royalties	(127,874)	-	-	-	(127,874)
	$ 92,839				$ 70,162

	Year ended December 31, 2022				
	Beginning balance	Addtions	Disposals	Transferred	Ending balance
Cost					
Technology transfer royalties	$ 427,828	$ -	$ -	$ -	$427,828
Internal production cost	232,706	-	-	-	232,706
Computer software expenditure	43,854	187	-	187	44,228
	704,388	187	-	187	704,762
Accumulated amortisation					
Technology transfer royalties	(232,147)	(12,915)	-	-	(245,062)
Internal production cost	(201,434)	(5,957)	-	-	(207,391)
Computer software expenditure	(26,448)	(5,148)	-	-	(31,596)
	(460,029)	(24,020)	-	-	(484,049)
Accumulated impairment					
Technonlogy transfer royalties	(127,874)	-	-	-	(127,874)
	$ 116,485				$ 92,839

Details of amortisation on intangible assets are as follows:

	Year ended December 31,	
	2023	2022
Operating costs	$ 18,872	$ 18,999
Administrative expenses	4,848	5,021
	$ 23,720	$ 24,020

A. In March 2007, the Company entered into the technology transfer agreement and exclusive supply agreement with Crucell Switzerland AG (formerly Berna Biotech AG) in relation to flu vaccines and other biological technology. In accordance with the agreement, Crucell Switzerland AG transfers the manufacturing technology of flu vaccines to the Company and charges royalties. In addition, the Company commits to exclusively provide products manufactured under the transferred technology to Crucell Switzerland AG. After the technology is transferred, the royalty charge is capitalised and is amortised over the estimated economic life using the straight-line method. The significant terms and conditions under the agreement are set forth below:

(a) The Company manufactures the antigens needed for flu vaccine “Inflexal V” under the transferred technology.

(b) The Company should build a plant at sufficient capacity under the European standards, such as GMP or Europe Pharmacopoeia, and acquire qualifications from domestic and foreign competent authorities to produce the antigens in the plant.

B. Intangible assets generated internally within the Company including all development, production and building up assets so that the intangible assets will be available for use, such as labour costs and materials costs, are amortised after mass production on a straight-line basis over the estimated economic life.

C. The future economic benefits of technique transferred from Crucell Switzerland AG has decreased under the Company’s assessment, which resulted in the impairment loss of the intangible assets. The Company has adjusted the carrying amount based on the recoverable amount, and recognised impairment loss. The accumulated impairment loss of abovementioned technique is recognised in the amount of $127,874 thousand as at December 31, 2023.

(10) Other payables

	December 31, 2023	December 31, 2022
Wages and salaries payable	$ 99,284	$ 88,648
Premiums payable	19,979	21,416
Payable on machinery and equipment	18,238	69,710
Others	83,630	65,608
	$ 221,131	$ 245,382

(11) Short-term borrowings

Type of borrowings	December 31, 2023	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	$ 500,000	2.35%～2.40%	None

There were no such transactions as of December 31, 2022

Interest expense recognised in profit or loss amounted to $10.040 thousand and $0 thousand for the years ended December 31, 2023 and 2022, respectively.

(12) Other non-current assets

	December 31, 2023		December 31, 2022	
Prepayments for business facilities	$	363,802	$	206,417
Guarantee deposits paid		12,212		4,013
Others		5,894		6,801
	$	381,908	$	217,231

(13) Long-term borrowings

Type of borrowings	Borrowing period and repayment term	Collateral	December 31, 2023
Long-term bank borrowings			
Land Bank (lead and management bank)	From October 8, 2020 to October 7, 2030; Term loan A is to be repaid with installments starting from October 2022; Term loan B is to be repaid with installments starting from October 2023	Land, Buildings, Machinery equipment	$ 2,536,100
Less: Current portion			(667,800)
			$ 1,868,300
Interest rate range			2.18%～2.28%

Type of borrowings	Borrowing period and repayment term	Collateral	December 31, 2022
Long-term bank borrowings			
Land Bank (lead and management bank)	From October 8, 2020 to October 7, 2030; Term loan A is to be repaid with installments starting from October 2022; Term loan B is to be repaid with installments starting from October 2023	Land, Buildings, Machinery equipment	$ 2,159,000
Less: Current portion			(122,900)
			$ 2,036,100
Interest rate range			1.80%～2.02%

A. On July 14, 2020, the Company entered into a syndicated facility agreement with Land Bank as the management bank and other banks, such as First Commercial Bank, Mega International Commercial Bank Co., Ltd., Taiwan Business Bank, Agribank, Bank of Panhsin, Taichung Commercial Bank, Chang Hwa Bank and Taiwan Cooperative Bank and obtained a credit line in the amount of $4,200,000 thousand, consisting of Tranche A: non-revolving long-term credit line of $1,300,000 thousand and Tranche B: non-revolving medium-term credit line of $1,400,000 thousand and Tranche C: revolving medium-term credit line of $1,500,000 thousand for the purpose of repaying borrowings from financial institutions, supporting capital expenditures and replenishing working capital. On October 8, 2020, the outstanding of syndicated facility obtained on June 22, 2015 was repaid by using Tranche A.

B. Under the syndicated secured facility agreement as stated above:

(a) The Company shall obtain, maintain, update or comply with any grant, approval and certification required by the competent authorities.

(b) Before the syndicated facility agreement has made payment, the Company shall maintain its net tangible assets not lower than $370,000 thousand.

(c) The Company has responsibility for notifying the management bank via confirmation letters if the significant or over $100,000 thousand investment project is agreed by the Board of the Directors. (d) The fund obtained in this agreement shall not be illegally diverted to and used in the Mainland China.

(e) Before the syndicated facility agreement has made payment, the Company may not do the following without written approval by all banks:

(i) The Company is not allowed to merge with other companies or split up.

(ii) The Company is not allowed to change the main operating businesses.

(iii) The Company is not allowed to sell, lease, transfer, lend, pledge or dispose of whole or main parts of its business assets.

(iv) Unless allowed under the Operational Procedures for Lending of Company Funds and the Operational Procedures for Endorsements and Guarantees, the Company should not provide loans or endorsements and guarantees to others.

(v) The Company is not allowed to distribute any cash dividends upon occurrence or expected occurrence of default on the contract.

(f) If the borrower fails to comply with any one of the above, the Company shall immediately repay interests and all outstanding balances of the loan. As of December 31, 2023, the Company did not violate the above restrictions.

(14) Pensions

A. (a) 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 Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contribute monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by the end of December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method, to the employees expected to qualified for retirement next year, the Company will make contributions for cover the deficit by next March

(b) The amounts recognised in the balance sheet are as follows:

	December 31, 2023	December 31, 2022
Present value of defined benefit obligations	$ 12,460	$ 13,549
Fair value of plan assets	(11,314)	(11,993)
Net defined benefit liability	$ 1,146	$ 1,556

(c) Movements in net defined benefit liabilities are as follows:

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
Year ended December 31, 2023			
Balance at January 1	$ 13,549	($ 11,993)	$ 1,556
Interest expense (income)	182	(163)	19
Settlement profit or loss	(1,422)	1,305	(117)
	12,309	(10,851)	1,458
Remeasurements:			
Return on plan assets	-	(92)	(92)
Change in financial assumptions	145	-	145
Experience adjustments	6	-	6
	151	(92)	59
Pension fund contribution	-	(371)	(371)
Balance at December 31	$ 12,460	($ 11,314)	$ 1,146

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
Year ended December 31, 2022			
Balance at January 1	$ 15,223	($ 11,064)	$ 4,159
Interest expense (income)	108	(78)	30
Settlement profit or loss	(520)	428	(92)
	14,811	(10,714)	4,097
Remeasurements:			
Return on plan assets	-	(910)	(910)
Change in financial assumptions	(1,062)	-	(1,062)
Experience adjustments	(200)	-	(200)
	(1,262)	(910)	(2,172)
Pension fund contribution	-	(369)	(369)
Balance at December 31	$ 13,549	($ 11,993)	$ 1,556

(d) The Bank of Taiwan was commissioned to manage the Fund of the Company's and domestic subsidiaries' defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitisation products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorised by the Regulator. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets As of December 31, 2023 and 2022 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

(e) The principal actuarial assumptions used were as follows:

	Year ended December 31,	
	2023	2022
Discount rate	1.25%	1.35%
Future salary increases	2.00%	2.00%

Future mortality rate was estimated based on the 6th Taiwan Standard Ordinary Experience Mortality Table for the years ended December 31, 2023 and 2022, respectively.

(f) Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
December 31, 2023				
Effect on present value of defined benefit obligation	($ 321)	$ 333	$ 329	($ 319)
December 31, 2022				
Effect on present value of defined benefit obligation	($ 371)	$ 385	$ 382	($ 370)

The sensitivity analysis above is based on other conditions that are unchanged but only one assumption is changed. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same.

(g) Expected contributions to the defined benefit pension plans of the Company for the year ending December 31, 2024 amount to $317 thousand.

(h) As of December 31, 2023, the weighted average duration of the retirement plan is 10 years. The analysis of timing of the future pension payment was as follows:

Within 1 year	$ 255
1-2 year(s)	862
2-5 years	1,357
Over 5 years	11,329
	$ 13,803

B. (a) Effective July 1, 2005, the Company established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(b) The pension costs under defined contribution pension plans of the Company for the years ended December 31, 2023 and 2022 were $17,518 thousand and $16,637 thousand, respectively

(15) Share-based payment

A. For the years ended December 31, 2023 and 2022, the Company's share-based payment arrangements were as follows:

Type of arrangement	Grant date	Quantity granted	Contract period	Vesting conditions	Footnote
2020~2023 years issuance of employees bonus shares	2020.12.18	920 units	3 years	Service vested	Note 1
2023~2026 years issuance of employees bonus shares	2023.8.11	920 units	3 years	Service vested	Note 2

Note 1: For the years 2020~2023 issuance of employees bonus shares, the fair value of stock price of the Company was $56.60 (in dollars), and expected option life was not specified. For the years ended December 31, 2023 and 2022, the Company granted 305 units. As of December 31, 2023, the Company has ungranted 310 units.

Note 2: For the years 2023~2026 issuance of employees bonus shares, the fair value of stock price of the Company was $33.85 (in dollars), and expected option life was not specified. As of December 31, 2023, the Company has ungranted 920 units.

B. Expenses incurred on share-based payment transactions are shown below:

	Year ended December 31,	
	2023	2022
Equity-settled	$ 10,851	$ 11,193
Recognition of employee stock options issued by the subsidiary	7,873	3,396
	18,724	14,589

(16) Share capital

A. As of December 31, 2023, the Company's authorised capital was $ 7,000,000 thousand, consisting of 700,000 thousand shares of ordinary stock (including 15,000 thousand shares reserved for employee stock options), and the paid-in capital was $ 4,295,078 thousand with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected. Movements in the number of the Company's ordinary shares outstanding are as follows:

	2023(thousand shares)	2022(thousand shares)
At January 1	$ 421,508	$ 429,508
Stock repurchase	-	(8,000)
At December 31	$ 421,508	$ 421,508

B. Treasury shares

(a) Reason for share reacquisition and movements in the number of the Company's treasury shares are as follows:

		December 31, 2022	
Name of company holding the shares	Reason for reacquisition	Number of shares (thousand shares)	Carrying amount
Adimmune Corporation	To be reissued to employees	8,000	$ 292,538

(b)To motivate employees and enhance their team cohesiveness,on June 9, 2022 and November11, 2022, the Board of Directors resolved repurchasing of treasury shares in the expected amount of 8,000 thousand shares in order to transfer them to employees. As of December 31,2022, the balance of the treasury shares repurchased was $292,538 thousand.

(c) Pursuant to the R.O.C. Securities and Exchange Act, the number of shares bought back as treasury share should not exceed 10% of the number of the Company's issued and outstanding shares and the amount bought back should not exceed the sum of retained earnings, paid-in capital in excess of par value and realised capital surplus.

(d) Pursuant to the R.O.C. Securities and Exchange Act, treasury shares should not be pledged as collateral and is not entitled to dividends before it is reissued.

(e) Pursuant to the R.O.C. Securities and Exchange Act, treasury shares should be reissued to the employees within five years from the reacquisition date and shares not reissued within the five-year period are to be retired. Treasury shares to enhance the Company's credit rating and the stockholders' equity should be retired within six months of acquisition.

(17) Capital surplus

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

(18) Retained earnings

A. The Company's Articles of Incorporation requires that 10% of the current year's earnings, after paying taxes and offsetting prior years' operating losses, if any, shall be set aside as legal reserve. The remaining amount, after setting aside or reversing a special reserve in accordance with related laws and regulations, the appropriation of the remaining earnings, along with the accumulated unappropriated earnings, shall be proposed by the Board of Directors and resolved by the shareholders at their meetings as dividends to shareholders.

B. The Company operates in the biotechnology industry, which has the industry life cycle. Dividends shall be allocated after taking into consideration several factors including current and future investment environment, capital requirements, domestic and foreign competition, capital budget, shareholders' interests, balanced dividends, and the Company's long-term financial plan. Dividend distribution plans are to be proposed by the Board of Directors and presented for a final resolution in the shareholders' meeting on a yearly basis.

C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

D. On March 13, 2024, the Board of Directors of the Company proposed not to distribute dividends after taking into account the distributable profit of the current year. The aforementioned proposal of 2023 earnings distribution is pending receipt of approval from the shareholders' meeting.

E. On March 14, 2023, the Board of Directors of the Company proposed not to distribute dividends and proposed to provide legal reserve in the amount of $29,242 thousand in accordance with laws after taking into account the distributable profit for the year ended December 31, 2022. The aforementioned proposal of 2022 earnings distribution obtained approval from the shareholders' meeting on June 21, 2023.

F. Information relating to employees' compensation and directors' remuneration is provided in Note 6(21).

(19) Operating revenue:

Information on products and services

The Company engages in the manufacture and trade of vaccines and modern medicine products. Details of revenue is as follows:

	Year ended December 31,	
	2023	2022
Sales revenue	$ 1,183,147	$ 1,474,548
Revenue from professional packing service	466,238	414,937
Service revenue	8,277	189,282
Other operating revenues	110,963	103,469
	$ 1,768,625	$ 2,182,236

	Year ended December 31,	
	2023	2022
Timing of revenue recognition		
At a point in time	$ 1,294,110	$ 1,578,017
Over time	474,515	604,219
	$ 1,768,625	$ 2,182,236

B. Contract assets and liabilities

(a) The Company has recognised the following revenue-related contract assets and liabilities:

	December 31, 2023	December 31, 2022	January 1, 2022
Contract assets:			
Service	$ 334,933	$ 326,656	$ 137,373
Contract liabilities:			
Advance sales receipts	$ 43,750	$ 31,332	$ 48,395

(b) Revenue recognised that was included in the contract liability balance at the beginning of 2023 and 2022 was $7 thousand and $5,627 thousand, respectively.

(c) Long-term contracts that are fully unsatisfied

Aggregate amount of the transaction price and each milestone payment allocated to longterm contract development and manufacturing services agreements that are fully unsatisfied as at December 31, 2023 amounted to $1,638,813 thousand, and the management expects to recognise those amounts in the future years. The services revenue recognised according to the completion of contract amounted to $8,277 thousand and $189,282 thousand for the year ended December 31, 2023 and 2022.

(20) Interest income

	Year ended December 31,	
	2023	2022
Interest income from bank deposits	$ 15,842	$ 5,512
Other interest income	32	19
	$ 15,874	$ 5,531

(21) Other income

	Year ended December 31,	
	2023	2022
Grant revenue	$ 3,177	$ 1,510
Dividend income	7,982	7,982
Other non-operating income	10,480	9,096
	$ 21,639	$ 18,588

For the years ended December 31, 2023 and 2022, the grant revenue both are government grants revenue. Details of the contract are provided in Note 9(2).

(22) Other gains and losses

	Year ended December 31, 2023	2022
Gains on license of intangible assets	$ 4,953	$ 4,953
Losses (gains) on disposal of property, plant and equipment	(36)	7
Gains arising from lease modifications	263	-
Foreign exchange gains (losses)	(31,047)	45,860
Other expenditures	(23,553)	(1,344)
	($ 49,420)	$ 49,476

(23) Employee benefit expense, depreciation and amortisation

Nature	Year ended December 31, 2023 Operating cost	Operating expense	Total
Employee benefit expense			
Wages and salaries	$ 275,445	$ 123,448	$ 398,893
Employee stock options	2,345	16,379	18,724
Labour and health insurance fees	27,532	9,943	37,475
Pension costs	12,166	5,254	17,420
Directors' remuneration	-	3,718	3,718
Other personnel expenses	5,918	10,937	16,855
	$ 323,406	$ 169,679	$ 493,085
Depreciation	$ 166,572	$ 30,131	$ 196,703
Amortisation	$ 18,872	$ 5,755	$ 24,627

Nature	Year ended December 31, 2022 Operating cost	Operating expense	Total
Employee benefit expense			
Wages and salaries	$ 258,546	$ 153,120	$ 411,666
Employee stock options	920	13,669	14,589
Labour and health insurance fees	25,065	10,192	35,257
Pension costs	11,179	5,394	16,573
Directors' remuneration	-	3,589	3,589
Other personnel expenses	5,756	10,497	16,253
	$ 301,466	$ 196,461	$ 497,927
Depreciation	$ 202,735	$ 28,261	$ 230,996
Amortisation	$ 18,999	$ 5,929	$ 24,928

A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees 'compensation and directors' remuneration. The ratio shall be 1%~10% for employees' compensation and shall not be higher than 5% for directors' remuneration.

B. For the year ended December 31, 2023, there were no employees' compensation and directors' remuneration accrued as the Company generated loss before tax. For the year ended December 31, 2022, employees' compensation was accrued at $15,940 thousand. The aforementioned amounts were recognised in salary expenses. The employees' compensation was estimated and accrued based on 5.2% of distributable profit of current year for the year ended December 31, 2022. The employees' compensation resolved by the Board of Directors was $15,940 thousand, and the employees' compensation will be distributed in the form of cash.

Employees' compensation of 2022 as resolved by the Board of Directors were in agreement with those amounts recognised in the 2022 financial statements.

For the years ended December 31, 2023 and 2022, the Company did not accrue directors' remuneration

Information regarding employees' compensation and directors' remuneration as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

C. According to the Company's compensation policy, the Company divides management and professional positions according to the nature of the job, the complexity of the job content, the degree of responsibility, and the required knowledge. The salary shall be assessed according to different job categories and positions, as well as the employee's skills, experience and education background. In addition, the Company periodically conducts salary survey to understand the current salary situation in the market, therefore, to adjust the pay level and structure timely to ensure that the Company's salary standard is competitive.

D.As of December 31, 2023 and 2022, the Company had approximately 536 and 581 employees, including 9 non-employee directors.

E. Average employee benefit expense was $929 thousand and $864 thousand for the years ended December 31, 2023 and 2022, respectively.

F. Average employees salaries were $792 thousand and $745 thousand for the years ended December 31, 2023 and 2022, respectively.

G. Adjustments of average employees salaries were 6.31%.

(24) Finance costs

	Year ended December 31,	
	2023	2022
Interest expense		
Bank borrowings	$ 59,619	$ 41,795
Interest expense on lease liabilities	1,462	1,078
Less: Capitalisation of qualifying assets	(28,630)	(20,596)
Finance costs	$ 32,451	$ 22,277

(25) Income tax

A. Income tax expense

The income tax (charge)/credit relating to components of other comprehensive income is as follows:

	Year ended December 31, 2023	2022
Remeasurement of defined benefit obligations	($ 12)	$ 435

B. Reconciliation between income tax expense and accounting profit

	Year ended December 31, 2023	2022
Tax calculated based on profit (loss) before tax and statutory tax rate	($ 127,978)	$ 60,195
Expenses disallowed by tax regulation	24,298	23,651
Tax exempt income by tax regulation	(1,596)	(1,596)
Temporary differences not recognised as deferred tax assets	143,469	9,993
Change in assessment of realisation of deferred tax assets	(38,193)	(82,243)
Income tax expense	$ -	$ 10,000

C. Amounts of deferred tax assets or liabilities as a result of temporary differences, loss carryforward and investment tax credits are as follows:

	Year ended December 31, 2023			
	January 1	Recognised in profit or loss	Recognised in other income	December 31
Temporary differences:				
－Deferred tax assets:				
Unrealised loss on inventory obsolescence	$ 11,695	$ -	$ -	$ 11,695
Loss carryforward	210,666	-	-	210,666
Others	5,229	-	12	5,241
	$ 227,590	$ -	$ 12	$ 227,602

	Year ended December 31, 2022			
	January 1	Recognised in profit or loss	Recognised in other income	December 31
Temporary differences:				
－Deferred tax assets:				
Unrealised loss on inventory obsolescence	$ 11,695	$ -	$ -	$ 11,695
Loss carryforward	210,666	-	-	210,666
Others	5,664	-	(435)	5,229
	$ 228,025	$ -	($ 435)	$ 227,590

D. The Company is eligible for research and development investment tax credits under the Statute for Biotech and New Pharmaceuticals Industry. Details are as follows:

December 31, 2023				
Year incurred	Qualifying items	Amount filed/ assessed	Unused tax credits	Unrecognised deferred tax assets
Year 2011	Research and development	Amount assessed	$ 31,076	$ 31,076
Year 2012	Research and development	Amount assessed	15,490	15,490
Year 2013	Research and development	Amount assessed	15,696	15,696
Year 2014	Research and development	Amount assessed	14,737	14,737
Year 2015	Research and development	Amount assessed	31,878	31,878
Year 2016	Research and development	Amount assessed	17,010	17,010
Year 2017	Research and development	Amount assessed	18,887	18,887
Year 2018	Research and development	Amount assessed	13,525	13,525
Year 2019	Research and development	Amount assessed	47,880	47,880
Year 2020	Research and development	Amount assessed	67,256	67,256
Year 2021	Research and development	Amount assessed	15,088	15,088
Year 2022	Research and development	Amount filed	31,730	31,730
Year 2023	Research and development	Estimated filed amount	18,301	18,301
			$ 338,554	$ 338,554

		Year ended December 31, 2022		
Year incurred	Qualifying items	Amount filed/ assessed	Unused tax credits	Unrecognised deferred tax assets
Year 2011	Research and development	Amount assessed	$ 31,076	$ 31,076
Year 2012	Research and development	Amount assessed	15,490	15,490
Year 2013	Research and development	Amount assessed	15,696	15,696
Year 2014	Research and development	Amount assessed	14,737	14,737
Year 2015	Research and development	Amount assessed	31,878	31,878
Year 2016	Research and development	Amount assessed	17,010	17,010
Year 2017	Research and development	Amount assessed	18,887	18,887
Year 2018	Research and development	Amount assessed	13,525	13,525
Year 2019	Research and development	Amount assessed	47,880	47,880
Year 2020	Research and development	Amount assessed	67,256	67,256
Year 2021	Research and development	Amount assessed	15,088	15,088
Year 2022	Research and development	Amount filed	31,730	31,730
			$ 320,253	$ 320,253

E. Expiration dates of unused net operating loss carryfoward and amounts of unrecognised deferred tax assets are as follows:

		December 31, 2023		
Year incurred	Usable until year	Amount filed/ assessed	Unused tax losses of loss carryforward	Unused tax losses of unrecognised deferred tax assets
Year 2014	Year 2024	Amount assessed	$ 418,223	$ 269,369
Year 2015	Year 2025	Amount assessed	713,800	286,133
Year 2016	Year 2026	Amount assessed	525,450	48,641
Year 2017	Year 2027	Amount assessed	534,417	534,417
Year 2018	Year 2028	Amount assessed	371,811	371,811
Year 2019	Year 2029	Amount assessed	282,612	282,612
			$ 2,846,313	$ 1,792,983

December 31, 2023				
Year incurred	Usable until year	Amount filed/ assessed	Unused tax losses of loss carryforward	Unused tax losses of unrecognised deferred tax assets
Year 2013	Year 2023	Amount assessed	$ 163,663	$ -
Year 2014	Year 2024	Amount assessed	445,524	17,857
Year 2015	Year 2025	Amount assessed	713,800	236,991
Year 2016	Year 2026	Amount assessed	525,450	525,450
Year 2017	Year 2027	Amount assessed	534,417	534,417
Year 2018	Year 2028	Amount assessed	371,811	371,811
Year 2019	Year 2029	Amount assessed	282,612	282,612
			$ 3,037,277	$ 1,969,138

F. The amounts of deductible temporary difference that are not recognised as deferred tax assets are as follows:

	December 31, 2023	December 31, 2022
Deductible temporary differences	$ 1,091,588	$ 269,008

G. The Company’s income tax returns through 2021 have been assessed and approved by the Tax Authority.

(26) Earnings per share

	Year ended December 31, 2023		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit for the year	($ 639,891)	$ 421,508	($ 1.52)

	Year ended December 31, 2022		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share (in dollars)			
Profit attributable to ordinary shareholders of the parent potential ordinary shares	$ 290,975	427,231	$ 0.68
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	448	
Diluted earnings per share			
Profit for the year plus assumed conversion of all dilutive potential ordinary shares	$ 290,975	$ 427,679	$ 1

When calculating diluted earnings per share, the Group assumes that the employees' compensation will all be distributed in the form of shares and the resulting potential shares will be included in the weighted average number of ordinary shares outstanding if those shares have a dilutive effect.

(27) Supplemental cash flow information

A. Investing activities with partial cash payments

	Year ended December 31,	
	2023	2022
Purchase of property, plant and equipment	$ 168,942	$ 341,748
Add: Opening balance of payable on equipment	69,710	68,674
Less: Ending balance of payable on equipment	(18,238)	(69,710)
Cash paid during the year	$ 220,414	$ 340,712

(28) Changes in liabilities from financing activities

	Short-term borrowings	Long-term borrowings (Note)	Lease liabilities (Note)	Liabilities from financing activities-gross
At January 1, 2023	$ -	$ 2,159,000	$ 73,887	$ 2,232,887
Changes in cash flow from financing activities	500,000	377,100	(16,572)	360,528
Changes in other non-cash items	-	-	3,482	3,482
At December 31, 2023	$ 500,000	$ 2,536,100	$ 60,797	$ 2,596,897

Note: including current portion

	Long-term borrowings (Note)	Lease liabilities (Note)	Liabilities from financing activities-gross
At January 1, 2022	$ 1,300,000	$ 12,692	$ 1,312,692
Changes in cash flow from financing activities	859,000	(21,095)	837,905
Changes in other non-cash items	-	82,290	82,290
At December 31, 2022	$ 2,159,000	$ 73,887	$ 2,232,887

Note: including current portion

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

Names of related parties	Relationship with the Company
ENIMMUNE CORPORATION	The subsidiary of the Company
ANIMMUNE CORPORATION	The Company’s second-tier subsidiary
Enimmune-RMT Biotech PTE. LTD.	The Company’s second-tier subsidiary

(2) Significant related party transactions

A. Net sales revenue

	Year ended December 31, 2023	Year ended December 31, 2022
Subsidiary	$ 27,016	$ 18,661
Second-tier subsidiary	-	100,000
	$ 27,016	$ 118,661

Sales revenue arises mainly from finished goods sold from parent company to subsidiary and the transaction price is based on market prices. Credit term is based on the payment schedules specified in the contract. Sales revenue arises mainly from technology authorization fees of Covid19 sold from parent company to subsidiary.

B. Accounts receivable

	Year ended December 31, 2023	Year ended December 31, 2022
Subsidiary	$ 18,061	$ 18,661

Accounts receivable arise mainly from sales transactions and are due 4 months after the date of sales. The accounts receivable bear no interest. Goods are sold based on the price lists in force and terms that would be available to third parties.

C. Account collected in advance (shown as contract liabilities)

	Year ended December 31, 2023	Year ended December 31, 2022
Subsidiary	$ 21,938	$ 21,938

Account collected in advance refers to assist the subsidiary in manufacturing and selling the vaccine of EV71 in accordance with the contract.

D. Other receivables

	Year ended December 31, 2023	Year ended December 31, 2022
Subsidiary	$ 193	$ 223
Second-tier subsidiary	74,075	45,498
	$ 74,268	$ 45,721

Other receivables refer to the rent income of the office, the management service revenue and the amount of clinical trial on Covid-19 pandemic, which are received in accordance with the contract.

E. Other payables

	Year ended December 31, 2023	Year ended December 31, 2022
Subsidiary	$ 173	$ 115

Other payables refers to the expense of the clinical trial and the management service.

F. Management service revenue (shown as other revenue)

	Year ended December 31, 2023	Year ended December 31, 2022
Subsidiary	$ 1,408	$ 1,501

Management service revenue is generated from administrative management services such as management of equipment maintenance and general expenses commissioned by the subsidiary, and the actual service hours per month are reimbursed in accordance with the contract. The contract period is from April 1, 2021 to March 31, 2022, and the contract had been extended on April 1, 2022. The new lease term is between April 1, 2023 and March 31, 2024, but had been terminated in advance on January 31, 2024.

G. Rent income

	Year ended December 31, 2023	Year ended December 31, 2022
Subsidiary	$ 768	$ 1,086
Second-tier subsidiary	514	514
	$ 1,282	$ 1,600

(a) Rent income refers to the property lease contract signed with its subsidiary to rent office in Taichung for business use with a monthly rent of 67 thousand (including tax). The lease term is between August 1, 2022 and July 31, 2023, and the contract had been extended on July 1, 2022. The new lease term is between July 1, 2023 and June 30, 2024. Rent income refers to the property lease contract signed with its second-tier subsidiary to rent warehouse in Taichung for warehousing. The lease term is from December 1, 2021 to May 31, 2022.

(b) Rent income refers to the property lease contract signed with its second-tier subsidiary to rent office in Taipei for business use with a monthly rent of 45 thousand (including tax). The lease term is from January 1, 2023 to December 31, 2023, and the contract had been extended on January 1, 2024

H. Expense of Service (shown as the administration expense)

	Year ended December 31,	
	2023	2022
Subsidiary	$ 1,428	$ 848

Expense of Service refers to the contract of the management service, consulting and the clinical trial.

(3) Key management compensation

	Year ended December 31,	
	2023	2022
Salaries and other short-term employee benefits	$ 68,870	$ 72,403
Termination benefits	2,107	2,066
Share-based payments	15,951	12,779
	$ 86,928	$ 87,248

8. PLEDGED ASSETS

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

	Book value		
Pledged asset	December 31, 2023	December 31, 2022	Purpose
Property, plant and equipment	$ 1,237,534	$ 1,329,460	Long-term borrowings
Special reserve account and pledged account (included in financial assets at amortised cost - non-current)	4,059	3,596	Long-term borrowings
Refundable deposits (included in other current assets and other non-current assets)	80,444	5,322	Performance margin for bidding
	$ 1,322,037	$ 1,338,378	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies

The Company entered into a vaccine distribution contract with Beijing Shouhui Pharmaceutical Co. Ltd. ("Shouhui Company") in December 2019 and had conducted transactions in subsequent years. For the year ended December 31, 2022, the Company shipped the goods after accepting the order from Shouhui Company. However, Shouhui Company did not make the payment according to the payment term agreed in the contract. The Company's receivables due from Shouhui Company was $393,876 thousand. After failing to collect the payment from Shouhui Company, the Company officially issued a "notice of termination of contract" to Shouhui Company to terminate the contract on February 17, 2023, appointed a Beijing lawyer to file a litigation with the Fourth Intermediate People's Court of Beijing Municipality against Shouhui Company requesting it to make the payment and compensation for damage, applied for property preservation procedures and froze the main bank account of Shouhui Company. The Fourth Intermediate People's Court of Beijing Municipality had held the trial for the litigation on January 17, 2024. The Company is currently awaiting the first instance judgement from the Court. As it is unlikely that the recoverable amount of the receivables can be fully recovered based on the assessment, the Company had made full provision for expected credit loss.

(2) Commitments

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

	December 31, 2023	December 31, 2022
Property, plant and equipment	$ 357,004	$ 488,015

B. The Company has signed technical contracts relating to continuing development of vaccine of Enterovirus 71 ("EV 71") with the Center for Disease Control, R.O.C. ("CDC") and the National Health Research Institute ("NHRI") in 2011. Details of each stage in the contracts are as follows:

(a) The Company has signed technical contracts relating to licensing technology of EV71 with CDC and NHRI in September 2011. The main commitments of the technology license are as follows:

i. Licensing period: starting from the date when the three parties sign the contracts.

ii. Authorisation expense: The contracts are signed to pay in accordance with progress.

(b) In May 2020, the Company renewed "Commission Service Contract" signed in May 2018 with NHRI to provide the Company with development platform for vaccine. The main terms of the contract are as follows:

i. Commission period: 2 years (2020.5.1~2022.4.30)

ii.Commission expense: Service expense is paid each month

(c) The Company has signed "EV 71 vaccine Phase I clinical trial result authorisation" corporation contract with CDC and NHRI in April 2013. NHRI has authorised the technology through non-exclusive license. Details of key commitments are as follows:

i. Contract period: starting from the date when three parties sign the contract until 25 years after the Company's first EV71 vaccine is authorised.

ii. Authorisation fee: the Company pays authorization fee in accordance with contracted progress within 2 years after the contract is signed.

(d) In January 2020, the Company signed the "Commission Service Contract" of cell culture technology as a platform for vaccine solution with NHRI. The main terms of the contract are as follows:

Commission service fee: The contracts are signed to pay in accordance with progress.

C. The Company has signed a processing agreement with Shenzhen Techdow Pharmaceutical Co., LTD ("TECHDOW"). The two companies' cooperative injection technique, which is the

Company's packing techniques (aseptic prefilled injection packing techniques) along with TECHDOW's pharmaceutical material (Enoxaparin sodium), has received EMA's authorisation and is processed for mass production. Key commitments of the agreement are as follows:

(a) Contract period: 5 years after the date of the first order by TECHDOW. Unless one party notifies the other a non-renewal no less than 60 days before the agreement expires, the agreement is automatically renewed once per year.

(b) Processing price: by the process quantity in accordance with the agreement.

(c) Other commitments: during the agreement period, the Company may not directly or indirectly produce same products for supply in any market.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT SUBSEQUENT EVENTS

None.

12. Others

(1) Capital management

The Company's capital management is based on the industry where the Company is in, industry's future growth and product development to set an appropriate market share, set a corresponding capital expenditure. The management is also based on operating funds calculated based on financial operation plans and consideration of operating profit and cash flow generated by product competitiveness to determine an appropriate capital structure.

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(2) Financial instruments

A. Financial instruments by category

	December 31, 2023	December 31, 2022
Financial assets		
Financial assets at fair value through other comprehensive income - non -current	$ 105,860	$ 100,251
Financial assets at amortised cost		
Cash and cash equivalents	2,045,022	2,396,652
Financial assets at amortised cost - current	7,600	7,600
Accounts receivable (including accounts receivable due from related parties)	1,314,235	529,750
Financial assets at amortised cost - non- current	4,059	3,596
Other receivables (included Other receivables due from related parties)	74,657	46,886
Guarantee deposits paid (shown as other current assets and non-current assets)	80,444	5,322
	$ 3,631,877	$ 3,090,057

	December 31, 2023	December 31, 2022
Financial liabilities		
Financial liabilities at amortised cost		
Short-term borrowings	$ 500,000	$ -
Accounts payable	42,350	44,843
Other payables	221,131	245,382
Long-term borrowings (including current portion)	2,536,100	2,159,000
Guarantee deposits received (shown as other current liabilities)	134	134
	$ 3,299,715	$ 2,449,359
Lease liability (including current portion)	$ 60,797	$ 73,887

B. Financial risk management policies

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

(b) Company treasury identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, and credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

A. The Company manages their foreign exchange risk against their functional currency. The Company is required to hedge their entire foreign exchange risk exposure with the Company treasury.

B. Foreign exchange risk between USD, JPY and EUR with NTD is mainly from exchange loss or profit arising from conversion of cash and cash equivalents and accounts receivable denominated in USD, JPY and EUR.

C. The Company's businesses involve foreign exchange variation, the information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations and analysis of foreign currency market risk arising from significant foreign exchange variation are as follows:

	December 31, 2023					
	Foreign currency			Sensitivity analysis		
	amount (In thousands)	Exchange rate	Book value(NTD)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
Financial assets						
Monetary items						
USD:NTD	$ 12,925	30.66	$ 396,281	1%	$ 3,962	$ -
JPY:NTD	387,414	0.22	85,231	1%	834	-
EUR:NTD	199	33.78	6,722	1%	67	-
RMB:NTD	94,480	4.30	406,264	1%	4,063	-
Financial liabilities						
Monetary items						
USD:NTD	$ 272	30.76	$ 8,365	1%	$ 84	$ -

	December 31, 2022					
	Foreign currency			Sensitivity analysis		
	amount (In thousands)	Exchange rate	Book value (NTD)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
Financial assets						
Monetary items						
USD:NTD	$ 25,326	30.66	$ 776,495	1%	$ 7,765	$ -
JPY:NTD	227,688	0.23	52,452	1%	525	-
EUR:NTD	408	32.52	13,261	1%	133	-
RMB:NTD	57	4.38	250	1%	3	-
Financial liabilities						
Monetary items						
USD:NTD	$ 400	30.76	$ 12,304	1%	$ 123	$ -

Total exchange gain (loss), including realised and unrealised arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2023 and 2022, amounted to exchange loss of $31,047 thousand and exchange profit of $45,860 thousand, respectively.

Cash flow and fair value interest rate risk

i. The Company s interest rate risk arises from short-term borrowings and long-term borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rates. Borrowings issued at fixed rates expose the Company to fair value interest rate risk.

ii. At December 31, 2023 and 2022, if the interest rate had been 25 basis point higher/lower, posttax profit would have decreased/increased by $6,072 thousand and $4,318 thousand.

(b) Credit risk

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

ii. The Company's cash and cash equivalents and financial assets at amortised cost are deposited in financial institutions with optimal credit quality. In order to prevent excessive concentration and to disperse credit risk, the Company manages the deposit ratio in each financial institution, and the credit quality of banks and financial institutions the Company trades with is optimal. According to the Company's credit policy, each local entity in the Company is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. The Company screens potential transaction counterparties based on their credit history, and only enters into transactions with counterparties that reach a certain level of credit quality; hence, there is no significant credit risk.

iii. The Company adopts the assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition: If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition, the default occurs when the contract payments are past due over 90 days.

iv. The Company classifies customer's accounts receivable in accordance with credit rating of customer. The Company applies the simplified approach using a provision matrix to estimate expected credit loss under the provision matrix basis.

v. The Company wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Company will continue executing the recourse procedures to secure their rights.

vi. The Company used the forecastability to adjust historical and timely information to assess the default possibility of receivables (including accounts receivable, accounts receivable - related and contract assets). The Company first assesses and provides impairment loss for the receivables which have objective evidence to indicate that the receivables may not be recovered, and remaining receivables use historical and timely information to assess the default possibility, and taking into consideration the forecastability, in order to assess the default possibility of receivables. As of December 31, 2023 and December 31, 2022, the loss rate methodology is as follows:

December 31, 2023	Expected loss rate	Total book value	Loss allowance
Not past due	0%	$ 1,649,168	$ -
Individual assessment	100%	393,708	393,708
		$ 2,042,876	$ 393,708

December 31, 2022	Expected loss rate	Total book value	Loss allowance
Not past due	0%	$ 856,406	$ -

vii. Movements in relation to the Company applying the simplified approach to provide loss allowance for accounts receivable as follows:

	2023	2022
	Accounts receivable	Accounts receivable
At January 1	$ -	$ -
Provision for impairment	393,708	-
At December 31	$ 393,708	$ -

viii. The Group used the forecastability of economic forecasting announced by the Directorate General of Budget, Accounting and Statistics of the Executive Yuan to adjust historical and timely information to assess the default possibility of debt instruments as of December 31, 2023 and December 31, 2022, in order to estimate expected credit losses.

ix. For investments in debt instruments at amortised cost and at fair value through other comprehensive income, the credit rating levels are presented below:

	December 31, 2023			
		Lifetime		
	12 months	Significant increase in credit risk	Impairment of credit	Total
Financial assets at amortised cost	$ 11,659	$ -	$ -	$ 11,659

	December 31, 2022			
		Lifetime		
	12 months	Significant increase in credit risk	Impairment of credit	Total
Financial assets at amortised cost	$ 11,196	$ -	$ -	$ 11,196

(c) Liquidity risk

i. Cash flow forecasting is performed and aggregated by Company treasury. Company treasury monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

ii. Company treasury invests surplus cash in interest bearing current accounts, time deposits, and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts.

iii. As of December 31, 2023 and 2022, the Company had undrawn borrowing facilities amounting to $2,002,000 thousand and $2,402,000 thousand, respectively.

iv. The table below analyses the Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities.

December 31, 2023	Less than 3 months	Between 3 months and 1 year	Between 1 and 3 years	Over 3 years	Total
Short-term borrowings	$ 502,975	$ -	$ -	$ -	$ 502,975
Accounts payable	42,350	-	-	-	42,350
Other payables	221,131	-	-	-	221,131
Long-term borrowings (Note)	511,313	199,855	1,146,908	873,331	2,731,407
Lease liabilities (Note)	3,720	10,305	28,920	21,752	64,697
Guarantee deposits received	-	-	-	134	134

Note: including current portion

December 31, 2022	Less than 3 months	Between 3 months and 1 year	Between 1 and 3 years	Over 3 years	Total
Accounts payable	$ 44,843	$ -	$ -	$ -	$ 44,843
Other payables	245,382	-	-	-	245,382
Long-term borrowings (Note)	10,564	153,620	408,706	1,793,646	2,366,536
Lease liabilities (Note)	4,228	12,028	32,425	30,486	79,167
Guarantee deposits received	-	-	-	134	134

Note: including current portion

(3) Fair value information

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

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

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

Level 3: Unobservable inputs for the asset or liability. The fair value of the Company's investment in equity investment without active market is included in Level 3.

B. Financial instruments not measured at fair value

Except for those listed in the table below, the carrying amounts of cash and cash equivalents, financial assets at amortised cost, notes receivable, accounts receivable, other receivables, refundable deposits, accounts payable, other payables, ease liabilities and long-term borrowings (including current portion) are approximate to their fair values.

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

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

December 31, 2023	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value through other comprehensive income				
− equity securities	-	-	105,860	105,860
	$ -	$ -	$ 105,860	$ 105,860

December 31, 2022	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through other comprehensive income				
− equity securities	-	-	100,251	100,251
	$ -	$ -	$ 100,251	$ 100,251

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

The fair value of financial instruments without active market is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques refers to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods.

D. The following chart is the movement of Level 3 for the years ended December 31, 2023 and 2022:

	Equity securities	
	2023	2022
At January 1	$ 100,251	$ 119,337
Gain (losses) recognized in other comprehensive income	5,609	(19,086)
At December 31	$ 105,860	$ 100,251

E. For the years ended December 31, 2023 and 2022, there was no transfer into or out from Level 3.

F. Treasury division is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, updating inputs used to the valuation model and making any other necessary adjustments to the fair value. For the years ended December 31, 2023 and 2022, there was no transfer into or out from Level 3.

G. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at December 31, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	$ 105,710	Market comparable companies	Liquidity premium	20%	The higher the multiple, the higher the fair value
Unlisted shares	150	Net asset value	Not applicable	-	Not applicable

	Fair value at December 31, 2022	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	$ 100,089	Market comparable companies	Liquidity premium	20%	The higher the multiple, the higher the fair value
Unlisted shares	162	Net asset value	Not applicable	-	Not applicable

H. The Company has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect of profit or loss or of other comprehensive income from financial assets and liabilities categorised within Level 3 if the inputs used to valuation models have changed:

			December 31, 2023			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Liquidity premium	±10%	$ -	$ -	$ 32,307	($ 32,307)

			December 31, 2022			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Liquidity premium	±10%	$ -	$ -	$ 12,467	($ 12,467)

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

A. Loans to others: None.

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

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

D. Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of the Company's paid-in capital: None.

E. Acquisition of real estate reaching $300 million or 20% of paid-in capital or more: None.

F. Disposal of real estate reaching $300 million or 20% of paid-in capital or more: None.

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

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

I. Trading in derivative instruments undertaken during the reporting periods: None.

J. Significant inter-company transactions during the reporting periods: None.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland

China)：Please refer to table 2.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 3.

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

(4) Major shareholders information

Major shareholders information: Please refer to table 4.

14. Segment Information

None.

Adimmune Corporation
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)
December 31, 2023

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

				As of June 30, 2023				
Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	Number of shares	Book value	Ownership (%)	Fair value	Footnote
Adimmune Corporation	Taiwan Biotech Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	3,991,057	$ 61,129	1.66	$ 105,710	-
Adimmune Corporation	Hematech Biotherapeutics Inc.	Same chairman	Financial assets at fair value through other comprehensive income - non-current	442,114	4,421	5.00	$ 150	-
			valuation adjustments		40,310			
					$ 105,860			

Adimmune Corporation

Information on investees(Not including investees in Mainland China)

For the year ended December 31, 2023

Table 2

Expressed in thousands of NTD

(Except as otherwise indicated)

				Initial investment amount		Shares held as at December 31, 2023					
Investor	Investee	Location	Main business activities	Balance as at December 31, 2023	Balance as at December 31, 2023	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the six-month period ended December 31, 2023	Investment income(loss) recognised by the Company for the six-month period ended December 31, 2023	Footnote
Adimmune Corporation	Enimmune Corporation	Taiwan	Bio-technology	$ 598,224	$ 598,224	33,558,000	51.00	$ 36,031	($ 223,743)	($ 114,109)	Note 1
Adimmune Corporation	Global Commonwealth Life Science (Holdings) Limited	Hong Kong	Investment	-	-	2	100.00	-	-	-	Notes 1 & 3
Adimmune Corporation	Adimmune B.V.	Netherland	Investment	-	-	-	100.00	-	-	-	Note 1
Adimmune Corporation	Eggs Corporation	Taiwan	Animal Husbandry	65,000	65,000	6,500,000	100.00	30,978	(6,890)	(6,890)	Note 1
Eggs Corporation	Animmune Corporation	Taiwan	Bio-technology	51,732	51,732	3,636,585	51.22	24,420	(13,339)	(6,832)	Note 2
Enimmune Corporation	Enimmune-RMT Biotech PTE. LTD.	Singapore	Bio-technology	162,910	162,910	55,000,000	55.00	19,113	(30,994)	(17,047)	Note 2

Note 1: The Company's subsidiary.

Note 2: It’s the Company’s second-tier subsidiary.

Note 3: Initial investment was NT$ 8(in dollars).

Adimmune Corporation
Information on investments in Mainland China
For the year ended December 31, 2023

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the six-month period ended December 31,2023: Remitted to Mainland China	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the six-month period ended December 31,2023: Remitted back to Taiwan	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Net income of investee as of December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six-month period ended December 31, 2023 (Note 2)	Book value of investments in Mainland China as of December 31, 2023	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2023	Footnote
Adimmune Co., Ltd. Nanjing, China	Business sales & acquisition	$ -	1	$ -	$ -	$ -	$ -	$ -	100.00	$ -	$ -	$ -	Note 2

Note 1: Investment methods are classified into the following three categories:
(1) Directly invest in a company in Mainland China.
(2) Through investing in an existing company in the third area, which then invested in the investee in Mainland China.
(3) Others
Note 2: The company was approved for business registration by the competent authority on August 10, 2016. As of June 30, 2023, the company still has not yet initiated its operation, thus, no related investment profit or loss.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2023	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA(Note)
Adimmune Co., Ltd. Nanjing, China	$ -	$ 10,000	$ 3,466,539

Note: Calculated in accordance with the limits set in the "Principles for the Review of Investment or Technical Cooperation in Mainland China" issued by the Ministry of Economic Affairs (60% of the net value).

Adimmune Corporation

Major shareholders information

For the year ended December 31, 2023

Table 4

Name of major shareholders	Shares		Footnote
	Number of shares held	Ownership (%)	
National Development Fund, Executive Yuan	48,584,162	11.31%	Notes1 & 2
Bioengine Technology Development Inc.	32,169,000	7.48%	

Note 1: The major shareholders information was from the data that the Company issued common shares (including treasury shares) and preference shares in dematerialised form which were registered and held by the shareholders above 5% on the last operating date of each quarter and was calculated by Taiwan Depository & Clearing Corporation.

Note 2: If the aforementioned data contains shares which were kept at the trust by the shareholders, the data disclosed was the settlor's separate account for the fund set by the trustee.

As for the shareholder who reports share equity as an insider whose shareholding ratio is greater than 10% in accordance with Securities and Exchange Act, the shareholding ratio including the self-owned shares and trusted, at the same time, persons who have power to decide how to allocate the trust assets.

For the information of reported share equity of insider, please refer to Market Observation Post System.

ADIMMUNE CORPORATION
CASH AND CASH EQUIVALENTS
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 1

Item	Description	Amount
Petty cash		$ 1,328
Demand deposits		1,325,185
Foreign currency deposits	USD 6,440 thousand at exchange rate of 30.655	197,405
	JPY 387,156 thousand at exchange rate of 0.215	83,315
	EUR 91 thousand at exchange rate of 33.78	3,077
	CNY 6,105 thousand at exchange rate of 4.302	26,262
	GBP 1 thousand at exchange rate of 38.59	51
Time deposits	Period：from October 26, 2023 to March 30, 2024 interest rate：1.1%~6.2%	405,328
Checking accounts		3,071
		$ 2,045,022

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ADIMMUNE CORPORATION
ACCOUNTS AND NOTES RECEIVABLE,NET
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 2

Client Name	Description	Amount	Note
Accounts receivable			
Taiwan Centers for Disease Control		$ 802,206	
Clover Biopharmaceuticals (Hong Kong) Co.,Limited		379,791	
Beijing ShouHui Pharmaceutical co.LTD		393,708	
Protein Sciences Corporation (Sanofi)		80,781	
Others		33,396	
		1,689,882	
Less: Allowance for uncollectible accounts		(393,708)	
		$ 1,296,174	

ADIMMUNE CORPORATION
INVENTORIES
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 3

Item	Amount: Cost		Amount: Net Realizable Value		Determination of Net Realisable Value
Raw materials	$	149,264	$	151,524	Replacement cost
Work in progress		593,272		809,378	Net Realisable Value
Finished goods		62,189		62,615	Net Realisable Value
Merchandises		795		1,596	Net Realisable Value
		805,520	$	1,025,113	
Less: Allowance for inventory valuation losses and obsolescence loss		(288,259)			
	$	517,261			

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ADIMMUNE CORPORATION
CHANGES IN COST OF PROPERTY, PLANT AND EQIPMENT
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 4

Item	Beginning Balance	Addition	Decrease	Transfer	Ending Balance

Please refer to Note 6(8) for related information.

ADIMMUNE CORPORATION
CHANGES IN ACCUMULATED DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 5

Item	Beginning Balance	Addition	Decrease	Ending Balance
Please refer to Note 6(8) for related information				

ADIMMUNE CORPORATION
INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 6

Item	Description	Amount	Note

Please refer to Note 6(7) for related information.

ADIMMUNE CORPORATION
SHOTR-TERM BORROWINGS
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 7

Creditor	Description	Amount	Contract Period	Interest Rate	Collateral	Note

Please refer to Note 6(11) for related information.

ADIMMUNE CORPORATION
LONG-TERM BORROWINGS
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 8

Creditor	Description	Amount	Contract Period	Interest Rate	Collateral	Note

Please refer to Note 6(13) for related information.

ADIMMUNE CORPORATION
OPERATING REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 9

Item	Unit	Volume		Amount (in thousands)
AdimFlu-S (QIS) Quadrivalent influenza vaccine (0.5ml)	thousand doses	5,540	$	1,279,582
Enoxaparin Sodium Injection	thousand doses	11,431		237,063
Quadrivalent Flublok® Influenz	thousand doses	3,472		230,510
Tetanus toxoid vaccine	thousand bottles	140		14,428
AdimFlu-S MPH	kg	77		82,480
EV71	thousand doses	9		8,803
TUBERCULIN PPD.	thousand bottles	3		3,070
Other operating revenue				152,386
				2,008,322
Less: Sales returns and discounts			(	239,697)
Operating revenue, net				1,768,625

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ADIMMUNE CORPORATION
OPERATING COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 10

	Amount
Beginning merchandises	$ 252
Purchase for the year	2,159
Less: Ending merchandises	(795)
Transfers to expenses	(95)
Purchasing and selling costs	1,521
Beginning raw materials	178,146
Add: Raw materials purchased	434,155
Less: Ending raw materials	(149,264)
Transfers to expenses	(41,587)
Loss on raw materials scrapped	(1,383)
Consumption of raw materials for the year	420,067
Direct labor	149,176
Manufacturing expense	745,467
Underapplied overhead	(320,076)
Manufacturing cost	994,634
Add: Beginning work in progress	566,281
Less: Ending work in Progress	(593,271)
Transfers to expenses	(46,433)
Cost of finished goods	921,211
Add: Beginning finished goods	123,609
Less: Ending finished goods	(62,189)
Transfers to expenses	(8,102)
Finished goods scrapped	(2,077)
Manufacturing and selling costs	972,452
Add: Loss on decline in market value and obsolete and slow-moving inventories	24,207
Loss on scrapping inventory	320,076
Underapplied overhead	3,460
Others	11,363
Less: Revenue from sale of scraps	(13)
Operating costs	$ 1,333,066

ADIMMUNE CORPORATION
MANUFACTURING EXPENSE
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 11

Item	Description	Amount	Note
Depreciation		$ 166,572	
Indirect labor		131,315	
Indirect materials		68,439	
Utilities expense		108,081	
Lot release fee		62,317	
Repairs and maintenance expense		55,757	
Other expenses		152,986	None of the balance of each amount is greater than 5% of this account balance
		$ 745,467	

ADIMMUNE CORPORATION
SELLING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 12

Item	Description	Amount	Note
AdimFlu-S marketing fees		$ 56,220	
Freight		30,626	
Injury benefits		6,194	
Other expenses		7,900	None of the balance of each amount is greater than 5% of this account balance
		$ 100,940	

ADIMMUNE CORPORATION
ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 13

Item	Description	Amount	Note
Wages and salaries		$ 111,821	
Depreciation		23,169	
Cost of services		42,648	
Other expenses		81,402	None of the balance of each amount is greater than 5% of this account balance
		$ 259,040	

ADIMMUNE CORPORATION
RESEARCH AND DEVELOPMENT EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 14

Item	Description	Amount	Note
Stability test fee		$ 45,760	
Clinical trials cost		55,841	
Wages and salaries		34,978	
Other expenses		18,584	None of the balance of each amount is greater than 5% of this account balance
		$ 155,163	

ADIMMUNE CORPORATION
INTEREST INCOME
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 15

Item	Description	Amount	Note

Please refer to Note 6(20) for related information

ADIMMUNE CORPORATION
OTHER INCOME
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 16

Item	Description	Amount	Note

Please refer to Note 6(21) for related information

ADIMMUNE CORPORATION
OTHER INCOME AND EXPENSES,NET
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 17

Item	Description	Amount	Note

Please refer to Note 6(22) for related information.

ADIMMUNE CORPORATION
SUMMARY OF CURRENT PERIOD EMPLOYEE BENEFITS, DEPRECIATION AND AMORTISATION EXPENSES BY FUNCTION
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 18

Year ended December 31, 2023				Year ended December 31, 2022			
Nature	Classified as Operating Costs	Classified as Operating Expenses	Total	Nature	Classified as Operating Costs	Classified as Operating Expenses	Total

Please refer to Note 6(23) for related information.