

TWSE Stock code: 6469
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Great Tree Pharmacy Co., Ltd. and Subsidiaries

**Consolidated Financial Statements and Independent Auditors’
Review Report**

For the Three Months ended March 31, 2025 and 2024

Company Address: 18F., No.186, Fuxing Road, Taoyuan District, Taoyuan City
Company Phone:(03)433-3123

For the convenience of readers, the independent auditors’ report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors’ report and consolidated financial statements shall prevail.

Consolidated Financial Statements

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Independent Auditors' Review Report

To Great Tree Pharmacy Co., Ltd.

Introduction

We have reviewed the accompanying consolidated balance sheets of Great Tree Pharmacy Co., Ltd. (the “Company”) and its subsidiaries as of March 31, 2025 and 2024, and the related Consolidated Statements of Comprehensive Income, Changes in Equity and Cash Flows for the three months and nine months ended March 31, 2025 and 2024, Changes in Equity and Cash Flows for the three month periods then ended, as well as Notes to the Consolidated Financial Statements, including the Summary of Significant Accounting Policies (together “the Consolidated Financial Statements”). The management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard No. 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects the consolidated financial position of the Company as of March 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows from January 1 to March 31, 2025 and 2024 and its consolidated cash flows for the nine-month periods then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard No. 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Ernst & Young
Financial Report of TWSE Listed Company as Authorized by
the Competent Authority
Auditing and Attestation No. (2014) FSC No. 1030025503
No. (2002)TCZ(VI) 144183

Cheng Ching-Piao

Certified Public Accountant (CPA)

Chang Chih-Ming

May 9 , 2025

Great Tree Pharmacy Co., Ltd. and Subsidiaries
Consolidated Balance Sheets
As of March 31, 2025, December 31, 2024, and March 31, 2024
(March 31, 2025 and March 31, 2024 were reviewed only, not audited in accordance with the Generally Accepted Auditing Standards)
(Amounts expressed in thousands of New Taiwan Dollars)

Asset			March 31, 2025		December 31, 2024		March 31, 2024	
Code	Accounting item	Note	Amount	%	Amount	%	Amount	%
11xx	Current assets							
1100	Cash and cash equivalents	6.1	\$1,632,139	13	\$1,902,002	16	\$1,973,891	18
1136	Financial assets measured at amortized cost	6.4 and 8	328,500	3	328,500	3	24,000	-
1150	Notes receivable, net	6.5	11,457	-	7,659	-	12,645	-
1170	Accounts receivable, net	6.6	918,516	7	668,189	6	733,238	7
1200	Other receivables		264,516	2	280,924	2	179,739	2
1300	Inventory	6.7	3,296,796	27	3,164,557	26	2,923,476	26
1410	Prepayments		99,183	1	95,053	1	96,952	1
1470	Other current assets		27,196	-	42,931	-	9,865	-
	Total current assets		6,578,303	53	6,489,815	54	5,953,806	54
15xx	Non-current assets							
1510	Financial assets measured at fair value through profit and loss	6.2 and 6.14	-	-	-	-	303	-
1517	Financial assets measured at fair value through other comprehensive income	6.3	152,757	1	137,624	1	84,671	1
1535	Financial assets measured at amortized cost	6.4 and 8	3,000	-	3,000	-	3,000	-
1550	Investments accounted for using equity method	6.8	5,549	-	5,584	-	7,217	-
1600	Property, plant and equipment	6.9	964,708	8	961,305	8	919,090	8
1755	Right-of-use assets	6.20	4,090,446	33	4,005,891	33	3,745,121	34
1780	Intangible assets	6.10	62,493	1	57,726	-	44,861	-
1840	Deferred tax assets	4 and 6.24	43,141	-	39,672	-	34,131	-
1900	Other non-current assets	6.11	432,242	4	426,633	4	268,590	3
	Total non-current assets		5,754,336	47	5,637,435	46	5,106,984	46
1xxx	Total assets		\$12,332,639	100	\$12,127,250	100	\$11,060,790	100

(Please see the accompanying Notes to the Consolidated Financial Statements)

Chairman: Cheng Ming-Lung

General Manager: Cheng Ming-Lung

Accounting Manager: Wu Shu-Yi

Great Tree Pharmacy Co., Ltd. and Subsidiaries
Consolidated Balance Sheets
As of March 31, 2025, December 31, 2024, and March 31, 2024
(March 31, 2025 and March 31, 2024 were reviewed only, not audited in accordance with the Generally Accepted Auditing Standards)
(Amounts expressed in thousands of New Taiwan Dollars)

Liabilities and Equity			March 31, 2025		December 31, 2024		March 31, 2024	
Code	Accounting item	Note	Amount	%	Amount	%	Amount	%
21xx	Current liabilities							
2100	Short-term loans	6.12	\$455,000	4	\$455,000	4	\$-	-
2130	Contract liabilities	6.18	15,395	-	11,363	-	17,241	-
2150	Notes payable		555,017	4	566,737	5	644,362	6
2170	Accounts payable		1,788,006	15	1,865,590	15	1,581,607	14
2180	Accounts payable-related parties	7	1,403	-	-	-	-	-
2200	Other payables	6.13 and 6.15	724,824	6	372,606	3	699,418	7
2230	Tax liabilities for the period	4 and 6.24	133,818	1	85,434	1	129,249	1
2280	Lease liabilities	6.20	539,227	4	520,694	4	477,157	4
2321	Corporate bonds maturing within one year or one operating cycle, or subject to put options	4 and 6.14	805,641	7	802,392	7	-	-
2300	Other current liabilities		52,771	-	31,099	-	53,265	1
	Total current liabilities		5,071,102	41	4,710,915	39	3,602,299	33
25xx	Non-current liabilities							
2530	Bonds payable	6.14	-	-	-	-	793,014	7
2572	Deferred tax liabilities	6.24	2,816	-	2,751	-	2,377	-
2580	Lease liabilities	6.20	3,730,311	30	3,658,884	30	3,422,334	31
2640	Net defined benefit liabilities	6.15	2,720	-	2,720	-	4,150	-
2645	Guarantee deposits		106,230	1	103,726	1	105,726	1
	Total non-current liabilities		3,842,077	31	3,768,081	31	4,327,601	39
2xxx	Total liabilities		8,913,179	72	8,478,996	70	7,929,900	72
31xx	Equity attributable to shareholders of parent company							
3100	Share capital	6.16						
3110	Ordinary share capital		1,322,390	11	1,318,889	11	1,125,379	10
3130	Bond conversion entitlement certificates		-	-	-	-	449	-
3140	Share capital collected in advance		1,907	-	3,678	-	1,274	-
3200	Capital surplus	6.16	1,316,794	11	1,311,886	11	1,294,003	12
3300	Retained earnings	6.16						
3310	Legal capital reserve		270,196	2	270,196	2	203,591	2
3320	Special capital reserve		2,356	-	2,356	-	1,372	-
3350	Unappropriated earnings		407,526	3	684,390	6	430,421	3
3400	Other equity		(2,640)	-	5,227	-	1,037	-
36xx	Non-controlling interests	6.16	100,931	1	51,632	-	73,364	1
3xxx	Total equity		3,419,460	28	3,648,254	30	3,130,890	28
	Total liabilities and equity		\$12,332,639	100	\$12,127,250	100	\$11,060,790	100

(Please see the accompanying Notes to the Consolidated Financial Statements)

Chairman: Cheng Ming-Lung

General Manager: Cheng Ming-Lung

Accounting Manager: Wu Shu-Yi

Great Tree Pharmacy Co., Ltd. and Subsidiaries
Consolidated Statements of Comprehensive Income
For the Three Months Ended March 31, 2025 and 2024
(Only reviewed and not audited in accordance with the Generally Accepted Auditing Standards)
(Amounts expressed in thousands of New Taiwan Dollars, except for earnings per share)

Code	Item	Note	Q1 2025		Q1 2024	
			Amount	%	Amount	%
4000	Operating revenue	6. 18	\$4,666,484	100	\$4,206,252	100
5000	Operating costs		(3,358,394)	(72)	(3,044,287)	(72)
5900	Gross profit		1,308,090	28	1,161,965	28
6000	Operating expenses					
6100	Selling and marketing expenses		(959,606)	(21)	(830,864)	(20)
6200	General and administrative expenses		(156,946)	(3)	(128,490)	(3)
6450	Expected credit (loss)gain	6.19	(39)	-	-	-
	Total operating expenses		(1,116,591)	(24)	(959,354)	(23)
6900	Operating profit		191,499	4	202,611	5
7000	Non-operating income and expenses					
7100	Interest income	6. 22	2,739	-	2,353	-
7010	Other income	6. 22	23,980	-	21,532	-
7020	Other gains and losses	6. 22	167	-	1,729	-
7050	Financing costs	6. 22	(15,969)	-	(14,148)	-
7060	Share of loss of joint ventures accounted for using equity method		(35)	-	142	-
	Total non-operating income and expenses		10,882	-	11,608	-
7900	Profit before tax		202,381	4	214,219	5
7950	Income tax expenses	4 and 6. 24	(45,644)	(1)	(45,131)	(1)
8200	Net income		156,737	3	169,088	4
8300	Other comprehensive income (loss)	4 and 6. 23				
8310	Items that will not be reclassified to profit or loss					
8316	Unrealized gain (loss) from investments in equity instruments measured at Fair value through other comprehensive income (loss)		(9,707)	-	-	-
8360	Items that may subsequently be reclassified to profit or loss:					
8361	Exchange differences translated from the financial statements of foreign operations		2,347	-	5,610	-
	Comprehensive income (loss) (net value after tax) for this period		(7,360)	-	5,610	-
8500	Total comprehensive income (loss)		\$149,377	3	\$174,698	4
8600	Net income attributable to:					
8610	Owners of the parent		\$159,854	3	\$168,978	4
8620	Non-controlling interests		(3,117)	-	110	-
			\$156,737	3	\$169,088	4
8700	Total comprehensive income attributable to:					
8710	Owners of the parent		\$151,987	3	\$172,371	4
8720	Non-controlling interests		(2,610)	-	2,327	-
			\$149,377	3	\$174,698	4
9750	Basic ESP (NT\$)	6. 25	\$1.21		\$1.28	
9850	Diluted EPS (NT\$)	6. 25	\$1.18		\$1.26	

(Please see the accompanying Notes to the Consolidated Financial Statements)

Chairman: Cheng Ming-Lung

General Manager: Cheng Ming-Lung

Accounting Manager: Wu Shu-Yi

Great Tree Pharmacy Co., Ltd. and Subsidiaries
Consolidated Statements of Changes in Equity
For the Three Months Ended March 31, 2025 and 2024
(Only reviewed and not audited in accordance with the Generally Accepted Auditing Standards)
(Amounts expressed in thousands of New Taiwan Dollars)

	Item	Equity attributable to shareholders of parent company										Non-controllin g interests	Total equity
		Share capital	Bond conversion entitlement certificates	Prepaid share capital	Capital surplus	Retained earnings			Other equity items		Total		
						Legal capital reserve	Special capital reserve	Unappropriated earnings	Exchange differences translated from the financial statements of foreign operations	Unrealized (loss) gain on financial assets measured at fair value through other comprehensive profit or loss			
Code		3100	3130	3140	3200	3310	3320	3350	3410	3420	31XX	36XX	3XXX
A1	Balance as of January 1, 2024	\$1,117,037	\$4,220	\$4,516	\$1,286,228	\$203,591	\$1,372	\$666,957	\$(1,712)	\$(644)	\$3,281,565	\$69,738	\$3,351,303
B5	Appropriation of earnings in 2023 Cash dividends							(405,514)			(405,514)		(405,514)
D1	Net income for the three months ended March 31, 2024							168,978			168,978	110	169,088
D3	Other comprehensive income (loss) for the three months ended March 31, 2024								3,393		3,393	2,217	5,610
D5	Total comprehensive income (loss)	-	-	-	-	-	-	168,978	3,393	-	172,371	2,327	174,698
I1	Convertible corporate bond conversion	4,220	(3,771)		10,283						10,732		10,732
N1	Share-based payment transaction	4,122		(3,242)	2,678						3,558		3,558
O1	Increase or decrease in non-controlling interest											1,299	1,299
T1	Others - issuance of employee stock options				(5,186)						(5,186)		(5,186)
Z1	Balance as of March 31, 2024	\$1,125,379	\$449	\$1,274	\$1,294,003	\$203,591	\$1,372	\$430,421	\$1,681	\$(644)	\$3,057,526	\$73,364	\$3,130,890
A1	Balance as of Januanry1,2025	\$1,318,889	\$-	\$3,678	\$1,311,886	\$270,196	\$2,356	\$684,390	\$3,343	\$1,884	\$3,596,622	\$51,632	\$3,648,254
B5	Appropriation of earnings in 2024 Cash dividends							(436,718)			(436,718)		(436,718)
D1	Net income for the three months ended March 31, 2025							159,854			159,854	(3,117)	156,737
D3	Other comprehensive income (loss) for the three months ended March 31, 2025								1,840	(9,707)	(7,867)	507	(7,360)
D5	Total comprehensive income (loss)	-	-	-	-	-	-	159,854	1,840	(9,707)	151,987	(2,610)	149,377
I1	Convertible corporate bond conversion		-										
N1	Share-based payment transaction	3,501		(1,771)	4,138						5,868		5,868
O1	Increase or decrease in non-controlling interest											51,909	51,909
T1	Others - issuance of employee stock options				770						770		770
Z1	Balance as of March 31, 2025	\$1,322,390	\$-	\$1,907	\$1,316,794	\$270,196	\$2,356	\$407,526	\$5,183	\$(7,823)	\$3,318,529	\$100,931	\$3,419,460

(Please see the accompanying Notes to the Consolidated Financial Statements)

Chairman: Cheng Ming-Lung

General Manager: Cheng Ming-Lung

Accounting Manager: Wu Shu-Yi

Great Tree Pharmacy Co., Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
For the Three Months Ended March 31, 2025 and 2024
(Only reviewed and not audited in accordance with the Generally Accepted Auditing Standards)
(Amounts expressed in thousands of New Taiwan Dollars)

Code	Item	Q1 2025 Amount	Q1 2024 Amount	Code	Item	Q1 2025 Amount	Q1 2024 Amount
AAAA	Cash flow from operating activities:			BBBB	Cash flow from investing activities:		
A10000	Net profit before tax for the period	\$202,381	\$214,219	B00010	Acquisition of financial assets measured at fair value through other comprehensive income	(24,840)	-
A20000	Adjustment items:			B02700	Acquisition of property, plant and equipment	(90,937)	(95,316)
A20010	Adjustments:			B02800	Disposal of property, plant and equipment	6,268	4,882
A20100	Depreciation expense(including right-of-use assets)	205,788	189,387	B03700	(Increase) decrease in deposits	(4,012)	(3,177)
A20200	Amortization expenses	4,372	5,201	B04500	Acquisition of intangible assets	(9,148)	(6,260)
A20300	Expected credit impairment loss	39	-	B04600	Proceeds from disposal of intangible assets	9	25
A20400	Net loss(gain) on financial assets measured at fair value through profit or loss	-	602	BBBB	Net cash inflow(outflow) from investing activities	(122,660)	(99,846)
A20900	Interest expenses	15,969	14,148				
A21200	Interest income	(2,739)	(2,353)	CCCC	Cash flow from financing activities:		
A21900	Cost of share-based payments	770	(5,186)	C03000	Increase (decrease) in guarantee deposits received	2,504	(9,938)
A22300	Share of loss (profit) of joint ventures accounted for using equity method	35	(142)	C04020	Repayment of principal on loan	(145,288)	(127,603)
A22500	Gain on disposal of property, plant and equipment	-	(422)	C04800	Employees exercising share option	5,868	3,558
A22800	Loss (gain) on disposal of intangible assets	-	(2)	C05800	Changes in non-controlling interests	51,909	1,299
A30000	Changes in assets/liabilities related to operating activities:			CCCC	Net cash inflow(outflow) from financing activities	(85,007)	(132,684)
A31130	(Increase) decrease in notes receivable	(3,798)	134				
A31150	(Increase) decrease in accounts receivable	(250,332)	(68,314)				
A31180	(Increase) decrease in other receivables	16,412	68,693	DDDD	Effect of changes in exchange rate on cash and cash equivalents	2,309	5,607
A31200	(Increase) decrease in inventories	(132,239)	(129,896)				
A31230	(Increase) decrease in prepayments	(4,130)	(10,190)	EEEE	Amount of Increase(decrease)in cash and cash equivalents for the period	(269,863)	(160,843)
A31240	(Increase) decrease in other current assets	15,735	543	E00100	Beginning balance of cash and cash equivalents	1,902,002	2,134,734
A31990	(Increase) decrease in other non-current assets	(1,218)	-	E00200	Ending balance of cash and cash equivalents	\$1,632,139	\$1,973,891
A32125	Increase (decrease) in contract liabilities	4,032	(1,572)				
A32130	Increase (decrease) in notes payables	(11,720)	(67,806)				
A32150	Increase (decrease) in accounts payables	(77,584)	(73,678)				
A32160	Increase (decrease) in accounts payables-related parties	1,403	-				
A32180	Increase (decrease) in other payables	(70,493)	(91,921)				
A32230	Increase (decrease) in other current liabilities	21,672	22,471				
A33000	Cash inflow (outflow) from operating activities	(65,645)	63,916				
A33100	Interest received	2,739	2,353				
A33300	Interest paid	(931)	-				
A33500	Income tax paid	(668)	(189)				
AAAA	Net cash inflow (inflow) from operating activities	(64,505)	66,080				

(Please see the accompanying Notes to the Consolidated Financial Statements)

Chairman: Cheng Ming-Lung

General Manager: Cheng Ming-Lung

Accounting Manager: Wu Shu-Yi

Great Tree Pharmacy Co., Ltd. and Subsidiaries
For the Three Months Ended March 31, 2025 and 2024

(Only reviewed and not audited in accordance with the Generally Accepted Auditing Standards)
(Amounts expressed in thousands of New Taiwan Dollars unless otherwise specified)

1. Company Overview

Great Tree Pharmacy Co., Ltd. (hereinafter referred to as “the Company”) was authorized to be established on May 15, 2001. Our main businesses include management and trade of various drugs, health supplements, maternity and infant products, and cosmetics products. We also provide coordinated medicine procurement services to various clinics, outpatient centers, and medical communities. Besides, we are also an agency for domestic and foreign health care products sold in clinics, outpatient centers, and medical communities.

The Company’s initial public offering (IPO) was on March 29, 2016 at the Taipei Exchange (TPEX). The Company’s registered address and the main business operating site is at 18F., No.186, Fuxing Road, Taoyuan District, Taoyuan City.

2. Dates and Procedures of Approving Financial Statements

The consolidated financial statements for the three months ended March 31, 2025 and 2024 of the Company and its subsidiaries (hereinafter referred to as "the Group") have been approved and announced by the Board of Directors on May 9, 2025.

3. Applicability of New and Amended Accounting Principles and Explanations

- a. Changes in accounting policy from the first-time adoption of International Financial Reporting Standards (IFRS)

The Group has adopted the International Financial Reporting Standards, International Accounting Standards, International Financial Reporting Interpretations or Notices that have been approved by the Financial Supervisory Commission (hereinafter referred to as the “FSC”) for application since January 1, 2025. The first-time application has had no significant impact on the Group.

- b. The Q&A related to the early application of certain amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" issued by the FSC, which has not yet been adopted by the Group as at the date when the Group’s financial statements were authorized for issue.

In the Q&A, only Section 4.1 (Classification of Financial Assets) of the application guidance is allowed to early adopt from 1 January 2025. Additionally, entities must also comply with the requirements of paragraphs 20B, 20C and 20D of IFRS 7 and disclose the fact of early adoption of these amendments in the financial statements.

- c. Standards or interpretations issued, revised, or amended, by International Accounting Standards Board (“IASB”) which have been not endorsed by FSC, and not yet adopted by the Group as at the date when the Group’s financial statements were authorized for issue, are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
1	IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined by IASB
2	IFRS 17 “Insurance Contracts”	January 1, 2023
3	IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027
4	Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)	January 1, 2027
5	Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	January 1, 2026
6	Annual Improvements to IFRS Accounting Standards – Volume 11	January 1, 2026
7	Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	January 1, 2026

- 1) IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures

The amendments address the inconsistency between the requirements in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures, in dealing with the loss of control of a subsidiary that is contributed to an associate or a joint venture. IAS 28 restricts gains and losses arising from contributions of non-monetary assets to an associate or a joint venture to the extent of the interest attributable to the other equity holders in the associate or joint ventures. IFRS 10 requires full profit or loss recognition on the loss of control of the subsidiary. IAS 28 was amended so that the gain or loss resulting from the sale or contribution of assets that constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized in full.

IFRS 10 was also amended so that the gains or loss resulting from the sale or contribution of a subsidiary that does not constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized only to the extent of the unrelated investors’ interests in the associate or joint venture.

- 2) IFRS 17 - Insurance Contracts

IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects (including recognition, measurement, presentation, and disclosure requirements). The core of IFRS 17 is the General (building block) Model, under this model, on initial recognition, an entity shall measure a group of insurance contracts at the total of the fulfilment cash flows and the contractual service margin. The carrying amount of a group of insurance contracts at the end of each reporting

period shall be the sum of the liability for remaining coverage and the liability for incurred claims.

Other than the General Model, the standard also provides a specific adaptation for contracts with direct participation features (the Variable Fee Approach) and a simplified approach (Premium Allocation Approach) mainly for short-duration contracts.

IFRS 17 was issued in May 2017, and it was amended in 2020 and 2021. The amendments include deferral of the date of initial application of IFRS 17 by two years to annual beginning on or after January 1, 2023 (from the original effective date of January 1, 2021); provide additional transition reliefs; simplify some requirements to reduce the costs of applying IFRS 17 and revise some requirements to make the results easier to explain. IFRS 17 replaces an interim Standard – IFRS 4 Insurance Contracts – from annual reporting periods beginning on or after January 1, 2023.

3) IFRS 18 - Presentation and Disclosure in Financial Statements

IFRS 18 replaces IAS 1 Presentation of Financial Statements. The main changes are as below:

(a) Improved comparability in the statement of profit or loss (income statement)

IFRS 18 requires entities to classify all income and expenses within their statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. The first three categories are new, to improve the structure of the income statement, and requires all entities to provide new defined subtotals, including operating profit or loss. The improved structure and new subtotals will give investors a consistent starting point for analyzing entities' performance and make it easier to compare entities.

(b) Enhanced transparency of management-defined performance measures

IFRS 18 requires entities to disclose explanations of those entity-specific measures that are related to the income statement, referred to as management-defined performance measures.

(c) Useful grouping of information in the financial statements

IFRS 18 sets out enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes. The changes are expected to provide more detailed and useful information. IFRS 18 also requires

entities to provide more transparency about operating expenses, helping investors to find and understand the information they need.

4) Disclosure Initiative– Subsidiaries without Public Accountability: Disclosures (IFRS 19)

This standard permits subsidiaries without public accountability to provide reduced disclosures when applying IFRS Accounting Standards in their financial statements. IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it.

5) Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

The amendments include:

(a) Clarify that a financial liability is derecognised on the settlement date and describe the accounting treatment for settlement of financial liabilities using an electronic payment system before the settlement date.

(b) Clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features.

(c) Clarify the treatment of non-recourse assets and contractually linked instruments.

(d) Require additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

6) Annual Improvements to IFRS Accounting Standards – Volume 11

(a) Amendments to IFRS 1

The amendments mainly improve the consistency in wording between first-time adoption of IFRS and requirements for hedge accounting in IFRS 9.

(b) Amendments to IFRS 7

The amendments update an obsolete cross-reference relating to gain or loss on

derecognition.

(c) Amendments to Guidance on implementing IFRS 7

The amendments improve some of the wordings in the implementation guidance, including the introduction, disclosure of deferred difference between fair value and transaction price and credit risk disclosures.

(d) Amendments to IFRS 9

The amendments add a cross-reference to resolve potential confusion for a lessee applying the derecognition requirements and clarify the term “transaction price”.

(e) Amendments to IFRS 10

The amendments remove the inconsistency between paragraphs B73 and B74 of IFRS 10.

(f) Amendments to IAS 7

The amendments remove a reference to “cost method” in paragraph 37 of IAS 7.

7) Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

The amendments include:

- (a) Clarify the application of the ‘own-use’ requirements.
- (b) Permit hedge accounting if these contracts are used as hedging instruments.
- (c) Add new disclosure requirements to enable investors to understand the effect of these contracts on a company’s financial performance and cash flows

The abovementioned standards and interpretations issued by IASB have not yet endorsed by FSC at the date when the Group’s financial statements were authorized for issue, the local effective dates are to be determined by FSC. As the Group is still currently determining the potential impact of the new or amended standards and interpretations listed under (3), it is not practicable to estimate their impact on the Group at this point in time. The remaining new or amended standards and interpretations have no material impact on the Group.

4. Explanations of Major Accounting Policies

a. Declaration of compliance

The Group's consolidated financial reports for the period of January 1 to March 31, 2025 and 2024 are prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and "IAS 34 - Interim Financial Reporting" approved and issued by the FSC.

This consolidated financial statements adopted the same accounting policies, except for the following descriptions in 4.4 ~ 4.5., as the ones used in the consolidated financial statements for the year ended December 31, 2024. Please refer to Note 4 of the consolidated financial statements for the year ended December 31, 2024 for details.

b. Basis of preparations

Besides the financial instruments measured at fair value, the Consolidated Financial Statements are prepared on the basis of historical costs. Unless otherwise specified, the Consolidated Financial Statements are denoted in thousands of New Taiwan Dollars (NT\$1,000).

c. Overview of consolidation

The consolidated financial statements adopt the same accounting policies as the ones used in the consolidated financial statements for the year ended December 31, 2024. Please refer to Note 4.3 of the consolidated financial statements for the year ended December 31, 2024 for details.

The consolidated entities are listed as follows:

Name of investing company	Name of subsidiary	Nature of business	Shareholding ratio (%)			Explanation
			2025.03.31	2024.12.31	2024.03.31	
The Company	Ivy Biotechnology Co., Ltd.	Wholesale and retail business	100%	100%	100%	None
The Company	Bai-Lin Logistics Co., Ltd.	Wholesale and retail business	100%	100%	100%	None
The Company	Great Tree Pets Co., Ltd.	Wholesale and retail business	100%	100%	100%	None
The Company	Greentree Pharmacy Hong Kong Limited	Investment business	100%	100%	100%	None
The Company	GREAT TREE INTERNATIONAL SDN. BHD.	Wholesale and retail business	74.26%	74.26%	74.26%	None
The Company	Enki Biomedical Co., Ltd.	Biotechnology research and development business	100%	100%	100%	None
The Company	SUNYAO Healthcare Co., Ltd.	Wholesale and retail business	80%	80%	-	Note 4

Notes to Consolidated Financial Statements of Great Tree Pharmacy Co., Ltd. (Continued)
(Amounts expressed in thousands of New Taiwan Dollars unless otherwise specified)

Name of investing company	Name of subsidiary	Nature of business	Shareholding ratio (%)			Explanation
			2025.03.31	2024.12.31	2024.03.31	
The Company	DA FEMG Logistics Co., Ltd.	Warehousing and cargo packaging	85.71%	-	-	Note8
Ivy Biotechnology Co., Ltd.	Da Yu Property Management Co., Ltd.	Real estate sales and lease	60%	60%	60%	None
Ivy Biotechnology Co., Ltd.	GREAT TREE INTERNATIONAL SDN. BHD.	Wholesale and retail business	0.99%	0.99%	0.99%	None
Greattree Pharmacy Hong Kong Limited	Greattree Sugi Pharmacy Hong Kong Limited	Investment business	95%	95%	60%	Note2
Greattree Pharmacy Hong Kong Limited	Greattree Changhe(Shanghai) Pharmacy Co., Ltd	Wholesale and retail business	100%	100%	100%	Note3
Greattree Pharmacy Hong Kong Limited	Da Sen Trading Hong Kong Limited	Wholesale and retail business	90%	-	-	Note9
Greattree Sugi Pharmacy Hong Kong Limited	Greattree Sugi (Shangtong) Pharmacy Co., Ltd.	Wholesale and retail business	100%	100%	-	Note5
Greattree Sugi (Shangtong) Pharmacy Co., Ltd.	Shangtong Greattree Shuyu Pharmacy Limited	Wholesale and retail business	51%	51%	-	Note6
GREAT TREE INTERNATIONAL SDN. BHD.	GTSW BIOTECH SDN.BHD.	Wholesale and retail business	60%	60%	60%	None
GREAT TREE INTERNATIONAL SDN. BHD.	GTM HEALTHCARE SDN.BHD.	Wholesale and retail business	51%	51%	51%	Note 1
SUNYAO Healthcare Co., Ltd.	Senyu Biomedical Co., Ltd.	Wholesale and retail business	90%	-	-	Note7

Note 1: The Company invested through GREAT TREE INTERNATIONAL SDN.BHD. to establish the subsidiary GTM HEALTHCARE SDN.BHD., acquiring a 51% equity stake. The registration was completed on January 2, 2024.

Note 2: On August 1, 2024, Greattree Pharmacy Hong Kong Limited acquired a 35% equity interest in Greattree Sugi Pharmacy Hong Kong Limited for US\$ 1,400,000, increasing its ownership stake from the original 60% to 95%.

Note 3: The Company established a subsidiary, Greattree Changhe (Shanghai) Pharmacy Co., Ltd., through its investment in Greattree Pharmacy Hong Kong Limited. The registration was completed on March 8, 2024, and the investment funds were remitted on September 30, 2024.

Note 4: On May 10, 2024, the Board of Directors resolved to establish Enki Biomedical Co., Ltd. and acquire an 80% equity interest through the Company's investment. The registration was completed on October 18, 2024.

- Note 5: The Company established a subsidiary, Greattree Sugi (Shangtong) Pharmacy Co., Ltd., through its investment in Greattree Sugi Pharmacy Hong Kong Limited. The registration was completed on April 8, 2024. As of March 31, 2025, RMB15,200 thousand in funds had been remitted.
- Note 6: The Company established a subsidiary, Shangtong Greattree Shuyu Pharmacy Limited, through its investment in Greattree Sugi (Shangtong) Pharmacy Co., Ltd., acquiring a 51% equity interest. The registration was completed on October 16, 2024. As of March 31, 2025, RMB 14,280 thousand in funds had been remitted.
- Note 7: The Company invested through SUNYAO Healthcare Co., Ltd. to establish the subsidiary Senyu Biomedical Co., Ltd. acquiring a 90% equity stake. The registration was completed on January 24, 2025.
- Note 8: The Company established a subsidiary DA FEMG Logistics Co., Ltd. acquiring a 85.71% equity stake. The registration was completed on March 4, 2025.
- Note 9: The Company established a subsidiary, Da Sen Trading Hong Kong Limited, through its investment in Greattree Pharmacy Hong Kong Limited. The registration was completed on February 24, 2025, and the investment funds has not yet been remitted on March 31, 2025.

d. Retirement pension plan

The pension cost for the interim period is calculated based on the pension cost ratio determined by the actuarial calculation at the end of the previous year. The calculation term is from the beginning to the end of the period, and adjustments and disclosure will be made for post-period major market fluctuations, curtailment, settlement, or other significant one-time matters.

e. Income tax

Interim period income tax expense is accrued using the tax rate that would be applicable to expected total annual earnings, that is, the estimated average annual effective income tax rate applied to the pre-tax income of the interim period. The estimate of the annual average effective tax rate only includes current income tax expense. Deferred income tax is consistent with the annual financial report and is recognized and measured in accordance with the requirements of IAS 12 "Income Tax". When a change in tax rate occurs during the period, the effects of the change in tax rate on deferred income tax will be recognized in profit and loss, other comprehensive profit and loss or directly in equity.

5. Primary Sources of Uncertainties in Major Accounting Judgments, Estimates, and Assumptions

When preparing the Consolidated Financial Statements, the Group's management shall exercise judgment, estimation and assumption at the end of the reporting period. This will influence the reported amounts of revenue, expense, assets and liabilities, and disclosure on liabilities. Nevertheless, the uncertainty of these material assumptions and estimates may result in material adjustments to the carrying amount of an asset or liability in the future.

This consolidated financial statements adopted the same primary sources of uncertainties in major accounting judgments, estimates, and assumptions as the ones used in the consolidated financial statements for the year ended December 31, 2024. Please refer to Note 5 of the consolidated financial statements for the year ended December 31, 2024 for details.

6. Explanations of Significant Accounting Items

a. Cash and cash equivalents

	2025.03.31	2024.12.31	2024.03.31
Cash on hand and petty cash	\$14,063	\$13,640	\$12,212
Checks and demand deposit	1,202,526	1,472,812	1,231,154
Fixed deposit	415,550	415,550	730,525
Total	<u>\$1,632,139</u>	<u>\$1,902,002</u>	<u>\$1,973,891</u>

b. Financial assets measured at fair value through profit or loss

	2025.03.31	2024.12.31	2024.03.31
Measured at fair value through profit and loss:			
Convertible corporate bonds	<u>\$-</u>	<u>\$-</u>	<u>\$303</u>
Current	\$-	\$-	\$-
Non-current	-	-	303
Total	<u>\$-</u>	<u>\$-</u>	<u>\$303</u>

There was no Group's endorsement/guarantee provided for financial assets measured at fair value through profit and loss.

c. Financial assets at fair value through other comprehensive income (loss)

	2025.03.31	2024.12.31	2024.03.31
Investments in equity instruments measured at fair value through other comprehensive income:			
OTC (Over-the-Counter) company stocks	\$20,000	\$20,000	\$-
Unlisted and non-OTC company stock	140,580	115,740	85,315
Subtotal	160,580	135,740	85,315
Valuation adjustment	(7,823)	1,884	(644)
Total	<u>\$152,757</u>	<u>\$137,624</u>	<u>\$84,671</u>

Notes to Consolidated Financial Statements of Great Tree Pharmacy Co., Ltd. (Continued)
(Amounts expressed in thousands of New Taiwan Dollars unless otherwise specified)

	2025.03.31	2024.12.31	2024.03.31
Current	\$-	\$-	\$-
Non-current	152,757	137,624	84,671
Total	<u>\$152,757</u>	<u>\$137,624</u>	<u>\$84,671</u>

There was no Group's endorsement/guarantee provided for financial assets measured at fair value through other comprehensive income.

d. Financial assets measured at amortized cost

	2025.03.31	2024.12.31	2024.03.31
Restrictive fixed deposit	\$24,000	\$24,000	\$27,000
Fixed deposit	3,000	3,000	-
Ordinary corporate bonds	304,500	304,500	-
Less: allowance for loss	-	-	-
Total	<u>\$331,500</u>	<u>\$331,500</u>	<u>\$27,000</u>
Current	<u>\$328,500</u>	<u>\$328,500</u>	<u>\$24,000</u>
Non-current	<u>\$3,000</u>	<u>\$3,000</u>	<u>\$3,000</u>

The Group only has transactions with financial institutions in good credit standing and therefore has no material credit risk.

Please refer to Note 8 for the Group's endorsement/guarantee provided for financial assets measured at amortized cost.

e. Notes receivable, net

	2025.03.31	2024.12.31	2024.03.31
Notes receivable - from operating activities	\$11,457	\$7,659	\$12,645
Less: allowance for loss	-	-	-
Total	<u>\$11,457</u>	<u>\$7,659</u>	<u>\$12,645</u>

The Group's notes receivable has not had conditions of endorsement/guarantee.

The Group assesses information related to impairment and allowance for loss using regulations from IFRS 9. Please refer to Note 6.19, and please refer to Note 12 for information on credit risk.

f. Net accounts receivable

- 1) Below is a list of the accounts receivable, net:

	2025.03.31	2024.12.31	2024.03.31
Total accounts receivable	\$919,199	\$668,867	\$733,666
Less: allowance for loss	(683)	(678)	(428)
Net balance	<u>\$918,516</u>	<u>\$668,189</u>	<u>\$733,238</u>

- 2) The aforementioned accounts receivable has not had conditions of endorsement/guarantee.
- 3) The Group's credit period to customers is 60-120 days. The total carrying amounts were NT\$919,199 thousand, NT\$668,867 thousand and NT\$733,666 thousand as of March 31, 2025, December 31, 2024 and March 31, 2024, respectively. Please refer to Note 6.19 for information related to allowance for impairment loss for the three months ended March 31, 2025 and 2024. Please refer to Note 12 for information on credit risk.

g. Inventory

- 1) Net inventory is as follows:

	2025.03.31	2024.12.31	2024.03.31
Raw materials	\$31	\$30	\$3
Work-in-progress	536	143	6,888
Commodity	3,296,229	3,164,384	2,916,585
Total	<u>\$3,296,796</u>	<u>\$3,164,557</u>	<u>\$2,923,476</u>

- 2) The Group recognized cost of inventories NT\$3,358,394 thousand and NT\$3,044,287 thousand for the three months ended March 31, 2025 and 2024, respectively as expenses. These expenses included the following:

Item	Q1 2025	Q1 2024
Loss (profit) on physical inventory	\$9,101	\$799
Inventory scrap loss	12,034	5,882
Total	<u>\$21,135</u>	<u>\$6,681</u>

- 3) Aforementioned inventory has not had conditions of endorsement/guarantee.

Notes to Consolidated Financial Statements of Great Tree Pharmacy Co., Ltd. (Continued)
(Amounts expressed in thousands of New Taiwan Dollars unless otherwise specified)

h. Investments accounted for using equity method

Investee	2025.03.31		2024.12.31		2024.03.31	
	Amount	Shareholding ratio	Amount	Shareholding ratio	Amount	Shareholding ratio
Investment in associates:						
Keychain Community Technology Co., Ltd.	\$-	-%	\$-	-%	\$7,217	40%
SK Biomedical INC.	5,549	20%	5,584	20%	-	
Total	<u>\$5,549</u>		<u>\$5,584</u>		<u>\$7,217</u>	

- 1) The Group invested in Keychain Community Technology Co., Ltd. in June 2023, with an investment amount of NT\$8,000 thousand, holding a 40% stake.

In March 2024, the Group invested in SK Biomedical INC. with an investment amount of NT\$6,000 thousand, acquiring a 20% equity interest. SK Biomedical INC. completed its registration on April 9, 2024.

In August 2024, the Group disposed of its investment in Keychain Community Technology Co., Ltd. for an amount of NT\$12,000 thousand and recognized a gain on the disposal of NT\$5,298 thousand.

- 2) Investment in associates

Information on non-significant associates of the Group is as follows:

The aggregate carrying amounts of the Group's investments in Keychain Community Technology Co., Ltd. and SK Biomedical INC. The total book value were NT\$5,549 thousand, NT\$5,584 thousand and NT\$7,217 thousand as of March 31, 2025、December 31, 2024 and March 31, 2024, respectively. The summarized financial information, based on the respective ownership interests, is as follows:

	Q1 2025	Q1 2024
Net profit (loss) of the continuing operations for the period	\$(35)	\$142
Comprehensive income (loss) (net value after tax) for this period	-	-
Total comprehensive income (loss)	<u>\$(35)</u>	<u>\$142</u>

- 3) The aforementioned investments accounted for under the equity method have not been provided as collateral.

Notes to Consolidated Financial Statements of Great Tree Pharmacy Co., Ltd. (Continued)
(Amounts expressed in thousands of New Taiwan Dollars unless otherwise specified)

i. Property, plant, and equipment

	Buildings and construction	Transportatio n vehicle	Office equipment	Leasehold improvements	Other equipment	Total
Cost:						
2025.01.01	\$48,583	\$14,338	\$901,759	\$899,100	\$405,595	\$2,269,375
Acquisition	-	4,859	45,394	21,264	5,034	76,551
Disposal	-	(822)	(3,569)	(3,248)	(60)	(7,699)
Transfer	-	-	-	-	-	-
Effects of changes in foreign exchange rates	-	-	11	1	-	12
2025.03.31	\$48,583	\$18,375	\$943,595	\$917,117	\$410,569	\$2,338,239
2024.01.01	\$48,583	\$14,338	\$716,643	\$764,730	\$378,053	\$1,922,347
Acquisition	-	-	52,509	44,575	10,862	107,946
Disposal	-	-	(2,215)	(3,008)	-	(5,223)
Transfer	-	-	-	-	-	-
Effects of changes in foreign exchange rates	-	-	2	-	-	2
2024.03.31	\$48,583	\$14,338	\$766,939	\$806,297	\$388,915	\$2,025,072
Depreciation and impairment:						
2025.01.01	\$13,591	\$14,338	\$478,329	\$512,348	\$289,464	\$1,308,070
Depreciation	814	80	26,224	26,904	12,868	66,890
Disposal	-	(822)	(359)	(244)	(6)	(1,431)
Transfer	-	-	-	-	-	-
Effects of changes in foreign exchange rates	-	-	2	-	-	2
2025.03.31	\$14,405	\$13,596	\$504,196	\$539,008	\$302,326	\$1,373,531
2024.01.01	\$10,336	\$14,338	\$379,601	\$409,684	\$226,771	\$1,040,730
Depreciation	814	-	23,637	24,869	16,696	66,016
Disposal	-	-	(358)	(405)	-	(763)
Transfer	-	-	-	-	-	-
Effects of changes in foreign exchange rates	-	-	-	(1)	-	(1)
2024.03.31	\$11,150	\$14,338	\$402,880	\$434,147	\$243,467,	\$1,105,982
Net carrying amount:						
2025.03.31	\$34,178	\$4,779	\$439,399	\$378,109	\$108,243	\$964,708
2024.12.31	\$34,992	\$-	\$423,430	\$386,752	\$116,131	\$961,305

Notes to Consolidated Financial Statements of Great Tree Pharmacy Co., Ltd. (Continued)
(Amounts expressed in thousands of New Taiwan Dollars unless otherwise specified)

2024.03.31	\$37,433	\$-	\$364,059	\$372,150	\$145,448	\$919,090
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The aforementioned property, plant, and equipment have no conditions of endorsement/guarantee.

j. Intangible assets

	Computer software	Trademarks	Total
Cost:			
2025.01.01	\$90,278	\$14,286	\$104,564
Acquisition - separately acquired	9,148	-	9,148
Derecognized at the end of useful life	(59)	-	(59)
2025.03.31	\$99,367	\$14,286	\$113,653
2024.01.01	\$57,279	\$14,286	\$71,565
Acquisition - separately acquired	6,260	-	6,260
Derecognized at the end of useful life	(56)	-	(56)
2024.03.31	\$63,483	\$14,286	\$77,769
Amortization and impairment:			
2025.01.01	\$46,838	\$-	\$46,838
Amortization	4,372	-	4,372
Derecognized at the end of useful life	(50)	-	(50)
2025.03.31	\$51,160	\$-	\$51,160
2024.01.01	\$27,740	\$-	\$27,740
Amortization	5,201	-	5,201
Derecognized at the end of useful life	(33)	-	(33)
2024.03.31	\$32,908	\$-	\$32,908
Net carrying amount:			
2025.03.31	\$48,207	\$14,286	\$62,493
2024.12.31	\$43,440	\$14,286	\$57,726
2024.03.31	\$30,575	\$14,286	\$44,861

Amortization for recognition of intangible assets is as follows:

	Q1 2025	Q1 2024
Operating expenses	\$4,372	\$5,201

Notes to Consolidated Financial Statements of Great Tree Pharmacy Co., Ltd. (Continued)
(Amounts expressed in thousands of New Taiwan Dollars unless otherwise specified)

k. Other non-current assets

	2025.03.31	2024.12.31	2024.03.31
Prepaid equipment	\$31,479	\$31,100	\$15,151
Refundable deposits	399,545	395,533	253,439
Others	1,218	-	-
Total	<u>\$432,242</u>	<u>\$426,633</u>	<u>\$268,590</u>

l. Short-term loans

1) Details on short-term loans are as follows:

	Range of interest rates (%)	2025.03.31	2024.12.31	2024.03.31
Unsecured bank loan	1.85%~1.89%	\$200,000	\$200,000	\$-
Secured bank loan	2.07%~2.08%	255,000	255,000	-
Total		<u>\$455,000</u>	<u>\$455,000</u>	<u>\$-</u>

2) As of March 31, 2025, December 31, 2024 and March 31, 2024 respectively, the Group's unused short-term loan credits are NT\$1,000,000 thousand, NT\$1,000,000 thousand and NT\$504,000 thousand respectively.

m. Other payables

	2025.03.31	2024.12.31	2024.03.31
Expenses payable	\$265,445	\$335,938	\$253,755
Equipment payable	22,624	36,631	40,112
Dividends payable	436,718	-	405,514
Net defined benefit liability - current	37	37	37
Total	<u>\$724,824</u>	<u>\$372,606</u>	<u>\$699,418</u>

n. Bonds payable

1) Details of bonds payable are as follows:

	2025.03.31	2024.12.31	2024.03.31
Elements of liability:			
Nominal amount of domestic convertible bond payable	\$811,500	\$811,500	\$811,500
Less: discount on domestic convertible bond payable	(5,859)	(9,108)	(18,486)
Sum	<u>805,641</u>	<u>802,392</u>	<u>793,014</u>

Notes to Consolidated Financial Statements of Great Tree Pharmacy Co., Ltd. (Continued)
(Amounts expressed in thousands of New Taiwan Dollars unless otherwise specified)

Less: portion maturing within 12 months	(805,641)	(802,392)	-
Net balance	<u>\$-</u>	<u>\$-</u>	<u>\$793,014</u>
Embedded derivative financial instruments - redemption rights	\$-	\$-	\$303
Equity element - conversion rights	<u>\$61,895</u>	<u>\$61,895</u>	<u>\$61,895</u>

For valuation of profit or loss for embedded derivative financial instruments - redemption rights and the recognition of interest expense from corporate bonds, please refer to Note 6.22 (4).

- 2) On September 12, 2022, the Company issued the second domestic unsecured convertible corporate bonds with the major terms as follows:

(A) Total issuance: NT\$1,000,000 thousand

(B) Date of issuance: 2022.09.12

(C) Issuance price: Issued at 104.21% of par value

(D) Coupon rate: 0%

(E) Issuance period: 2022.09.12~2025.09.12

(F) Repayment at maturity: The Company shall repay the convertible corporate bonds held by the holders of the convertible corporate bonds (hereinafter referred to as the "Bondholders") at par value in one lump sum in cash within 10 business days from the day after the maturity of the convertible corporate bonds, except for the conversion of the convertible corporate bonds by the Bondholders into common shares of the Company in accordance with Article 10 of this regulation, and the early redemption by the Company, or cancellation by purchase from the Taipei Exchange in accordance with Article 18 of this regulation.

(G) Conversion period: Starting from the day after the 3-month period of issuance of this convertible bond to the date due (December 13, 2022), except for (I) stock transfer is halted pursuant to applicable laws; (II) 15 business days before the Company's ex-dividend date for share or cash dividend distribution or ex-stock transfer date for a capital increase, until the base date for right distribution, (III) capital reduction base-date to one day before the capital reduction in issuance of shares, (iv) from the day of

the cessation of the conversion of the change of the face value of the shares to the day before the start of trading of the new shares for shares, conversion may not be requested, and may be transmitted to Taiwan Depository & Clearing Corporation at any time through the brokerage (hereinafter referred to as the “TDCC”) to the Company’s stock agency to request in accordance with the provisions of these measures to convert the bonds held in the conversion of common shares of the Company, and in accordance with the provisions of the present Procedure.

(H) Conversion price and adjustments:

The conversion price is set at NT\$304.98 per share at the time of issuance. In the event that the conversion price of the Company’s common stock or stock options is adjusted in accordance with the terms of the issuance, the conversion price will be adjusted in accordance with the formula set forth in the terms of the issuance.

The Company adjusted the conversion prices in accordance with the provisions of the domestic regulations on the issuance and conversion of unsecured convertible bonds for the second time in 2023, due to the distribution of cash dividends on common shares. Consequently, the conversion price was adjusted from NT\$304.98 to NT\$300.92 effective from July 11, 2023.

Additionally, the Company adjusted the conversion price from NT\$300.92 to NT\$245.03 effective from August 19, 2023, due to the implementation of surplus capitalization, following the provisions outlined in the domestic regulations on the issuance and conversion of unsecured convertible bonds for the second time in 2023.

The Company adjusted the conversion prices in accordance with the provisions of the domestic regulations on the issuance and conversion of unsecured convertible bonds for the second time in 2024, due to the distribution of cash dividends on common shares. Consequently, the conversion price was adjusted from NT\$245.03 to NT\$241.67 effective from July 15, 2024.

Additionally, the Company adjusted the conversion price from NT\$241.67 to NT\$206.58 effective from August 18, 2024, due to the implementation of surplus capitalization, following the provisions outlined in the domestic regulations on the issuance and conversion of unsecured convertible bonds for the second time in 2024.

- (I) The Company’s (1) The conversion of corporate bonds shall be from the day redemption after the expiration of three months from the date of issue

rights: (December 13, 2022) to forty days before the expiration of the issuance period (August 3, 2025). When the closing price of the ordinary shares of the Company exceeds 30% (inclusive) of the conversion price for the 30th consecutive business day, the Company may send a one-month “bond recovery notice” to the bondholder by registered mail within the next 30 business days. (The aforementioned foregoing period starts from the date of the Company’s letter of notice, and the expiration date of the period is the base date for the bond recovery, and the aforementioned period cannot be the conversion termination period as stated in Article 9.) (The bondholder will be based on the bondholder’s register on the fifth business day prior to the date of the “bond recovery notice,” and for investors who subsequently obtain the conversion of corporate bonds due to trading or other reasons, they shall be notified by way of announcement.) Taipei Exchange will also be notified in writing, and the convertible bonds of the bondholders shall be recovered in cash. The Company shall execute the call request and redeem the convertible corporate bonds in cash at the par value of the bonds within five business days after the base date of bond redemption.

(2) The conversion of corporate bonds shall be from the day after the expiration of three months from the date of issue (December 13, 2022) to forty days before the expiration of the issuance period (August 3, 2025). If the outstanding balance of the convertible bond is less than 10% of the initial total denomination at issuance, the Company may send a one-month “bond recovery notice” to the bondholder by registered mail at any time. (The aforementioned foregoing period starts from the date of the Company’s letter of notice, and the expiration date of the period is the base date for the bond recovery, and the aforementioned period cannot be the conversion termination period as started in Article 9.) The bondholder will be based on the bondholder’s register on the fifth business day prior to the date of the “bond recovery notice,” and investors who subsequently obtain the conversion of corporate bonds due to trading or other reasons shall be notified by way of announcement. Taipei Exchange will also be notified in writing, and the convertible bonds of the bondholders shall be recovered in cash. The Company shall execute the call request and redeem the outstanding convertible corporate bonds in cash at the par value of the bonds within five business days after the base date of bond redemption.

(3) If the creditor does not reply to the Company’s share

transfer agency before the bond recovery base date denoted on the “bond recovery notice” by writing (the notice is effective at the time of delivery, and takes postmark as its basis), the Company shall redeem the bonds in cash within five business day after maturity date at nominal value.

- (4) If the Company executes the call request, the deadline for the Bondholders to request the conversion is the second business day after the date of termination of trading of the convertible corporate bonds on the Taipei Exchange.
- 3) On September 29, 2022, the Company issued the first domestic private placement of convertible corporate bonds with the major terms as follows:
- (A) Total issuance: NT\$220,000 thousand
 - (B) Date of issuance: 2022.09.29
 - (C) Issuance price: Issued at 100% of par value
 - (D) Coupon rate: 0%
 - (E) Issuance period: 2022.09.29~2025.09.29
 - (F) Repayment at maturity: The Company shall repay the bonds at par value in one lump sum in cash upon the maturity of the private placement of convertible corporate bonds, except for the conversion of the private placement of convertible corporate bonds by the holders of the private placement of convertible corporate bonds (hereinafter referred to as the “Bondholders”) into common shares of the Company in accordance with Article 10 of this regulation, or the early redemption by the Company in accordance with Article 17 of this regulation, or the exercising of the put rights by the Bondholders in accordance with Article 18 of this regulation.
 - (G) Conversion period: Starting from the day after the 3-month period of issuance of this convertible bond (December 30, 2022) to the date due (September 29, 2025), except for (I) stock transfer is halted pursuant to applicable laws; (II) 15 business days before the Company’s ex-dividend date for share or cash dividend distribution or ex-stock transfer date for a capital increase, until the base date for right distribution, (III) capital reduction base-date to one day before the capital reduction in issuance of shares, (iv) from the day of the cessation of the conversion of the change of the face value of the shares to the day before the start of trading of the new shares for shares, conversion may not

be requested, at any time through the brokerage to the Company's stock agency to request in accordance with the provisions of these measures to convert the bonds held in the conversion of ordinary shares of the Company, and in accordance with the provisions of the present Procedure.

(H) Conversion price and adjustments:

The conversion price is set at NT\$270.5 per share at the time of issuance. In the event that the conversion price of the Company's common stock or stock options is adjusted in accordance with the terms of the issuance, the conversion price will be adjusted in accordance with the formula set forth in the terms of the issuance.

The Company adjusted the conversion prices pursuant to the regulations outlined in the domestic guidelines on the issuance and conversion of privately placed convertible bonds for the first time in 2023, due to the distribution of cash dividends on ordinary shares. Consequently, effective from July 11, 2023, the conversion price was adjusted from NT\$270.5 to NT\$266.9.

Additionally, the Company adjusted the conversion price from NT\$266.9 to NT\$217.3 effective from August 19, 2023, due to the implementation of surplus capitalization, following the provisions outlined in the domestic guidelines on the issuance and conversion of privately placed convertible bonds for the first time in 2023.

The Company adjusted the conversion prices pursuant to the regulations outlined in the domestic guidelines on the issuance and conversion of privately placed convertible bonds for the first time in 2024, due to the distribution of cash dividends on ordinary shares. Consequently, effective from July 15, 2024, the conversion price was adjusted from NT\$217.3 to NT\$214.30.

Additionally, the Company adjusted the conversion price from NT\$214.30 to NT\$183.20 effective from August 18, 2024, due to the implementation of surplus capitalization, following the provisions outlined in the domestic guidelines on the issuance and conversion of privately placed convertible bonds for the first time in 2024.

(I) The Company's (1) redemption rights:

The conversion of corporate bonds shall be from the day after the expiration of three months from the date of issue (December 13, 2022) to forty days before the expiration of the issuance period (August 21, 2025). When the closing market price of the ordinary shares of the Company exceeds 30% (inclusive) of the conversion price for the 30 consecutive business day, the Company may send a one-month "bond recovery notice" to the bondholder by registered mail within the next 30 business days. (The

aforementioned foregoing period starts from the date of the Company's letter of notice, and the expiration date of the period is the base date for the bond recovery, and the aforementioned period cannot be the conversion termination period as stated in Article 9.) The bondholder will redeem the bonds in cash within the fifth business day after maturity date at nominal value.

- (2) The conversion of corporate bonds shall be from the day after the expiration of three months from the date of issue (December 30, 2022) to forty days before the expiration of the issuance period (August 21, 2025). If the outstanding balance of the convertible bond is less than 10% of the initial total denomination at issuance, the Company may send a one-month "bond recovery notice" to the bondholder by registered mail at any time. (The aforementioned foregoing period starts from the date of the Company's letter of notice, and the expiration date of the period is the base date for the bond recovery, and the aforementioned period cannot be the conversion termination period as started in Article 9.) The bondholder will redeem the bonds in cash within the fifth business day after maturity date at nominal value.
- (3) If the Bondholders does not reply to the Company's share transfer agency before the bond recovery base date denoted on the "bond recovery notice" by writing (the notice is effective at the time of delivery, and takes postmark as its basis), the Company shall redeem the bonds in cash within five business day after maturity date at nominal value.
- 4) As of March 31 2025, the Group has applied for conversion of unsecured convertible bonds for the second time domestically, totaling NT\$408,500 thousand, resulting in the issuance of 1,508 thousand ordinary shares. The net amount to be deducted upon conversion (including the face value of the convertible bonds and any discount) exceeding the par value of the shares amounts to NT\$415,800 thousand, which is recorded as an addition to capital surplus. Furthermore, due to the exercise of the conversion rights of the convertible bonds, the original issuance recorded in the capital surplus - convertible bond subscription rights decreased by NT\$35,453 thousand.

o. Retirement pension plan

Defined allocation plan

The Group recognized defined allocation expense of NT\$17,658 thousand and NT\$15,601 thousand for the three months ended March 31, 2025 and 2024, respectively.

Defined benefit plan

The Group recognized defined benefit plan expense of both NT\$56 thousand for the three months ended March 31, 2025 and 2024.

p. Equity

1) Ordinary Shares

As of March 31, 2025, December 31, 2024 and March 31, 2024, the authorized share capital of the Company is NT\$2,000,000 thousand respectively, in addition, the issued share capital was NT\$1,322,390 thousand, NT\$1,318,889 thousand, and NT\$1,125,379 thousand, respectively, with 132,239 thousand shares, 131,889 thousand shares, and 112,538 thousand shares, respectively, issued at par value of NT\$10. Each share has one voting right and the right to receive dividends.

For the three months ended March 31, 2024, the total exercise amount of employee stock warrants issued by the Company amounted to NT\$3,558 thousand, resulting in the issuance of 88 thousand ordinary shares. Among these, 85 thousand ordinary shares were resolved by the Board of Directors on May 10, 2024, as the capital increase base date for the same day. Additionally, 3 thousand ordinary shares are pending approval by the Board of Directors as of the capital increase base date. Therefore, as of May 31, 2024, a total of 88 thousand shares were recognized as a prepaid capital

For the three months ended March 31, 2024, the conversion amount for the Company's second domestic unsecured convertible corporate bonds amounted to NT\$11,000 thousand, resulting in the issuance of 45 thousand ordinary shares. On May 10, 2024, the capital increase plan was decided by the Board of Directors to use May 10 of the same year as the base date for the capital increase. Therefore, as of March 31, 2024, they are recorded under the item of convertible bond warrants.

On May 31, 2024, the Company approved a surplus capital increase of NT\$ 191,493 thousand by resolution of the shareholders' meeting. On May 31, 2024, the capital increase plan was decided by the Board of Directors to use August 18 of the same year as the base date for the capital increase.

In 2024, the total exercise amount of employee stock warrants issued by the Company amounted to NT\$16,781 thousand, resulting in the issuance of 531 thousand ordinary shares. Among these, 350 thousand ordinary shares were resolved by the Board of Directors on February 27, 2025, as the capital increase base date for the same day. Additionally, 18 thousand ordinary shares are pending approval by the Board of Directors as of the capital increase base date. Therefore, as of December 31, 2024, a total of 368 thousand shares were recognized as a prepaid capital.

The Company issued its second domestic unsecured convertible bonds, and in 2024, a conversion amount of NT\$11,000 thousand was applied, resulting in the issuance of 45 thousand common shares.

For the three months ended March 31, 2025, the total exercise amount of employee stock warrants issued by the Company amounted to NT\$5,868 thousand, resulting in the issuance of 173 thousand ordinary shares. Among these, 170 thousand ordinary shares were resolved by the Board of Directors on May 9, 2025, as the capital increase base date for the same day. Additionally, 3 thousand ordinary shares are pending approval by the Board of Directors as of the capital increase base date. Therefore, as of May 31, 2025, a total of 173 thousand shares were recognized as a prepaid capital.

2) Capital surplus

	2025.03.31	2024.12.31	2024.03.31
Share premium of ordinary shares	\$1,201,540	\$1,197,402	\$1,188,253
Changes in equity ownership interests in subsidiaries	2	2	-
Employee stock options	42,986	49,224	40,544
Stock options	61,895	61,895	61,895
Expired stock options	10,371	3,363	3,311
Total	<u>\$1,316,794</u>	<u>\$1,311,886</u>	<u>\$1,294,003</u>

According to the law, the capital reserve shall not be used except to make up for the Company deficit. When the Company has no deficit, the overage of the shares issued by the par value and the capital reserve generated by the proceeds of the donation can be used to charge up the capital up to a certain percentage of the paid-up capital each year. The aforesaid capital surplus may also be distributed in cash in proportion to the original share of the shareholders. In addition, capital surplus arising from any long-term equity investment shall not be used for any purpose.

3) Appropriation of net income and dividend policy

a) Appropriation of net income

Pursuant to the Company's Articles of Incorporation, if a surplus is available after closing the accounts, it shall be first used to pay taxes, make up past deficits, then 10% of which shall be appropriated as legal capital reserve. However, the Company is exempted from such appropriation in case the legal capital reserve has reached the Company's total capital, and the Company shall appropriate special capital reserve according to applicable laws or regulations from the competent authority. The remainder of which and any accumulated and unappropriated net income from previous years shall be appropriated as net income available for appropriation. The Board of Directors shall propose the appropriation of net income and submit for a resolution at the Shareholders' Meeting, then distribute bonus to shareholders accordingly.

Where the aforementioned dividends and bonuses are distributed entirely or partially in cash, the Board of Directors shall be authorized to determine such distribution by a resolution adopted by a majority vote at a meeting attended by over two-thirds of the Directors and report to the Shareholders' Meeting, and the submission for a resolution at the Shareholders' Meeting in Paragraph 1 is not applicable.

b) Dividend policy

To respond to economic changes and to strengthen the Company's financial structure, the Company has adopted a balanced dividend policy. The policy for future dividend distribution is as follows:

- i. The Company will appropriate no less than 10% of the aforementioned distributable net income as shareholders' dividends. Nevertheless, when distributable net income is less than 10% of the paid-in capital, the Company may propose notto appropriate any bonus.
- ii. In consideration of a balanced andstabledividend policy, the Company will appropriate either share or cash dividends according to the needs of funds and the degree of dilution to earnings per share. Appropriations of cash dividend shall be no less than 10% of the annual total dividends.

c) Legal capital reserve

Pursuantto theCompany Act, legal capital reserve shall be appropriated until the total sum of which has reached the paid-in capital. Legal capital reserve shall be used toward making up for the deficit. When the Company does not have past deficits, the Company may issue new shares or distribute cash with the portion of legal capital reserve that exceeds 25% of the paid-in capital.

d) Special capital reserve

During appropriation of distributable net income, the Company appropriated the difference between the balance allocated to special capital reserve during first-time adoption of IFRS and net deductions in other equity items to the special capital reserve in compliance with regulations. Subsequently, if the net balance of other equity deduction has reversed, the reversal shall be applicable to special capital reserve to distribute earnings for the reversed part of other equity net deductions.

Pursuant to the FSC Explanation Order No. 1090150022 issued on March 31, 2021, upon the first-time adoption of IFRS, on the transition date, the Company's partial retained earnings transferred due to the exemption of IFRS 1 "First-time Adoption of IFRS" from those accounted under unrealized revaluation increment and cumulative adjustment gains shall be recognized as a special capital reserve for the same amount. Where the Company's relevant assets are subsequently used, disposed of or reclassified, the original proportion of special reserve may be reversed for the distribution of earnings.

The Company has no conditions where special capital reserve appropriation amount has occurred due to first-time adoption of IFRS.

- e) The Board of Directors of the Company as of February 27, 2025 and the Regular Meeting of Shareholders as of May 31, 2024, respectively, proposed and resolved the appropriation of earnings for the years 2024 and 2023, as follows:

	Appropriation of earnings		Dividends per share (NT\$)	
	2024	2023	2024	2023
Legal capital reserve	\$68,203	\$66,605		
Special capital reserve	(2,356)	984		
Cash dividends for ordinary shares	436,718	405,514	\$3.30	\$3.60
Stock dividends for ordinary shares	172,040	191,493	1.30	1.70

Please see Note 6.21 for information on the standards of estimate and recognition of amounts of employee compensation and remunerations of the Directors.

f) Non-controlling interests

	Q1 2025	Q1 2024
Beginning balance	\$51,632	\$69,738
Net profit attributable to non-controlling interests in the current period	(3,117)	110
Other comprehensive income (loss) attributable to non-controlling interests		
Exchange differences translated from the financial statements of foreign operation	507	2,217
Changes in the current period	51,909	1,299
Ending balance	\$100,931	\$73,364

q. Share-based payment plan

Company employees can receive share-based payment as a part of the employee benefits plan. Employees provide service as the consideration for receiving equity instruments, and such transactions will be treated as equity-settled share-based payment transactions.

Employee share-based payment plan

Upon approval from the FSC's Securities and Futures Bureau, the Company has issued 4,000 units of employee stock options on October 29, 2019. Each unit of equity security can be used to subscribe for 1,000 shares of the Company's ordinary shares. The Company will issue new shares when employees exercise such an option. Equity security subscriber may exercise the stock options for a certain period of time and proportion two years after the employee stock option certificate has been granted. The duration of this stock option certificate is six years.

Upon approval from the FSC's Securities and Futures Bureau, the Company has issued 4,500 units of employee stock options on November 29, 2022. Each unit of equity security can be used to subscribe for 1,000 shares of the Company's ordinary shares. The Company will issue new shares when employees exercise such an option. Equity security subscriber may exercise the stock options for a certain period of time and proportion two years after the employee stock options certificate has been granted. The duration of this stock options certificate is five years.

Information on the aforementioned share-based payment is as follows:

Grant date of the stock options certificate	Total units issued	Execution price per unit (NT\$)
2019.12.01	1,879	\$29.90
2020.10.27	2,017	\$36.80
2022.12.15	4,500	\$194.40

- 1) The following pricing model and assumptions are used toward the share-based payment plan granted:

	2019	2020	2022
Expected fluctuation rate (%)	16.56%-24.87%	13.86%-45.03%	19.31%
Risk-free interest rate (RFR) (%)	0.552%-0.580%	0.158%-0.203%	1.0935%-1.1094%
Expected year of 100% stock subscription (year)	6	6	5
Weighted-average stock price (NT\$)	82.60	86.20	287
Pricing model used	Black-Scholes	Black-Scholes	Black-Scholes

The expected duration of the option is based on historical data and current expectations and therefore may not necessarily be consistent with actual implementation. The expected volatility is the historical volatility of the period in which the hypothesis is similar to the duration of the stock options, which represents the future trend, but may not necessarily be consistent with future actual results.

- 2) Information on the employee stock option plan issued for the three months ended March 31, 2024 and 2023:

	Q1 2025		Q1 2024	
	Number of outstanding stock options (unit)	Weighted-average Execution price (NT\$)	Number of outstanding stock options (unit)	Weighted-average Execution price (NT\$)
Outstanding stock options on January 1	4,721	\$165.48	6,023	\$182.55
Stock subscriptions in the current period	(188)	33.88	(125)	40.25
Stock options expired for the period	(161)	-	(7)	-
Outstanding stock options on March 31	<u>4,372</u>	\$164.95	<u>5,891</u>	\$185.73
Executable stock options on March 31	4,372		1,391	
Weighted-average fair value of the stock options granted in the current period		\$-		\$-

- 3) Below is the aforementioned share-based payment plan outstanding as of March 31, 2025, December 31, 2024 and March 31, 2024 :

<u>2025.03.31</u>	<u>Execution price</u>	<u>Weighted-average remaining duration (year)</u>
Granted on December 1, 2019	\$29.90	0.67 years
Granted on October 27, 2020	\$36.80	1.57 years
Granted on December 15, 2022	\$194.40	2.71 years

<u>2024.12.31</u>		
Granted on December 1, 2019	\$29.90	0.92 years
Granted on October 27, 2020	\$36.80	1.82 years
Granted on December 15, 2022	\$194.40	2.96 years

<u>2024.03.31</u>		
Granted on December 1, 2019	\$35.00	1.67 years
Granted on October 27, 2020	\$43.10	2.57 years
Granted on December 15, 2022	\$230.60	3.71 years

- 4) The expense recognized by the Company for employee share-based payment plans is shown as the following:

	<u>Q1 2025</u>	<u>Q1 2024</u>
Recognized expenses due to share-based payment transactions	\$770	\$(5,186)
(All are equity delivery share-based payment)		

r. Operating revenue

	<u>Q1 2025</u>	<u>Q1 2024</u>
Revenue from customer contracts		
Revenue from sale of goods	\$4,649,375	\$4,192,829
Revenue from provision of service	15,190	11,529
Others	1,919	1,894
Total	\$4,666,484	\$4,206,252

Information regarding the Group's revenue from customer contracts is as follows:

1) Breakdown of revenue

	Q1 2025	Q1 2024
	Single department	Single department
Sales revenue	\$4,649,375	\$4,192,829
Service revenue	15,190	11,529
Others	1,919	1,894
Total	<u>\$4,666,484</u>	<u>\$4,206,252</u>
Timing of revenue recognition:		
At a fixed point in time	\$4,651,294	\$4,194,723
Over a period of time	15,190	11,529
Total	<u>\$4,666,484</u>	<u>\$4,206,252</u>

2) Contract balance

a) Contract liability – current

	2025.03.31	2024.12.31	2024.03.31	2024.01.01
Sales of goods	\$808	\$1,266	\$769	\$688
Customer loyalty program	14,587	10,097	16,472	18,125
Total	<u>\$15,395</u>	<u>\$11,363</u>	<u>\$17,241</u>	<u>\$18,813</u>

Explanations of the changes in the balance of contract liabilities for the three month ended March 31,2025 are as follows:

	Sales of goods	Customer loyalty program
Beginning balance is recognized as revenue in the current period	\$(535)	\$(1,341)
Increase in advance payment for the period	77	5,831

Explanations of the changes in the balance of contract liabilities for the three month ended March 31,2024 are as follows:

	Sales of goods	Customer loyalty program
Beginning balance is recognized as revenue in the current period	\$(76)	\$(14,253)
Increase in advance payment for the period	157	12,600

Notes to Consolidated Financial Statements of Great Tree Pharmacy Co., Ltd. (Continued)
(Amounts expressed in thousands of New Taiwan Dollars unless otherwise specified)

s. Expected credit loss (gain)

	Q1 2025	Q1 2024
Operating expenses - expected credit loss (gain on reversal)		
Accounts receivable	\$39	\$-

Please refer to Note 12 for information on credit risk.

- 1) Historical records of credit impairment on the Group's receivables (including notes receivable and accounts receivable) indicate that diverse types of impairment loss is not found between different groups of customers. Therefore, allowance for loss is assessed using the same group and relevant information as of March 31, 2025, December 31, 2024 and March 31, 2024 can be found in the following:

As of March 31, 2025

	Not overdue (Note)	Days overdue		Total
		31-180 days	More than 181 days	
Total carrying amount	\$930,372	\$-	\$284	\$930,656
Rate of loss	0.04%	100%	100%	
Expected lifetime credit loss	(399)	-	(284)	(683)
Carrying amount	\$929,973	\$-	\$-	\$929,973

As of December 31, 2024

	Not overdue (Note)	Days overdue		Total
		31-180 days	More than 181 days	
Total carrying amount	\$676,248	\$-	\$278	\$676,526
Rate of loss	(0.06)%	100%	100%	
Expected lifetime credit loss	(400)	-	(278)	(678)
Carrying amount	\$675,848	\$-	\$-	\$675,848

As of March 31, 2024

	Not overdue (Note)	Days overdue		Total
		31-180 days	More than 181 days	
Total carrying amount	\$746,246	\$-	\$65	\$746,311
Rate of loss	0.05%	100%	100%	
Expected lifetime credit loss	(363)	-	(65)	(428)
Carrying amount	\$745,883	\$-	\$-	\$745,883

Note : All of the Group's notes receivable is not overdue.

Notes to Consolidated Financial Statements of Great Tree Pharmacy Co., Ltd. (Continued)
(Amounts expressed in thousands of New Taiwan Dollars unless otherwise specified)

- 2) Information on the changes in the allowances for notes receivable and accounts receivable of the Group for the three months ended March 31, 2025 and 2024 is as:

	Notes receivable	Accounts receivable
2025.01.01	\$-	\$678
Increase (reversal) in the period	-	39
Foreign exchange impact amount	-	(34)
2025.03.31	\$-	\$683
2024.01.01	\$-	\$428
Increase in the period	-	-
2024.03.31	\$-	\$428

t. Lease

- 1) The Group is the lessee

The Group leases real property (building and construction), and the term of the lease for each contract is between 3 years to 20 years. Some of the contracts have stipulated that without the lessor's consent, a lessee may not lease out, sublease, dispose of right, or grant all or part of the leased object's use to others using other methods, or to give the right of the lease to others.

The following is a description of the leases' impacts on the Group's financial position, financial performance, and cash flow:

- a) Amount recognized in the balance sheet

- i. Right-of-use assets

	Building and construction
Cost:	
2025.01.01	\$6,700,846
Acquisition	223,459
Disposal	-
Reclassification	-
2025.03.31	\$6,924,305
2024.01.01	\$5,657,261
Acquisition	392,554
Disposal	-
Reclassification	-
2024.03.31	\$6,049,815

Notes to Consolidated Financial Statements of Great Tree Pharmacy Co., Ltd. (Continued)
(Amounts expressed in thousands of New Taiwan Dollars unless otherwise specified)

Depreciation and impairment:			
2025.01.01		\$2,694,955	
Depreciation		138,898	
Disposal		-	
Reclassification		-	
Foreign exchange impact amount		6	
2025.03.31		<u>\$2,833,859</u>	
2024.01.01		\$2,181,323	
Depreciation		123,371	
Disposal		-	
Reclassification		-	
2024.03.31		<u>\$2,304,694</u>	
Carrying amount:			
2025.03.31		<u>\$4,090,446</u>	
2024.12.31		<u>\$4,005,891</u>	
2024.03.31		<u>\$3,745,121</u>	
ii. Lease liabilities			
	2025.03.31	2024.12.31	2024.03.31
Lease liabilities	<u>\$4,269,538</u>	<u>\$4,179,578</u>	<u>\$3,899,491</u>
Current	<u>\$539,227</u>	<u>\$520,694</u>	<u>\$477,157</u>
Non-current	<u>\$3,730,311</u>	<u>\$3,658,884</u>	<u>\$3,422,334</u>

Please refer to Note 6.22(4) Financing Costs for the Group's interest expense for lease liabilities for the three months ended March 31, 2025 and 2024; and refer to Note 12.5 Liquidity Risk Management for the analysis on the expiration of lease liabilities as of March 31, 2025, December 31, 2024 and March 31, 2024.

b) Revenues and expenses related to the lessee and lease activities

	Q1 2025	Q1 2024
Short-term lease expense	<u>\$(15,248)</u>	<u>\$(10,370)</u>
Revenue from sublease of right-of-use assets	<u>9,087</u>	<u>8,334</u>

As of March 31, 2025 and 2024, the Group's committed short-term lease composition is not similar to the category of the aforementioned lease target related to short-term lease expense, and related lease commitment has amounted to NT\$0.

c) Cash outflow related to the lessee and lease activities

	Q1 2025	Q1 2024
Total cash flows on lease	\$160,536	\$137,973

2) The Group is the lessor

The Group classifies leases for which nearly all risks and rewards associated with the right-of-use assets for self-use will not be transferred during the lease as operating leases.

	Q1 2025	Q1 2024
Lease revenue recognized from operating lease		
Fixed lease payment	\$9,087	\$8,334

In signing operating lease contracts, the Group has the following total amount of undiscounted lease payment as of March 31, 2025, December 31, 2024 and March 31, 2024 and for the remaining years:

	2025.03.31	2024.12.31	2024.03.31
Less than one year	\$44,664	\$44,404	\$32,475
More than 1 but no more than 2 years	39,466	41,406	31,296
More than 2 but no more than 3 years	31,130	31,285	25,432
More than 3 but no more than 4 years	27,045	27,230	20,604
More than 4 but no more than 5 years	25,892	25,167	16,703
More than 5 years	99,773	102,337	53,645
Total	\$267,970	\$271,829	\$180,155

u. The following is a compilation of employee benefits, depreciation and amortization expense by function:

Function Characteristic	Q1 2025			Q1 2024		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefit expenses						
Salary expenses	\$-	\$330,297	\$330,297	\$-	\$283,014	\$283,014
Labor and health insurance expenses	-	38,388	38,388	-	35,620	35,620
Pension expenses	-	17,714	17,714	-	15,657	15,657
Other employee benefit expenses	-	28,569	28,569	-	28,611	28,611
Depreciation expenses	1,657	204,131	205,788	1,657	187,730	189,387
Amortization expenses	-	4,372	4,372	-	5,201	5,201

The Company's Articles of Incorporation provide that if there is profit in the year, 3% to 10% of profit shall be allocated for employee compensation, and no more than 3 percent shall be allocated for remunerations of the Directors and Supervisors. But when accumulated loss is present, the Company shall first retain the profit to make up for deficits. The aforementioned employee compensation appropriated in shares or dividends shall be approved by a Board of Directors meeting attended by two-thirds or more of all Directors, and by a majority vote of all attending Directors, and reported to the Shareholders' Meeting. Please see the Market Observation Post System (MOPS) from the Taiwan Stock Exchange (TWSE) for information on employee compensation and remunerations of the Directors and Supervisors, as approved by the Board of Directors.

The Company estimated the pay to employees and Directors based on profitability conditions. Employee compensation and remunerations of the Directors recognized for the three month ended March 31, 2025 were NT\$6,274 thousand and NT\$1,255 thousand, respectively. Employee compensation and remunerations of the Directors recognized for the three month ended March 31, 2024 were NT\$6,524 thousand and NT\$1,305 thousand, respectively. The aforementioned amounts were recorded under compensation expenses.

On February 27, 2025, the Company's Board approved of distribution of cash-based employee compensation and remunerations of the Directors and Supervisors for 2024 of NT\$25,860 thousand and NT\$4,216 thousand respectively. No material difference is found between the actual distributions and the expenses recognized on the 2024 financial statements.

The actual distribution of employee compensation and remunerations of the Directors for the year ended December 31, 2024 had no material difference from the expenses recognized in financial statements.

v. Non-operating income and expenses

1) Interest income

	Q1 2025	Q1 2024
Financial assets measured at amortized cost	\$2,739	\$2,353

2) Other income

	Q1 2025	Q1 2024
Rental revenue	\$9,087	\$8,334
Other income - others	14,893	13,198
Total	\$23,980	\$21,532

Notes to Consolidated Financial Statements of Great Tree Pharmacy Co., Ltd. (Continued)
(Amounts expressed in thousands of New Taiwan Dollars unless otherwise specified)

3) Other gains and losses

	Q1 2025	Q1 2024
Net gain from foreign exchange (loss)	\$182	\$1,919
Gain on disposal of property, plant and equipment	-	422
Loss (gain) on disposal of intangible assets	-	2
Gain(loss) on financial assets measured at fair value through profit or loss	-	(602)
Other expenditures - other	(15)	(12)
Total	\$167	\$1,729

4) Financing costs

	Q1 2025	Q1 2024
Interest from bank loans	\$931	\$-
Interest expense from corporate bonds	3,249	3,305
Interest from lease liabilities	11,789	10,843
Total	\$15,969	\$14,148

w. Components of the other comprehensive income (loss)

Other comprehensive income for the three months ended March 31, 2025 is as follows:

	Arising in the current period	Reclassification and adjustment in the current period	Other comprehensive income (loss)	Tax benefits	After-tax amount
Items that will not be reclassified to profit or loss:					
Unrealized gain or loss on investment inequity instruments measured at fair value through other comprehensive income	\$(9,707)	\$-	\$(9,707)	\$-	\$(9,707)
Items that may subsequently be reclassified to profit or loss:					
Exchange differences translated from the financial statements of foreign operations	2,347	-	2,347	-	2,347
Total	\$(7,360)	\$-	\$(7,360)	\$-	\$(7,360)

Other comprehensive income for the three months ended March 31, 2024 is as follows:

	Arising in the current period	Reclassification and adjustment in the current period	Other comprehensive income (loss)	Tax benefits	After-tax amount
Items that will not be reclassified to profit or loss:					

Notes to Consolidated Financial Statements of Great Tree Pharmacy Co., Ltd. (Continued)
(Amounts expressed in thousands of New Taiwan Dollars unless otherwise specified)

Exchange differences translated from the financial statements of foreign operations	\$5,610	\$-	\$5,610	\$-	\$5,610
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x. Income tax

1) Major components of income tax expenses (gains) are as follows:

Income tax recognized in profit or loss

	Q1 2025	Q1 2024
Current tax expenses:		
Current tax payable	\$47,494	\$46,383
Adjustments in respect of current income tax of prior periods	-	26
Deferred tax expenses (gains):		
Deferred tax expenses related to initial recognition of temporary difference and its reversal	(1,850)	(1,278)
Income tax expenses	\$45,644	\$45,131

2) Filing and review of income tax

As of March 31, 2025, the Company's income tax filing and review conditions are as follows:

	Filing and review of income tax
The Company	Reviewed to 2022
Subsidiary - Ivy Biotechnology Co., Ltd.	Reviewed to 2022
Subsidiary - Bai-Lin Logistics Co., Ltd.	Reviewed to 2022
Subsidiary - Da Yu Property Management Co., Ltd.	Reviewed to 2023
Subsidiary - Great Tree Pets Co., Ltd.	Reviewed to 2022
Subsidiary - Enki Biomedical Co., Ltd.	Reviewed to 2023

y. Earnings per share (EPS)

The calculation of the basic earnings per share (Basic EPS) is calculated by dividing the net profit attributable to holders of ordinary shares of the parent company for the current year by the weighted-average number of ordinary shares outstanding in the current year.

Diluted earnings per share (Diluted EPS) is calculated by dividing the net profit attributable to holders of ordinary shares of the Company (after adjusting for the dilution effect) by the weighted-average number of ordinary shares outstanding in the current year plus all weighted-average number of ordinary shares to be issued when the potential ordinary shares with dilutive effect are converted into ordinary shares.

1) Basic EPS

	Q1 2025	Q1 2024
Net profit attributable to holders of ordinary shares of the parent company	\$159,854	\$168,978
Weighted-average number of ordinary shares of basic earnings per share (in 1,000 shares)	132,239	131,774
Basic EPS (NT\$)	\$1.21	\$1.28

2) Diluted EPS

	Q1 2025	Q1 2024
Net profit attributable to holders of ordinary shares of the parent company	\$159,854	\$168,978
Redemption gain or loss from issuance of domestic convertible bonds	-	602
Interest from convertible bonds	2,598	2,727
Net profit attributable to holders of the parent company's ordinary shares after dilutive effect	\$162,452	\$172,307
Weighted-average number of ordinary shares of basic earnings per share (in 1,000 shares)	132,239	131,774
Dilutive effect:		
Employee bonus - shares (in 1,000 shares)	678	2,270
Employee stock options (in 1,000 shares)	140	75
Convertible bonds (in 1,000 shares)	4,064	2,767
Weighted-average number of ordinary shares after adjustments for dilutive effects (in 1,000 shares)	137,121	136,886
Diluted EPS (NT\$)	\$1.18	\$1.26

- 3) There were no significant changes to other transactions in the circulation of outstanding ordinary shares or potential issuance of ordinary shares after the reporting period until the financial statements have been approved and announced.

7. Related Party Transactions

Related parties who have had transactions with the Company during the reporting period include the following :

Name and relationship of the related parties

<u>Name of related party</u>	<u>Relations with the Company</u>
ShuYu Civilian Pharmacy Corp., Ltd.	The company is a 49% shareholder of the subsidiary ShangTong Greattree Shuyu Pharmacy Limited.
Shuyu Pharmaceutical Logistics (Shandong) Co., Ltd	The company is a subsidiary of ShuYu Civilian Pharmacy Corp., Ltd.

Material transaction matters with related parties

1. Purchases

	<u>Q1 2025</u>	<u>Q1 2024</u>
Shuyu Pharmaceutical Logistics (Shandong) Co., Ltd	<u>\$1,392</u>	<u>\$-</u>

2. Accounts payable-related parties

	<u>2025.03.31</u>	<u>2024.12.31</u>	<u>2024.03.31</u>
Shuyu Pharmaceutical Logistics (Shandong) Co., Ltd	<u>\$1,403</u>	<u>\$-</u>	<u>\$-</u>

3. Lease — Related Party

A. Carrying amount of Right-of-use assets

<u>Name of related party</u>	<u>Characteristic</u>	<u>2025.03.31</u>	<u>2024.12.31</u>	<u>2024.03.31</u>
ShuYu Civilian Pharmacy Corp., Ltd.	Buildings and construction	<u>\$18,094</u>	<u>\$-</u>	<u>\$-</u>

B. Lease liabilities

	<u>2025.03.31</u>	<u>2024.12.31</u>	<u>2024.03.31</u>
ShuYu Civilian Pharmacy Corp., Ltd.	<u>\$17,856</u>	<u>\$-</u>	<u>\$-</u>

Notes to Consolidated Financial Statements of Great Tree Pharmacy Co., Ltd. (Continued)
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C. Interest from lease liabilities

Name of related party	Q1 2025	Q1 2024
ShuYu Civilian Pharmacy Corp., Ltd.	\$100	\$-

4. Bonuses for the Group's key managerial officers

	Q1 2025	Q1 2024
Short-term employee benefits	\$4,782	\$5,008
Retirement benefits	173	173
Share-based payment	2	5
Total	\$4,957	\$5,186

8. Assets Pledged

The Company has pledged the following assets as collateral:

Item	Carrying Amount			Content of the secured liabilities
	2025.03.31	2024.12.31	2024.03.31	
Financial assets measured at amortized cost - current	\$24,000	\$24,000	\$24,000	Credit card guarantee
Financial assets measured at amortized cost - current	304,500	304,500	-	Short-term loan collateral
Financial assets measured at amortized cost - non-current	3,000	3,000	3,000	Purchase contract guarantee
Total	\$331,500	\$331,500	\$27,000	

9. Significant Contingent Liabilities and Unrecognized Contracts

N/A.

10. Contingent Disaster Loss

N/A.

11. Significant Post-reporting Period Matters

- a. The employee stock options warrants issued by the Company were exercised during the period from January 1 to March 31, 2025, totaling NT\$6,408 thousand in exercise amounts and resulting in the issuance of 188 thousand ordinary shares. Subsequently, on May 9,

2025, the Board of Directors resolved to set the record base date for the increase in capital as of the same day.

12. Others

a. Categories of financial instruments

Financial assets

	2025.03.31	2024.12.31	2024.03.31
Financial assets measured at fair value through profit or loss compulsory	\$-	\$-	\$303
Financial assets at fair value through other comprehensive income (loss)	152,757	137,624	84,671
Financial assets measured at amortized cost:			
Cash and cash equivalents	1,618,076	1,888,362	1,961,679
Financial assets measured at amortized cost	331,500	331,500	27,000
Notes receivable, net	11,457	7,659	12,645
Net accounts receivable	918,516	668,189	733,238
Other receivables	264,516	280,924	179,739
Subtotal	3,144,065	3,176,634	2,914,301
Total	\$3,296,822	\$3,314,258	\$2,999,275

Financial liabilities

	2025.03.31	2024.12.31	2024.03.31
Financial liabilities at amortized cost:			
Short-term loans	\$455,000	\$455,000	\$-
Accounts payable	3,069,250	2,804,933	2,925,387
Bonds payable (including those maturing within 12 months)	805,641	802,392	793,014
Lease liabilities	4,269,538	4,179,578	3,899,491
Total	\$8,599,429	\$8,241,903	\$7,617,892

b. Objective and policy of financial risk management

The objective of the Group's financial risk management is to manage the market risk, credit risk, and liquidity risk related to operating activities. The Group conducts the identification, valuation, and management of the aforementioned risks based on the Group's policy and risk appetite.

The Group has set up appropriate policies, procedures, and internal control in regards to the aforementioned financial risk management based on relevant standards. Material financing activities need to be reviewed by the Board of Directors in regards to relevant standards and internal control system. During implementations of financial management activities, the Group shall strictly abide by the regulations for financial risk management that have been set up.

c. Market risk

The Group's market risk is the risk of changes in fair value or cash flow from financial instruments due to market price changes. Market risk mostly includes exchange rate risk, interest rate risk, and other pricing risks (e.g. equity instruments).

In practice, very few risk variables are single-occurring, and the change in each risk variable is usually correlated. Nevertheless, the sensitivity analysis on the following risks does not take the interactions between various risk variables into consideration.

Exchange rate risk

The Group's operating activities are mostly transactions using the functional currency; therefore, exchange rate risk should not arise.

Interest rate risk

Interest rate risk is the risk of changes in fair value or future cash flow from financial instruments due to changes in market interest rate. The Group's interest rate risk mostly includes variable rate investments classified as variable rate debt instrument investments.

Sensitivity analysis for interest rate risk mostly targets interest rate exposure items after the reporting period and includes variable rate investments. It adopts the assumption that in a given accounting period, when the interest increases or decreases by 0.1%, the Group's income for the three months ended March 31, 2025 and 2024 will increase/decrease by NT\$256 thousand and by NT\$491 thousand, respectively.

Equity price risk

The Group holds unlisted and non-OTC equity securities, and the fair values are susceptible due to the uncertainties of the future values of such investment targets. The unlisted and non-OTC equity securities held by the Group includes the category of that measured at fair value through other comprehensive income. The Group manages the price risk of equity securities by diversified investments and setting limits for individual and collective equity securities investments. The investment portfolio information of equity securities shall be regularly provided to the senior management of the Group, and the Board of Directors shall review and approve all investment decisions in equity securities.

When the equity price increases or decreases by 1%, the Group's on March 31, 2025 and 2024 the impact on equity on the day was NT\$153 thousand and NT\$85 thousand, respectively.

d. Credit risk management

Credit risk refers to the risk that the counterparty is unable to fulfill contractual obligations and leads to financial loss. The Group's credit risk mostly comes from operating activities (mostly from accounts receivable and notes) and financing activities (mostly bank deposits and various financial instruments).

Each business unit of the Group follows credit risk policy, procedure, and controls in managing credit risks. The credit risk valuation of all trading counterparties comprehensively measures factors including the counterparties' financial status, credit rating, past transaction experiences, current economic environment, and the Group's internal valuations. The Group also adopts certain credit enhancement tools (e.g. prepaid sales and insurance) on a timely basis to reduce the credit risk from certain customers.

As of March 31, 2025, December 31, 2024 and March 31, 2024, the Group has not had concentration of credit risk on individual customers, so credit risk should be moderate.

The Group's finance department manages credit risk by managing bank deposits and other financial instruments in accordance with the Group policy. As the Group's transaction counterparties are determined by internal control procedures and are banks with good credit and investment-grade financial institutions, the Group is not subjected to material credit risk.

The Group has adopted IFRS 9 in the valuation of expected credit loss. Receivables are measured as loss allowance for lifetime expected credit losses. As for the rest of the debt instrument investments that are not measured at fair value through profit and loss, the initial acquisition price is based on those with low credit risk, and is evaluated on each balance sheet date to determine whether there has been significant increase in credit risk since initial recognition to determine the method of allowance for loss and its rate of loss.

Additionally, when evaluating financial assets that cannot be reasonably recovered, the Group will write-off the assets (for instance, if the issuer or the debtor experiences material financial difficulty or has become bankrupt).

e. Liquidity risk management

The Group maintains financial flexibility through contracts including cash and cash equivalents, convertible bonds, and leases. The following table summarizes the maturity of the payments contained in the contracts of the Group's financial liabilities. It is compiled based on the date on which the earliest possible repayment is required using its undiscounted cash flow. The amounts listed also include contracted interest. For interest cash flow paid using variable rate, its undiscounted interest is obtained through the yield curve at the end of the reporting period.

Notes to Consolidated Financial Statements of Great Tree Pharmacy Co., Ltd. (Continued)
(Amounts expressed in thousands of New Taiwan Dollars unless otherwise specified)

Non-derivative financial liabilities

	Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	5 years or above	Total
<u>2025.03.31</u>							
Accounts payable	\$3,069,250	\$-	\$-	\$-	\$-	\$-	\$3,069,250
Bonds payable	811,500	-	-	-	-	-	811,500
Lease liabilities	567,927	546,725	521,455	499,981	480,805	1,731,840	4,348,733
<u>2024.12.31</u>							
Accounts payable	\$2,804,933	\$-	\$-	\$-	\$-	\$-	\$2,804,933
Bonds payable	811,500	-	-	-	-	-	811,500
Lease liabilities	551,910	534,924	507,140	488,672	468,137	1,721,089	4,271,872
<u>2024.03.31</u>							
Accounts payable	\$2,925,387	\$-	\$-	\$-	\$-	\$-	2,925,387
Bonds payable	-	811,500	-	-	-	-	811,500
Lease liabilities	508,488	495,947	476,142	452,154	430,791	1,630,978	3,994,500

f. Adjustments of liabilities from financing activities

Information on adjustments of liabilities for the three month ended March 31, 2025:

	Short-term loans	Guarantee deposits	Lease liabilities	Bonds payable	Total liabilities from financing activities
2025.01.01	\$455,000	\$103,726	\$4,179,578	\$802,392	\$5,540,696
Cash flow	-	2,504	(145,288)	-	(142,784)
Non-cash changes					
Changes in scope of lease for the period	-	-	223,459	-	223,459
Interest expenses	-	-	11,789	3,249	15,038
2025.03.31	<u>\$455,000</u>	<u>\$106,230</u>	<u>\$4,269,538</u>	<u>\$805,641</u>	<u>\$5,636,409</u>

Information on adjustments of liabilities for the three month ended March 31, 2024:

	Guarantee deposits	Lease liabilities	Bonds payable	Total liabilities from financing activities
2024.01.01	\$115,664	\$3,623,697	\$800,441	\$4,539,802
Cash flow	(9,938)	(127,603)	-	(137,541)
Non-cash changes				
Changes in scope of lease for the period	-	392,554	-	392,554
Interest expenses	-	10,843	3,305	14,148
Corporate bonds conversion	-	-	(10,732)	(10,732)
2024.03.31	<u>\$105,726</u>	<u>\$3,899,491</u>	<u>\$793,014</u>	<u>\$4,798,231</u>

g. Fair value of financial instruments

1) Valuation technique and assumptions used in measuring fair value

Fair value refers to the price required or transferred to an asset in an orderly transaction between market participants on a measurement date. The Group's method and assumptions in valuating or disclosing the fair value of financial assets and financial liabilities are as follows:

- a) The carrying amount of the cash and cash equivalents, account receivables, account payables and other current liabilities is a reasonable approximation of the fair value, mainly because the period of maturity of such instruments is short.
- b) The fair value of financial assets and financial liabilities that are traded in active market and have standard terms and conditions are determined by reference to market quotations (e.g., listed and traded stocks and bonds).
- c) For equity instruments without active market (e.g. private placement of shares in listed cabinets, shares of publicly issued companies without active markets, and shares of undisclosed companies), fair value is estimated at market value, which is the price generated by market transactions of the same or comparable equity instruments and other relevant information (e.g. lack of liquidity discount factor, similar price-to-earnings (P/E) ratio, similar price per book value or more).
- d) For debt instrument investments without active market, bank loans, bonds payable and other non-current liabilities without quotation from active market, the fair value is determined by the counterparty quotation or valuation technique, and the valuation technique is determined based on the cash flow discount analysis. Assumptions such as interest rate and discount rate are mainly based on information related to similar instruments (e.g. information such as yield curve at the Taipei Exchange, average quotation of Reuters commercial paper rate, and credit risk and more).

2) Fair value of financial instruments measured at amortized cost

Except for the following, the carrying amount of the Group's financial assets and financial liabilities measured at amortized cost is a close approximation of their fair value.

	Carrying amount		
	2025.03.31	2024.12.31	2024.03.31
Financial liabilities:			
Bonds payable	\$805,641	\$802,392	\$793,014
	Fair value		
	2025.03.31	2024.12.31	2024.03.31
Financial liabilities:			
Bonds payable	\$809,037	\$806,742	\$797,160

3) Fair value ranked information of financial instruments

Please refer to Note 12.9 for fair value ranked information of financial instruments.

h. Derivative financial instruments

Information about derivative financial instruments held by the Group that do not qualify for hedge accounting and are not yet due is as follows:

Embedded derivative financial instruments

The embedded derivative financial instruments identified by the Group as a result of the issuance of convertible corporate bonds were separated from the host contract and treated as measured at fair value through profit and loss. Please refer to Note 6 for the contract information of the transaction.

i. Ranking of fair value

1) Definition of fair value ranking

All assets and liabilities measured or disclosed at fair value are classified at their fair value rank based on the lowest rank of input that is material to the overall fair value. Input value of each rank is as follows:

Rank 1: Quotation (unadjusted) of the same asset or liability from an active market can be obtained on the measurement date.

Rank 2: Input value can be directly or indirectly observed for an asset or liability, except for the quotations at rank 1.

Rank 3: Unobservable input value for assets and liabilities.

For assets and liabilities that are recognized in the financial statements on a repetitive basis, revaluation of their respective classification shall be required at the end of each

reporting period to determine whether there has been a transfer between ranks of fair value.

2) Information on measurement of fair value ranks

The Group does not have non-repetitive assets measured at fair value. The information on the fair value level of repetitive assets and liabilities is shown below:

March 31, 2025:

	Rank 1	Rank 2	Rank 3	Total
Financial assets measured at fair value through profit or loss				
Convertible corporate bonds	\$-	\$-	\$-	\$-
Financial assets at fair value through other comprehensive income (loss)				
Stocks of domestic emerging stock market companies	13,213	-	-	13,213
Domestic unlisted (over-the-counter) stocks	-	-	139,544	139,544
Subtotal	<u>\$13,213</u>	<u>\$-</u>	<u>\$139,544</u>	<u>\$152,757</u>

December 31, 2024:

	Rank 1	Rank 2	Rank 3	Total
Financial assets measured at fair value through profit or loss				
Convertible corporate bonds	\$-	\$-	\$-	\$-
Financial assets at fair value through other comprehensive income (loss)				
Stocks of domestic emerging stock market companies	22,920	-	-	22,920
Domestic unlisted (over-the-counter) stocks	-	-	114,704	114,704
Subtotal	<u>\$22,920</u>	<u>\$-</u>	<u>\$114,704</u>	<u>\$137,624</u>

March 31, 2024:

	Rank 1	Rank 2	Rank 3	Total
Financial assets measured at fair value through profit and loss				
Convertible corporate bonds	\$-	\$-	\$303	\$303
Financial assets at fair value through other comprehensive income (loss)				
Equity instruments measured at fair value through other comprehensive income	-	-	84,671	84,671

Transfer between rank 1 and rank 2 of fair value ranks

There were no transfers between rank 1 and rank 2 of fair value ranks from January 1, 2024 to March 31, 2025 and 2024.

Details on changes in repetitive fair value rank 3

For the Group's assets and liabilities measured at repetitive fair value that are categorized as Rank 3, adjustments from beginning to ending balance is as follows:

	Asset	
	Measured at fair value through profit and loss	Measured at fair value through other comprehensive income
	Derivative instruments	Stock
2025.01.01	\$-	\$137,624
Acquired/issued during the period	-	24,840
Recognized in profit and loss during the period (recognized under "Other gains and losses")	-	-
Recognized in other comprehensive income (presented in "unrealized valuation gain or loss on equity instrument investment measured at fair value of other comprehensive income")	-	(9,707)
2025.03.31	\$-	\$152,757

	Asset	
	Measured at fair value through profit and loss	Measured at fair value through other comprehensive income
	Derivative instruments	Stock
2024.01.01	\$905	\$84,671
Acquired/issued during the period	-	-
Recognized in profit and loss during the period (recognized under "Other gains and losses")	(602)	-
Recognized in other comprehensive income (presented in "unrealized valuation gain or loss on equity instrument investment measured at fair value of other comprehensive income")	-	-
2024.03.31	\$303	\$84,671

In the total profit or loss recognized above, the amount of profit or loss related to assets held as of March 31, 2025 and 2024 are NT\$0 thousand and NT\$(602) thousand, respectively.

Notes to Consolidated Financial Statements of Great Tree Pharmacy Co., Ltd. (Continued)
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Information on material unobservable input in fair value rank 3

The following table presents the significant unobservable input value for fair value measurement for the Company's assets measured at repetitive fair value in the fair value rank 3:

March 31, 2025

	Valuation techniques	Material unobservable input value	Quantitative information	Relations between input value and fair value	Sensitivity analysis value relationship between input value and fair value
Financial assets:					
<u>Measured at fair value through profit and loss</u>					
Embedded derivative financial instruments	Binary tree convertible bond valuation model	Volatility	33.16%	The higher the volatility, the higher the fair value estimates	When the volatility increases (decreases) by 1%, the profit or loss on the Group will increase/decrease by NT\$0 thousand.
<u>Financial assets at fair value through other comprehensive income (loss)</u>					
Stock	Market Law	Lack of liquidity discount	30%	The higher the degree of lack of liquidity, the lower the fair value estimation	When the percentage of lack of liquidity increases (decreases) by 1%, the equity in the Company will decrease/increase by NT\$1,106 thousand

December 31, 2024

	Valuation techniques	Material unobservable input value	Quantitative information	Relations between input value and fair value	Sensitivity analysis value relationship between input value and fair value
Financial assets:					
<u>Measured at fair value through profit and loss</u>					
Embedded derivative financial instruments	Binary tree convertible bond valuation model	Volatility	28.32%	The higher the volatility, the higher the fair value estimates	When the volatility increases (decreases) by 1%, the profit or loss on the Group will increase/decrease by NT\$0 thousand.
<u>Financial assets at fair value through other comprehensive income (loss)</u>					
Stock	Market Law	Lack of liquidity discount	30%	The higher the degree of lack of liquidity, the lower the fair value estimation	When the percentage of lack of liquidity increases (decreases) by 1%, the equity in the Company will decrease/increase by NT\$904 thousand

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March 31, 2024

	Valuation techniques	Material unobservable input value	Quantitative information	Relations between input value and fair value	Sensitivity analysis value relationship between input value and fair value
Financial assets: Measured at fair value through profit and loss					
Embedded derivative financial instruments	Binary tree convertible bond valuation model	Volatility	25.11%	The higher the volatility, the higher the fair value estimates	When the volatility increases (decreases) by 1%, the profit or loss on the Group will increase/decrease by NT\$0 thousand and NT\$59 thousand, respectively.
Financial assets at fair value through other comprehensive income (loss)					
Stock	Market Law	Lack of liquidity discount	30%	The higher the degree of lack of liquidity, the lower the fair value estimation	When the percentage of lack of liquidity increases (decreases) by 1%, the equity in the Company will decrease/increase by NT\$367 thousand

3) Ranked information not measured at fair value but fair value disclosure is required

March 31, 2025 :

	Rank 1	Rank 2	Rank 3	Total
Disclosures of fair value liabilities only:				
Bonds payable (see Note 6.14 for details)	\$-	\$-	\$809,037	\$809,037

December 31, 2024 :

	Rank 1	Rank 2	Rank 3	Total
Disclosures of fair value liabilities only:				
Bonds payable (see Note 6.14 for details)	\$-	\$-	\$806,742	\$806,742

March 31, 2024:

	Rank 1	Rank 2	Rank 3	Total
Disclosures of fair value liabilities only:				
Bonds payable (see Note 6.14 for details)	\$-	\$-	\$797,160	\$797,160

j. Information on financial assets and financial liabilities in foreign the currency with material effect: Not applicable.

k. Capital management

The most important objective of the Group's capital management is to ensure that a healthy credit rating and positive capital ratio can be preserved to support the maximization of business management and shareholders' rights. The Group manages and adjusts capital structure based on economic conditions. We may achieve the objective of preserving and adjusting capital structure through adjusting dividend payment or issuance of new shares.

13. Notes on Disclosures

a. Information on Significant Transactions

- 1) The Company's capital financing for others: None.
- 2) The Company's endorsement/guarantee for others: None.
- 3) Securities holders at the end of the period (excluding investment subsidiaries, affiliates enterprises and joint venture interests): Please refer to Table 1.
- 4) Purchases from and sales to related parties amounting to at least NT\$100 million or exceeding 20% of paid-in capital: Please see Table 2.
- 5) Receivables from related parties amounting to at least NT\$100 million or exceeding 20% of paid-in capital: Please see Table 3.
- 6) Information on business relations and material transactions between the parent company and subsidiaries and inter-subsidiaries: Please see Table 8.

b. Information on Reinvestments

- 1) When it has a significant influence or control over the investee company, the relevant information of the investee company (excluding the mainland China investee company) should be disclosed: Please refer to Table 4.
- 2) Disclosure of Investee Information in Note 13.1 When the Company Has Control over the Investee Company:
 - 1) Capital financing for others: None.
 - 2) Endorsement/guarantee for others: None.
 - 3) Securities holders at the end of the period (excluding investment subsidiaries, affiliated enterprises and joint venture interests): Please refer to Table 5.
 - 4) Transactions with related parties amounting to NT\$100 million or 20% more than the paid-in capital: Please refer to Table 6.
 - 5) Receivables from related parties amounting to NT\$100 million or 20% more than the paid-in capital: Please refer to Table 7.

Notes to Consolidated Financial Statements of Great Tree Pharmacy Co., Ltd. (Continued)
(Amounts expressed in thousands of New Taiwan Dollars unless otherwise specified)

c. Information on investments in Mainland China:

- 1) Name of the invested company in Mainland China, main business activities, paid-in capital, investment method, capital inflows and outflows, shareholding ratio, investment gains and losses, carrying value of investment at period-end, repatriated investment gains and losses, and investment limit for investments in Mainland China:

Unit: in NT\$1,000

Name of the invested company in Mainland China	Major operations	Paid-in capital	Investment method	Cumulative investment amount remitted from Taiwan at the beginning of the period	Investment amount remitted or repatriated during the period		Cumulative investment amount remitted from Taiwan at the end of the period	Profit (Loss) of Investee for the Period	The shareholding ratio of the Company's direct or indirect investments	Investment income (loss) recognized by the Company for the period	Carrying value of investment at period-end	Cumulative investment returns repatriated as of the end of the period	Cumulative investment amount remitted from Taiwan to Mainland China at the end of the period	Investment amount approved by the Department of Investment Review, MOEA	Investment limit for investments in Mainland China according to the regulations of the Department of Investment Review, MOEA
					Remittance	Repatriation									
Greattree Changhe (Shanghai) Pharmacy Co., Ltd.	Medical device operations and sales	\$1,657 (Note 1 and 2)	(Note 3)	\$1,626	\$-	\$-	\$1,626	\$(7)	100%	\$(7) (Note 4 and 7)	\$1,509 (Note 7)	\$-	\$1,626	\$1,626	\$1,991,117
Greattree Sugi (Shangtong) Pharmacy Co., Ltd.	Pharmaceutical retail	\$69,267 (Note 1 and 5)	(Note 9)	\$23,310	\$46,482	\$-	\$68,792	\$(2,969)	95%	\$(2,821) (Note 4 and 7)	\$64,939 (Note 7)	\$-	\$68,792	\$- (Note 8)	

Notes to Consolidated Financial Statements of Great Tree Pharmacy Co., Ltd. (Continued)
(Amounts expressed in thousands of New Taiwan Dollars unless otherwise specified)

Name of the invested company in Mainland China	Main business activities Item	Paid-in capital	Investment method	Cumulative investment amount remitted from Taiwan at the beginning of the period	Investment amount remitted or repatriated during the period		Cumulative investment amount remitted from Taiwan at the end of the period	Profit (Loss) of Investee for the Period	The shareholding ratio of the Company's direct or indirect investments	Investment income (loss) recognized by the Company for the period	Carrying value of investment at period-end	Cumulative investment returns repatriated as of the end of the period	Cumulative investment amount remitted from Taiwan to Mainland China at the end of the period	Investment amount approved by the Department of Investment Review, MOEA	Investment limit for investments in Mainland China according to the regulations of the Department of Investment Review, MOEA
					Remittance	Repatriation									
Shangtong Greattree Shuyu Pharmacy Limited	Pharmaceutical retail Wholesale	\$127,596 (Note 1 and 6)	(Note 10)	\$18,205	\$46,482	\$-	\$64,686	\$(5,796)	48.45%	\$(2,808) (Note 4 and 7)	\$60,966 (Note7)	\$-	\$64,686	\$- (Note10)	\$1,991,117

Note 1: Amounts in foreign currency will be converted to NTD by the exchange rate as of the balance sheet date.

Note 2: The paid-in capital is US\$50 thousand.

Note 3: Investment in the Mainland China company is made through the establishment of Greattree Pharmacy Hong Kong Limited.

Note 4: The basis for recognizing investment gains and losses is the financial statements audited by a certified public accountant from the Taiwan parent company.

Note 5: The paid-in capital is RMB 15,200 thousand.

Note 6: The paid-in capital is RMB 28,000 thousand.

Note 7: It has already been charged-off during writing of the Consolidated Financial Statements.

Note 8: As of March 31, 2025, the application is still under review by the Department of Investment Review, MOEA.

Note 9: Investment in the Mainland China company is made through Greattree Sugi Pharmacy Hong Kong Limited.

Note 10: Investment in the Mainland China company is made through Shangtong Greattree Shuyu Pharmacy Limited.

14. Departmental Information

Revenues from the Group mostly come from sales of various medicine, health foods, maternity and infant products, and cosmetics. The Group's operational decision-makers will review the overall operating results to establish decisions regarding Company resources and to evaluate overall performance. Hence, it is a single business unit, and adopts the same fundamental compilations and preparations as the compilation and explanations of material accounting policies summarized in Note 4.

Table 1

Great Tree Pharmacy Co., Ltd. and Subsidiaries
Securities held at the end of the period (excluding investment subsidiaries, affiliated enterprises and joint venture interests)
As of March 31, 2025
Unit: in NT\$1,000

Name of Held Company	Type and name of securities (Note 1)	Relationship with securities issuer (Note 2)	Financial statement account	End of the Period				Notes (Note 3)
				Number of shares/units	Carrying amount	Shareholding ratio	Fair value	
Great Tree Pharmacy Co., Ltd.	<u>Stock</u> Top Taiwan XIV Venture Capital Co., Ltd.	-	Measured at fair value through other comprehensive income	5,000,000	\$50,000	2.29%	\$48,964	None
			Financial assets of					
			Less: Fair value through other comprehensive income		(1,036)			
			Fair value adjustment of equity investments measured					
	Yoda Pharmaceuticals Inc.	-	Measured at fair value through other comprehensive income	1,763,000	25,900	2.30%	25,900	None
			Financial assets of					
			Less: Fair value through other comprehensive income		-			
			Fair value adjustment of equity investments measured					
	AnnJi Pharmaceutical Co., Ltd.	-	Measured at fair value through other comprehensive income	666,666	20,000	0.71%	13,213	None
			Financial assets of					
			Add: Fair value through other comprehensive income		(6,787)			
			Fair value adjustment of equity investments measured					
	Penpeer Co., Ltd.	-	Measured at fair value through other comprehensive income	266,667	12,000	4.87%	12,000	None
			Financial assets of					
			Less: Fair value through other comprehensive income		-			
			Fair value adjustment of equity investments measured					
	ExoOne Bio. Co., Ltd.	-	Measured at fair value through other comprehensive income	2,160,000	49,680	8.70%	49,680	None
			Financial assets of					
			Less: Fair value through other comprehensive income					
			Fair value adjustment of equity investments measured					
			Total		<u>\$149,757</u>			

Note 1: The term “marketable securities” as used in this table refers to stocks, bonds, beneficiary certificates and securities derived from the above-mentioned items within the scope of IAS 9 “Financial Instruments”.

Note 2: Issuers of marketable securities that are not related persons are exempt from this column.

Note 3: For those listed marketable securities are subject to restricted use due to provision of collateral, pledged loans or other agreements, they shall be indicated in the remarks column for the number of guaranteed or pledged shares, the amount of guarantee or pledged and the restricted usage.

Table 2

Great Tree Pharmacy Co., Ltd. and Subsidiaries
Purchases from and Sales to Related Parties Amounting to at least NT\$100 Million or Exceeding 20% of Paid-in Capital
January 1, 2025 to March 31, 2025
Unit: in NT\$1,000

Company that imports (sells) goods	Name of counterparty	Relations	Transaction conditions				Terms that are different from the average transactions		Notes and accounts receivable (payable)		Remark
			Imports (sale) goods	Amount	Ratio to total inputs (sales)	Credit period	Unit price	Credit period	Balance	Ratio of total notes receivable (paid) to accounts receivable	
Great Tree Pharmacy Co., Ltd.	Bai-Lin Logistics Co., Ltd.	Subsidiary	Sales	\$1,223,367	26.63%	Offset of debts and claims	No other customers for comparison	Non-related parties: 60-120 days credit	Accounts receivable \$740,088	49.80%	Note
Great Tree Pharmacy Co., Ltd.	Ivy Biotechnology Co., Ltd.	Subsidiary	Purchases	\$118,874	2.92%	Credit 30 days	No other vendor for comparison	Non-related parties: 60-90 days credit	Notes payable \$186,306	26.06%	Note
									Accounts payable \$43,734	2.43%	Note

Note: It has already been charged-off during writing of the Consolidated Financial Statements.

Table 3

Great Tree Pharmacy Co., Ltd. and Subsidiaries
Receivables from Related Parties Amounting to at least NT\$100 Million or Exceeding 20% of Paid-in Capital
March 31, 2025
Unit: in NT\$1,000

Company name	Name of counterparty	Relations	Balance of accounts receivable from related party	Turnover rate	Overdue accounts receivable from related party		Amount Collected Subsequent to the Balance Sheet Date	Allowance for doubtful accounts
					Amount	Treatment		
Great Tree Pharmacy Co., Ltd.	Bai-Lin Logistics Co., Ltd.	Subsidiary	\$740,088	6.76	\$-	-	\$98,255	\$-
			(Note)					

Note: It has already been charged-off during writing of the Consolidated Financial Statements.

Table 4

Great Tree Pharmacy Co., Ltd. and Subsidiaries
When it has a significant influence or control over the investee company, it should disclose the relevant information of the investee company (excluding the mainland China investee company)
March 31, 2025
Unit: in NT\$1,000

Name of investing company	Investee	Location	Major operations	Initial investment amount		Ending balance			Profit(Loss) of Investee for the Period	Investment income(loss) recognized by the Company for the period	Remark
				Ending balance for the period	Year-end in previous year	Shareholding	Rate%	Carrying amount			
Great Tree Pharmacy Co., Ltd.	Ivy Biotechnology Co., Ltd.	19F., No. 186, Fuxing Road, Taoyuan District, Taoyuan City	Wholesale and retail business of foods and assorted goods, daily supplies, cleaning products, assorted drugs, health supplements, maternity and infant products, and cosmetics	\$40,612	\$40,612	5,900,000shares	100.00%	\$187,837	\$20,308	\$19,660	Note 2
Great Tree Pharmacy Co., Ltd.	Bai-Lin Logistics Co., Ltd.	19F., No. 186, Fuxing Road, Taoyuan District, Taoyuan City	Wholesale and retail business, and packaging and warehousing services of foods and assorted goods, beverages, daily supplies, cleaning products and cosmetics	\$2,000	\$2,000	200,000shares	100.00%	\$14,085	\$2,339	\$2,339	Note 2
Great Tree Pharmacy Co., Ltd.	Great Tree Pets Co., Ltd.	18F., No. 186, Fuxing Road, Taoyuan District, Taoyuan City	Retail business of animal medication, aquarium fish, and retail and wholesale business of pet food and supply	\$250,000	\$210,000	25,000,000shares	100.00%	\$138,354	\$(6,000)	\$(6,000)	Note 2
Great Tree Pharmacy Co., Ltd.	GREAT TREE INTERNATIONAL SDN. BHD.	No. 39-1, Jalan Anggerik Vanilla BF 31/BF, Kota Kemuning, Seksyen 31, 40460 Shan Alam, Selangor, Malaysia	Wholesale and retail operations encompassing health foods, cosmetics, medical equipment, and pet-related products	\$10,256	\$10,256	1,500,000shares	74.26%	\$9,539	\$(250)	\$(186)	Note 2
Great Tree Pharmacy Co., Ltd.	Enki Biomedical Co., Ltd.	20F., No. 186, Fuxing Road, Taoyuan District, Taoyuan City	Wholesale and retail business of foods and assorted goods, beverages, daily supplies, cleaning products and cosmetics, and precision instruments, etc, provides services in the field of biotechnology	\$15,000	\$15,000	1,500,000shares	100.00%	\$5,221	\$(496)	\$(496)	Note 2
Great Tree Pharmacy Co., Ltd.	Greattree Pharmacy Hong Kong Limited	RMS 2006-8, 20/F Two Chinachem Exchange Square 338 King's RD North Point HK	Investment business	\$122,354	\$122,354	3,850,000shares	100.00%	\$122,822	\$(2,829)	\$(2,829)	Note 2
Great Tree Pharmacy Co., Ltd.	SUNYAO Healthcare Co., Ltd.	20F., No. 186, Fuxing Road, Taoyuan District, Taoyuan City	Wholesale and retail business of foods and assorted goods, beverages, daily supplies, cleaning products, and cosmetics.	\$24,000	\$24,000	2,400,000shares	80.00%	\$22,819	\$(1,476)	\$(1,181)	Note 2
Great Tree Pharmacy Co., Ltd.	DA FENG Logistics Co., Ltd.	18F., No. 186, Fuxing Road, Taoyuan District, Taoyuan City	Packaging and warehousing services	\$30,000	\$-	3,000,000shares	85.71%	\$29,992	\$(9)	\$(8)	Note2
Ivy Biotechnology Co., Ltd.	Da Yu Property Management Co., Ltd.	18F., No. 186, Fuxing Road, Taoyuan District, Taoyuan City	Management consultancy, housing and commercial building development, lease and sales, development of special zones, real estate sales and lease, and development, lease, and sales of factory buildings	\$30,000	\$30,000	3,000,000shares	60.00%	\$27,522	\$337	\$202	Note 2
Ivy Biotechnology Co., Ltd.	GREAT TREE INTERNATIONAL SDN. BHD.	No. 39-1, Jalan Anggerik Vanilla BF 31/BF, Kota Kemuning, Seksyen 31, 40460 Shan Alam, Selangor, Malaysia	Wholesale and retail operations encompassing health foods, cosmetics, medical equipment, and pet-related products	\$128	\$128	20,000shares	0.99%	\$127	\$(250)	\$(2)	Note 2
Ivy Biotechnology Co., Ltd.	SK Biomedical INC.	4F., No. 70, Section 3, Nanjing East Road, Zhongshan District, Taipei City	Wholesale and retail business of foods and assorted goods, beverages, daily supplies, cleaning products, cosmetics, and pet-related products.	\$6,000	\$6,000	600,000shares	20.00%	\$5,549	\$(174)	\$(35)	
Greattree Pharmacy Hong Kong Limited	Greattree Sugi Pharmacy Hong Kong Limited	RM 601 ALBION PLAZA 2-6 GRANVILLE RD TST KL	Investment business	\$122,898	\$122,898	3,800,000shares	95.00%	\$121,549	\$(2,970)	\$(2,882)	Note 2
GREAT TREE INTERNATIONAL SDN. BHD.	GTSW BIOTECH SDN. BHD.	NO. 5-2, Jalan Puteri 2/6 Bandar 47100 Puchong Selangor Malaysia	Wholesale and retail operations encompassing health foods, cosmetics, medical equipment, and pet-related products	\$1,949	\$1,949	300,000shares	60.00%	\$2,271	\$296	\$178	Note 2
GREAT TREE INTERNATIONAL SDN. BHD	GTM HEALTHCARE SDN. BHD	NO. 5-2, Jalan Puteri 2/6 Bandar Puteri Puchong 47100 Selangor Malaysia	Online wholesale and retail operations encompassing health supplements, cosmetics, and medical equipment.	\$-	\$-	51 Shares	51.00%	\$-	\$-	\$-	Note 2
SUNYAO Healthcare Co., Ltd.	Senyu Biomedical Co., Ltd.	20F., No. 186, Fuxing Road, Taoyuan District, Taoyuan City	Wholesale and retail business of foods and assorted goods, beverages, daily supplies, cleaning products, and cosmetics.	\$20,250	\$-	2,025,000shares	90.00%	\$20,042	\$(231)	\$(208)	Note 2

Note 1: Includes income from investment recognized using equity method for the period of NT\$20,308 thousand, write-off for lease transaction with related party NT\$(64) thousand, realized profit from upstream transactions in previous period of NT\$34,681 thousand, and unrealized profit from upstream transactions for this period of NT\$(35,265) thousand.

Note 2: It has already been charged-off during writing of the Consolidated Financial Statements.

Table 5

Great Tree Pharmacy Co., Ltd. and Subsidiaries

Securities holders at the end of the period (excluding investment subsidiaries, affiliated enterprises and joint venture interests)

March 31, 2025

Unit: in NT\$1,000

Name of Held Company	Types and names of securities (Note 1)	Relationship with securities issuer (Note 2)	Financial statement account	End of the Period				Notes (Note 3)
				Number of shares/units	Carrying amount	Shareholding ratio	Fair value	
Great Tree Pets Co., Ltd.	<u>Stock</u> Hund Biotech Co., Ltd.	-	Financial assets at fair value through other comprehensive income (loss)	300,000	\$3,000	12.77%	\$3,000	None
			Less: Adjustment of Equity instrument investment measured at fair value measured through other comprehensive income		-			
			Total		<u>\$3,000</u>			

Note 1: The term “marketable securities” as used in this table refers to stocks, bonds, beneficiary certificates and securities derived from the above-mentioned items within the scope of IAS 9 “Financial Instruments”.

Note 2: Issuers of marketable securities that are not related persons are exempt from this column.

Note 3: For those listed marketable securities are subject to restricted use due to provision of collateral, pledged loans or other agreements, they shall be indicated in the remarks column for the number of guaranteed or pledged shares, the amount of guarantee or pledged and the restricted usage.

Table 6

Great Tree Pharmacy Co., Ltd. and Subsidiaries
Purchases from and Sales to Related Parties Amounting to at least NT\$100 Million or Exceeding 20% of Paid-in Capital
January 1, 2025 to March 31, 2025

Unit: in NT\$1,000

Company that imports (sells) goods	Counterparty	Relations	Transaction conditions				Terms that are different from the average transactions		Notes and accounts receivable(payable)		Remark
			Imports (sale) goods	Amount	Ratio to total inputs (sales)	Credit period	Unit price	Credit period	Balance	Ratio of total notes receivable (paid) to accounts receivable	
Ivy Biotechnology Co., Ltd.	Great Tree Pharmacy Co., Ltd.	Parent company	Sales	\$118,874	99.77%	Credit30days	No other customers for comparison	Non-related parties 30-60days credit	Notes receivable	99.99%	Note
									\$186,306 Accounts receivable	99.96%	Note
									\$43,734		
Bai-Lin Logistics Co., Ltd.	Great Tree Pharmacy Co., Ltd.	Parent company	Purchases	\$1,223,367	100.00%	Offset of debts and claims	No other supplier available for comparison	No other supplier available for comparison	Accounts payable	100.00%	Note
									\$740,088		

Note: It has already been charged-off during writing of the Consolidated Financial Statements.

Table 7

Great Tree Pharmacy Co., Ltd. and Subsidiaries
Receivables from Related Parties Amounting to at least NT\$100 Million or Exceeding 20% of Paid-in Capital
March 31, 2025

Unit: in NT\$1,000

Company name	Name of counterparty	Relations	Balance of accounts receivable from related party	Turnover rate	Overdue accounts receivable from related party		Amount Collected Subsequent to the Balance Sheet Date	Provision for allowance for losses
					Amount	Treatment		
Ivy Biotechnology Co., Ltd.	Great Tree Pharmacy Co., Ltd.	Parent company	<u>\$230,040</u>	<u>2.00</u>	<u>\$-</u>	-	<u>\$81,774</u>	<u>\$-</u>
			(Note)					

Note: It has already been charged-off during writing of the Consolidated Financial Statements.

Table 8

Great Tree Pharmacy Co., Ltd. and Subsidiaries
Business Relationships and Significant Intercompany Transactions

Unit: in NT\$1,000

Code(Note 1)	Name of counterparty	Transaction counterparty	Relationship with Traders(Note 2)	Transaction status			
				Item	Amount	Transaction conditions	Ratio to total consolidated revenue or assets(Note 3)
	<u>2025.01.01~2025.03.31</u>						
0	Great Tree Pharmacy Co., Ltd.	Ivy Biotechnology Co., Ltd.	1	Sales	\$431	-	0.01%
0	Great Tree Pharmacy Co., Ltd.	Ivy Biotechnology Co., Ltd.	1	Purchases	118,874	Credit 30 days	2.55%
0	Great Tree Pharmacy Co., Ltd.	Ivy Biotechnology Co., Ltd.	1	Rental revenue	1,314	-	0.03%
0	Great Tree Pharmacy Co., Ltd.	Ivy Biotechnology Co., Ltd.	1	Accounts receivable	17	-	-
0	Great Tree Pharmacy Co., Ltd.	Ivy Biotechnology Co., Ltd.	1	Other receivables	13,494	-	0.11%
0	Great Tree Pharmacy Co., Ltd.	Ivy Biotechnology Co., Ltd.	1	Notes payable	186,306	Credit 30 days	1.51%
0	Great Tree Pharmacy Co., Ltd.	Ivy Biotechnology Co., Ltd.	1	Accounts payable	43,734	Credit 30 days	0.35%
0	Great Tree Pharmacy Co., Ltd.	Ivy Biotechnology Co., Ltd.	1	Other payables	118	-	-
0	Great Tree Pharmacy Co., Ltd.	Ivy Biotechnology Co., Ltd.	1	Guarantee deposits	20	-	-
0	Great Tree Pharmacy Co., Ltd.	Bai-Lin Logistics Co., Ltd.	1	Sales	1,223,367	Offset of debts and claims	26.22%
0	Great Tree Pharmacy Co., Ltd.	Bai-Lin Logistics Co., Ltd.	1	Shipping fee	6,287	Offset of debts and claims	0.13%
0	Great Tree Pharmacy Co., Ltd.	Bai-Lin Logistics Co., Ltd.	1	Accounts receivable	740,088	Offset of debts and claims	6.00%
0	Great Tree Pharmacy Co., Ltd.	Bai-Lin Logistics Co., Ltd.	1	Other payables	124	-	-
0	Great Tree Pharmacy Co., Ltd.	Great Tree Pets Co., Ltd.	1	Sales	1,588	Credit 30 days	0.03%
0	Great Tree Pharmacy Co., Ltd.	Great Tree Pets Co., Ltd.	1	Rental revenue	2,334	Credit 30 days	0.05%
0	Great Tree Pharmacy Co., Ltd.	Great Tree Pets Co., Ltd.	1	Accounts receivable	355	-	-
0	Great Tree Pharmacy Co., Ltd.	Great Tree Pets Co., Ltd.	1	Other receivables	803	-	0.01%
0	Great Tree Pharmacy Co., Ltd.	Great Tree Pets Co., Ltd.	1	Accounts payable	28	-	-
0	Great Tree Pharmacy Co., Ltd.	Great Tree Pets Co., Ltd.	1	Other receivables	340	-	-
0	Great Tree Pharmacy Co., Ltd.	Da Yu Property Management Co., Ltd.	1	Rental expenses	500	Credit 30 days	0.01%
0	Great Tree Pharmacy Co., Ltd.	Enki Biomedical Co., Ltd.	1	Accounts receivable	5	-	-
0	Great Tree Pharmacy Co., Ltd.	SUNYAO Healthcare Co., Ltd.	1	Other receivables	107	-	-
0	Great Tree Pharmacy Co., Ltd.	GREAT TREE INTERNATIONAL SDN. BHD.	1	Other receivables	540	-	-
0	Great Tree Pharmacy Co., Ltd.	Greattree Pharmacy Hong Kong Limited	1	Other receivables	50	-	-
0	Great Tree Pharmacy Co., Ltd.	DA FENG Logistics Co., Ltd.	1	Other receivables	9	-	-
0	Great Tree Pharmacy Co., Ltd.	Senyu Biomedical Co., Ltd.	1	Other receivables	6	-	-
1	GREAT TREE INTERNATIONAL SDN. BHD.	GTSW BIOTECH SDN. BHD.	3	Purchases	831	-	0.02%
1	GREAT TREE INTERNATIONAL SDN. BHD.	GTSW BIOTECH SDN. BHD.	3	Accounts payable	812	-	0.01%

- Note 1: The information on business dealings between the parent company and subsidiaries should be numbered in the “Code” column with the following coding method:
- The parent company is 0.
 - Subsidiaries are numbered sequentially beginning with the Arabic numeral 1.
- Note 2: Relations with counterparty can be any one of the following three types:
- Parent company to subsidiary.
 - Subsidiary to parent company.
 - Between subsidiaries.
- Note 3: Regarding the percentage of the transaction amount to consolidated net revenue or total assets, it is computed based on the ending balance to consolidated total assets for balance sheet items; and based on the interim accumulated amount to consolidated net revenue for profit or loss items.
- Note 4: Amounts in foreign currency will be converted to NTD by the exchange rate as of the balance sheet date.