Stock No.: 8403

ShareHope Medicine Co., Ltd. and its subsidiaries

Consolidated Financial Report and Independent Auditors' Report

2024 and 2023

Address: 19th Floor, No. 168 Jingguo Road, Taoyuan District, Taoyuan
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For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Repubic of China.

In the event of any discrepancy between the English version and the original Chunese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

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Statement

The companies affiliated with the Company that should be included in the consolidated financial statements of affiliates for 2024 (from January 1, 2024 to December 31, 2024) in accordance with the "Standards for the Preparation of Consolidated Business Report of Affiliates, Consolidated Financial Statements of Affiliates, and Relation Report" are the same as the companies that should be included in the Consolidated Financial Report of the parent company and subsidiaries in accordance with International Financial Reporting Standards No. 10 recognized by the Financial Supervisory Commission, and information that shall be disclosed in the consolidated financial statements of affiliates has been disclosed in the said Consolidated Financial Report of the parent company and subsidiaries. Accordingly, no separate Consolidated Financial Report of affiliates will be prepared.

Hereby declared.

Company name: ShareHope Medicine Co., Ltd.

Chairman: Hung-Jen Yang

Dare: March 14, 2025

Independent Auditors' Report

Submitted to the Board of Directors of ShareHope Medicine Co., Ltd. and subsidiaries for review

Audit opinion

We have audited the Consolidated Balance Sheet of ShareHope Medicine Co., Ltd. and its subsidiaries (ShareHope Group) on December 31, 2024 and 2023, and the Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to Consolidated Financial Report (including the Summary of Major Accounting Policies) from January 1 to December 31, 2024 and 2023.

In our opinion, the Consolidated Financial Report referred to above has been prepared, in all material respects, in accordance with the Regulations Governing the Preparation of Financial Statements by Securities Issuers, International Financial Reporting Standards, International Accounting Standard, and their interpretations and interpretation announcements recognized by the Financial Supervisory Commission, and is adequate in expressing the consolidated financial position of ShareHope Group on December 31, 2024 and 2023, as well as its consolidated financial performance and consolidated cash flows from January 1 to December 31, 2024 and 2023.

Foundation of the Audit Opinion

The independent auditor performed the audit in compliance with the rules governing the certification of financial statements by entrusted independent auditors and the auditing standards. His responsibilities specified in these standards will be further explained in the section about independent auditors' responsibilities in auditing the Consolidated Financial Statements. The personnel subject to independence standards in the accounting firm, to which the said independent auditor is affiliated, have maintained independent from ShareHope Group in accordance with the CPA Professional and Ethical Guidelines, and have fulfilled other obligations under the Guidelines. We believe that we have obtained sufficient and appropriate audit evidence as the basis for expressing our audit opinion.

Key Audit Matters

A key audit matter is one that, in our professional judgment, is material to the audit of the Consolidated Financial Report of ShareHope Group for 2024. Given that such items have been considered in the course of auditing the Consolidated Financial Statements and forming the audit opinions, the independent auditor does not give opinions on these items separately. Based on the independent auditor's judgment, the key audit items that shall be included in the audit report are as follows:

<u>Revenue recognition</u>

For the accounting policy for revenue recognition and related disclosure information, please refer to Note 4(15), Note 6(26), and Note 7(3) of the Consolidated Financial Report.

Explanation on key audit items:

The operating revenue of ShareHope Group is a matter of concern to users of the financial statements and the competent authorities, and the Group's main sales customers are related parties of its medical system, whose operating revenue has a significant impact on the Consolidated Financial Statements. Accordingly, revenue recognition is among the important items to be evaluated by the independent auditor in the audit of the Consolidated Financial Statements of ShareHope Group.

Corresponding audit procedures:

The main audit procedures adopted by the independent auditor for the key audit items mentioned above include:

· Based on the understanding of the sales-related internal control procedures of ShareHope Group, establish internal control audit procedures in response to the risks generated thereof, to identify and evaluate the effectiveness of the internal control over sales transactions made by ShareHope Group with its related parties.

· Obtain sales revenue details from the management, confirm the completeness of the details, select adequate samples from the revenue details of main sales transactions with related parties, and review relevant vouchers and verify delivery of goods and receipt of payments, so as to confirm whether the revenues are recognized after relevant obligations are fulfilled as well as the authenticity of revenue recognition.

· Inspect whether there are major discounts or returns of sales revenue subsequent to the sales transactions and evaluate the authenticity of the sales revenue.

· Send a letter of inquiry to the relevant parties and confirm whether the recorded revenue is consistent with the transaction amount or has been adjusted appropriately.

Other Matters

ShareHope Medicine Co., Ltd. has prepared the Parent Company Only Financial Report for 2024 and 2023, and we have issued unqualified opinions respectively for reference.

Responsibilities of the Management and Governance Unit for the Consolidated Financial Report

The responsibility of the management is to prepare fairly presented Consolidated Financial Statements in accordance with the Regulations Governing the Preparation of Financial Statements by Securities Issuers, and the International Financial Reporting Standards, International Accounting Standard, and their interpretations and interpretation announcements recognized and issued by the Financial Supervisory Commission, and to maintain necessary internal control over the preparation of the Consolidated Financial Statements, so as to ensure no occurrence of material false statements due to fraud or error in the Consolidated Financial Statements.

The responsibility of the management in the preparation of the Consolidated Financial Statements also includes the evaluation of ShareHope Group's ability to continue business, the disclosure of related items, and the adoption of the accounting basis for continuation of the business, unless the management intends to liquidate ShareHope Group or close business, or there is no practical alternative to liquidation or close of the business.

The governing body (including the Audit Committee) of ShareHope Group is responsible for supervising the financial reporting process.

Our Responsibilities for Auditing the Consolidated Financial Report

The purpose of the independent auditor's audit of the Consolidated Financial Statements is to obtain reasonable assurance as to whether there are material false statements due to fraud or error in the Consolidated Financial Statements, and to issue an audit report. Reasonable assurance refers to the high degree of certainty. Nevertheless, there is no guarantee that the material false statements in the Consolidated Financial Statements will necessarily be detected merely based on the audit work conducted in compliance with the auditing standards. False statements may result from frauds or errors. False statements of several amounts or total amounts are considered material if they can reasonably be expected to affect the economic decisions made by users of the Consolidated Financial Statements.

The independent auditor performs professional judgment and professional skepticism when conducting an audit in accordance with the auditing standards. The independent auditor also undertakes the following tasks:

1. Identify and evaluate the risk of material false statements due to frauds or errors in the Consolidated Financial Statements, formulate and implement appropriate countermeasures for the risk evaluated, and obtain sufficient and appropriate audit evidence as the basis for audit opinions. Since fraud may involve collusion, forgery, intentional omission, false statements, or overstepping internal control, the risk of the failure to detect material false statements due to frauds is higher than that due to errors.
2. Obtain necessary understanding of the internal control essential to the audit, so as to formulate the appropriate audit procedures for the current situation, for all that the purpose is not to give opinions on the effectiveness of the internal control of ShareHope Group.
3. Evaluate the appropriateness of the accounting policies adopted by the management, as well as the reasonability of the accounting estimates and related disclosures made by them.
4. Draw conclusions on the appropriateness of the management's adoption of the accounting basis for continuation of the business, as well as whether there are significant uncertainties in events or situations that may give rise to material doubts about ShareHope Group's ability to continue its business, based on the audit evidences obtained. If the independent auditor believes that there are significant uncertainties in such events or situations, he shall remind users of the Consolidated Financial Statements to pay attention to the disclosures about the Consolidated Financial Statements, or revise the audit opinions when such disclosures are inappropriate. The independent auditor's conclusions are based on the audit evidences obtained up to the date of the audit report. However, future events or situations may result in ShareHope Group's loss of the ability to continue the business.
5. Evaluate the overall statements, structure, and contents of the Consolidated Financial Statements

(including relevant notes), and whether relevant transactions and events are fairly presented in the Consolidated Financial Statements.

6. Obtain sufficient and appropriate audit evidence for the financial information of the constituent entities of the Group to give opinions on the Consolidated Financial Statements. The independent auditor is responsible for guiding, supervising, and executing the audit work of the Group, and for issuing audit opinions on the Group.

The items on which the independent auditor has communicated with the governing body include the planned scope and time of the audit work, as well as major audit findings (including significant deficiencies in internal control identified in the course of the audit).

The independent auditor has also provided the governing body with the statement that the personnel subject to independence standards in the accounting firm, to which the independent auditor is affiliated, have complied with the CPA professional and ethical guidelines regarding independence, and has communicated with the governing body on all relationships and other items that may be considered to affect the independence of independent auditors (including relevant protective measures).

We have decided on the key matters to be audited in the Consolidated Financial Report of ShareHope Group for 2024 based on the matters we communicated with the governance unit. The independent auditor has stated such items in the Independent Auditors' Report, unless some specific items are prohibited from disclosure according to laws and regulations, or the independent auditor decides not to communicate some items in the Independent Auditors' Report under extremely rare circumstances where it can be reasonably expected that the negative impact of such communication will outweigh the public interest it brings.

KPMG Taiwan

CPAs:	Astor Kou Sinney Kuo
Number of documents approved and certified by the securities regulatory:	Tai-Tsai-Zheng-(6)-Zi-0930106739 Jin-Kuan-Zheng-Shen-Zi-1040003949

Date: March 14, 2025

ShareHope Medicine Co., Ltd. and its subsidiaries

Consolidated Balance Sheet

January 1 to December 31, 2024 and 2023

Unit: NT$ thousand

	Assets	2024.12.31 amount	%	2023.12.31 amount	%
	Current assets:				
1100	Cash and cash equivalents (Note 6 (1))	$ 1,459,635	20	1,383,022	19
1110	Financial assets at fair value through profit or loss - current (Note 6 (2))	10,610	-	10,463	-
1136	Financial assets at amortized cost - current (Note 8)	23,010	-	32,097	-
1150	Notes receivable (Note 6 (4) and (26))	11,320	-	12,273	-
1170	Net accounts receivable (Note 6 (4) and (26))	258,074	4	260,775	4
1180	Net accounts receivable - related parties (Note 6 (4), (6) and (26), and Note 7)	971,225	14	1,115,312	15
1200	Other net accounts receivable (Note 6 (5))	50,829	1	37,799	1
1210	Other accounts receivable - related parties (Note 6 (5) and Note 7)	268,252	4	36,101	-
1220	Income tax assets for the period	337	-	177	-
130X	Inventories (Note 6 (7))	292,256	4	296,474	4
1410	Prepayments (Note 7)	36,916	1	45,137	1
1470	Other current assets	9,928	-	9,994	-
	Total current assets	3,392,392	48	3,239,624	44
	Non-current assets:				
1510	Financial assets at fair value through profit or loss - non-current (Note 6 (2))	27,853	-	19,684	-
1517	Financial assets at fair value through other comprehensive income - non-current (Note 6 (3))	770,686	11	814,972	11
1536	Financial assets at amortized cost - non-current (Note 8)	43,334	1	44,500	1
1550	Equity method investments (Note 6 (9))	76,056	1	76,578	1
1600	Property, plant and equipment (Note 6(11) and 8)	1,490,229	21	1,676,551	23
1755	Right-of-use assets (Note 6(12))	350,060	5	407,790	5
1760	Investment property (Notes 6(13), 7 and 8)	111,884	2	338,194	5
1780	Intangible assets (Note 6(14))	322,120	4	337,124	4
1840	Deferred income tax assets (Note 6(23))	14,444	-	12,982	-
194D	Net long-term finance lease receivables (Note 6 (6) and (26), and Note 7)	15,969	-	24,626	-
1990	Other non-current assets (Note 6(15) and 7)	486,690	7	452,913	6
	Total non-current assets	3,709,325	52	4,205,914	56
	Total assets	$ 7,101,717	100	7,445,538	100

	Liabilities and equity	2024.12.31 amount	%	2023.12.31 amount	%
	Current liabilities:				
2100	Short-term borrowings (Note 6(16) and 8)	$ 433,087	6	407,467	5
2110	Short-term bills payable (Note 6(17))	54,815	1	54,901	1
2130	Contract liabilities - current (Note 6 (26))	48,815	1	12,662	-
2150	Notes payable	19,676	-	95,890	1
2170	Accounts payable	664,386	9	745,323	10
2181	Accounts payable - related parties (Note 7)	1,020	-	1,076	-
2200	Other payables (Note 6(21))	251,605	4	283,508	4
2220	Other accounts payable - related parties (Note 7)	26,746	-	10,420	-
2230	Income tax liabilities for the period	24,433	-	52,448	1
2280	Lease liabilities - current (Note 6(19))	109,778	2	140,853	2
2322	Long-term borrowings due within one year (Note 6(18) and 8)	185,158	2	121,207	2
2323	Long-term accounts payable due in one year	-	-	2,746	-
2399	Other current liabilities	40,480	1	36,471	-
	Total current liabilities	1,859,999	26	1,964,972	26
	Non-current liabilities:				
2540	Long-term borrowings (Note 6(18) and 8)	825,235	12	1,005,678	14
2570	Deferred income tax liabilities (Note 6(23))	29,198	1	33,238	1
2580	Lease liabilities - non-current (Note 6(19))	379,196	5	449,914	6
2612	Long-term payables	-	-	8,440	-
2640	Net defined benefit liabilities - non-current	7,267	-	8,231	-
2645	Deposits received (Note 7)	19,756	-	19,606	-
	Total non-current liabilities	1,260,652	18	1,525,107	21
	Total liabilities	3,120,651	44	3,490,079	47
	Equity (Notes 6(8), (10) and (24)):				
3110	Ordinary share capital	1,310,861	18	1,260,443	17
3200	Additional paid-in capital	1,150,037	16	1,155,834	15
3310	Legal reserves	229,009	3	216,895	3
3350	Undistributed earnings	819,984	12	732,111	10
3410	Exchange difference from translation of the financial statements of foreign operations	(1,338)	-	(2,507)	-
3420	Unrealized gains or losses on financial assets at fair value through other comprehensive income	48,342	1	125,160	2
	Total equity attributable to owners of the parent company	3,556,895	50	3,487,936	47
36xx	Non-controlling interests	424,171	6	467,523	6
	Total equity	3,981,066	56	3,955,459	53
	Total liabilities and equity	$ 7,101,717	100	7,445,538	100

(please refer to the attached Notes to the Consolidated Financial Report for details)

Chairman: Hung-Jen Yang **Manager: Ching-Wen Liu** **Chief Accounting Officer: Ya-Mei Huang**

ShareHope Medicine Co., Ltd. and its subsidiaries

Consolidated Statement of Comprehensive Income

January 1 to December 31, 2024 and 2023

Unit: NT$ thousand

		2024		2023	
		amount	%	amount	%
4000	**Operating revenue (Notes 6 (26) and 7)**	$ 4,325,831	100	3,873,384	100
5000	**Operating costs (Notes 6(7), (11), (12), (22) and 7)**	(3,611,427)	(83)	(3,147,007)	(81)
	Gross profit	714,404	17	726,377	19
	Operating expenses (Notes 6(4), (11), (12), (19), (22), and 7):				
6100	Marketing expenses	(241,004)	(6)	(225,234)	(6)
6200	Administrative expenses	(486,531)	(12)	(471,935)	(12)
6300	R&D expenses	(11,815)	-	(12,302)	-
6235	Losses on expected credit impairment	(10,947)	-	(3,093)	-
	Total operating expenses	(750,297)	(18)	(712,564)	(18)
6500	Not other income and expenses (Notes 6(28) and 7)	214,382	5	105,286	2
	Net operating income	178,489	4	119,099	3
	Non-operating income and expenses (Notes 6(9), (19) and (29)):				
7100	Interest income	10,533	-	8,321	-
7010	Other income	78,235	2	27,570	1
7020	Other gains and losses	(35,440)	(1)	9,510	-
7050	Finance costs	(58,342)	(1)	(53,665)	(1)
7770	Share of (losses) gains of affiliates recognized by the equity method	435	-	(1,851)	-
	Total non-operating income and expenses	(4,579)	-	(10,115)	-
7900	**Net income before tax**	173,910	4	108,984	3
7950	**Income tax expenses (Note 6(23))**	(51,512)	(1)	(53,719)	(1)
	Net income (loss) for the period	122,398	3	55,265	2
8300	**Other comprehensive income (Notes 6(23) and (24)):**				
8310	**Items not reclassified to profit or loss**				
8311	Remeasurement amount of defined benefit plans	1,509	-	82	-
8316	Unrealized valuation profits and losses on equity instrument investments at fair value through other comprehensive income	(81,994)	(2)	133,773	3
8320	Share of other comprehensive income of affiliates recognized by the equity method	-	-	(3,141)	-
8349	Less: income taxes related to non-reclassified items	(2,924)	-	16,293	-
	Total items not reclassified to profit or loss	(77,561)	(2)	114,421	3
8360	**Items that may be reclassified to profit or loss subsequently**				
8361	Exchange difference from translation of the financial statements of foreign operations	1,883	-	(522)	-
8399	Less: income taxes related to items that may be reclassified	356	-	(104)	-
	Total items that may be reclassified to profit or loss subsequently	1,527	-	(418)	-
8300	**Other comprehensive income for the period**	(76,034)	(2)	114,003	3
8500	**Total comprehensive income for this period**	$ 46,364	1	169,268	5
	Net profit (loss) attributable to (Note 6(10)):				
8610	Owners of the parent company	$ 200,097	5	124,557	4
8620	Non-controlling interests	(77,699)	(2)	(69,292)	(2)
		$ 122,398	3	55,265	2
	Total comprehensive income attributable to (Note 6(10)):				
8710	Owners of the parent company	$ 125,174	3	240,822	6
8720	Non-controlling interests	(78,810)	(2)	(71,554)	(1)
		$ 46,364	1	169,268	5
	Earnings per share (NT$) (Note 6(25))				
9750	**Basic earnings per share**	$	1.53		0.95
9850	**Diluted earnings per share**	$	1.52		0.95

(please refer to the attached Notes to the Consolidated Financial Report for details)

Chairman: Hung-Jen Yang **Manager: Ching-Wen Liu** **Chief Accounting Officer: Ya-Mei Huang**

ShareHope Medicine Co., Ltd. and its subsidiaries

Consolidated Statement of Changes in Equity

January 1 to December 31, 2024 and 2023

Unit: NT$ thousand

	Ordinary share capital	Additional paid-in capital	Legal reserves	Special reserves	Undistributed earnings	Exchange difference from translation of the financial statements of foreign operations	Unrealized gains or losses on financial assets at fair value through other comprehensive income	Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
Balance on January 1, 2023	$ 1,200,422	1,264,508	187,098	26,136	734,669	(2,089)	8,515	3,419,259	679,736	4,098,995
Net income for the period	-	-	-	-	124,557	-	-	124,557	(69,292)	55,265
Other comprehensive income for the period	-	-	-	-	38	(418)	116,645	116,265	(2,262)	114,003
Total comprehensive income for this period	-	-	-	-	124,595	(418)	116,645	240,822	(71,554)	169,268
Allocation and distribution of earnings:										
Appropriation of legal reserve	-	-	29,797	-	(29,797)	-	-	-	-	-
Common share cash dividend	-	-	-	-	(60,021)	-	-	(60,021)	(2,426)	(62,447)
Ordinary share stock dividend	60,021	-	-	-	(60,021)	-	-	-	-	-
Reversal of special reserves	-	-	-	(26,136)	26,136	-	-	-	-	-
Changes in ownership interests in subsidiaries	-	(108,674)	-	-	(3,450)	-	-	(112,124)	(138,433)	(250,557)
Non-controlling interests	-	-	-	-	-	-	-	-	200	200
Balance on December 31, 2023	1,260,443	1,155,834	216,895	-	732,111	(2,507)	125,160	3,487,936	467,523	3,955,459
Net income for the period	-	-	-	-	200,097	-	-	200,097	(77,699)	122,398
Other comprehensive income for the period	-	-	-	-	726	1,169	(76,818)	(74,923)	(1,111)	(76,034)
Total comprehensive income for this period	-	-	-	-	200,823	1,169	(76,818)	125,174	(78,810)	46,364
Allocation and distribution of earnings:										
Appropriation of legal reserve	-	-	12,114	-	(12,114)	-	-	-	-	-
Common share cash dividend	-	-	-	-	(50,418)	-	-	(50,418)	(3,446)	(53,864)
Ordinary share stock dividend	50,418	-	-	-	(50,418)	-	-	-	-	-
Changes in ownership interests in subsidiaries	-	(5,797)	-	-	-	-	-	(5,797)	(4,274)	(10,071)
Non-controlling interests	-	-	-	-	-	-	-	-	43,178	43,178
Balance on December 31, 2024	**$ 1,310,861**	**1,150,037**	**229,009**	**-**	**819,984**	**(1,338)**	**48,342**	**3,556,895**	**424,171**	**3,981,066**

(please refer to the attached Notes to the Consolidated Financial Report for details)

Chairman: Hung-Jen Yang **Manager: Ching-Wen Liu** **Chief Accounting Officer: Ya-Mei Huang**

ShareHope Medicine Co., Ltd. and its subsidiaries

Consolidated Cash Flow Statement

January 1 to December 31, 2024 and 2023

Unit: NT$ thousand

	2024	2023
Cash flows from (used in) operating activities:		
Net income before tax for the period	$ 173,910	108,984
Items adjusted:		
Income and expense items		
depreciation expense	282,424	290,103
Amortization expenses	25,140	30,472
Losses on expected credit impairment	10,947	3,093
Net gains on financial assets at fair value through profit or loss	(8,316)	(8,891)
Interest expenses	58,342	53,665
Interest income	(10,533)	(8,321)
Dividend income	(47,074)	(1,943)
Share of (gains) losses of affiliates recognized by the equity method	(435)	1,851
Gains on disposal and retirement of properties, plants and equipment	(18,358)	(23,906)
Gains on the disposal of investment property	(117,283)	-
Gains on disposal of subsidiaries' investments	(965)	-
Unrealized foreign exchange (gains) losses	(848)	866
Lease modification gains	(236)	(502)
Losses on disposal of property, plant and equipment	41,646	-
Total income and expense items	214,451	336,487
Changes in assets/liabilities related to operating activities:		
Notes receivable (including related parties)	953	850
Accounts receivable (including related parties)	123,661	(147,317)
Lease payments receivable (including related parties)	19,345	(22,032)
Other receivables (including related parties)	(32,873)	18,297
Inventories	3,860	(517)
Prepayments	6,299	3,375
Other current assets	25	(6,993)
Notes payable (including related parties)	(76,214)	(4,580)
Accounts payable (including related parties)	(79,913)	44,079
Other payables (including related parties)	(2,515)	(6,770)
contract liability	36,414	7,037
Other current liabilities	4,083	24,607
Net defined benefit liabilities	(1,373)	(151)
Total net changes in assets and liabilities related to operating activities	1,752	(90,115)
Cash inflow from operation	390,113	355,356
Interests received	10,533	8,321
Interests paid	(57,408)	(48,897)
Income taxes paid	(76,563)	(57,647)
Net cash inflow from operating activities	266,675	257,133

(please refer to the attached Notes to the Consolidated Financial Report for details)

Chairman: Hung-Jen Yang   Manager: Ching-Wen Liu   Chief Accounting Officer: Ya-Mei Huang

ShareHope Medicine Co., Ltd. and its subsidiaries

Consolidated Cash Flow Statement (Continued)

January 1 to December 31, 2024 and 2023

Unit: NT$ thousand

		2024	2023
Cash flows from (used in) investing activities:			
Acquisition of financial assets at fair value through other comprehensive income	$	(42,510)	(27,020)
Capital returned due to capital reduction in financial assets at fair value through other comprehensive income		4,802	26,701
Disposal of financial assets at fair value through profit or loss		-	71,171
Acquisition of long-term equity method investments		(1,500)	(12,000)
Acquisition of financial assets at amortized cost		-	(31,006)
Disposal of financial assets at amortized cost		10,253	-
Disposal of subsidiaries		2,808	-
Acquisition of property, plant and equipment		(83,071)	(250,306)
Disposal of property, plant and equipment		58,110	40,530
Increase in refundable deposits		(36,730)	(19,735)
Increase (decrease) in other receivables-from related parties		30,491	(10,132)
Acquisition of intangible assets		(9,952)	(26,899)
Loss (gain) on disposal of investment properties		53,148	-
Decrease in other non-current assets		4,328	9,150
Dividends received		44,931	1,943
Net cash flows from (used in) investing activities		35,108	(227,603)
Cash flows from (used in) financing activities:			
Increase in short-term loans		25,620	101,213
Borrowing of long-term loans		2,550	158,299
Repayment of long-term loans		(119,042)	(30,790)
(Decrease) increase in deposits received		150	1,584
Lease principal payment		(117,236)	(120,542)
Distribution of cash dividends		(53,864)	(62,447)
Buyback cost of treasury stock		(9,000)	(227,434)
Changes in non-controlling interests		43,607	(271)
Net cash outflow from financing activities		(227,215)	(180,388)
Impact of exchange rate changes on cash and cash equivalents		2,045	(1,302)
Increase (decrease) in cash and cash equivalents for the current period		76,613	(152,160)
Balance of cash and cash equivalents at the beginning of the period		1,383,022	1,535,182
Balance of cash and cash equivalents at the end of the period	$	1,459,635	1,383,022

(please refer to the attached Notes to the Consolidated Financial Report for details)

Chairman: Hung-Jen Yang **Manager: Ching-Wen Liu** **Chief Accounting Officer: Ya-Mei Huang**

ShareHope Medicine Co., Ltd. and its subsidiaries
Notes to Consolidated Financial Statements
2024 and 2023
(Unless otherwise specified, all amounts are in NT$ thousand)

I. Company History

ShareHope Medicine Co., Ltd. (hereinafter referred to as the Company) was established with the approval of the Ministry of Economic Affairs on October 13, 2003, with its registered address at 19th Floor, No. 168 Jingguo Road, Taoyuan District, Taoyuan City. The Company and its subsidiaries (hereinafter referred to as the Consolidated Company) are mainly engaged in wholesale and retail sales of medicines and hygiene materials, leasing of assets for medical institutions to undertake related medical services, and physical examinations for Taiwanese people and foreign labors, on-site medical support services, hemodialysis business management, ophthalmic medical management, clothing-related management services, manufacturing, processing and sales of various non-woven fabrics and management consulting for chain pharmacies in collaboration with medical institutions.

II. Date and Procedure of the Approval of the Financial Statements

The Consolidated Financial Report was approved and issued by the Board of Directors on March 14, 2025.

III. Application of Newly Issued and Amended Standards and Interpretations

(I) The impact of adopting newly issued and amended standards and interpretations approved by the Financial Supervisory Commission

The Consolidated Company adopted the following newly amended terms of the IFRSs on January 1, 2024, which made no significant impact on the Consolidated Financial Statements.

Amendment to “Classification of Liabilities as Current or Non-current” under IAS 1
Amendment to “Non-current Contractual Liabilities” under IAS 1
·Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”
·Amendment to “Requirements for Sale and Leaseback Transactions” under IFRSs 16

(II) Impact of IFRS standards approved by the Financial Supervisory Commission but not yet adopted

The Consolidated Company assesses that the application of the following new and amended IFRS standards effective from January 1, 2025 will not have a significant impact on the Consolidated Financial Report.

·Amendments to IAS 21 “Lack of Exchangeability”

(III) Newly issued and amended standards and interpretations that have not yet been approved by the Financial Supervisory Commission

The standards and interpretations that have been issued and amended by the International Accounting Standards Board but have not yet been approved by the Financial Supervisory Commission and may be relevant to the Consolidated Company are as follows:

New or amended standards	Major amendment contents	Effective date of standards released by the Board
IFRS 18 "Presentation and Disclosure in Financial Statements"	The new standard introduces three categories of income and expenses, two subtotals of income statement, and a single note on management performance measures. These three amendments and enhanced guidance on how to disaggregate information in financial statements lay the foundation for providing users with better and more consistent information and will affect all companies.	January 1, 2027
IFRS 18 "Presentation and Disclosure in Financial Statements"	· More structured income statement: Under existing standards, companies use different formats to present their operating results, making it difficult for investors to compare the financial performance of different companies. The new standard adopts a more structured income statement, introduces a newly defined subtotal of "operating income," and stipulates that all income and expenses are classified into three new different categories based on the company's main operating activities. · Management performance measures (MPM): The new standard introduces the definition of MPM and requires companies to disclose, in a single note to the financial statements, descriptions of why each measurement is able to provide useful information, how it is calculated, and how these indicators are reconciled with the amounts recognized in accordance with the	January 1, 2027

IFRSs.

- More detailed information: The new standard includes guidance on how companies strengthen the grouping of information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.

The Consolidated Company is continuously evaluating the impact of above-mentioned standards and interpretations on its financial position and operating results, and the relevant impact will be disclosed when the evaluation is completed.

The Consolidated Company expects that the following unapproved newly issued and amended standards will not have a significant impact on the Consolidated Financial Statements.

·Amendment to "Sales or Investment of Assets between Investors and Their Affiliates or Joint Ventures" under IFRSs 10 and IAS 28

·Amendment to "Insurance Contracts" under IFRSs 17 and amendment to IFRSs 17

·IFRS 19 "Subsidiaries without Public Accountability: Disclosures"

·Amendments to IFRS 9 and IFRS 7 "Amendment to the Classification and Measurement of Financial Instruments"

·IFRS Annual Improvements

·Amendments to IFRS 9 and IFRS 7 "Reliance on Natural Energy Contracts"

IV. Summary of Major Accounting Policies

The major accounting policies adopted in the Consolidated Financial Statements, which have been consistently applied to all periods stated in the Consolidated Financial Statements, are summarized as follows:

(I) Compliance statement

The Consolidated Financial Statements is prepared in accordance with the Regulations Governing the Preparation of Financial Statements by Securities Issuers (hereinafter referred to as the “Preparation Regulations”), and the International Financial Reporting Standards, International Accounting Standard, and their interpretations and interpretation announcements recognized and issued by the Financial Supervisory Commission (hereinafter referred to as the "International Financial Reporting Standards and accounting standards recognized by the Financial Supervisory Commission").

(II) Preparation basis

1. Measurement basis

The Consolidated Financial Statements is prepared on the basis of historical cost, except for the following important items in the balance sheet:

(1) Financial assets at fair value through profit or loss based on fair value measurement;

(2) Financial assets at fair value through other comprehensive income based on fair value measurement; and

(3) Net defined benefit liabilities (or assets) which are measured by deducting the present value of defined benefit obligations from the fair value of pension fund assets.

2. Functional currency and presentation currency

The Combined Company takes the currencies dominant in the primary economic environment in which it operates as its functional currencies. The Consolidated Financial Statements is presented in New Taiwan dollars, one of the functional currencies of the Combined Company. All financial information expressed in New Taiwan Dollars is presented in NT$ thousand.

(III) Combination basis

1. Principles for the preparation of the Consolidated Financial Statements

The entities responsible for preparing the Consolidated Financial Statements include the Company and entities controlled by the Company (i.e., subsidiaries). The Company controls an entity when the Company is exposed to variable returns from its involvement in the investee entity or has rights to the variable returns, and has the ability to affect such returns through its power over the investee entity.

From the date when the Company gains control over a subsidiary, the financial statements of such subsidiary shall be incorporated into the Consolidated Financial Statements until the date of loss of control.

The transactions among the combined companies, as well as balances and any unrealized gains and losses have been fully cancelled upon the preparation of the Consolidated Financial Statements. The total comprehensive income of a subsidiary is attributed to the owners of the Company and to the non-controlling interests respectively, even if the non-controlling interests become deficit balances consequently.

Changes in the ownership interests of the Combined Company in subsidiaries that do not lead to loss of control shall be accounted for as equity transactions with the owners. The difference between the adjustment to non-controlling interests and the fair value of the consideration paid or received is recognized directly in equity and is attributed to the owners of the Company.

2. Subsidiaries included in the Consolidated Financial Statements

Name of investee	Name of subsidiary	Nature of business	Percentage of equity held 2024.12.31	Percentage of equity held 2023.12.31	Explanation
The Company	Chungyuan Medical Management Co., Ltd. (hereinafter referred to as Chungyuan Medical Management Company)	Management Consulting Services	100.00%	100.00%	
The Company	Mytrex Health Technologies Co., Ltd. (hereinafter referred to as Mytrex Health Company)	Manufacturing and processing of non-woven fabrics and sales of medical and sanitary materials	61.46%	61.46%	
The Company	ShareHope Medicine (HongKong) Co., Ltd. (hereinafter referred to as ShareHope Hong Kong Company)	Investment management	100.00%	100.00%	
The Company	Minsheng Asia-Pacific (Beijing) Enterprise Management Co., Ltd. (hereinafter referred to as Minsheng Asia-Pacific (Beijing) Company)	Hospital management consulting services	100.00%	100.00%	
The Company	Pregetic Medical Health Co., Ltd. (hereinafter referred to as Pregetic Health Company)	Health management services	38.19%	38.90%	Note 3
The Company	Medzoneasia Co., Ltd. (hereinafter referred to as Medzoneasia)	Health management services and hotels	100.00%	91.47%	Note 1
The Company	Shengshi Digital Health Co., Ltd. (hereinafter referred to as Shengshih Digital, formerly known as Shengshih Technology Co., Ltd.)	Management Consulting Services	100.00%	100.00%	
The Company	Sheng Tai Food Technology Co., Ltd. (hereinafter referred to as "Sheng Tai Company")	Food and beverage retail	- %	80.00%	Note 6
The Company	YWLT Co., Ltd. (hereinafter referred to as YWLT Company)	Biotechnology Services	- %	100.00%	Note 7
Mytrex Health Company	Mytrex Industries Inc. (hereinafter referred to as Mytrex)	Manufacturing and processing of non-woven fabrics and sales of medical and sanitary materials	100.00%	100.00%	
Mytrex Health Company	Mytrex USA Co. (formerly known as TSVC Co.)	Health care support services	88.89%	88.89%	
Mytrex Health Company	Sheng Yo Rehabilitative Technologies, Inc. (hereinafter referred to as Sheng Yo Company)	Health management services	47.62%	90.91%	Note 2
Mytrex Health Company	YES Health Co., Ltd. (hereinafter referred to as YES Health Company)	Wholesale and trading of medicines and management consulting for pharmacies	100.00%	100.00%	
Medzoneasia	TECHGROUP Integrate Design Co., Ltd. (hereinafter referred to as TECHGROUP)	Medical information software services	51.00%	51.00%	
Medzoneasia	Digimed	Information software services	60.00%	60.00%	
YES Health Company	Digimed	Information software services	20.00%	20.00%	
ShareHope (Hong Kong) Company	Minsheng (Tianjin) Investment Management Co., Ltd. (hereinafter referred to as Minsheng (Tianjin) Investment Company)	Investment management	100.00%	100.00%	
Pregetic Health Company	Hung-Han Health Business Co., Ltd. (hereinafter referred to as Hung-Han Company)	Health management services	100.00%	100.00%	
Pregetic Health Company	Harvard Health Inc. (hereinafter referred to as Havard Company, formerly known as Fu Yi Health Management Consulting Co., Ltd.)	Health management services	100.00%	100.00%	
Pregetic Health Company	Chinachem Biomedical Co., Ltd. (hereinafter referred to as Chinachem)	Healthcare services	- %	50.00%	Note 4
Hung-Han Company	Hanting Digital Technology Co., Ltd. (hereinafter referred to as Hanting Company)	Information software services	- %	66.67%	Note 5
Hung-Han Company	Chinachem	Healthcare services	- %	50.00%	Note 4
Hung-Han Company	Macro Global Co., Ltd. (hereinafter referred to as Macro Global)	Wholesale and trading of medicines	100.00%	100.00%	
Macro Global Corporation	Hanting Company	Information software services	- %	33.33%	Note 5

Note 1: In December 2024, Medzoneasia bought back treasury stock, resulting in an increase in the Company's shareholding ratio.

Note 2: In January 2024, Sheng Yo Company conducted a cash capital increase. However, MIN JIAN did not subscribe in proportion to its shareholding, which led to a decrease in its shareholding ratio.

Note 3: In September 2024, Pregetic Company conducted a cash capital increase. However, the Company did not subscribe fully in proportion to its shareholding, which led to a decrease in its shareholding ratio.

Note 4: Pregetic Company and Hung-Han Company fully disposed of the equity of Chinachem they held in August 2024, resulting in the loss of control over the subsidiary. Therefore, the Consolidated Company no longer include the gains and expenses in the Consolidated Statement of Comprehensive Income at the time losing control.

Note 5: Hung-Han Company and Macro Global Corporationfully disposed of the equity of Hanting Company they held in August 2024, resulting in the loss of control over the subsidiary. Therefore, the Consolidated Company no longer include the gains and expenses in the Consolidated Statement of Comprehensive Income at the time losing control.

Note 6: Medzoneasia was dissolved in December 2024.

Note 7: YWLT Company was dissolved in October 2024.

3. Subsidiaries not included in the Consolidated Financial Statements: None.

(IV) Foreign currency

1. Foreign currency transactions

Foreign currencies are translated into functional currencies at the exchange rate on the transaction date through foreign currency transactions. At the end of each subsequent reporting period (hereinafter referred to as the reporting date), foreign currency monetary items are translated into functional currencies at the exchange rate on that day.

Foreign currency non-monetary items measured at fair value are translated into functional currencies at the exchange rate on the date of fair value measurement, while foreign currency non-monetary items measured at historical cost are translated at the exchange rate on the transaction date. Foreign currency exchange differences arising from translation are normally recognized in profit or loss, except for equity instruments measured at fair value through other comprehensive income, which are recognized in other comprehensive income.

2. Foreign operations

Assets and liabilities of foreign operations are translated into New Taiwan dollars at the exchange rate at the reporting date, and income and expenses are translated into New Taiwan dollars at the average exchange rate of the current period. The exchange differences generated thereof are recognized in other comprehensive income.

When the disposal of a foreign operation results in loss of control, joint control, or significant impact, the cumulative exchange differences related to the foreign operation shall be reclassified into profit or loss in full. Upon partial disposal of a subsidiary with foreign operations, the related cumulative translation differences shall be reattributed to non-controlling interests on a pro-rata basis. Upon partial disposal of investments in affiliates or joint ventures with foreign operations, the related cumulative translation differences shall be reclassified to profit or loss on a pro-rata basis.

If there is no settlement plan for the monetary receivables or payables of a foreign operation and they are impossible to settle in the foreseeable future, foreign exchange gains and losses arising therefrom shall be regarded as part of the net investment in the foreign operation and recognized in other comprehensive income.

(V) Classification criteria for distinguishing current and non-current assets and liabilities

Assets that meet any of the following conditions are classified as current assets, while any asset other than current assets is classified as non-current assets:

1. The asset is expected to be realized in the normal operating cycle of an enterprise, or is intended for selling or consumption;
2. The asset is held primarily for trading;
3. The asset is expected to be realized within 12 months after the reporting period; or
4. The asset is cash or cash equivalent (as defined in IAS No. 7), unless the asset is subject to restrictions due to asset exchange or liability repayment in at least 12 months after the reporting period.

Liabilities that meet any of the following conditions are classified as current liabilities, while any liability other than current liabilities is classified as non-current liabilities:

1. The liability is expected to be settled in the normal operating cycle of an enterprise;
2. The liability is held primarily for trading;
3. The liability is due to be repaid within 12 months after the reporting period; or
4. At the end of the reporting period, the liability does not have the right to defer prepayment for at least twelve months after the reporting period.

(VI) Cash and cash equivalents

Cash includes cash on hand, cheques, and demand deposits. A cash equivalent refers to a short-term and highly liquid investment that can be converted into a fixed amount of cash at any time with minimal risk of value fluctuation. Time deposits that meet the aforementioned definition and are held for short-term cash commitments rather than investment or other purposes are presented in cash equivalents.

(VII) Financial instruments

Accounts receivable are initially recognized when incurred. All other financial assets and liabilities are initially recognized when the Combined Company becomes a party to the contractual terms of the instruments. Financial assets or financial liabilities not at fair value through profit or loss are initially measured at fair value plus transaction costs directly attributable to the acquisition or issuance. Accounts receivable that do not contain significant financing components are initially measured at transaction prices.

1. Financial assets

For the purchase or sale of financial assets in compliance with customary transactions, the Combined Company shall consistently adopt the trade date or settlement date accounting for all purchases and sales of financial assets classified in the same manner.

Financial assets upon initial recognition are classified as investments in equity instruments at fair value through other comprehensive income and financial assets at fair value through profit or loss. The Combined Company shall reclassify all affected financial assets from the first day of the next reporting period only if it changes its operating model for financial asset management.

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

At initial recognition, the Combined Company may make an irrevocable election to present the subsequent changes in the fair value of investments in equity instruments not held for trading in other comprehensive income. The aforementioned election is made on an instrument-by-instrument basis.

Investments in equity instruments are subsequently measured at fair value. Dividend income (unless it clearly represents a recovery of part of the cost of an investment) is recognized in profit or loss. The remaining net profits or losses are recognized in other comprehensive income and are not reclassified to profit or loss.

Dividend income from equity investments is recognized on the date on which the Combined Company is entitled to receive the dividend (usually the ex-dividend date).

(2) Financial assets at fair value through profit or loss

Financial assets that do not belong to the aforementioned financial assets at fair value through other comprehensive income are measured at fair value through profit or loss. At initial recognition, in order to eliminate or significantly reduce accounting mismatch, the Combined Company shall irrevocably designate financial assets that meet the criteria to be measured at amortized cost or at fair value through other comprehensive income as financial assets measured at fair value through profit or loss.

Such assets are subsequently measured at fair value, and their net profits or losses (including any dividends and interest income) are recognized in profit or loss.

(3) Impairment of financial assets

The Combined Company shall recognize expected credit losses on financial assets measured at amortized cost (including cash and equivalents, notes and accounts receivable (including related parties), other receivables, finance lease receivables, and deposits) in loss allowances.

The loss allowances of the following financial assets are measured at 12-month expected credit losses, while those of other financial assets are measured at lifetime expected credit losses.

·The credit risk of bank deposits (i.e., the risk of default over the expected life of the financial instrument) has not significantly increased since initial recognition.

The loss allowances for notes and accounts receivable (including related parties) and finance lease receivables are measured at lifetime expected credit losses.

Lifetime expected credit losses refer to expected credit losses resulting from all possible default events over the expected life of the financial instrument.

12-month expected credit losses refer to expected credit losses resulting from financial instrument default events that are possible within 12 months after the reporting date (or a shorter period, if the expected lifetime of the financial instrument is shorter than 12 months).

The longest period for measuring expected credit losses is the longest contract period during which the Combined Company will be exposed to credit risk.

In case of determining whether the credit risk has increased significantly since initial recognition, the Combined Company shall consider reasonable and verifiable information (obtainable without excessive cost or investment), including qualitative and quantitative information, as well as analysis based on the past experience, credit evaluation, and forward-looking information of the Combined Company.

If a contract payment is more than 120 days overdue, the Combined Company shall assume that there are signs of credit risk on the financial asset.

If a contract payment is more than 180 days overdue, the Combined Company shall considers the financial asset to be in default.

Expected credit losses are the probability-weighted estimates of the expected lifetime credit losses of financial instruments. Credit losses, which are measured at the present value of all cash shortfalls, are the difference between the cash flows that the Combined Company can receive under the contract and the cash flows that the Combined Company expects to receive. Expected credit losses are discounted at the effective interest rate of financial assets.

The Combined Company shall evaluate whether the financial assets measured at amortized cost are credit-impaired at each reporting date. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidences of credit impairment of financial assets include observable information about the following situations:

·Significant financial difficulties of the issuer;

·Default, such as more than 180 days delayed or overdue; or

·Disappearance of an active market for that financial asset due to financial difficulties.

When the Combined Company cannot reasonably expect the recovery of a financial asset in whole or in part, it shall directly reduce the total carrying amount of the financial asset. For corporate accounts, the Combined Company shall analyze the timing and amount of write-offs individually based on whether it is reasonably expected to be recoverable, and expect that the written-off amount will not be significantly reversed. However, written-off financial assets are still enforceable to comply with the

Combined Company's procedures for recovering overdue amounts.

(4) Derecognition of financial assets

The Combined Company shall derecognize a financial asset when it has terminated its contractual rights to the cash flows from the asset, or has transferred the financial asset and has transferred substantially all the risks and rewards of ownership of the asset to other enterprises, or has neither transferred nor retained substantially all the risks and rewards of the ownership and has not retained control over the financial asset.

2. Financial liabilities and equity instruments

(1) Classification of liabilities or equity

Debt and equity instruments issued by the Combined Company are classified as either financial liabilities or as equity based on the substance of the contractual agreements and the definitions of the financial liabilities and equity instruments.

(2) Equity transaction

An equity instrument refers to any contract that evidences a residual interest in the assets of the Combined Company after deducting all of its liabilities. The equity instruments issued by the Combined Company are recognized as the amount obtained after deducting direct issuance costs.

(3) Financial liabilities

Financial liabilities are classified as liabilities either at amortized cost or at fair value through profit or loss. Financial liabilities that are held for trading, or are derivatives or designated at initial recognition are classified as financial liabilities at fair value through profit or loss. Financial liabilities at fair value through profit or loss are measured at fair value, and related net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expenses and exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

(4) Derecognition of financial liabilities

The Combined Company shall derecognize financial liabilities when contractual obligations are fulfilled, canceled or expired. When the terms of a financial liability are modified and the cash flows of the modified liability are substantially different from that of the original liability, the original financial liability shall be derecognized, and the new financial liability is recognized at fair value based on the modified terms.

On derecognition of a financial liability, the difference between the carrying amount and the total consideration paid or payable is recognized in profit or loss.

(5) Offsetting of financial assets and financial liabilities

A financial asset and a financial liability shall be offset and the net amount presented in the balance sheet only when the Company currently has a legally enforceable right to set off the asset and liability, and intends to settle on a net basis or realize the asset and settle the liability simultaneously.

3. Derivative financial instruments

An embedded derivative is separated from the host contract provided that certain conditions are met and the host contract is not a financial asset.

A derivative is initially recognized and subsequently measured at fair value, and any gain or loss arising from remeasurement is directly recognized in profit or loss.

(VIII) Inventory

Inventories are measured at the lower of cost and net realizable value. Cost includes the acquisition, production, or processing costs and other costs incurred in bringing the inventories to the location and condition in which they are available for use, and is calculated by the weighted average method. The costs of inventories of finished goods and work-in-progress include production overheads apportioned in appropriate proportions based on normal production capacity.

Net realizable value refers to the estimated selling price in the ordinary course of business minus the estimated completing and selling costs.

(IX) Investments in affiliates

An affiliate is one that the Combined Company has significant influence on its financial and operating policies but does not have control or share joint control over it.

The Combined Company adopts the equity method to account for its interests in affiliates. Under the equity method, the initial acquisition is recognized at cost, with the transaction costs included in the investment costs. The carrying amount of an investee affiliate includes the goodwill identified at original investment, minus any accumulated impairment loss.

The Consolidated Financial Statements covers the period from the date of significant influence to the date significant influence is lost. After adjustments consistent with the Company's accounting policies, the Company recognizes the profits and losses and other comprehensive income of each investee affiliate based on the equity ratio. In the event of a change in equity of an affiliate that is not in profit or loss or other comprehensive income and does not affect the shareholding ratio of the Combined Company, the Combined Company shall recognize the change in equity of the affiliate attributable to it in additional paid-in capital according to its shareholding ratio.

Unrealized gains and losses arising from transactions between the Combined Company and affiliates shall be recognized in corporate financial statements only within the scope of the equity of investors who are non-related parties in affiliates.

When the share of loss of an affiliate that shall be recognized by the Combined Company pro rata equals or exceeds its equity in the affiliate, it shall stop recognition of the loss. The additional losses and related liabilities shall be recognized only to the extent that legal obligations and constructive obligations have occurred or payments have been made on behalf of the investee.

(X) Property, plant and equipment

1. Recognition and measurement

Items of property, plant and equipment are measured at cost minus accumulated depreciation and any accumulated impairment.

Gains or losses on disposal of property, plant and equipment shall be recognized in profit or loss.

2. Subsequent costs

Subsequent expenditures are capitalized only if it is probable that their future economic benefits will flow to the Combined Company.

3. Depreciation

Depreciation is calculated by deducting residual value from the asset cost, and recognized in profit or loss over the estimated useful life by the straight-line method.

Land shall not be depreciated.

The estimated useful lives for the current and comparative periods are as follows:

(1) Houses and buildings18~30 years

(2) Machinery and equipment3~16 years

(3) Office equipment 2~10 years

(4) Transportation equipment3~5 years

(5) Leasehold improvements1~10 years

(6) Building improvement20 years

(7) Other equipment 1~10 years

(8) Leased assets 1~8 years

The Combined Company shall review the depreciation method, useful life, and residual value at each reporting day, and make appropriate adjustments when necessary.

(XI) Investment properties

Investment properties refer to real estates held to earn rentals or for capital appreciation (or both), rather than for sale in normal operation, production, provision of goods or services, or administrative purposes.

Investment properties are initially measured at cost and subsequently measured at cost minus accumulated depreciation and accumulated impairment. The depreciation method, useful life and residual value shall be accounted for in accordance with the regulations on property, plant and equipment.

Gains or losses on disposal of an investment property (calculated as the difference between the net disposal proceeds and the carrying amount of the item) shall be recognized in profit or loss.

When an investment property is reclassified as property, plant and equipment due to changes in purpose, it shall be reclassified based on the carrying amount at the time of the change in purpose.

(XII) Lease

The Combined Company shall assess whether a contract is or contains a lease at the date the contract is enter into. A contract is or contains a lease if the contract transfers control over the use of identified assets for a period of time in exchange for consideration.

1. Lessee

The Combined Company shall recognize the right-of-use assets and the lease liabilities at the commencement date of a lease. The right-of-use assets are initially measured at cost, which includes the original measurement amount of the lease liabilities.

The right-of-use assets are subsequently depreciated by the straight-line method from the commencement date of a lease to the maturity date of the useful life or the lease term of the right-of-use assets, whichever is earlier. In addition, the Combined Company shall assess whether the right-of-use assets are impaired on a regular basis and handle any impairment losses incurred, and adjust the right-of-use assets in conjunction with the remeasurement of the lease liabilities.

Lease liabilities are initially measured at the present value of the lease payments that have not been paid at the commencement date of a lease. If the interest rate implicit in the lease is easy to determine, the interest rate shall be the discount rate; if it is not easy to determine, it shall be the incremental borrowing rate of the Combined Company. In general, the Combined Company adopts its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liabilities include:

(1) Fixed payments (including in-substance fixed payments);

(2) Variable lease payments that are dependent on an index or a rate and are measured using the index or rate at the lease commencement date.

Interest is subsequently accrued on lease liabilities using the effective interest method and is remeasured under the following circumstances:

(1) Changes in future lease payments due to changes in the index or rate used to determine lease payments;

(2) Changes in the evaluation of the purchase option of the underlying assets;

(3) Changes in the evaluation of the lease term due to changes in the estimation of whether to exercise extension or termination options;

(4) Changes in the subject matter, scope, or other terms of the leases.

When a lease liability is remeasured due to changes in the index or rate used to determine lease payments as well as changes in the evaluation of purchase, extension, or termination options, the carrying amount of the right-of-use asset shall be adjusted accordingly, and the remaining remeasurement amount shall be recognized in profit or loss when the carrying amount of the right-of-use asset is reduced to zero.

For lease modifications that reduce the scope of a lease, the carrying amount of the right-of-use asset is reduced to reflect partial or full termination of the lease, and the difference between the carrying amount and the remeasurement amount of the lease liability is recognized in profit or loss.

The Combined Company shall present the right-of-use assets and lease liabilities that do not meet the definition of investment property as separate line items in the balance sheet.

For the short-term lease of some buildings and transportation equipment and the lease of low value underlying assets, the Combined Company chooses not to recognize the right-of-use assets and lease liabilities, but recognize the relevant lease payments as expenses during the lease term on a straight-line basis.

2. Lessor

Transactions in which the Combined Company is the lessor are classified at the commencement date of the lease based on whether the lease contracts transfer substantially all the risks and rewards attached to the ownership of the underlying asset. If so, the transactions are classified as finance leases, otherwise they are classified as operating leases. When evaluating, the Combined Company shall consider relevant specific indicators including whether the lease term covers the main part of the economic life of the underlying asset.

If the Combined Company is an intermediate lessor in a sublease, the master lease and sublease transactions shall be handled separately, and the sublease transaction shall be classified based on evaluation on the right-of-use asset generated by the master lease. If the master lease is a short-term lease and the recognition exemption applies, the sublease transaction shall be classified as an operating lease.

Assets held under finance leases are presented as finance lease receivables at the net investments in the leases. The original direct costs arising from negotiation and arrangement of an operating lease is included in the net investment in the lease. The net investment in lease is apportioned and recognized as interest income during the lease term in a manner that reflects the fixed rate of return for each period. For operating leases, the Combined Company recognizes the lease payments received as rental income on a straight-line basis during the lease term.

(XIII) Intangible assets

1. Recognition and measurement

Goodwill arising from the acquisition of a subsidiary is measured at cost less accumulated impairment.

Intangible assets with a limited useful life acquired by the Combined Company are measured at cost less accumulated amortization.

2. Subsequent expenditures

Subsequent expenditures are capitalized only if the future economic benefits of the relevant specific assets can be increased. All other expenditures are recognized in profit or loss as incurred.

3. Amortization

Amortization is measured at asset cost less estimated residual value, and is recognized in profit or loss by the straight-line method over the expected useful lives of the intangible assets from the time when they are serviceable, except for goodwill and trademark rights, which may be extended over their legal lives at a minimal cost upon expiration, and are regarded as intangible assets with indefinite useful lives since the management of the Combined Company believes that the Combined Company has the intention and ability to extend their useful lives on an ongoing basis.

(1) Computer software 3 years

(2) Management right 12 years

(3) Customer relation7~10 years

(4) Membership list 3 years

(5) Franchise 10 years

(6) Technology authorization5 years

(7) Specialized technology10 years

(8) Lease contract 10 years

The Combined Company shall review the amortization method, useful life, and residual value of intangible assets at each reporting day, and make appropriate adjustments when necessary.

(XIV) Impairment of non-financial assets

The Combined Company shall evaluate whether there are any signs of impairment in the carrying amount of non-financial assets (excluding inventories and deferred income tax assets) at each reporting date. In case of any such sign, the recoverable amount of the assets shall be estimated.

For the purpose of impairment test, a group of assets with the majority of cash inflows independent of the cash inflows of other individual assets or asset groups is designated as the smallest identifiable asset group. Goodwill shall be tested for impairment on an annual and regular basis.

The recoverable amount is the fair value of an individual asset or cash-generating unit less disposal cost, whichever is with a higher value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

If the recoverable amount of an individual asset or cash-generating unit is less than its carrying amount, an impairment loss is recognized.

An impairment loss shall be recognized immediately in profit or loss. In a cash-generating unit, the carrying amount of the amortized goodwill is reduced first; then the carrying amount of other assets is reduced pro rata.

An impairment loss for goodwill is never reversed. Non-financial assets other than goodwill are reversed only if they are not above the carrying amount (net of depreciation or amortization) that they would have been without the recognized impairment loss in previous years.

(XV) Recognition of revenue

Revenue from contracts with customers is measured by the consideration to which they are expected to be entitled for the transfer of goods or services. The Combined Company recognizes the revenue when control of goods or services is transferred to customers and performance obligations are fulfilled.

1. Sales of goods

Revenue from product sales mainly comes from sales of products such as medicines and medical materials. The Company recognizes revenue and accounts receivable when the customer has rights to determine the value of and use the products and bears the primary responsibility for re-selling the products and the risk of obsolescence after the products sold arrive at the place designated by the customer or the products are actually delivered to the customer. Prepayments for product sales are recognized as contract liabilities before the transfer of control of the product to the customer.

2. Service income

Service income mainly comes from undertaking physical examinations for Taiwanese people and foreign labors, on-site medical support services, hemodialysis business management, ophthalmic medical management in collaboration with medical institutions, and is recognized as income when performance obligations are fulfilled.

3. Income from medical equipment rental

The Combined Company provides medical equipment leasing services and recognizes related income during the financial reporting period for providing labor services.

Estimates of revenue, costs and completion are modified in case of any change, and the resulting increase or decrease will be reflected in profit or loss during the period when the management becomes aware of the change and makes correction.

Under a fixed price contract, the customer pays a fixed amount according to the agreed schedule. Services provided that exceed the payment are recognized as a contract asset, while a payment that exceeds the services provided is recognized as a contract liability.

4. Authorization income

The original franchise license of the Consolidated Company to the franchise chain includes assisting the franchise stores with relevant training and granting the authorization of operation and management technology at the initial stage of opening. The nature of the franchise license is to provide intellectual properties to the franchise stores during the authorization period. The original franchise fee is recognized when the Consolidated Company completes the original labor services and other obligations covered by the franchise authorization. The continuous franchise fee calculated based on sales is recognized when real sales occur at franchise stores.

(XVI) Government grants

The Combined Company recognizes the unconditional government grants as non-operating income when it can receive the grants from the government's economic ecosystem promotion program. Government grants to compensate for the expenses or losses incurred by the Combined Company are recognized in profit or loss on a systematic basis over the same period as relevant expenses.

(XVII) Employee benefits

1. Defined contribution plans

Contribution obligations to the defined contribution pension plans are recognized as expenses over the period in which the employees render services.

2. Defined benefit plans

The Combined Company's net obligations to the defined benefit plans are calculated by converting the future benefit amount earned from services provided by employees in the current or previous period for each benefit plan into the present value, less the fair value of any plan assets.

The defined benefit obligations are actuarialized annually by a qualified actuary using the projected unit credit method. Assets are recognized to the extent of not exceeding the present value of any economic benefits that would be available in the form of refunds of contributions from the plan or reductions in future contributions to the plan when the calculations may be favorable to the Combined Company. The present value of economic benefits is calculated in consideration of any minimum funding requirement.

The remeasurement amount of net defined benefit liabilities (assets), including actuarial profits and losses and any change in return on plan assets (excluding interest) are recognized immediately in other comprehensive income and accumulated in retained earnings. The Combined Company determines the net interest expenses on the net defined benefit liabilities based on the net defined benefit liabilities and discount rate determined at the beginning of the annual reporting period. Net interest expenses and other expenses of defined benefit plans are recognized in profit or loss.

Any change in benefits related to prior service costs or reduced benefits or losses arising from program modifications and reduction are immediately recognized in profit or loss. The Combined Company recognizes gains or losses on the settlement of a defined benefit plan upon the occurrence of liquidation.

3. Short-term employee benefits

Short-term employee benefit obligations are recognized as expenses when the services are rendered. If the Combined Company has a present legal or constructive obligation to pay for the prior services rendered by employees and the obligation can be reliably estimated, the amount is recognized as a liability.

(XVIII) Share-based payment transactions

The equity-settled share-based payment agreement is recognized as an expense at the fair value of the equity at the grant date and the relative equity is increased over the vesting period of the award. The recognized expenses are adjusted according to the amount of awards that are expected to meet the service conditions and non-market vesting conditions, and the final recognized amount is measured based on the amount of awards that meet the service conditions and non-market vesting conditions at the vesting date.

The non-vesting conditions of share-based payment awards have been reflected in the measurement of the fair value of the share-based payment at the grant date, and the difference between the expected and actual results is not subject to verification and adjustment.

The grant date of a share-based payment of the Combined Company is the date on which the Board of Directors approves the subscription price as well as the number of shares that employees can subscribe for.

(XIX) Income taxes

Income tax includes current and deferred income taxes. Except for items directly recognized in other comprehensive income, current income taxes and deferred income taxes shall be recognized in profit or loss.

Current income taxes include the estimated income taxes payable or tax rebates receivable calculated based on the taxable (losses) income of the current year, as well as any adjustments to the income taxes payable of the previous years. The amount is the best estimate of the expected payables and receivables based on the statutory tax rate or substantively enacted tax rate at the reporting date.

Deferred income taxes are measured and recognized based on the temporary difference between the carrying amount of an asset or liability for financial reporting purposes and its tax base. Deferred income taxes are not recognized for temporary differences arising from:

1. Assets or liabilities that were not originally recognized for a business combination and does not affect accounting profits and taxable income (losses) at the time of the transaction;
2. Temporary differences arising from investments in subsidiaries and affiliates under the circumstances where the Combined Company can control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not be reversed in the foreseeable future; and
3. Taxable temporary differences arising from the original recognition of goodwill.

Unused tax losses and unused income tax credits as well as deductible temporary differences are recognized as deferred income tax assets provided that it is probable that future taxable income will be available for use. And they shall be reassessed at each reporting date, and shall be reduced if it is not probable that related income tax benefit will be realized, or the original reduced amount shall be reversed if it becomes probable that sufficient taxable income will be available.

Deferred income taxes are measured at the tax rate when the expected temporary differences are reversed, based on the statutory tax rate or substantially enacted tax rate at the reporting date.

The Combined Company will offset deferred income tax assets and deferred income tax liabilities only if the following conditions are met simultaneously:

1. Has a legally enforceable right to set off current income tax assets against current income tax liabilities; and
2. Deferred income tax assets and deferred income tax liabilities are related to one of the following taxable entities that are subject to income taxes by the same tax authority;
   (1) the same taxable entity; or
   (2) different taxable entities which intend either to settle current income tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred income tax assets or liabilities are expected to be recovered or settled.

(XX) Business combination

The Combined Company measures goodwill at the fair value of the consideration transferred at the acquisition date, including the amount attributable to any non-controlling interests in the acquiree, less the net amount of identifiable assets acquired and liabilities assumed (usually fair value). If the balance after deduction is negative, the Combined Company shall recognize the bargain purchase gain in profit or loss after reassessing whether all assets acquired and liabilities assumed have been correctly identified.

The Combined Company chooses to measure any non-controlling interest at either the fair value at the acquisition date or the ratio of the identifiable net assets to non-controlling interests on a transaction-by-transaction basis.

If the original accounting treatment of a business combination has not been completed before the end of the reporting period in which the combination transaction occurred, for the incomplete accounting items, the Combined Company shall report the provisional amounts which shall be retroactively adjusted during the measurement period, or shall recognize them as additional assets or liabilities to reflect new information obtained during the measurement period regarding the facts and circumstances that already existed at the acquisition date. The measurement period shall not exceed one year from the acquisition date.

(XXI) Earnings per share

The Combined Company shall present the basic and diluted earnings per share (EPS) attributable to the ordinary equity holders of the Company. The basic EPS of the Combined Company is calculated by dividing the profits and losses attributable to the ordinary equity holders of the Company by the weighted average number of outstanding ordinary shares in the current period. Diluted EPS is calculated by adjusting the profits and losses attributable to the ordinary equity holders of the Company and the weighted average number of outstanding ordinary shares for the effect of all dilutive potential ordinary shares. The dilutive potential ordinary shares of the Combined Company are distributed to employees as employee remuneration.

(XXII) Department information

An operating department is a component of the Combined Company that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Combined Company). The operating results are regularly reviewed by the Combined Company’s chief operational decision-makers to make decisions about resources to be allocated to the departments and assess its performance. Individual financial information is available for each operating department.

V. Major Sources of Uncertainty in Major Accounting Judgments, Estimates and Assumptions

The management must make judgments, estimates and assumptions that will affect the adoption of accounting policies and the reported amounts of assets, liabilities, income, and expenses in preparing the Consolidated Financial Report Actual results may differ from these estimates.

The management shall review estimates and underlying assumptions on an ongoing basis, and changes in accounting estimates are recognized in the period of change and in the future periods affected.

Accounting policies and major judgments as well as information that significantly affect the recognized amount in the Consolidated Financial Statements are as follows:

(I) Judgment on whether the Company has substantial control over the investee

The Company holds less than half (38.19%) of the voting rights of Pregetic Health Company. Nonetheless, as Pregetic Health Company's largest shareholder that actively participates in voting on major proposals at the shareholders' meeting, the Company has assessed that it has the actual ability to lead relevant activities, and there is no indication of collective decision-making agreements among other shareholders, so the Company regards Pregetic Health Company as one of its subsidiaries.

The uncertainty of the following assumptions and estimates carries a significant risk of causing a major adjustment to the carrying amount of assets and liabilities in the next financial year, and has already reflected the impact of the COVID-19 epidemic. The relevant information is as follows:

(I) Valuation of accounts receivable

When there are objective evidences indicating signs of impairment in the assumptions of default rate and expected loss rate of the Combined Company, the Combined Company shall make assumptions and select inputs for impairment assessment in consideration of past experience, current market conditions and forward-looking information. If the actual cash flows in the future are less than expected, a significant impairment loss may be incurred. Please refer to Note 6 (4) for details on the provision of accounts receivable impairment.

(II) Valuation of inventories

Given that inventories shall be measured at the lower of cost and net realizable value, the Combined Company valuates the amount of inventory due to normal wear and tear, obsolescence, or lack of market value at the reporting date, and the inventory cost is written down to the net realizable value. The inventory valuation is mainly based on the product demand in a specific period in the future, and thus may vary with changes in the industry. Please refer to Note 6 (7) for details on inventory valuation.

(III) Valuation of stocks issued by non-TWSE/TPEx listed companies at fair value through other comprehensive income

Given that stocks issued by non-TWSE/TPEx listed companies at fair value through other comprehensive income are measured at fair value, the Combined Company has to rely on external expert evaluation mechanisms to determine the fair value through human judgments, assumptions, and calculations on estimates. Changes in such assumptions due to changes in market and economic conditions may significantly affect the adjustment of fair value recognition. Please refer to Note 6 (3) for details on valuation of stocks issued by non-TWSE/TPEx listed companies at fair value through other comprehensive income.

(IV) Impairment assessment of property, plant and equipment

In the course of asset impairment assessment, the Combined Company shall determine the independent cash flows, asset durability, and potential future profits and losses of a specific asset group based on subjective judgments, asset usage patterns and industry characteristics. Any estimated change arising from changes in economic conditions or company strategies may cause significant impairment or reversal of recognized impairment losses in the future.

(V) Impairment assessment of intangible assets

The impairment assessment of goodwill acquired depends on the subjective judgments of the Combined Company. When determining whether the acquired goodwill is impaired, the goodwill acquired from the business combination is apportioned to the cash-generating units of the Combined Company that are expected to benefit from the comprehensive effects of the combination and the value in use of the goodwill allocated to the cash-generating units is estimated at the acquisition date. For calculation of the value in use, the management shall estimate the expected future cash flows from the goodwill allocated to the cash-generating units and determine the appropriate discount rate to be used for calculating the present value. If the actual cash flows are less than expected, a material impairment loss may be incurred.

The accounting policies and disclosures of the Combined Company include the fair value measurement of its financial assets. The Combined Company has established relevant internal control systems for fair value measurement, including significant fair value measurements (including Level 3 fair value measurements) reviewed by accountants, which shall be reported directly to the Chief Financial Officer. Accountants regularly review significant unobservable inputs and adjustments. If the inputs used to measure fair value are based on external third-party information, accountants will evaluate the evidence provided by the third party in support of the inputs to determine that the valuation and its fair value classification are in compliance with IFRSs.

The Combined Company shall adopt market observable inputs to measure its financial assets whenever possible. The fair value hierarchy categorizes the inputs used in the valuation techniques as follows:

·Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

·Level 2: Inputs for assets or liabilities other than quoted prices included within Level 1 that are observable, either directly (i.e., prices) or indirectly (i.e., derived from prices).

·Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

In the event of a transfer among the levels of the fair value hierarchy, the Company recognizes the transfer at the reporting date.

Please refer to Note 6(30) below for information about the assumptions adopted in fair value measurement of financial instruments.

VI. Explanation of Significant Accounting Items

(I) Cash and cash equivalents

	2024.12.31	2023.12.31
Cash on hand and working capital	$ 5,862	5,956
Cheques, demand deposits and foreign currency deposits	1,343,123	1,326,305
Demand deposits	54,015	-
Cash equivalents - repurchase bonds	56,635	50,761
	$ 1,459,635	1,383,022

Please refer to Note 6(30) for disclosure of interest rate risk and sensitivity analysis of the financial assets and liabilities of the Consolidated Company.

(II) Financial assets at fair value through profit or loss

	2024.12.31	2023.12.31
Financial assets mandatorily measured at fair value through profit or loss:		
Non-derivative financial assets		
Fund beneficiary certificates	$ 10,610	10,463
Non-TWSE/TPEx listed stocks	27,853	19,684
	$ 38,463	30,147
Current	$ 10,610	10,463
Non-current	27,853	19,684
	$ 38,463	30,147

In 2024 and 2023, the Consolidated Company recognized dividend income of NT$600 thousand and NT$300 thousand respectively for the investment in equity instruments mandatorily measured at fair value through profit or loss.

On February 21, 2023, the Consolidated Company disposed of all the equity at fair value through profit or loss in Crystalvue Medical Corporation. At disposal, its fair value was $71,171, and the accumulated gain or loss on disposal was $34,300.

Please refer to Note 6 (29) for the amount recognized in profit or loss based on fair value remeasurement.

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

Equity instruments at fair value through other comprehensive income:

		2024.12.31	2023.12.31
Stocks issued by non-TWSE/TPEx listed companies	$	299,873	348,419
Stocks issued by non-listed foreign companies		345,774	341,871
Limited partnership interests		125,039	124,682
	$	770,686	814,972

The investments in equity instruments are held by the Combined Company as long-term strategic investments and not for trading purposes, and thus they have been designated to be measured at fair value through other comprehensive income.

The equity instruments of the limited partnerships invested in by the consolidated company are classified as financial assets at fair value through other comprehensive income. According to the IFRS Q&A issued by the Accounting Research and Development Foundation on June 15, 2023, such investments should be classified as financial assets at fair value through profit or loss. However, the Q&A states that it shall be applied from July 1, 2023. The equity instruments of the limited partnerships invested in by the consolidated company were acquired between 2020 and 2021, so there is no need for retrospective application.

Please refer to Note 6 (30) for credit risk and market risk information.

(IV) Notes and accounts receivable and finance lease receivables - current

	2024.12.31	2023.12.31
Notes receivable	$ 11,320	12,273
Accounts receivable - measured at amortized cost	263,680	265,836
Accounts receivable-related parties - measured at amortized cost	972,101	1,105,850
Accounts receivable-finance lease payments - measured at amortized cost	-	291
Accounts receivable-related parties - finance lease payments - measured at amortized cost	12,159	13,429
Less: loss allowances	(17,628)	(7,657)
Unrealized interest income	(1,013)	(1,662)
	$ 1,240,619	1,388,360

The Consolidated Company estimates the expected credit losses on notes and accounts receivable and financial lease receivables (including related parties) by a simplified approach, that is by measuring lifetime expected credit losses. For this purpose, such notes and accounts receivable and financial lease receivables (including related parties) are grouped based on the common credit risk characteristics that represent customers' abilities to pay all amounts due under contractual terms, with forward-looking information incorporated, including overall economic and related industry information.

The expected credit losses on notes and accounts receivable and finance lease receivables (including related parties) of the Combined Company are analyzed as follows:

	2024.12.31		
	Carrying amount of notes and accounts receivable and finance leases receivable (including related parties)	Weighted average expected credit loss rate	Loss allowance for expected credit losses during lifetime
Not overdue	$ 1,186,916	0%~0.02%	217
Less than 60 days overdue	7,668	0%~10%	268
61~90 days overdue	2,360	0%~100%	267
91~120 days overdue	4,721	0%~100%	946
More than 121 days overdue	56,582	0%~100%	15,930
	$ 1,258,247		17,628

	2023.12.31		
	Carrying amount of notes and accounts receivable and finance leases receivable (including related parties)	Weighted average expected credit loss rate	Loss allowance for expected credit losses during lifetime
Not overdue	$ 1,344,276	0%~0.52%	218
Less than 60 days overdue	23,705	0%~15%	434
61~90 days overdue	9,204	0%~100%	481
91~120 days overdue	6,270	0%~40%	860
More than 121 days overdue	12,562	0%~100%	5,664
	$ 1,396,017		7,657

The changes in the loss allowances for notes and accounts receivable and finance lease receivables (including related parties) of the Combined Company are analyzed in the table below:

	2024	2023
Beginning balance	$ 7,657	4,608
Impairment loss	10,947	3,093
The irrecoverable amount written off in the current year	(991)	(17)
Foreign currency translation gains and losses	15	(27)
Ending balance	$ 17,628	7,657

(V) Other receivables

		2024.12.31	2023.12.31
Receivables from chain pharmacies	$	25,463	27,207
Other receivables - related parties		268,252	36,101
Others		25,366	11,457
Less: loss allowances		-	(865)
	$	319,081	73,900

The table of changes in loss allowances for other receivables of the Consolidated Company is as follows:

		2024	2023
Beginning balance	$	865	882
The irrecoverable amount written off in the current year		(865)	-
Foreign currency translation gains and losses		-	(17)
Ending balance	$	-	865

Please refer to Note 6 (30) for other credit risk information.

(VI) Finance lease receivables

The Consolidated Company subleases machinery and equipment for a period of two to ten years, with an implied interest rate of 2% to 12.23% under the lease agreements, covering the entire remaining period of the main lease agreement. Therefore, such subleases are classified as finance leases.

The maturity analysis of lease payments is presented in the following table based on the undiscounted lease payments to be received after the reporting date:

		2024.12.31	2023.12.31
Less than one year	$	12,160	13,720
1~2 years		5,911	10,570
2~3 years		3,314	6,070
3~4 years		2,928	3,106
4~5 years		1,329	2,720
More than 5 years		3,656	4,203
Gross investment in the lease		29,298	40,389
Unearned finance income		(2,183)	(3,705)
Present value of lease payments receivable	$	27,115	36,684
Current	$	11,146	12,058
Non-current		15,969	24,626
	$	27,115	36,684

The Consolidated Company estimates the financial lease receivables by a simplified approach, that is by measuring lifetime expected credit losses. For this purpose, such financial lease receivables are grouped based on the characteristics of the credit risks related to the ability to pay all amounts due under contractual terms, with forward-looking information incorporated, including overall economic and related industry information.

As of December 31, 2024 and 2023, the Consolidated Company did not have any situations where it was necessary to make provisions for financing lease receivables for losses due to increases in expected credit loss risk.

(VII) Inventory

	2024.12.31	2023.12.31
Medicines and medical materials	$ 31,358	40,772
Raw materials	22,186	27,486
Work in progress	3,177	533
Finished products	22,379	28,478
Goods	211,606	198,000
Medical equipment	1,550	1,205
	$ 292,256	296,474

Particulars of cost of sales are as follows:

	2024	2023
Cost of inventories sold	$ 3,070,582	2,614,087
Inventory falling price loss (recovery benefit)	(444)	4,113
Obsolete inventories	5,967	663
Scrap income	(731)	(787)
Inventory loss	3,553	487
Others	22,158	21,650
	$ 3,101,085	2,640,213

(VIII) Changes in ownership interests in subsidiaries

1. Acquisition of additional equity in subsidiaries

On October 31, 2024 and December 29, 2023, the Company acquired another 0.53% and 8% of the equity of the subsidiary Medzoneasia Co., Ltd. respectively, leading to an increase of its equity from 91.47% to 92% and from 83.47% to 91.47%, respectively.

		2024
Carrying amount of non-controlling interests acquired	$	429
Consideration paid to non-controlling interests		(1,500)
Additional paid-in capital - the difference between the price and book value of equity actually acquired and disposed of	**$**	**(1,071)**

		2023
Carrying amount of non-controlling interests acquired	$	11,679
Consideration paid to non-controlling interests		(22,500)
Additional paid-in capital - the difference between the price and book value of equity actually acquired and disposed of	**$**	**(10,821)**

2. Disposal of some equity in subsidiaries without loss of control

In February 2023, Medzoneasia transferred 100% of its equity in Macro Global Corporation to Hung-Han Company, with the base date for equity delivery being February 15, 2023. The transaction is an adjustment of the Group's organizational structure and thus shall be accounted for as an equity transaction.

The impact of the above transaction on Medzoneasia is as follows:

		2023
The carrying amount of equity in Macro Global Corporation sold	$	(74,113)
The consideration for transfer to Hung-Han Company		74,596
	$	**483**
Additional paid-in capital - the difference between the price and book value of subsidiaries' equity actually acquired	**$**	**483**

In March 2023, Medzoneasia transferred 100% of its equity in YES Health Company to Mytrex Health Company, with the base date for equity delivery being March 1, 2023. The transaction is an adjustment of the Group's organizational structure and thus shall be accounted for as an equity transaction.

The impact of the above transaction on Medzoneasia is as follows:

		2023
The carrying amount of equity in YES Health Company sold	$	(233,204)
Consideration for transfer to Mytrex Health Company		230,000
	$	**(3,204)**
Additional paid-in capital - the difference between the price and book value of subsidiaries' equity actually acquired	$	(483)
Deficit yet to be compensated		(2,721)
	$	**(3,204)**

The impact of the above transaction on The Company is as follows:

	2023
Undistributed earnings	**$ (1,691)**

3. Subsidiary's buyback and cancellation of treasury stock without loss of control

Medzoneasia bought back 1,500 thousand shares of treasury stock from legal persons after the resolution of the extraordinary Shareholders' Meeting on December 30, 2024, resulting in an increase in the Company's shareholding ratio from 92.00% to 100.00%. Since there was a difference between the cost of the treasury stock bought back by the subsidiary at NT$9,000 thousand and the net carrying amount, and there was no change in the Company's control over Medzoneasia, it shall be accounted for as an equity transaction.

The impact of the above transaction on The Company is as follows:

	2024
Decrease in equity attributable to subsidiaries after buyback of treasury shares	$ (3,304)
Increase in equity in proportion to the equity interest attributable to subsidiaries after buyback of treasury shares	451
Additional paid-in capital-recognized changes in ownership interests in subsidiaries	**$ (2,853)**

Medzoneasia bought back 7,246 thousand shares of treasury stock after resolution of extraordinary Shareholders' Meeting on February 8, 2023, resulting in an increase in the Company's shareholding ratio of it from 60.21% to 83.47%. Since there was difference between the cost of treasury stock bought back by the Subsidiary amounting to NT$227,434 thousand and the net carrying amount, and there was no change in the Company's control over Medzoneasia, it shall be accounted for as an equity transaction.

The impact of the above transaction on The Company is as follows:

	2023
Decrease in equity attributable to subsidiaries after buyback of treasury shares	$ (190,433)
Increase in equity in proportion to the equity interest attributable to subsidiaries after buyback of treasury shares	89,282
Additional paid-in capital-recognized changes in ownership interests in subsidiaries	**$ (101,151)**

4. No participation in subsidiaries' cash capital increase without loss of control

The Consolidated Company did not subscribe for shares in the cash capital increase by -Sheng Yo Rehabilitative Technologies, Inc. based on its shareholding ratio in January 2024, resulting in a decrease in its shareholding ratio from 90.91% to 47.62%.

		2024
Decrease in equity attributable to subsidiaries after issuance of new shares	$	4,240
Undistributed earnings	**$**	**4,240**

The impact of the above transaction on The Company is as follows:

		2024
Additional paid-in capital - changes in ownership interests in subsidiaries	**$**	**(2,605)**

The Company did not subscribe for shares in the cash capital increase by Pregetic Health Company based on its shareholding ratio in September 2024, resulting in a decrease in its shareholding ratio from 38.90% to 38.19%.

		2024
Decrease in equity attributable to subsidiaries after issuance of new shares	$	(22,782)
Equity attributable to subsidiaries recognized in the newly issued shares based on their equity ratio after issuance of new shares		23,514
Additional paid-in capital - changes in ownership interests in subsidiaries	**$**	**732**

(IX) Loss of control over subsidiaries

The Consolidated Company disposed of 100% equity of Hanting Company and lost control over it in July 2024. The disposal consideration was NT$8,520 thousand, and the disposal gain of NT$753 thousand was included in the other gains and losses in the Consolidated Statement of Comprehensive Income.

The Consolidated Company disposed of 100% equity of Chinachem and lost control over it in July 2024. The disposal consideration was NT$4,483 thousand, and the disposal gain of NT$513 thousand was included in the other gains and losses in the Consolidated Statement of Comprehensive Income.

The breakdown of the carrying amount of assets and liabilities of Hanting Company and Chinachem as of July 2024 is as follows:

		Hanting Company	Chinachem
Cash and cash equivalents	$	8,172	2,023
Accounts receivable		1,839	1,300
Inventories		-	385
Prepayments		113	1,809
Other current assets		-	41
Property, plant and equipment		457	12,843
Intangible assets		-	8
Other non-current assets		-	186

Accounts payable		-	(1,080)
Other payables		(2,604)	(13,420)
Contract liabilities - current		(72)	(89)
Other current liabilities		(138)	(36)
	$	7,767	3,970

(X) Subsidiaries with significant non-controlling interests

Non-controlling interests in subsidiaries that are material to the Combined Company are as follows:

		Proportion of ownership interest and voting rights of non-controlling interests	
Name of subsidiary	**Principal business premises/ Country of company registration**	**2024.12.31**	**2023.12.31**
Mytrex Health Company	Taiwan	38.54%	38.54%
TECHGROUP Integrate Design Co., Ltd.	Taiwan	49.00%	49.00%
Medzoneasia	Taiwan	- %	8.53%
Pregetic Health Company	Taiwan	61.81%	61.10%

The consolidated financial information of the above-mentioned subsidiaries, which is prepared in accordance with IFRSs recognized by the Financial Supervisory Commission and presents the amount before transactions among the Consolidated companies are written off, is as follows:

The consolidated financial information of Mytrex Health Company:

		2024.12.31	**2023.12.31**
Current assets	$	110,495	132,675
Non-current assets		500,292	562,709
Current liabilities		(10,041)	(20,421)
Non-current liabilities		(572)	(119)
Net assets	$	600,174	674,844
Carrying amount of non-controlling interests at the end of the period	$	253,626	282,404

		2024	**2023**
Net loss for the period	$	(82,375)	(56,219)
Other comprehensive income		11,945	(2,006)
Total comprehensive income	$	(70,430)	(58,225)
Net loss for the period attributable to non-controlling interests	$	(31,747)	(21,667)
Total comprehensive income attributable to non-controlling interests	$	(27,143)	(22,413)

		2024	**2023**
Cash flows from operating activities	$	39,395	(73,172)
Cash flows from investing activities		(2,101)	(79,986)

Effects of exchange rate	(422)	(114)
Increase (decrease) in cash and cash equivalents	$ 36,872	(153,272)

The consolidated financial information of TECHGROUP Integrate Design Co., Ltd.:

	2024.12.31	2023.12.31
Current assets	$ 44,373	40,758
Non-current assets	2,309	3,229
Current liabilities	(25,357)	(21,694)
Non-current liabilities	-	(761)
Net assets	$ 21,325	21,532
Carrying amount of non-controlling interests at the end of the period	$ 15,393	18,320

	2024	2023
Operating revenue	$ 66,959	60,978
Net income for the period	$ 6,825	7,807
Other comprehensive income	-	-
Total comprehensive income	$ 6,825	7,807
Net income for the period attributable to non-controlling interests	$ 519	1,000
Total comprehensive income attributable to non-controlling interests	$ 519	1,000

	2024	2023
Cash flows from operating activities	$ 13,989	11,145
Cash flows from investing activities	(521)	(438)
Cash flows from financing activities	(7,924)	(5,846)
Increase in cash and cash equivalents	$ 5,544	4,861
Dividends paid to non-controlling interests	$ 3,586	2,426

Consolidated financial information of Medzoneasia:

	2023.12.31
Current assets	$ 57,719
Non-current assets	181,865
Current liabilities	(60,441)
Non-current liabilities	(43,512)
Net assets	$ 135,631
Carrying amount of non-controlling interests at the end of the period	$ 11,569

	2023
Operating revenue	$ 28,455
Net loss for the period	$ (31,145)
Other comprehensive income	1,598
Total comprehensive income	$ (29,547)
Net loss for the period attributable to non-controlling interests	$ (7,017)
Total comprehensive income attributable to non-controlling interests	$ (6,741)

	2023
Cash flows from operating activities	$ (13,572)
Cash flows from investing activities	295,348
Cash flows from financing activities	(257,883)
Increase in cash and cash equivalents	$ 23,893

The consolidated financial information of Pregetic Health Company:

	2024.12.31	2023.12.31
Current assets	$ 92,761	74,873
Non-current assets	345,008	364,387
Current liabilities	(179,605)	(146,070)
Non-current liabilities	(32,309)	(55,416)
Net assets	$ 225,855	237,774
Carrying amount of non-controlling interests at the end of the period	$ 145,246	151,029

	2024	2023
Operating revenue	$ 52,297	71,465
Net loss for the period	$ (64,817)	(68,269)
Other comprehensive income	(7,101)	(2,932)
Total comprehensive income	$ (71,918)	(71,201)
Net loss for the period attributable to non-controlling interests	$ (39,666)	(41,712)
Total comprehensive income attributable to non-controlling interests	$ (44,045)	(43,504)

	2024	2023
Cash flows from operating activities	$ 16,724	(4,361)
Cash flows from investing activities	(66,056)	(69,609)
Cash flows from financing activities	72,927	26,287
Increase (decrease) in cash and cash equivalents	$ 23,595	(47,683)

(XI) Property, plant and equipment

	Land	Houses and buildings	Machinery and equipment	Transportation equipment	Office equipment	Leasehold improvements	Building improvement	Other equipment	Leased assets	Unfinished projects and equipment to be accepted	Total
Cost:											
Balance on January 1, 2024	$ 665,253	530,326	522,540	2,183	100,057	230,221	-	86,655	469,262	-	2,606,497
Increase	-	-	5,169	-	6,861	4,572	24,562	7,885	18,642	946	68,637
Disposal	(13,901)	(15,146)	(6,493)	-	(1,342)	(23,669)	-	(202)	(32,607)	(946)	(94,306)
Disposal of subsidiaries	-	(1,000)	(14,640)	-	(1,538)	-	-	-	-	-	(17,178)
Reclassification	-	-	18,497	-	(1,275)	-	-	1,588	(18,497)	-	313
Effects of changes in foreign exchange rates	-	-	-	-	2	-	-	-	-	-	2
Balance on December 31, 2024	$ 651,352	514,180	525,073	2,183	102,765	211,124	24,562	95,926	436,800	-	2,563,965
Balance on January 1, 2023	$ 668,582	550,959	525,510	783	94,282	216,168	-	55,701	356,322	85,873	2,554,180
Increase	-	100	4,530	1,400	6,401	17,450	-	9,729	81,535	61,283	182,428
Disposal	(3,329)	(21,633)	(6,559)	-	(662)	(13,991)	-	(6,775)	(53,730)	-	(106,679)
Reclassification	-	900	(941)	-	37	10,594	-	28,000	85,135	(147,156)	(23,431)
Effects of changes in foreign exchange rates	-	-	-	-	(1)	-	-	-	-	-	(1)
Balance on December 31, 2023	$ 665,253	530,326	522,540	2,183	100,057	230,221	-	86,655	469,262	-	2,606,497
Accumulated depreciation and impairment:											
Balance on January 1, 2024	$ -	35,881	396,507	996	62,243	148,098	-	47,554	238,667	-	929,946
Depreciation for the year	-	19,392	35,044	636	13,629	22,785	-	6,779	61,154	-	159,419
Disposal	-	(10,680)	(6,493)	-	(623)	(9,955)	-	(182)	(25,466)	-	(53,399)
Impairment loss	-	-	41,364	-	-	54	-	228	-	-	41,646
Reclassification	-	-	5,703	-	(234)	-	-	234	(5,703)	-	-
Disposal of subsidiaries	-	(317)	(2,889)	-	(672)	-	-	-	-	-	(3,878)
Effects of changes in foreign exchange rates	-	-	-	-	2	-	-	-	-	-	2
Balance on December 31, 2024	$ -	44,276	469,236	1,632	74,345	160,982	-	54,613	268,652	-	1,073,736
Balance on January 1, 2023	$ -	32,284	354,204	711	48,365	130,878	-	49,206	243,801	-	859,449
Depreciation for the year	-	18,369	49,538	285	14,453	25,649	-	5,122	47,909	-	161,325
Disposal	-	(14,772)	(6,549)	-	(406)	(8,429)	-	(6,016)	(53,729)	-	(89,901)
Reclassification	-	-	(686)	-	(11)	-	-	-	686	-	(11)
Reversal gains on impairment losses	-	-	-	-	(157)	-	-	(758)	-	-	(915)
Effects of changes in foreign exchange rates	-	-	-	-	(1)	-	-	-	-	-	(1)
Balance on December 31, 2023	$ -	35,881	396,507	996	62,243	148,098	-	47,554	238,667	-	929,946
Book value:											
December 31, 2024	$ 651,352	469,904	55,837	551	28,420	50,142	24,562	41,313	168,148	-	1,490,229
December 31, 2023	$ 665,253	494,445	126,033	1,187	37,814	82,123	-	39,101	230,595	-	1,676,551

Please refer to Note 8 for details of long-term loan guarantees that have been provided as of December 31, 2024 and 2023.

(XII) Right-of-use assets

		Houses and buildings	Transportation equipment	Other equipment	Total
Cost:					
Balance on January 1, 2024	$	561,411	22,523	-	583,934
Increase		11,063	6,935	400	18,398
Disposal		(14,927)	(13,244)	-	(28,171)
Reclassification		6	(6)	-	-
Balance on December 31, 2024	$	557,553	16,208	400	574,161
Balance on January 1, 2023	$	582,172	21,023	-	603,195
Increase		34,085	6,200	-	40,285
Disposal		(52,598)	(6,948)	-	(59,546)
Reclassification		(2,248)	2,248	-	-
Balance on December 31, 2023	$	561,411	22,523	-	583,934
Accumulated depreciation:					
Balance on January 1, 2024	$	162,326	13,818	-	176,144
Increase		60,789	6,965	33	67,787
Disposal		(6,586)	(13,244)	-	(19,830)
Balance on December 31, 2024	$	216,529	7,539	33	224,101
Balance on January 1, 2023	$	129,461	12,660	-	142,121
Increase		60,218	8,090	-	68,308
Disposal		(27,353)	(6,932)	-	(34,285)
Balance on December 31, 2023	$	162,326	13,818	-	176,144
Book value:					
December 31, 2024	$	341,024	8,669	367	350,060
December 31, 2023	$	399,085	8,705	-	407,790

(XIII) Investment property

Investment properties comprise self-owned assets held by the Consolidated Company, office buildings leased to third parties under operating leases, and right-of-use assets that evidence leasehold rights. The original non-cancellable period of leased investment properties is one to five years, and the rental income from leased investment properties is fixed.

	Land and improvements	**Houses and buildings**	**Right-of-use asset**	**Total**
Cost:				
Balance on January 1, 2024	$ 152,641	36,669	290,912	480,222
Increase	-	-	14,080	14,080
Disposal	(152,641)	(36,669)	(20,541)	(209,851)
Balance on December 31, 2024	**$ -**	**-**	**284,451**	**284,451**
Balance on January 1, 2023	$ 152,641	36,669	290,749	480,059
Increase	-	-	54,702	54,702
Disposal	-	-	(54,539)	(54,539)
Balance on December 31, 2023	**$ 152,641**	**36,669**	**290,912**	**480,222**
Accumulated depreciation:				
Balance on January 1, 2024	$ -	12,223	129,805	142,028
Depreciation for the year	-	1,222	53,996	55,218
Disposal for the period	-	(13,445)	(11,234)	(24,679)
Balance on December 31, 2024	**$ -**	**-**	**172,567**	**172,567**
Balance on January 1, 2023	$ -	10,889	122,378	133,267
Depreciation for the year	-	2,084	58,386	60,470
Disposal for the period	-	(750)	(50,959)	(51,709)
Balance on December 31, 2023	**$ -**	**12,223**	**129,805**	**142,028**
Carrying amount:				
December 31, 2024	**$ -**	**-**	**111,884**	**111,884**
December 31, 2023	**$ 152,641**	**24,446**	**161,107**	**338,194**
Fair value:				
December 31, 2024				**$ 120,660**
December 31, 2023				**$ 373,640**

The fair value of an investment property is based on the valuation of independent appraisers with recognized professional qualifications and recent relevant experience in the location and type of the investment property being evaluated. The inputs used in the valuation technique to measure its fair value fall into the third level.

The valuation of fair value is based on market value. In the absence of current prices in an active market, valuation is based on the estimated total cash flow expected to be received from leasing a property, or the development and replacement costs of the property, and the value of the property is determined by adopting a rate of return that reflects the specific risks inherent in the net cash flow for discount and a comprehensive capital interest rate. The proportion range of the above parameters is as follows:

Area	2024	2023
Tayuan District, Taoyuan City	- %	1.92%
Hsitun District, Taichung City	- %	0.01%
Da'an District, Taipei City	1.03%	0.98%

Please refer to Note 6 (20) for the Consolidated Company’s renting of investment properties under operating leases.

Please refer to Note 8 for the amount of the Consolidated Company’s investment properties with collateral as loan guarantee.

The Company's Board of Directors resolved on December 6, 2024 to sell an investment property for NT$300,000 thousand. The parties signed the sale and purchase contract on December 9, 2024, and the transaction was completed on December 26, 2024. The recognized disposal gain of NT$117,283 thousand was recorded under "Other income and losses". As of December 31, 2024, NT$60,000 thousand has been received, and the remaining NT$240,000 thousand was received as scheduled on February 27, 2025 according to the agreement.

To revitalize its assets, the Company's Board of Directors resolved on August 11, 2023 to sell an investment property for NT$39,500 thousand. The parties signed the sale and purchase contract on September 28, 2023, and the transaction was completed on October 27, 2023. The recognized disposal gain of NT$17,314 thousand was recorded under "Other income and losses". As of December 31, 2023, the full amount has been received on time.

(XIV) Intangible assets

	Management right	Trademark right	Customer relation	Lease contract	Member ship list	Goodwill	Computer software	Franchise	Technology authorization	benefit of cession	Other	Total
Cost:												
Balance on January 1, 2024	$ 69,505	93,145	126,596	6,709	3,058	165,517	95,947	5,544	5,290	13,880	267	585,458
Acquired separately	-	100	-	-	-	-	9,185	-	500	-	-	9,785
Loss of control over subsidiaries	-	-	-	-	-	-	(18)	-	-	-	-	(18)
Balance on December 31, 2024	$ 69,505	93,245	126,596	6,709	3,058	165,517	105,114	5,544	5,790	13,880	267	595,225
Balance on January 1, 2023	$ 68,572	93,145	126,596	6,709	3,058	165,517	89,636	5,544	5,290	-	267	564,334
Acquired separately	933	-	-	-	-	-	9,813	-	-	13,880	-	24,626
Reclassification	-	-	-	-	-	-	296	-	-	-	-	296
Disposal	-	-	-	-	-	-	(3,798)	-	-	-	-	(3,798)
Balance on December 31, 2023	$ 69,505	93,145	126,596	6,709	3,058	165,517	95,947	5,544	5,290	13,880	267	585,458
Accumulated amortization:												
Balance on January 1, 2024	$ 68,622	-	101,793	2,013	3,058	-	60,172	5,544	5,290	1,735	107	248,334
Amortization for the period	311	-	8,069	671	-	-	13,566	-	375	1,735	53	24,780
Loss of control over subsidiaries	-	-	-	-	-	-	(9)	-	-	-	-	(9)
Balance on December 31, 2024	$ 68,933	-	109,862	2,684	3,058	-	73,729	5,544	5,665	3,470	160	273,105
Balance on January 1, 2023	$ 62,856	-	93,724	1,342	3,058	-	51,522	5,329	3,775	-	54	221,660
Amortization for the period	5,766	-	8,069	671	-	-	12,448	215	1,515	1,735	53	30,472
Disposal	-	-	-	-	-	-	(3,798)	-	-	-	-	(3,798)
Balance on December 31, 2023	$ 68,622	-	101,793	2,013	3,058	-	60,172	5,544	5,290	1,735	107	248,334
Book value:												
Balance on December 31, 2024	$ 572	93,245	16,734	4,025	-	165,517	31,385	-	125	10,410	107	322,120
Balance on December 31, 2023	$ 883	93,145	24,803	4,696	-	165,517	35,775	-	-	12,145	160	337,124

(XV) Other non-current assets

	2024.12.31	2023.12.31
Refundable deposits	$ 468,795	432,251
Prepayments for equipment and engineering	1,933	8,504
Net defined benefit assets - non-current	7,007	5,087
Long-term prepayments	8,049	6,280
Others	906	791
	$ 486,690	452,913

Refundable deposits are operational deposits paid by the Consolidated Company to ensure the performance of obligations of providing medical system institutions with operations management services.

(XVI) Short-term loans

	2024.12.31	2023.12.31
Unsecured bank loans	$ 321,087	347,467
Secured bank loans	112,000	60,000
	$ 433,087	**407,467**
Interest rate range	**2.00%~3.709%**	**1.87%~4.08%**
Unused quota	**$ 1,223,271**	**1,092,749**

Please refer to Note 8 for guaranty provided by the Consolidated Company for bank loans with assets as collateral.

(XVII) Short-term bills payable

	2024.12.31		2023.12.31	
	Interest rate	**amount**	**Interest rate**	**amount**
Commercial paper payable	2.55%	55,000	2%	55,000
Less: discount on short-term bills payable		(185)		(99)
		$ 54,815		**54,901**
Unused quota		**$ 60,000**		**60,000**

(XVIII) Long-term loans

	2024.12.31			
	Currency	**Interest rate range**	**Expiration month**	**amount**
Secured bank loans	NT$	1.99%~3.99%	115.05~120.4	$ 1,010,393
Less: amount due within one year				(185,158)
				$ 825,235
Unused quota				**$ 625,865**

	2023.12.31			
	Currency	**Interest rate range**	**Expiration month**	**amount**
Secured bank loans	NT$	1.710%~3.165%	113.3~120.4	$ 1,126,885
Less: amount due within one year				(121,207)
				$ 1,005,678
Unused quota				**$ 620,000**

Please refer to Note 8 for guaranty provided by the Consolidated Company for bank loans with assets as collateral.

(XIX) Lease liabilities

	2024.12.31	2023.12.31
Current	$ 109,778	140,853
Non-current	$ 379,196	449,914

Please refer to Note 6 (30) Financial Instruments for maturity analysis.

The following amounts are recognized in profit or loss:

	2024	2023
Interest expenses on lease liabilities	$ 10,907	12,392
Variable lease payments not included in the measurement of the lease liabilities	$ 24,433	24,163
Income from sublease of right-of-use assets	$ 78,504	80,879
Expenses on short-term leases and low-value leases	$ 12,219	12,618

The following amounts are recognized in the cash flow statement:

	2024	2023
Total cash outflows for leases	$ 164,795	169,715

1. Houses and buildings

The Consolidated Company leases houses, buildings, and transportation equipment for plants, operation, and sublease, typically for a lease term of 1~11 years. It is agreed that the Consolidated Company shall not lend, sublease, transfer or otherwise hand over the lease object to other parties without the consent of the lessor during the lease term, and part of the leases include the option to extend the lease term by the same period as the lease term of the original contract upon expiration of the leases.

Please refer to Note 6(20) for the Consolidated Company's subleasing of part of the right-of-use assets with the consent of the lessor under operating leases.

2. Other leases

The Combined Company leases some buildings and transportation equipment which are short-term or low value leases, and elects not to recognize related right-of-use assets and lease liabilities by applying recognition exemption.

(XX) Operating lease

The Consolidated Company leases self-owned property, plant and equipment, investment properties and right-of-use assets. Since substantially all the risks and rewards attached to the ownership of the underlying assets have not been transferred, such lease contracts are classified as operating leases. Please refer to Note 6 (11) Property, Plant and Equipment, (12) Right-of-use Assets and (13) Investment Properties respectively for details.

The maturity analysis of lease payments is presented in the following table based on the total undiscounted lease payments to be received after the reporting date:

	2024.12.31	2023.12.31
1st year	$ 158,896	209,439
2nd year	31,899	68,509
3rd year	3,920	33,536
4th year	465	24,653
5th year	123	23,987
More than 5 years	-	101,458
Total undiscounted lease payments	**$ 195,303**	**461,582**

(XXI) Other payables

	2024.12.31	2023.12.31
Employee remuneration payable	$ 92,419	94,298
Salaries and bonuses payable	78,107	70,285
Equipment payables	3,141	15,247
Directors’ and supervisors’ remuneration payable	4,048	3,244
Business tax payable	10,817	5,910
Investment payables	-	22,500
Others	63,073	72,024
	$ 251,605	**283,508**

(XXII) Employee benefits

1. Defined benefit plans

The adjustments to the present value of the consolidated Company's defined benefit obligations and the fair value of plan assets are as follows:

	2024.12.31	2023.12.31
Present value of a defined benefit obligation	$ 12,636	12,786
Fair value of plan assets	(12,373)	(9,644)
Net defined benefit liabilities	**$ 263**	**3,142**

The defined benefit plans of the Combined Company shall be appropriated to the labor retirement reserve account in the Bank of Taiwan. The pension payment for each employee subject to the Labor Standards Act is calculated based on the base amount corresponding to the years of service and the average salary for the six months prior to retirement.

(1) Composition of plan assets

The pension funds appropriated by the Combined Company in accordance with the Labor Standards Act are managed by the Bureau of Labor Fund Utilization of the Ministry of Labor (hereinafter referred to as the Bureau of Labor Funds). In accordance with the "Regulations on the Custody and Utilization of Labor Retirement Fund Income and Expenditure", the minimum annual final distribution amount of the funds shall not be less than the income calculated based on the two-year fixed deposit interest rate of local banks.

As of the reporting date, the balance of the Consolidated Company's labor retirement reserve account at Bank of Taiwan was NT$12,373 thousand. For information on the utilization of labor pension fund assets, including fund yield and fund asset allocation, please refer to the information published on the website of the Bureau of Labor Fund Utilization of the Ministry of Labor.

(2) Changes in the present value of defined benefit obligations

	2024	**2023**
Defined benefit obligation as of January 1	$ 12,786	12,267
Servicing costs and interests for the period	540	551
Remeasurement amount of net defined benefit liabilities		
- Actuarial losses adjusted based on experience	(158)	128
- Actuarial gains and losses arising from changes in demographic assumptions	(634)	(166)
- Actuarial gains and losses arising from changes in financial assumptions	116	6
Benefits paid by the plan	(14)	-
Defined benefit obligation as of December 31	**$ 12,636**	**12,786**

(3) Changes in fair value of plan assets

	2024	**2023**
Fair value of plan assets as of January 1	$ (9,644)	(8,890)
Interest (income) expenses	(120)	(137)
Remeasurement amount of net defined benefit liabilities		
- Return on plan assets (excluding current interest)	(833)	(50)
Amount allocated to the plan	(1,790)	(567)
Benefits paid by the plan	14	-
Fair value of plan assets on December 31	**$ (12,373)**	**(9,644)**

(4) Expenses recognized as profit or loss

	2024	**2023**
Servicing costs for the period	$ 369	368
Net interest on net defined benefit liabilities	111	117
	$ 480	**485**
Operating costs	$ 194	197
Operating expenses	286	288
	$ 480	**485**

(5) Remeasurement amount of net defined benefit liabilities recognized as other

comprehensive income

		2024	2023
Accumulated balance as of January 1	$	5,179	5,097
Amount recognized in the period		1,509	82
Accumulated balance as of December 31	$	6,688	5,179

(6) Actuarial assumptions

	2024.12.31	2023.12.31
Discount rate	1.50%~1.63%	1.38%
Future salary increase	2.00%~3.00%	2.00%~3.00%

The Company excepts to allocate NT$552 thousand to the defined benefit plans within one year after the reporting date in 2024.

The weighted average duration of defined benefit plans ranges from 10.7 to 13.3 years.

(7) Sensitivity analysis

		Impact on defined benefit obligations	
		Increase ratio	Decrease ratio
December 31, 2024			
Discount rate (0.25% change)	$	(347)	361
Future salary increase (0.25%~ 1% change)		349	(338)
December 31, 2023			
Discount rate (0.25% change)		(377)	393
Future salary increase (0.25%~ 1% change)		380	(367)

The sensitivity analysis mentioned above is based on the analysis of the impact of changes in a single assumption while other assumptions remain unchanged. However, changes in many assumptions may be correlated in practice. The sensitivity analysis is conducted by the same method as used to calculate net defined benefit liabilities on the balance sheet.

The methods and assumptions used in the sensitivity analysis for the period are the same as those used in the previous period.

2. Defined contribution plans

If the Combined Company is a Taiwanese company, it shall adopt the defined contribution plans under which it shall contribute 6% of each employee's monthly salary to the labor pension individual account of the Bureau of Labor Insurance, in accordance with the provisions of the Labor Pension Act. The Combined Company has no legal or constructive obligation to pay additional amounts after contributing a fixed amount to the

Bureau of Labor Insurance under this plan.

If the Combined Company is a foreign company, it shall adopt the defined contribution plan under which it has no legal or constructive obligation to pay additional amounts after contributing a fixed amount of pension to a special account designated by the local government in accordance with local laws.

The pension expenses paid by the Consolidated Company in 2024 and 2023 under the defined contribution pension plans were NT$20,952 thousand and NT$21,167 thousand, respectively.

(XXIII) Income tax

1. The income tax expenses of the Consolidated Company are as follows:

	2024	2023
Income tax expenses for the period	$ 52,565	53,703
Income tax expenses for the period before adjustment	1,881	1,679
Tax on undistributed earnings	-	1,116
Deferred income tax expenses (income)	(2,934)	(2,779)
income tax expense	**$ 51,512**	**53,719**

2. The details of the income tax (expenses) benefits recognized by the Consolidated Company under other comprehensive income are as follows:

	2024	2023
Items not reclassified to profit or loss:		
Remeasurement amount of defined benefit plans	$ 302	16
Equity instruments at fair value through other comprehensive income	(3,226)	16,277
	$ (2,924)	**16,293**

	2024	2023
Items that may be reclassified to profit or loss subsequently:		
Exchange difference from translation of the financial statements of foreign operations	**$ 356**	**(104)**

The relationship between income tax expenses and pre-tax net profit of the Combined Company is adjusted as follows:

	2024	2023
	$ 173,910	108,984
Income taxes calculated by net profit before tax	$ 34,782	21,797
Effects of tax rate differences in foreign jurisdictions	23	(2)
Underestimation of the previous period	2,043	1,976
Permanent difference	(18,969)	1,456
Unrecognized changes in temporary differences	5,058	(1,202)
Tax on undistributed earnings	-	1,116
Tax-free income	(23,288)	(2,238)
Unrecognized changes in tax losses on deferred income tax assets	51,863	30,816
	$ 51,512	53,719

3. Deferred income tax assets and liabilities

(1) Unrecognized deferred income tax assets

	2024.12.31	2023.12.31
Deductible temporary difference	$ -	1
Tax losses	193,570	136,846
	$ 193,570	136,847

Taxable losses are the income taxes to be paid after deducting losses of the previous ten years from the net profit of the current year with the approval of the tax collection authority in accordance with the provisions of the Income Tax Act. These items are not recognized as deferred income tax assets since it is not probable that the Combined Company will have sufficient taxable income in the future to deduct the temporary difference.

The deduction period for tax losses that have not been recognized as deferred income tax assets by the Consolidated Company as of December 31, 2024 is as follows:

Loss year	Undeducted losses	Last year of deduction
2016 (approved amount)	$ 50	2026
2017 (approved amount)	23,500	2027
2018 (approved amount)	79,173	2028
2019 (approved amount)	95,191	2029
2020 (approved amount)	76,254	2030
2021 (approved amount)	119,268	2031
2022 (reported amount)	179,008	2032
2023 (reported amount)	127,727	2033
2024 (estimated amount)	267,677	2034
	$ 967,848	

(2) Recognized deferred income tax assets and liabilities

Deferred income tax assets:

	Defined benefit retirement plan	Investment gains or losses recognized using the equity method	Others	Total
January 1, 2024	$ 1,800	6,754	4,428	12,982
(Debited) Credited to the income statement	-	407	1,345	1,752
(Debited) Credited to other comprehensive income	(99)	-	(191)	(290)
December 31, 2024	**$ 1,701**	**7,161**	**5,582**	**14,444**
January 1, 2023	$ 1,766	6,518	2,691	10,975
(Debited) Credited to the income statement	51	236	1,633	1,920
(Debited) Credited to other comprehensive income	(16)	-	104	88
Debited to equity	(1)	-	-	(1)
December 31, 2023	**$ 1,800**	**6,754**	**4,428**	**12,982**

Deferred income tax liabilities:

	Defined benefit retirement plan	Intangible assets	Financial assets at fair value through other comprehensive income	Others	Total
January 1, 2024	$ -	12,726	20,239	273	33,238
Credited (Debited) to income statement	-	(1,352)	-	170	(1,182)
Debited (credited) to other comprehensive income	203	-	(3,226)	165	(2,858)
December 31, 2024	**$ 203**	**11,374**	**17,013**	**608**	**29,198**
January 1, 2023	$ -	13,158	3,962	701	17,821
Credited (Debited) to income statement	-	(432)	-	(427)	(859)
Debited (credited) to other comprehensive income	-	-	16,277	(1)	16,276
December 31, 2023	**$ -**	**12,726**	**20,239**	**273**	**33,238**

4. Declaration and approval of the Combined Company's income tax settlement for profit-making business are as follows:

Name of company	Year of approval
The Company	2022
Chungyuan Medical Management Company	2022
TECHGROUP Integrate Design Co., Ltd.	2022
Mytrex Health Company	2021
Macro Global Corporation	2021
YES Health Company	2021
Medzoneasia	2021
Pregetic Health Company	2022
Mytrex	2021
Shengshih Technology Co., Ltd.	2021
Hung-Han Company	2022
Harvard Health Company (formerly known as Fuyi Company)	2022
Digimed	2020

(XXIV) Capital and other equity

1. Issuance of ordinary shares

As of December 31, 2024 and 2023, the total authorized share capital of the Company was NT$1,500,000 thousand, with a face value of NT$10 per share and 150,000 thousand shares in total. The aforementioned total authorized capital is for ordinary shares, with a paid-in capital of NT$1,310,861 thousand and NT$1,260,443 thousand, respectively. All issued shares have been paid.

The adjustments to the number of outstanding shares of the Company in 2024 and 2023 are shown in the table below:

(in thousand shares)

	Ordinary shares	
	2024	**2023**
Beginning retained earnings on January 1	126,044	120,042
Capitalization of earnings to increase the capital by	5,042	6,002
Ending retained earnings on December 31	**131,086**	**126,044**

On June 24, 2024 and June 30, 2023, the shareholders' meeting of the Company approved through a resolution to issue 5,042 thousand and 6,002 thousand new shares with NT$50,418 thousand and NT$60,021 thousand from undistributed earnings for capital increase, respectively. The proposals above for capital increase from earnings have been reported to the Securities and Futures Bureau of the Financial Supervisory Commission and come into effect, with September 2, 2024 and September 4, 2023 as the base date of capital increase respectively. All relevant statuary procedures have been completed.

2. Additional paid-in capital

	2024.12.31	2023.12.31
Premium on issuance of stocks and conversion of corporate bonds	$ 1,095,196	1,095,196
The difference between the price and book value of subsidiaries' equity actually acquired and disposed of	45,810	46,149
Recognized changes in ownership interests in subsidiaries	2,235	7,693
Lapsed share option	2,896	2,896
Share option for convertible corporate bonds	3,900	3,900
	$ 1,150,037	**1,155,834**

According to the Company Act, the realized additional paid-in capital can only be distributed by new shares or in cash in proportion to shareholders' original shares after the additional paid-in capital are used for covering losses. The realized additional paid-in capital mentioned above includes the premium on issuance of stocks exceeding their face value and the income from receiving gifts. According to the Rules Governing the Offering and Issuance of Securities by Issuers, the total amount of additional paid-in capital that shall be appropriated as capital shall not exceed 10% of the paid-in capital each year.

3. Retained earnings

As per the Company's Articles of Incorporation, a surplus in the annual final accounts shall first be appropriated to pay taxes to cover accumulated losses, and then 10% of the surplus shall be appropriated as legal reserves, excluding the case where legal reserves have reached the total capital of the Company. The remaining part shall be appropriated or reversed as special reserves according to the laws and regulations. In case of any surplus remained thereafter, the Board of Directors shall prepare a shareholder dividend distribution proposal and submit it to the shareholders' regular meeting for resolution on the distribution of dividends to shareholders with surplus and accumulated undistributed earnings.

In consideration of the current and future investment environment, capital needs, profitability, capital structure, future operational needs, as well as the interests of shareholders, balanced dividends and the Company's long-term financial plan, etc., dividends will be distributed in cash or stock. The proportion of dividends distributed in cash to shareholders in the current year shall be no less than 20% of the total dividends in the current year, while the rest shall be distributed in stock dividends. However, the actual distribution proportion may be adjusted according to the actual profit and operating conditions of the current year.

(1) Special reserves

In accordance with the regulations of the Financial Supervisory Commission, for the distribution of distributable earnings, the Company shall appropriate a special reserve from the current profit and loss and the undistributed earnings in the previous period for the difference between the recognized net deduction of other shareholders' equity in the current year and the balance of the special reserve appropriated in the preceding paragraph. The deduction of other shareholders' equity accumulated in the previous period shall be appropriated from undistributed earnings in the previous period to a special reserve and shall not be distributed. If there is a subsequent reversal in the deduction of other shareholders' equity, the reversed amount shall be used for distribution of earnings.

(2) Distribution of earnings

The resolutions on the distribution of earnings for 2023 was approved by the shareholders’ meetings of the Company on June 24, 2024, and the amounts of dividends distributed to owners are as follows:

	2023	
	Allotment rate (NT$)	**amount**
Dividends distributed to ordinary shareholders:		
Cash	$ 0.40	50,418
Stocks	0.40	50,418
		$ 100,836

The resolutions on the distribution of earnings for 2022 was approved by the shareholders’ meetings of the Company on June 30, 2023, and the amounts of dividends distributed to owners are as follows:

	2022	
	Allotment rate (NT$)	**amount**
Dividends distributed to ordinary shareholders:		
Cash	$ 0.50	60,021
Stocks	0.50	60,021
		$ 120,042

4. Other equity (net income after taxes)

	Exchange difference from translation of the financial statements of foreign operations	Unrealized gains or losses on financial assets at fair value through other comprehensive income	Non-controlling interests	Total
Balance on January 1, 2024	$ (2,507)	125,160	(18,494)	104,159
Exchange difference from translation of the net assets of foreign operations	1,169	-	358	1,527
Unrealized gains on financial assets at fair value through other comprehensive income	-	(76,818)	(1,949)	(78,767)
Balance on December 31, 2024	**$ (1,338)**	**48,342**	**(20,085)**	**26,919**
Balance on January 1, 2023	$ (2,089)	8,515	(16,206)	(9,780)
Exchange difference from translation of the net assets of foreign operations	(418)	-	-	(418)
Unrealized gains on financial assets at fair value through other comprehensive income	-	119,786	(2,288)	117,498
Share of unrealized gains or losses of affiliates applying the equity method on financial assets at fair value through other comprehensive income	-	(3,141)	-	(3,141)
Balance on December 31, 2023	**$ (2,507)**	**125,160**	**(18,494)**	**104,159**

5. Non-controlling interests

	Non-controlling interests
Beginning balance on January 1, 2024	$ 467,523
Net loss for the period attributable to non-controlling interests	(77,699)
Other comprehensive income for the period attributable to non-controlling interests	(1,111)
Distribution of ordinary share cash dividends	(3,446)
Capital increase in cash	43,613
Buyback of treasury stock by subsidiary	(6,147)
The difference between the price and book value of subsidiaries' equity actually acquired	(435)
Changes in ownership interests in subsidiaries	(1,635)
Failure to subscribe in the capital increase scheme of subsidiaries in proportion to shareholding ratio	3,508
Ending balance on December 31, 2024	**$ 424,171**
Beginning balance on January 1, 2023	$ 679,736
Net loss for the period attributable to non-controlling interests	(69,292)
Other comprehensive income for the period attributable to non-controlling interests	(2,262)
Distribution of ordinary share cash dividends	(2,426)
Acquisition of subsidiaries	200
Cancellation of treasury stock by subsidiary	(126,283)
The difference between the price and book value of subsidiaries' equity actually acquired and disposed of	(12,150)
Balance on December 31, 2023	**$ 467,523**

(XXV) Earnings per share

	2024	2023
Basic earnings per share:		
Net profits attributable to ordinary equity holders of the Company	**$ 200,097**	**124,557**
Weighted average number of outstanding ordinary shares	131,086	131,086
Basic earnings per share (NT$)	**$ 1.53**	**0.95**
Diluted earnings per share:		
Net profits attributable to ordinary equity holders of the Company for the period (basic)	$ 200,097	124,557
Effects of dilutive potential ordinary shares		
Weighted average number of outstanding ordinary shares (basic)	131,086	131,086
Effects of employee remuneration in stock	625	558
Weighted average number of outstanding ordinary shares (diluted)	131,711	131,644
Diluted earnings per share (NT$)	**$ 1.52**	**0.95**

(XXVI) Revenue from contracts with customers

1. Disaggregation of revenue

	2024			
	Sales of goods	**Service provision**	**Leases**	**Total**
Main regional markets:				
Asia	$ 3,527,969	666,175	120,406	4,314,550
Europe	10,889	-	-	10,889
Other countries	392	-	-	392
	$ 3,539,250	666,175	120,406	4,325,831
Main product/service lines:				
Medicines and medical materials	$ 3,429,454	-	-	3,429,454
Non-woven filter fabric	109,796	-	-	109,796
Service provision	-	666,175	-	666,175
Equipment leases	-	-	72,664	72,664
Leases of investment properties and properties	-	-	47,742	47,742
	$ 3,539,250	666,175	120,406	4,325,831

	2023			
	Sales of goods	**Service provision**	**Leases**	**Total**
Main regional markets:				
Asia	$ 3,012,486	694,448	143,787	3,850,721
Europe	20,945	-	-	20,945
Other countries	1,718	-	-	1,718
	$ 3,035,149	694,448	143,787	3,873,384
Main product/service lines:				
Medicines and medical materials	$ 2,900,378	-	-	2,900,378
Non-woven filter fabric	134,771	-	-	134,771
Service provision	-	694,448	-	694,448
Equipment leases	-	-	97,048	97,048
Leases of investment properties and properties	-	-	46,739	46,739
	$ 3,035,149	694,448	143,787	3,873,384

2. Contract balances

	2024.12.31	2023.12.31	2023.1.1
Notes receivable	$ 11,320	12,273	13,123
Accounts receivable	263,680	265,836	183,826
Accounts receivable - related parties	972,101	1,105,850	1,038,039
Finance lease receivables	-	277	332
Finance lease receivables - related parties	11,146	11,781	5,095
Long-term finance lease receivables	-	-	277
Long-term finance lease receivables - related parties	15,969	24,626	11,602
Less: loss allowances	(17,628)	(7,657)	(4,608)
	$ 1,256,588	1,412,986	1,247,686

	2024.12.31	2023.12.31	2023.1.1
Contract liability - sales of goods	$ 47,561	11,458	4,003
Contract liability-customer loyalty programs	1,254	1,204	1,522
	$ 48,815	12,662	5,525

Please refer to Note 6 (4) and (6) for the disclosure of notes and accounts receivable, as well as financing lease receivables (including related parties) and their impairment.

The beginning balances of contract liabilities on January 1, 2024 and 2023 were recognized in 2024 and 2023 as income of NT$10,077 thousand and NT$6,527 thousand, respectively.

(XXVII) Employees’ and directors’ remuneration

According to the Company's Articles of Incorporation, 6% to 10% of the annual profit (if any) shall be appropriated as remuneration to employees and not more than 3% as remuneration to directors. However, the allowances for the Company’s accumulated losses shall be set aside from the profit first. The objects to which the employees’ remuneration referred to in the preceding paragraph is paid in stock or cash include employees of affiliated companies who meet certain requirements.

The estimated amounts of employees’ remuneration of the Company recognized in 2024 and 2023 were NT$16,014 thousand and NT$11,194 thousand, respectively, and the estimated amounts of directors’ remuneration were NT$2,669 thousand and NT$1,866 thousand, respectively. The estimates were based on the Company’s net profit before tax in that period less employees’ and directors’ remuneration, multiplied by the distribution percentages of employees’ and directors’ remuneration as stipulated in the Company's Articles of Incorporation, and the remuneration was presented in operating expenses for that period. In case of a difference between the actual distribution amount in the following year and the estimated amount recognized, it shall be accounted for as changes in accounting estimates and recognized in profit or loss for the following year.

In 2023 and 2022, the Company appropriated NT$11,194 thousand and NT$24,494 thousand respectively for employee remuneration, and NT$1,886 thousand and NT$4,082 thousand respectively for directors' remuneration, which did not differ from the resolutions on distribution of employees' and directors' remuneration by the Company's Board of Directors in 2023 and 2022. Relevant information can be found on the MOPS.

(XXVIII) Other net income and expenses

	2024	2023
Income from sublease of investment property	$ 42,663	45,318
Gains (losses) on disposal of property, plant and equipment	135,641	23,906
Lease modification gains	236	502
Income from subleases of right-of-use assets	35,841	35,560
	$ 214,381	**105,286**

(XXIX) Non-operating income and expenses

1. Interest income

	2024	2023
Bank deposit interest	$ 9,797	7,334
Other interest income	736	987
	$ 10,533	**8,321**

2. Other income

	2024	2023
Royalty income	$ 6,640	6,030
Dividend income	47,074	1,943
Government grants	2,805	4,777
Logistics income	6,342	5,813
Others	15,374	9,007
	$ 78,235	**27,570**

3. Other gains and losses

	2024	2023
Foreign exchange gain	$ 2,808	902
Gains on financial assets at fair value through profit or loss	8,316	8,892
Gains on the disposal of investments	965	-
Impairment losses on non-financial assets	(41,646)	916
Others	(5,883)	(1,200)
	$ (35,440)	**9,510**

4. Finance costs

		2024	2023
Interest on loans from financial institutions	$	43,597	40,289
Amortization of syndication fees		2,886	962
Amortization of interest on lease liabilities		10,907	12,392
Others		952	22
	$	58,342	53,665

(XXX) Financial instruments

1. Credit risk

(1) Exposure to credit risk

The carrying amount of a financial asset represents the maximum exposure to credit risk.

(2) Concentration of credit risks

The credit risks of the Consolidated Company are mainly on its largest customers. On December 31, 2024 and 2023, 68.79% and 70.22% of the balance of accounts receivable were owed by the largest customers, which contributed to a significant concentration of the Consolidated Company’s credit risks.

(3) Credit risk of accounts receivable

Please refer to Note 6 (4), (5) and (6) for information on the exposure of notes and accounts receivable, finance lease receivables and other receivables to credit risk.

Other financial assets measured at amortized cost include restricted bank deposits, certificates of deposit and refundable deposits.

The restricted bank deposits, time deposits, and refundable deposits held by the Consolidated Company are considered low credit risk as the counterparties and other performing parties are creditworthy or financial institutions rated investment grade or above.

The Consolidated Company had no provision of loss allowance due to 12-month expected credit losses or lifetime expected credit losses for other financial assets measured at amortized cost on December 31, 2024 and 2023.

2. Liquidity risk

The contractual maturities of financial liabilities are showed in the following table, including the effect of estimated interest.

		Carrying amount	Contractual cash flows	To be paid immediately or within 1 month	Within 6 months	6-12 months	1-3 years	Over 3 years
December 31, 2024								
Non-derivative financial liabilities								
Non-interest bearing liabilities	$	963,433	963,433	313,778	635,456	14,199	-	-
lease liabilities		488,974	520,525	10,157	51,385	57,477	165,917	235,589
Floating rate instruments		1,443,480	1,506,517	274,429	222,197	153,274	812,092	44,525
Fixed-rate instruments		54,815	55,000	-	55,000	-	-	-
	$	2,950,702	3,045,475	598,364	964,038	224,950	978,009	280,114
December 31, 2023								
Non-derivative financial liabilities								
Non-interest bearing liabilities	$	1,147,403	1,147,403	644,606	483,494	10,863	5,772	2,668
lease liabilities		590,767	632,556	10,769	54,975	61,966	210,110	294,736
Floating rate instruments		1,534,352	1,622,726	155,228	229,644	173,631	1,001,493	62,730
Fixed-rate instruments		54,901	55,000	-	55,000	-	-	-
	$	3,327,423	3,457,685	810,603	823,113	246,460	1,217,375	360,134

The Combined Company does not expect a significantly earlier occurrence of cash flows based on the due date analysis or significant differences between the actual amounts and estimates.

3. Exchange rate risk

(1) Exposure to exchange rate risk

The financial assets and liabilities of the Consolidated Company exposed to significant foreign currency exchange rate risk are as follows:

		2024.12.31			2023.12.31		
		Foreign currency	**Exchange rate (NT$)**	**NT$**	**Foreign currency**	**Exchange rate (NT$)**	**NT$**
Financial asset							
Monetary items							
USD	$	1,066	32.79	34,949	2,003	30.71	61,502
CNY		10	4.478	45	10	4.327	43
EUR		101	34.14	3,448	122	33.98	4,146
Non-monetary items							
USD		10,547	32.79	345,783	11,134	30.71	341,869
CNY		5,948	4.478	26,635	6,382	4.327	27,615

(2) Sensitivity analysis

The exchange rate risk of the Consolidated Company mainly comes from cash and cash equivalents as well as accounts and borrowings receivable denominated in foreign currencies, which generate foreign currency exchange gains and losses during translation. On December 31, 2024 and 2023, if New Taiwan dollar appreciated and depreciated by 5% against U.S. dollar, Renminbi and Euro, while all other factors remained unchanged, the net profit before tax in 2024 and 2023 would have decreased or increased by NT$1,922 thousand and NT$3,285 thousand, respectively. The analysis of the two periods is conducted on the same basis.

Due to the variety of functional currencies used by the Consolidated Company, information on exchange gains and losses on monetary items was disclosed on a consolidated basis. Foreign currency exchange gains (losses) (both realized and unrealized) in 2024 and 2023 amounted to NT$2,808 thousand and NT$902 thousand, respectively.

4. Interest rate analysis

The exposure of the Consolidated Company’s financial liabilities to interest rate risk is illustrated in Liquidity Risk Management section in this note.

The sensitivity analysis below is based on the exposure of non-derivative instruments to interest rate risk at the reporting date. The analysis of floating rate liabilities is based on the assumption that the outstanding liabilities at the reporting date are outstanding throughout the year. The rate of change in the interest rate reported to major management personnel of the Consolidated Company is the interest rate plus 20 basis points, which also represents the management's evaluation on the reasonably possible range of changes in the interest rate.

If the interest rate increased or decreased by 20 basis points, while all other variables remain unchanged, the pre-tax net profit of the Consolidated Company for 2024 and 2023 would have increased or decreased by NT$2,887 thousand and NT$3,069 thousand respectively, mainly due to changes in the interest rate of the Consolidated Company's floating rate loans.

5. Information on fair values

(1) Type and fair value of financial instruments

The Consolidated Company’s financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income are measured at fair value on a recurring basis. The carrying amounts and fair values of all types of financial assets and financial liabilities (including fair value level information, but for financial instruments not measured at fair value with carrying amounts reasonably approximate to their fair values as well as lease liabilities, fair value information is not required to be disclosed according to the regulations) are listed as follows:

	2024.12.31				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss:					
Fund beneficiary certificates	$ 10,610	10,610	-	-	10,610
Non-TWSE/TPEx listed stocks	27,853	-	-	27,853	27,853
Subtotal	38,463	10,610	-	27,853	38,463
Financial assets at fair value through other comprehensive income					
Non-TWSE/TPEx listed stocks	299,873	-	-	299,873	299,873
Non-overseas listed stocks	345,774	-	-	345,774	345,774
Limited partnership interests	125,039	-	-	125,039	125,039
Subtotal	770,686	-	-	770,686	770,686
Financial assets at amortized cost					
Cash and cash equivalents	1,459,635	-	-	-	-
Restricted bank deposits	66,344	-	-	-	-
Net notes receivable and accounts receivable (including related parties)	1,229,473	-	-	-	-
Other net receivables (including related parties)	319,081	-	-	-	-
Finance lease receivables (including those due within one year)	27,115	-	-	-	-
Subtotal	3,101,648	-	-	-	-
Total	$ 3,910,797	10,610	-	798,539	809,149
Financial liabilities at amortized cost					
Short-term loans	$ 433,087	-	-	-	-
Long-term loans (including those due within one year)	1,010,393	-	-	-	-
Short-term bills payable	54,815	-	-	-	-
Notes and accounts payable (including related parties)	685,082	-	-	-	-
Other payables (including related parties)	278,351	-	-	-	-
Lease liabilities (including those due within one year)	488,974	-	-	-	-
Total	$ 2,950,702	-	-	-	-

	2023.12.31				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Fund beneficiary certificates	$ 10,463	10,463	-	-	10,463
Non-TWSE/TPEx listed stocks	19,684	-	-	19,684	19,684
Subtotal	30,147	10,463	-	19,684	30,147
Financial assets at fair value through other comprehensive income					
Non-TWSE/TPEx listed stocks	348,419	-	-	348,419	348,419
Non-overseas listed stocks	341,871	-	-	341,871	341,871
Limited partnership interests	124,682	-	-	124,682	124,682
Subtotal	814,972	-	-	814,972	814,972
Financial assets at amortized cost					
Cash and cash equivalents	1,383,022	-	-	-	-
Restricted bank deposits	76,597	-	-	-	-
Net notes receivable and accounts receivable (including related parties)	1,376,302	-	-	-	-
Other net receivables (including related parties)	73,900	-	-	-	-
Finance lease receivables (including those due within one year)	36,684	-	-	-	-
Subtotal	2,946,505	-	-	-	-
Total	$ 3,791,624	10,463	-	834,656	845,119
Financial liabilities at amortized cost					
Short-term loans	$ 407,467	-	-	-	-
Long-term loans (including those due within one year)	1,126,885	-	-	-	-
Short-term bills payable	54,901	-	-	-	-
Notes and accounts payable (including related parties)	842,289	-	-	-	-
Other payables (including related parties)	293,928	-	-	-	-
Long-term accounts payable (including those due within one year)	11,186	-	-	-	-
Lease liabilities (including those due within one year)	590,767	-	-	-	-
Total	$ 3,327,423	-	-	-	-

(2) Valuation techniques for fair value of financial instruments measured at fair value

If there is a quoted price in an active market for a financial instrument, that price shall be used for measuring fair value. The market prices, announced by the main exchanges and the over-the-counter trading center for central government bonds that are judged to be popular, are the basis for the fair value of listed equity instruments and the debt instruments with a quoted price in an active market. If a quoted price for a financial instrument can be obtained from exchanges, brokers, underwriters, industry associations, pricing service institutions or competent authorities in a timely manner and on a regular basis, and represents actual fair market transactions with sufficient frequency, it is determined that there is a quoted price in an active market for the financial instrument. Where the above conditions are not met, the market is considered inactive. Generally speaking, a large bid-ask spread, a significant increase in bid-ask spread, or a low transaction volume indicates an inactive market.

The fair values of financial instruments held by the Consolidated Company traded in inactive markets are presented below by type and attribute:

- Equity instruments without quoted prices: The fair value is estimated using the market comparable company method and asset method, with the assumptions mainly based on the ratio of the estimated market price to earnings per share of the investee, the earnings multiplier derived from quoted market prices of comparable TWSE/TPEx listed companies, as well as the equity value of net assets. The estimate has adjusted the effect of discount of the equity securities due to lack of market liquidity.

(3) There was no transfer of the fair value levels of financial assets in 2024 and 2023.

(4) Table of Changes in Level 3

	Measured at fair value through profit or loss	Measured at fair value through other comprehensive income
	Non-derivative financial assets mandatorily measured at fair value through profit or loss	**Equity instruments without publicly quoted prices**
January 1, 2024	$ 19,684	814,972
Total gains or losses		
Recognized in profit or loss	8,169	-
Recognized in other comprehensive income	-	(81,994)
Purchase	-	42,510
Capital returned due to capital reduction	-	(4,802)
December 31, 2024	**$ 27,853**	**770,686**
January 1, 2023	$ 20,174	680,880
Total gains or losses		
Recognized in profit or loss	(490)	-
Recognized in other comprehensive income	-	133,773
Purchase	-	27,020
Capital returned due to capital reduction	-	(26,701)
December 31, 2023	**$ 19,684**	**814,972**

The above total gains or losses are presented in "other gains and losses" and "unrealized valuation gains (losses) on financial assets measured at fair value through other comprehensive income". Among them, those related to the assets still held on December 31, 2024 and 2023 are as follows:

	2024	2023
Total gains or losses		
Recognized in profit or loss (presented in "other gains and losses")	$ 8,169	(490)
Recognized in other comprehensive income (presented in "unrealized valuation gains (losses) on financial assets measured at fair value through other comprehensive income")	(81,994)	133,733

(5) Quantitative information on significant unobservable inputs (level 3) used for fair value measurement

The fair values of the Consolidated Company that are categorized into level 3 mainly include financial assets measured at fair value through other comprehensive income - equity securities investments. Most of the fair values of the Consolidated Company categorized into level 3 are with only a single significant unobservable input, except that equity instrument investments without an active market are with multiple significant unobservable inputs. Significant unobservable inputs of equity instrument investments without an active market are independent of each other, without any correlation among them.

(6) Analysis of the sensitivity of fair value to reasonably possible alternative assumptions for measurement of level 3 fair values

The fair value measurement of financial instruments by the Consolidated Company is reasonable, whereas different valuation models or parameters used for measurement may result in different valuation results. The impact of the changes in evaluation parameters for financial instruments categorized into Level 3 on profits and losses or other comprehensive income for the period is as follows:

			Changes in fair value reflected in profit or loss		Changes in fair value reflected in other comprehensive income	
	Input value	**Upward or downward changes**	**Favorable changes**	**Adverse changes**	**Favorable changes**	**Adverse changes**
December 31, 2024						
Financial assets at fair value through profit or loss	Liquidity discount	5%	1,741	(1,741)	-	-
Financial assets at fair value through other comprehensive income	Liquidity discount	5%	-	-	38,045	(52,878)
December 31, 2023						
Financial assets at fair value through profit or loss	Liquidity discount	5%	1,230	(1,230)	-	-
Financial assets at fair value through other comprehensive income	Liquidity discount	5%	-	-	55,662	(42,025)

Favorable and adverse changes for the Consolidated Company refer to fluctuations in fair value, which are calculated by using valuation techniques based on different degrees of unobservable input parameters. For a financial instrument whose fair value is affected by more than one input, the above table only reflects the impact of changes in a single input, and the correlation and variability among the inputs are not taken into account.

(XXXI) Financial risk management

1. Summary

The Combined Company is exposed to the following risks due to the use of financial instruments:

(1) Credit risk

(2) Liquidity risk

(3) Market risk

This note presents the information on the Combined Company's exposure to the above risks, as well as its objectives, policies and procedures for measuring and managing the risks. For further quantitative disclosures, please refer to the respective notes to the Consolidated Financial Statements.

2. Risk management framework

The Management Department of the Combined Company analyzes and manages the financial risks related to the operation of the Combined Company based on the degree and breadth of the risks.

3. Credit risk

Credit risk refers to the risk of financial losses of the Consolidated Company due to the failure to perform contractual obligations by customers or counterparties of financial instruments, mainly from the Consolidated Company's accounts receivable due from customers and securities investments.

(1) Accounts receivable and other receivables

The management of the Combined Company assigns a dedicated team responsible for the determination of credit lines, credit approval and other monitoring procedures to ensure that appropriate actions have been taken to recover overdue receivables. The Combined Company reviews the recoverable amounts of receivables separately at the reporting date to ensure that appropriate impairment losses have been provisioned for uncollectible receivables.

(2) Investments

The credit risk of bank deposits and other financial instruments is measured and monitored by the Financial Department of the Combined Company. The counterparties and other performing parties of the Combined Company are creditworthy or financial institutions rated investment grade or above, which generates no major doubt for performance of the contract, so the Combined Company faces no significant credit risk.

4. Liquidity risk

The Combined Company manages and maintains sufficient cash and cash equivalents for various positions to support the operation of the Combined Company and mitigate the impact of cash flow fluctuations. The management of the Combined Company supervises the use of bank credit lines and ensures compliance with the terms of the loan contracts.

Bank loans and the issuance of commercial paper are important sources of liquidity for the Combined Company. On December 31, 2024 and 2023, the unused credit lines of the Consolidated Company were NT$1,909,136 and NT$1,772,749 thousand, respectively.

5. Market risk

(1) Interest rate risk

Market risk refers to the risk due to changes in market prices, such as changes in exchange rates, interest rates, and the price of equity instruments,which may affect the Consolidated Company's income or the value of financial instruments held. The objective of market risk management is to maintain acceptable levels of market risk exposure and optimize investment returns.

(2) Other market price risks

The Combined Company does not actively trade these investments, and its management manages the risks by holding various risk-based portfolios.

(XXXII) Capital management

By capital management, the Combined Company ensures continuing operation of all companies in the Group, and maximizes shareholder returns by optimizing the balance of debt and equity.

The capital structure of the Combined Company is composed of its net debt (i.e., loans less cash and cash equivalents) and equity (i.e., share capital, additional paid-in capital, retained earnings and other equity items). The Combined Company balances its overall capital structure by paying dividends, issuing new shares, repurchasing shares, and issuing new debts or repaying old debts, based on the recommendations of the key management personnel.

(XXXIII) Investing and financing activities in non-cash transactions

The non-cash investing and financing activities of the Consolidated Company in 2024 and 2023 are as follows:

1. Please refer to Note 6 (12) and (13) for obtaining right-of-use assets and investment properties through leasing.
2. Cash paid for purchase of property, plant and equipment is as follows:

	2024	2023
Acquisition of property, plant and equipment	$ 68,637	182,428
Net changes in equipment payables in subsidiaries	14,434	67,878
Cash paid	**$ 83,071**	**250,306**

3. Cash paid for purchase of intangible assets is as follows:

	2024	2023
Acquisition of intangible assets	$ 9,785	24,626
Net changes in payables on technology patent authorization	167	2,273
Cash paid	**$ 9,952**	**26,899**

4. Cash received from disposal of property, plant and equipment is as follows:

	2024	2023
Disposal of property, plant and equipment	$ 58,110	40,530
Loss (gain) on disposal of investment properties	293,148	-
Less: Equipment proceeds receivable (recognized as other receivables- related parties)	(240,000)	-
Cash received	$ 111,258	40,530

5. The adjustments to liabilities from financing activities are as follows:

	2024.1.1	Cash flows	Changes in non-cash items: Lease changes	Changes in non-cash items: Effects of changes in foreign exchange rates	Changes in non-cash items: Others	2024.12.31
Short-term loans	$ 407,467	25,620	-	-	-	433,087
Short-term bills payable	54,901	-	-	-	(86)	54,815
Long-term loans (including those due within one year)	1,126,885	(116,492)	-	-	-	1,010,393
Lease liabilities (including those due within one year)	590,767	(117,236)	15,443	-	-	488,974
Deposits received	19,606	150	-	-	-	19,756
	$ 2,199,626	(207,958)	15,443	-	(86)	2,007,025

	2023.1.1	Cash flows	Changes in non-cash items: Lease changes	Changes in non-cash items: Effects of changes in foreign exchange rates	Changes in non-cash items: Others	2023.12.31
Short-term loans	$ 306,254	101,213	-	-	-	407,467
Short-term bills payable	54,892	-	-	-	9	54,901
Long-term loans (including those due within one year)	999,376	127,509	-	-	-	1,126,885
Lease liabilities (including those due within one year)	645,079	(120,542)	65,411	-	819	590,767
Deposits received	18,022	1,584	-	-	-	19,606
	$ 2,023,623	109,764	65,411	-	828	2,199,626

VII. Transactions of Related Parties

(I) Parent company and ultimate controlling party

Minsheng Medical Holding Co., Ltd., the parent company of the Combined Company, holds 28.79% of the Combined Company’s outstanding ordinary shares.

(II) Name of and relationship with related parties

The related parties who have traded with the Combined Company during the period covered by the Consolidated Financial Statements are as follows:

Name of the related party	Relationship with the Consolidated Company
Minsheng Medical Holding Co., Ltd.	Parent company
Employee Community Co., Ltd.	Associate
Shangchia Health Business Co., Ltd.	Associate
Air Long-Term Care Co., Ltd.	Associate
Shengyu Health Technologies Co., Ltd.	Associate
Minsheng General Hospital	Substantial related party (Minsheng medical system)
Lungtan Minsheng Hospital	Substantial related party (Minsheng medical system)
Tayuan Minsheng Hospital	Substantial related party (Minsheng medical system)
Home Nursing Center attached to Tayuan Minsheng Hospital	Substantial related party (Minsheng medical system)
YES Chang Sheng Pharmacy	Substantial related party
Minsheng Asset Management Co., Ltd.	Substantial related party
Employee Clinic of Hsinchu Science and Industry Park	Substantial related party
Po’en Management Consulting Co., Ltd.	Substantial related party
Shengli Management Consulting Co., Ltd.	Substantial related party
Pisheng Construction Co., Ltd (hereinafter referred to as Pisheng Construction)	Substantial related party
Zhiyi Clinic	Substantial related party
Shengyu Clinic	Substantial related party
Hafo Clinic	Substantial related party
Fuying Clinic	Substantial related party
Pochih Cultural and Creative Co., Ltd.	Substantial related party
Ssu-Kang Chang	Other related parties
Chin-Shun Huang	Other related parties
Chien-Chiang Chiu	Other related parties
Chang-Ming Hsiao	Other related parties
Ming-Tsung Tsai	Other related parties
Hung-Yi Li	The management
Hung-jen Yang	The management
Kun-chang Yang	The management
Qing-Wen Liu	The management
Ming-Hsun Wu	The management

(III) Significant transactions with related parties

1. Sales of goods

Category of the related party	Operating revenue 2024	2023
Substantial related party		
Minsheng General Hospital	$ 1,131,667	1,040,345
Others	91,042	75,253
Associate	380	-
Parent company	445	-
	$ 1,223,534	1,115,598

The sales price determined by the Consolidated Company for the above-mentioned related party is the purchase cost plus 5% or more, with the payment term being net 30 to 180 days. Generally, sales are collected in the current month.

2. Service provision

Category of the related party	Service income 2024	2023
Substantial related party		
Minsheng General Hospital	$ 443,110	540,155
Others	37,301	44,482
Associate	3,758	-
	$ 484,169	584,637

The service income of the Consolidated Company from the above-mentioned related party mainly comes from undertaking medical examinations and inspections, etc. in cooperation with medical institutions. The two parties has entered into a contract by mutual agreement, with the payment term defined as net 30 to 180 days.

3. Leases

Category of the related party	Lease income 2024	2023
Substantial related party		
Minsheng General Hospital	$ 80,895	44,014
Fuying Clinic	24,768	41,161
Hafo Clinic	2,689	14,482
Zhiyi Clinic	8,560	15,077
Others	15,349	15,982
	$ 132,261	130,716

The rent paid by the Consolidated Company to the above-mentioned related party is defined in a lease contract entered into by the two parties by mutual agreement, with the payment term being 30 to 120 days.

4. Receivables due from related parties

Category of the related party	Account items	2024.12.31	2023.12.31
Substantial related party			
Minsheng General Hospital	Accounts receivable	$ 853,467	974,839
Fuying Clinic	Accounts receivable	40,080	62,241
Others	Accounts receivable	66,532	66,451
Substantial related party			
Minsheng General Hospital	Finance lease receivables	3,307	2,565
Lungtan Minsheng Hospital	Finance lease receivables	1,508	1,048
Tayuan Minsheng Hospital	Finance lease receivables	2,209	2,078
Zhiyi Clinic	Finance lease receivables	2,482	4,630
Shengyu Clinic	Finance lease receivables	1,236	1,211
Others	Finance lease receivables	404	249
Substantial related party			
Minsheng General Hospital	Long-term finance lease receivables	188	1,132
Lungtan Minsheng Hospital	Long-term finance lease receivables	880	1,462
Tayuan Minsheng Hospital	Long-term finance lease receivables	5,411	7,619
Shengyu Clinic	Long-term finance lease receivables	5,562	-
Zhiyi Clinic	Long-term finance lease receivables	978	5,747
YES Chang Sheng Pharmacy	Long-term finance lease receivables	2,950	-
Others	Long-term finance lease receivables	-	10

Category of the related party	Account items	2024.12.31	2023.12.31
Substantial related party			
Minsheng General Hospital	Other receivables	$ 85	8,660
Tayuan Minsheng Hospital	Other receivables	240,000	10
Shengyu Clinic	Other receivables	4,102	3,212
Hafo Clinic	Other receivables	3,960	4,370
Fuying Clinic	Other receivables	17,600	19,080
Others	Other receivables	2,505	769
		$ 1,255,446	1,167,383

5. Payables to related parties

Category of the related party	Account items	2024.12.31	2023.12.31
Substantial related party			
Minsheng General Hospital	Accounts payable	$ 91	79
Fuying Clinic	Accounts payable	-	869
Zhiyi Clinic	Accounts payable	767	-
Others	Accounts payable	162	128
Parent company	Other payables	-	41
Substantial related party			
Shengyu Clinic	Other payables	375	7,520
Minsheng General Hospital	Other payables	852	1,082
Fuying Clinic	Other payables	15,089	8
Others	Other payables	352	626
The management	Other payables	10,078	853
Associate	Other payables	-	290
		$ 27,766	11,496

6. Prepayments

The Consolidated Company's prepayments to related parties are detailed as follows:

Category of the related party	Account items	2024.12.31	2023.12.31
Substantial related party			
Pisheng Construction	Prepayments	$ 935	3,739
Pisheng Construction	Long-term prepayments	-	935
Associate			
Air Long-Term Care	Prepayments	46	46
		$ 981	4,720

7. Property transactions

(1) Disposal of property, plant and equipment

The breakdown of the disposal of property, plant and equipment of the Company to related parties are summarized as follows:

	2024	
	Disposal proceeds	Gains or losses on disposal
Substantial related party		
Minsheng Asset Management	$ 7,429	526

(2) Disposal of investment properties

The breakdown of the disposal of investment properties of the Consolidated Company to related parties are summarized as follows:

	2024	
	Disposal proceeds	**Gains or losses on disposal**
Substantial related party		
Tayuan Minsheng Hospital	$ 293,147	117,283

(3) Disposal of financial assets

The breakdown of the disposal of financial assets of the Company to related parties are summarized as follows:

		2024			
Category of the related party	**Account items**	**Number of shares traded**	**Object of transaction**	**Disposal proceeds**	**Gains or losses on disposal**
Management - Hung-Yi Li	Equity method investments	500	Ordinary share equity of Anchun Company	$ 1,065	94

8. Endorsement/Guarantee

(1) Lease contracts

Category of the related party	2024.12.31	2023.12.31
Substantial related party - Minsheng General Hospital	$ 229,880	228,736

(2) Bank loans:

The Consolidated Company’s loans from financial institutions are jointly guaranteed by Hung-jen Yang, the Chairperson, from the management team, and Ssu-kang Chang, one of the other related parties.

9. Others

Category of the related party	Account items	2024	2023
Substantial related party	Operating costs - other expenses	$ 1,738	5,172
Substantial related party	Operating cost - rent expense	143	142
Substantial related party	Operating expenses - other expenses	13,853	21,829
Substantial related party	Operating expenses - rent expense	2,013	2,679
Associate	Operating costs - other expenses	910	1,226
Associate	Operating expenses - other expenses	320	656
Parent company	Operating expenses - rent expense	473	468
Substantial related party	Other income - rental income	2,634	2,906
Parent company	Other income and losses - rental income	583	577
Substantial related party	Other income - rental income	29,069	28,842

Category of the related party	Account items	2024.12.31	2023.12.31
Substantial related party	Collection on behalf of others	$ 7	21
Substantial related party	Payment on behalf of others	55	267
Substantial related party	Temporary payments	45	332
Substantial related party			
Minsheng General Hospital	Collection in advance	-	67
Zhiyi Clinic	Collection in advance	-	109
Shengyu Clinic	Collection in advance	2,682	-
Others	Collection in advance	-	33
Associate	Collection in advance	132	-
Substantial related party			
Minsheng General Hospital	Refundable deposits	250,050	250,000
Fuying Clinic	Refundable deposits	49,000	17,000
Hafo Clinic	Refundable deposits	23,000	23,000
Zhiyi Clinic	Refundable deposits	53,900	40,000
Others	Refundable deposits	36,686	43,686
Parent company	Refundable deposits	83	82
Substantial related party			
Minsheng General Hospital	Deposits received	5,805	5,641
Tayuan Minsheng Hospital	Deposits received	902	902
Zhiyi Clinic	Deposits received	3,600	3,600
Others	Deposits received	52	112
Parent company	Deposits received	102	101

(IV) Transactions with key management personnel

Remuneration paid to key management personnel includes:

	2024	2023
Short-term employee benefits	$ 44,411	53,240
Post-employment benefits	1,060	1,113
	$ 45,471	54,353

VIII. Pledged Assets

The book values of the assets pledged as collateral by the Consolidated Company are as follows:

Name of the asset	Pledge object	2024.12.31	2023.12.31
Financial assets at amortized cost - current	Guarantee letters for bank loans and leases	$ 23,010	32,097
Financial assets measured at amortized cost - non-current	Guarantees for bank loans and commercial papers	43,334	44,500
Investment properties	Bank loans	-	177,087
Property, plant and equipment	Bank loans	1,121,256	1,138,395
		$ 1,187,600	1,392,079

IX. Material Contingent Liabilities and Unrecognized Contractual Commitments

Material unrecognized contractual commitments

	2024.12.31	2023.12.31
Purchase of property, plant and equipment	$ 12,303	15,517
Purchase of intangible assets	-	546
Guaranteed notes issued for bank loan contracts	2,730,000	2,545,000
Issued and unused letters of credit	3,069	-
	$ 2,745,372	2,561,063

X. Material Losses from Disasters: none.

XI. Material Subsequent Events: none.

XII. Others

(I) Employee benefits, and depreciation and amortization expenses are summarized by function as follows:

By function / Nature of business	2024 Belonging to operating costs	2024 Belonging to operating expenses	2024 Total	2023 Belonging to operating costs	2023 Belonging to operating expenses	2023 Total
Employee benefit expenses						
Remuneration expenses	124,403	303,155	427,558	133,806	299,730	433,536
Labor and health insurance expenses	11,345	28,209	39,554	12,664	28,976	41,640
Pension expenses	6,320	15,112	21,432	6,695	14,957	21,652
Remuneration to directors	-	8,953	8,953	-	6,475	6,475
Other employee benefit expenses	5,837	15,403	21,240	6,259	15,095	21,354
depreciation expense	190,790	91,634	282,424	164,257	125,846	290,103
Amortization expenses	3,447	21,693	25,140	8,321	22,151	30,472

(II) Seasonality of operation:

The Consolidated Company’s operation of the health examination service is highly seasonal. According to the historical experience, the peak period of the service is around mid-June to before lunar new year of the next year. Therefore, large amount of sales will be recognized when services are actually performed every year from mid-June to next year before lunar new year.

XIII. Items Disclosed in Notes

(I) Information on major transactions

The information on major transactions that the Consolidated Company should disclose in accordance with the Regulations Governing the Preparation of Financial Statements by Securities Issuers in 2024 is as follows:

1. Lending of funds to others: None.
2. Making of endorsements and guarantees for others:

Unit: NT$ thousand

No.	Name of the endorser/guarantor	Endorsed/guaranteed party: Name of company	Endorsed/guaranteed party: Relationship	Limit of endorsement/guarantee amount for a single enterprise	Maximum endorsement/guarantee balance for the period	Ending endorsement/guarantee balance	Actual drawdown amount	Amount of endorsements/guarantees with property pledged	Ratio of accumulated endorsements/guarantees to net value in the latest financial statements	Maximum amount for endorsements/guarantees	Endorsements/guarantees provided by parent company to subsidiaries	Endorsements/guarantees provided by subsidiaries to parent company	Endorsements/guarantees in China
0	ShareHope Medicine Co., Ltd.	Minsheng General Hospital	1	1,590,480	229,880	229,880	229,880	-	6.46%	1,778,448	N	N	N

Note 1: The explanation of the number column is as follows:

(1) Fill in 0 for the issuer.

(2) The investees are numbered sequentially with Arabic numerals starting from 1 by company type.

Note 2: There are 7 types of relationships between the endorser and the endorsee. Please mark the type:
(1) Companies with who the Company does business.
(2) Companies in which the Company directly and indirectly holds more than 50% of the voting shares.
(3) Companies that directly and indirectly hold more than 50% of the Company's voting shares.
(4) Companies in which the Company directly and indirectly holds more than 90% of the voting shares.
(5) Companies among the peers and co-contractors that provide mutual guarantee for the purposes of undertaking projects in accordance with contractual terms.
(6) Companies that are endorsed/guaranteed by all contributing shareholders in proportion to their shareholdings due to joint investments.
(7) Peers who provide joint guarantees for the performance of house presales contracts in accordance with the Consumer Protection Act.

Note 3: The limits specified in the Procedures for Endorsement and Guarantee of ShareHope Medicine Co., Ltd. are as follows:
(1) The endorsement and guarantee amount for a single enterprise shall not exceed 20% of the current net value, and the amount of an endorsement/guarantee provided for a transaction shall not exceed the total amount of the transaction made by the enterprise with ShareHope Medicine Co., Ltd.
(2) The total amount of endorsements and guarantees provided for others shall not exceed 50% of the current net value.

3. Securities held at the end of the period (excluding investments in subsidiaries and affiliates, and interests in joint ventures):

Unit: NT$ thousand

				End of period					
Holder of securities	**Type and name of securities**	**Relationship with securities issuer**	**Accounting subject**	**Contribution amount/number of shares (thousand shares or units)**	**Carrying amount**	**Shareholding ratio**	**Fair value**	**Mid-term maximum shareholding**	**Remarks**
The Company	Fund beneficiary certificate Union Money Market Fund	None	Financial assets at fair value through profit or loss - current	771	10,610	-	10,610	-	
The Company	Stock Tsaishin Health Business Co., Ltd.	None	Financial assets at fair value through profit or loss - non-current	1,000	27,853	3.70 %	27,853	3.70%	
The Company	Stock Yichuang Second Venture Capital Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	2,000	16,925	0.92 %	16,925	0.92%	
The Company	Stock China Development Biomedical Venture Capital Co., Ltd.	The Company is a legal representative supervisor of the company	Financial assets at fair value through other comprehensive income - non-current	1,129	27,740	2.86 %	27,740	2.86%	
The Company	Stock Yiding Biotech Venture Capital Co., Ltd.	The Company is a legal person director of the company	Financial assets at fair value through other comprehensive income - non-current	4,095	42,629	7.50 %	42,629	7.50%	
The Company	Stock BenQ BM Holding Cayman Corporation	None	Financial assets at fair value through other comprehensive income - non-current	5,258	345,774	2.15 %	345,774	2.15%	
The Company	Chunghua Development Second Biomedical Venture Capital Limited Partnership	None	Financial assets at fair value through other comprehensive income - non-current	86,346	98,744	3.22 %	98,744	3.22%	
The Company	Stock-AcroViz Inc.	None	Financial assets at fair value through other comprehensive income - non-current	1,820	25,498	8.88 %	25,498	9.71%	
The Company	Stock-UltraE Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	1,176	23,440	6.47 %	23,440	- %	
Mytrex Health Company	Stock-Minsheng Asset Management Co., Ltd.	The chairperson of the Company is a director of the company	Financial assets at fair value through other comprehensive income - non-current	2,120	20,762	3.37 %	20,762	3.37%	
Mytrex Health Company	Srock Shangching Technology Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	68	1,580	0.81 %	1,580	0.81%	

Holder of securities	Type and name of securities	Relationship with securities issuer	Accounting subject	End of period				Mid-term maximum shareholding	Remarks
				Contribution amount/number of shares (thousand shares or units)	Carrying amount	Shareholding ratio	Fair value		
Mytrex Health Company	Stock Intelligent Medical Technology Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	1,760	27,109	9.99 %	27,109	9.99%	
Mytrex Health Company	Stock Yiho Smart Technology Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	250	7,563	19.53 %	7,563	19.53%	
Mytrex Health Company	Stock Yichuang Second Venture Capital Co., Ltd.	The Company is a director of the company	Financial assets at fair value through other comprehensive income - non-current	5,000	42,311	2.29 %	42,311	2.29%	
Pregetic Health Company	Stock Yita International Hospital Management Consulting Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	417	4,567	4.20 %	4,567	4.20%	
Pregetic Health Company	Stock Juichuan Data Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	1,000	15,478	14.29 %	15,478	14.29%	
Pregetic Health Company	Stock Kangchien Gene Technology Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	1,304	13,172	14.81 %	13,172	14.81%	
Hung-Han Company	Stock Juichuan Data Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	250	3,869	3.57 %	3,869	3.57%	
Macro Global Corporation	Limited partnership equity Chunchuang Development Venture Capital Limited Partnership	None	Financial assets at fair value through other comprehensive income - non-current	19,051	26,295	1.75 %	26,295	1.75%	
Medzoneasia	Stock Yaosheng Information Technology Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	500	27,230	10.00 %	27,230	10.00%	
					770,686		770,686		

4. The amounts from purchase or sale of the same securities that accumulatively amount to NT$300 million or account for more than 20% of paid-in capital: none.
5. The amounts from acquisition of properties that amount to NT$300 million or account for more than 20% of the paid-in capital: none.
6. The amounts from disposal of properties that amount to NT$300 million or account for more than 20% of the paid-in capital:

Unit: NT$ thousand

Company disposing of the property	Name of the property	Date of occurrence	Original acquisition date	Book value	Transaction amount	Status of payment collection	Gains or losses on disposal	Counterparty	Relationship	Purpose of disposal	Reference basis for price determination	Other agreements
The Company	Investment properties - land and buildings	2024.12.6	2014.8.18	175,865	293,147	Collection according to contract terms	117,283	Tayuan Minsheng Hospital	Substantial related party	Enabling long-term stable use by related parties	Valuation report	-

7. The amounts from purchase and sale of goods from and to related parties that amount to NT$100 million or account for more than 20% of the paid-in capital:

Unit: NT$ thousand

Purchaser (seller)	Name of the counterparty	Relationship	Transaction details				Cases where transactions are made in different conditions from general transactions and the reasons		Notes and accounts receivable (payable)		Remarks
			Purchase (sell)	amount	Ratio of the amount to total purchases (sales)	Credit period	Unit price	Credit period	Balance	Ratio of the balance to notes and accounts receivable (payable)	
The Company	Minsheng General Hospital	Substantial related party	(Sell)	(1,130,928)	(46.96) %	Net 180 days	-		611,997	59.85%	
The Company	Minsheng General Hospital	Substantial related party	Service income	(401,980)	(16.69) %	Net 30-180 days	-		220,132	21.53%	
The Company	Minsheng General Hospital	Substantial related party	Lease income	(57,572)	(2.39) %	Net 30-180 days	-		10,085	0.99%	
									842,214		
The Company	YES Health Company	Subsidiary	(Sell)	(202,478)	(8.41) %	Net 60 days	-		54,732	5.35%	Note
YES Health Company	The Company	Parent company	Purchase	202,478	14.32 %	Net 60 days	-		(54,732)	(26.82)%	Note

Note: This transaction has been written off in the preparation of the Consolidated financial statements.

8. Receivables from related parties amount to NT$100 million or account for more than 20% of the paid-in capital:

Unit: NT$ thousand

Payee of the accounts receivable	Name of the counterparty	Relationship	Balance of related party receivables	Turnover rate	Overdue related party receivables		Amount received in subsequent periods	Provision for loss allowances
					amount	Accounting treatment		
The Company	Minsheng General Hospital	Substantial related party	842,214	1.77	-		269,587	195
The Company	Tayuan Minsheng Hospital	Substantial related party	240,000	(Note 1)	-		240,000	-

Note 1: Other receivables from the sale of investment properties, which do not require calculation of turnover rate.

9. Engagement in derivatives transactions: none.

10. Business relationship and major transactions between the parent company and the subsidiaries:

Unit: NT$ thousand

No.	Name of trading party	Counterparty	Relationship with counterparty	Transaction situation			
				Item	amount	Transaction condition	Ratio of the amount to consolidated total operating income or total assets
0	The Company	YES Health Company	1	Sales income	202,478	Net 60 days	4.68%
0	〃	〃	1	Accounts receivable - related parties	54,731	〃	0.77%
0	〃	Medzoneasia	1	Lease income	22,862	—	0.53%
1	Medzoneasia	The Company	2	Refundable deposits	4,003	—	0.06%
1	〃	〃	2	Right-of-use asset	9,834	—	0.14%
1	〃	〃	2	lease liabilities	11,804	—	0.17%
2	Pregetic Health Company	The Company	2	Right-of-use asset	960	—	0.01%
2	〃	〃	2	lease liabilities	966	—	0.01%

Note 1. The rules for filling in the serial numbers are as follows:

1. 0 represents the parent company.
2. The subsidiaries are numbered sequentially with Arabic numerals starting from 1 by

company type.

Note 2. The types of relationship with counterparties are listed as follows:

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

Note 3. For the business relationship and major transactions between parent and subsidiaries, only information on sales and receivables is disclosed, and the corresponding purchases and payables will not be presented.

Note 4. The above transactions have been written off in the preparation of the Consolidated Financial Statements.

(II) Information on reinvestment (excluding investees in mainland China):

The information on the reinvestment business of the Consolidated Company in 2024 is as follows:

Unit: NT$ thousand/thousand shares

Name of investee	Name of investee	Region	Principal business	Initial investment amount		Shareholding at the end of the period			Mid-term maximum shareholding	Profits and losses of the investee for the period	Investment income and losses recognized for the period	Remarks
				End of the period	End of last year	Number of shares	Ratio	Carrying amount				
The Company	Mytrex Health Company	Taoyuan City	Manufacturing and processing of non-woven fabrics and sales of medical and sanitary materials	310,286	310,286	22,454	61.46%	353,160	61.46%	(82,375)	(50,628)	Note 1
The Company	ShareHope Hong Kong Company	Hong Kong, China	Investment management	44,831	44,831	1,500	100.00%	20,208	100.00%	(1,343)	(1,343)	Note 1
The Company	Chungyuan Medical Management Company	Taoyuan City	Management Consulting Services	11,389	11,389	1,000	100.00%	11,800	100.00%	147	147	Note 1
The Company	Pohui Biotechnology Co., Ltd	Taipei City	Biotechnology Services	-	22,106	-	- %	-	25.00%	(375)	(94)	Note 2
The Company	Medzoneasia	Taoyuan City	Health management services and hotels	338,169	336,669	17,254	100.00%	69,811	100.00%	(42,249)	(42,131)	Note 1
The Company	Pregetic Health Company	Taoyuan City	Health management services	122,006	101,000	12,601	38.19%	80,614	38.90%	(64,817)	(25,206)	Note 1
The Company	Shengshih Technology Co., Ltd.	Taipei City	Management Consulting Services	1,000	1,000	100	100.00%	689	100.00%	(95)	(95)	Note 1
The Company	Sheng Tai Company	Taipei City	Food and beverage retail	-	800	-	- %	-	80.00%	(177)	(141)	Note 1
The Company	YWLT Company	Taipei City	Biotechnology Services	-	1,000	-	- %	-	100.00%	(87)	(87)	Note 1
Mytrex Health Company	Mytrex USA Co.	California, USA	Health care support services	23,516	23,516	800	88.89%	13,018	88.89%	(116)	(103)	Note 1
Mytrex Health Company	Air Long-Term Care Co., Ltd.	Taoyuan City	Management Consulting Services	10,000	10,000	667	22.37%	10,961	22.37%	2,237	500	Note 2
Mytrex Health Company	Mytrex	Taoyuan City	Manufacturing and processing of non-woven fabrics and sales of medical and sanitary materials	447,888	447,888	6,000	100.00%	154,175	100.00%	(56,408)	(56,379)	Note 1
Mytrex Health Company	Sheng Yo Company	Tainan City	Health management services	22,381	20,000	4,381	47.62%	6,825	90.91%	(4,663)	(2,220)	Note 1

Notes to the Consolidated Financial Statements of ShareHope Medicine Co., Ltd. and its subsidiaries (Continued)

Name of investee	Name of investee	Region	Principal business	Initial investment amount		Shareholding at the end of the period			Mid-term maximum shareholding	Profits and losses of the investee for the period	Investment income and losses recognized for the period	Remarks
				End of the period	End of last year	Number of shares	Ratio	Carrying amount				
Mytrex Health Company	YES Health Company	Taoyuan City	Wholesale and trading of medicines and management consulting for pharmacies	230,000	230,000	6,035	100.00%	207,590	100.00%	(7,671)	(14,451)	Note 1 and 3
Chungyuan Medical Management Company	Air Long-Term Care Co., Ltd.	Taoyuan City	Management Consulting Services	2,000	2,000	200	6.71%	2,235	6.71%	2,237	150	Note 2
Medzoneasia	TECHGROUP	New Taipei City	Medical information software services	50,759	50,759	1	51.00%	37,345	51.00%	6,825	540	Note 1
Medzoneasia	Shengyu Health Technologies Co., Ltd.	Taoyuan City	Other management consulting services	2,000	2,000	200	40.00%	-	40.00%	(387)	-	Note 2
Medzoneasia	Global Biotech Multimedia Co., Ltd.	Taipei City	Magazine (periodical) publication	10,000	10,000	500	23.98%	9,363	23.98%	651	156	Note 2
Medzoneasia	Digimed	Taipei City	Information software services	6,000	6,000	600	60.00%	2,314	60.00%	(3,802)	(2,281)	Note 1
Pregetic Health Company	Hung-Han Company	Taipei City	Health management services	128,880	128,880	3,420	100.00%	61,204	100.00%	(16,470)	(17,661)	Note 1
Pregetic Health Company	Employee Community Co., Ltd.	Taipei City	Advertising	1,700	1,700	170	48.57%	993	48.57%	1,268	616	Note 2
Pregetic Health Company	Harvard Company	Taipei City	Health management consulting services	259,288	229,288	12,000	100.00%	165,140	100.00%	(32,546)	(33,083)	Note 1
Pregetic Health Company	Anchun Technology Co., Ltd.	Taipei City	Health management services	20,000	20,000	2,000	40.00%	15,073	40.00%	(5,397)	(2,159)	Note 2
Pregetic Health Company	Chinachem	Taipei City	Healthcare services	-	10,000	-	- %	-	50.00%	(3,250)	(1,625)	Note 4
Pregetic Health Company	Shangchia Health Business Co., Ltd.	Taipei City	Health management services	36,527	-	3,390	30.82%	37,431	30.82%	4,077	904	Note 2
Hung-Han Company	Hanting Company	New Taipei City	Information software services	-	20,000	-	- %	-	100.00%	(8,855)	(5,470)	Note 5
Hung-Han Company	Chinachem	Taipei City	Healthcare services	-	10,000	-	- %	-	100.00%	(3,250)	(1,625)	Note 4
Hung-Han Company	Macro Global Corporation	Taichung City	Wholesale and trading of medicines	74,970	74,820	6,460	100.00%	77,882	100.00%	2,984	2,984	Note 1 and 3
Harvard Company	Shangchia Health Business Co., Ltd.	Taipei City	Health management services	-	33,900	-	- %	-	33.90%	4,077	362	Note 2
YES Health Company	Digimed	Taipei City	Information software services	2,000	2,000	200	20.00%	771	20.00%	(3,802)	(760)	Note 1
Macro Global Corporation	Hanting Company	New Taipei City	Information software services	-	10,000	-	- %	-	33.33%	(8,855)	(3,384)	Note 5

Note 1: It is a subsidiary, and this transaction has been written off in the preparation of the Consolidated financial statements.

Note 2: It is an affiliate of the Company.

Note 3: In response to the restructure of the Group, Medzoneasia transferred their equity in Macro Global Corporation and YES Health Company in full to other related parties, Hung-Han Company and Mytrex Health Company, in February and March, 2023, respectively.

Note 4: Pregetic Company and Hung-Han Company fully disposed of the equity of Chinachem they held in August 2024, resulting in the loss of control over the subsidiary. Therefore, the Consolidated Company no longer include the gains and expenses in the Consolidated Statement of Comprehensive Income at the time losing control.

Note 5: Hung-Han Company and Macro Global Corporationfully disposed of the equity of Hanting Company they held in August 2024, resulting in the loss of control over the subsidiary. Therefore, the Consolidated Company no longer include the gains and expenses in the Consolidated Statement of Comprehensive Income at the time losing control.

(III) Information on investments in mainland China:

1. Information on reinvestments in mainland China:

Unit: NT$/US$ thousand

Name of investee company in Mainland China	Principal business	Paid-in capital	Investment method (Note 1)	Accumulated investment amount remitted from Taiwan at the beginning of the period	Investment amount remitted outward or inward in the period		Accumulated investment amount remitted from Taiwan at the end of the period	Profits and losses of the investee for the period	Shareholding ratio of the Company's direct or indirect investment	Mid-term maximum shareholding	Investment income and losses recognized for the period (Note 2)	Book value of investment at the end of the period	Investment income repatriated as of the end of the period
					Outward remittance	Inward remittance							
Minsheng (Tianjin) Investment Management Co., Ltd.	Investment management	11,885	(II)	11,885	-	-	11,885	(556)	100.00%	100%	(556)	2,118	-
Minsheng Asia-Pacific (Beijing) Enterprise Management Co., Ltd.	Hospital management consulting services	5,124	(I)	5,124	-	-	5,124	(590)	100.00%	100%	(590)	6,426	-

Note 1: Investment methods can be classified into the following three types:
(I) Directly invest in mainland China.
(II) Reinvest in mainland companies through third regions.
(III) Other methods.
Note 2: Financial statements reviewed by a certified public accountant of the parent company in Taiwan.
Note 3: The above transactions have been written off in the preparation of the Consolidated Financial Statements.

2. Limits for reinvestment in mainland China:

Unit: NT$ thousand

Accumulated investment amount remitted from Taiwan to mainland China as of the end of the period	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs	Mainland China investment limit stipulated by the Investment Commission of the Ministry of Economic Affairs (Note)
17,009	17,009	2,134,137

Note: 60% of the net value.

3. Information on major transactions: none.

(IV) Information on major shareholders

Unit: share

Name of major shareholder / Shares	Number of shares held	Shareholding ratio
Minsheng Medical Holding Co., Ltd.	37,750,221	28.79%

Note 1: The information on the major shareholder in this table is calculated by CHEP on the last business day at the end of each quarter, based on the data about shareholders who hold a total of 5% of the ordinary shares and special shares of the Company that have been delivered without physical registration (including treasury shares). The share capital recorded in the Company's financial statements may be different from the actual number of shares delivered without

physical registration depending on the calculation basis for the preparation.

Note 2: The above-mentioned information about shares transferred by shareholders to a trust is disclosed separately in the trustors' trust accounts opened by the trustees. In terms of the declaration of insider equity by shareholders who hold more than 10% of the Company's shares in accordance with the Securities and Exchange Act, their shareholdings include the shares held by them plus the shares they transferred to the trust which they have the right to use. For information on insider equity declaration, please refer to the MOPS.

XIV. Department Information

(I) General information

There are four reportable departments in the Combined Company: the Pharmaceutical Distribution Department, Health Management Department, Technological Materials Department and Hospital Department.

The reportable departments of the Combined Company are strategic business units that provide different products and services. The strategic business units shall be managed separately as the technologies and marketing strategies required are different among them.

The other departments of the Consolidated Company, mainly engaged in the business of specialized medical services and biotechnologies, did not reach the quantitative threshold for a reportable department in 2024 and 2023.

(II) Information on the profits and losses, assets, and liabilities of the reportable departments as well as the measurement basis and adjustments

The management of the Combined Company allocates resources and conducts performance assessment mainly based on the pre-tax profits and losses (excluding non-recurring gains and losses and exchange gains and losses) of the departments whose internal management reports are reviewed by the main operational decision-makers. Given that income taxes, non-recurring gains and losses, and exchange gains and losses are managed on a group-wide basis, the Combined Company does not divide and allocate income tax expenses (benefits), non-recurring gains and losses, and exchange gains and losses to reportable departments. In addition, profits and losses of all reportable departments do not include significant non-cash items other than depreciation and amortization. The reported amounts are consistent with those in the reports used by operational decision-makers.

Except for the recognition and measurement of pension expenses of each operating department based on cash payments to pension plans, the accounting policies adopted by the operating departments are consistent with the summarized major accounting policies illustrated in Note 4.

The Combined Company regards sales and transfers among departments as transactions with third parties, which are measured at current market prices.

The information and adjustments of the operating departments of the Combined Company are as follows:

	2024						
	Pharmaceutical Distribution Department	**Health Management Department**	**Technological Materials Department**	**Hospital Department**	**Other departments**	**Adjustment and cancellation**	**Total**
Income:							
Revenue from external customers	$ 3,216,881	635,144	109,796	96,232	267,778	-	4,325,831
Interdepartmental revenue	204,182	7,856	-	-	25,351	(237,389)	-
Total revenue	$ 3,421,063	643,000	109,796	96,232	293,129	(237,389)	4,325,831
Impairment of assets	-	-	-	-	-	(41,646)	(41,646)
Profits and losses of reportable departments	$ 89,180	71,366	9,615	75,503	(149,733)	77,979	173,910

	2023						
	Pharmaceutical Distribution Department	**Health Management Department**	**Technological Materials Department**	**Hospital Department**	**Other departments**	**Adjustment and cancellation**	**Total**
Income:							
Revenue from external customers	$ 2,703,624	637,763	134,771	132,017	265,209	-	3,873,384
Interdepartmental revenue	174,946	8,917	-	-	22,850	(206,713)	-
Total revenue	$ 2,878,570	646,680	134,771	132,017	288,059	(206,713)	3,873,384
Profits and losses of reportable departments	$ 83,928	61,771	3,704	110,394	(235,129)	84,316	108,984

(III) Product and service information

Name of product or service	**2024**	**2023**
Medicines and medical materials	$ 3,429,454	2,900,378
Non-woven filter fabric	109,796	124,771
Equipment leases	72,664	97,048
Leases of investment properties	47,742	46,739
Medical health care management services	666,175	694,448
	$ 4,325,831	**3,863,384**

(IV) Regional information

The following information about the Combined Company is listed by region, among which revenue is classified based on the geographical location of customers, while non-current assets are classified based on the geographical location of assets.

Region	**2024**	**2023**
Revenue from external customers:		
Asia	$ 4,314,550	3,850,721
Europe	10,889	20,945
Other countries	392	1,718
	$ 4,325,831	**3,873,384**

Region	**2024.12.31**	**2023.12.31**
Non-current assets:		
Taiwan	**$ 2,274,293**	**2,759,659**

Non-current assets include property, plant and equipment, investment properties, right-of-use assets and intangible assets, excluding non-current assets comprised of financial instruments and deferred income tax assets.

(V) Information about major customers

	2024	**2023**
Minsheng General Hospital	**$ 1,655,672**	**1,624,514**