

**ShareHope Medicine Co., Ltd. and its  
subsidiaries**

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

**For the Six Months Ended June 30, 2023 and 2022**

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## **Independent Auditors' Review Report**

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

### **Introduction**

The Consolidated Balance Sheet of ShareHope Medicine Co., Ltd. and its subsidiaries as of June 30, 2023 and 2022, and the Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to Consolidated Financial Statements (including the Summary of Major Accounting Policies) for the six months ended June 30, 2023 and 2022, have been reviewed by the independent auditors. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

### **Scope of Review**

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

### **Conclusion**

Based on our reviews and the review reports of other independent auditors (please refer to the Other Items section), nothing has come to our attention that causes us to believe that the accompanying Consolidated Financial Statements do not present fairly, in all material respects, the consolidated financial position of ShareHope Medicine Co., Ltd. and its subsidiaries as of June 30, 2023 and 2022, and of its consolidated financial performance and its consolidated cash flows for the six months ended June 30, 2023 and 2022 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### Other Matters

We did not review the financial statements of certain subsidiaries of the Consolidated Company. Those financial statements were reviewed by other auditors, whose review reports have been furnished to us, and our conclusion, insofar as it relates to the amounts included for those subsidiaries, is based solely on the review reports of other auditors. The financial statements of those subsidiaries reflect the total assets amounting to \$467,511 thousand, constituting 6.19% of the consolidated total assets as of June 30, 2022; and the total operating revenues amounting to \$15,052 thousand and \$30,363 thousand, constituting 1.35% and 1.41% of the consolidated total operating revenues for the three months and six months ended June 30, 2023, respectively.

KPMG

Independent auditor:

KOU,HUI-CHIH  
KUO,HSIN-I

Number of documents approved and  
certified by the securities regulatory : Tai-Tsai-Zheng-(6)-Zi-0930106739  
August 11, 2023 : Jin-Kuan-Zheng-Shen-Zi-1040003949

ShareHope Medicine Co., Ltd. and its subsidiaries

Consolidated Balance Sheet

June 30, 2023, December 31 and June 30, 2022

Unit: NT\$ thousand

Assets		June 30, 2023		December 31, 2022		June 30, 2022		Liabilities and equity		June 30, 2023		December 31, 2022		June 30, 2022			
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%		
Current assets:								Current liabilities:									
1100	Cash and cash equivalents (Note 6 (1))	\$	1,305,199	19	1,535,182	21	1,750,570	24	2100	Short-term loans (Note 6 (15) and Note 8)	\$	425,312	6	306,254	4	384,144	5
1110	Financial assets at fair value through profit or loss - current (Note 6 (2))		10,398	-	10,341	-	10,296	-	2110	Short-term bills payable (Note 6 (16))		54,891	1	54,892	1	54,993	1
1136	Financial assets at amortized cost - current (Note (8))		16,252	-	5,001	-	17,300	-	2130	Contract liabilities - current (Note 6 (26))		9,049	-	5,525	-	7,303	-
1150	Notes receivable (Note 6 (4) and (26))		9,317	-	13,123	-	13,437	-	2150	Notes payable		97,910	1	100,470	1	181,826	2
1170	Net accounts receivable (Note 6 (4) and (26))		183,736	3	179,973	2	247,347	3	2170	Accounts payable		556,664	8	698,764	9	526,907	7
1180	Net accounts receivable - related parties (Note 6 (4), (6) and (26), and Note 7)		910,425	13	1,042,711	14	953,157	13	2181	Accounts payable - related parties (Note 7)		1,528	-	3,556	-	4,728	-
1200	Other net accounts receivable (Note 6 (5))		50,016	1	55,603	1	12,347	-	2200	Other payables (Note 6(20))		287,086	4	335,785	5	281,212	4
1210	Other accounts receivable - related parties (Note 6 (5) and Note 7)		47,092	1	26,445	-	35,419	-	2220	Other accounts payable - related parties (Note 7)		2,545	-	1,293	-	417	-
1220	Income tax assets for the period		132	-	50	-	-	-	2230	Income tax liabilities for the period		26,379	-	58,143	1	63,990	1
130X	Inventories (Note 6 (7))		312,079	4	272,537	4	313,805	4	2280	Lease liabilities - current (Note 6 (18))		111,434	2	118,503	2	117,625	2
1410	Prepayments (Note 7)		73,839	1	48,512	1	62,267	1	2322	Long-term loans due in one year (Note 6 (17) and Note 8)		32,079	-	31,753	-	33,087	-
1470	Other current assets		9,042	-	3,000	-	7,203	-	2323	Long-term accounts payable due in one year		2,701	-	2,658	-	-	-
Total current assets			2,927,527	42	3,192,478	43	3,423,148	45	2399	Other current liabilities		21,166	1	11,964	-	14,658	-
Non-current assets:								Total current liabilities			1,628,744	23	1,729,560	23	1,670,890	22	
1510	Financial assets at fair value through profit or loss - non-current (Note 6 (2))		23,046	-	82,086	1	77,644	1	Non-current liabilities:								
1517	Financial assets at fair value through other comprehensive income - non-current (Note 6 (3))		724,338	10	680,880	9	539,492	7	2540	Long-term loans (Note 6 (17) and Note 8)		966,903	14	967,623	14	1,302,021	18
1536	Financial assets at amortized cost - non-current (Note 8)		40,590	1	40,590	1	51,562	1	2570	Deferred income tax liabilities		22,944	1	17,821	-	14,202	-
1550	Equity method investments		78,747	1	69,965	1	49,895	1	2580	Lease liabilities - non-current (Note 6 (18))		492,342	7	526,576	7	548,861	7
1600	Property, plant and equipment (Note 6 (10) and Note 8)		1,678,069	24	1,694,731	23	1,672,974	22	2612	Long-term payables		9,825	-	11,187	-	2,000	-
1755	Right-of-use assets (Note 6 (11))		444,452	6	461,074	6	492,913	7	2640	Net defined benefit liabilities - non-current		8,099	-	7,972	-	9,251	-
1760	Investment properties (Note 6 (12) and Note 8)		320,157	5	346,792	5	339,405	4	2645	Deposits received (Note 7)		20,407	-	18,022	-	13,162	-
1780	Intangible assets (Note 6 (13))		347,143	5	342,674	5	346,661	5	Total non-current liabilities			1,520,520	22	1,549,201	21	1,889,497	25
1840	Deferred income tax assets		11,284	-	10,975	-	16,631	-	Total liabilities			3,149,264	45	3,278,761	44	3,560,387	47
194D	Net long-term finance lease receivables (Note 6 (6) and (26), and Note 7)		27,624	-	11,879	-	15,808	-	Equity (Note 6 (8), (9) and (23)):								
1990	Other non-current assets (Note 6 (14) and Note 7)		421,367	6	443,632	6	524,580	7	3110	Ordinary share capital		1,200,422	17	1,200,422	16	1,143,259	15
Total non-current assets			4,116,817	58	4,185,278	57	4,127,565	55	3150	Stock dividends to be distributed		60,021	-	-	-	57,163	1
									3200	Additional paid-in capital		1,166,656	17	1,264,508	17	1,264,252	18
									3310	Statutory reserves		216,895	3	187,098	3	187,098	2
									3320	Special reserves		-	-	26,136	-	26,136	-
									3350	undistributed earnings		677,706	10	734,669	11	655,884	9
									3410	Exchange difference from translation of the financial statements of foreign operations		(2,671)	-	(2,089)	-	(2,192)	-
									3420	Unrealized gains or losses on financial assets at fair value through other comprehensive income		61,236	1	8,515	-	(43,086)	(1)
										Total equity attributable to owners of the parent company		3,380,265	48	3,419,259	47	3,288,514	44
									36xx	Non-controlling interests		514,815	7	679,736	9	701,812	9
										Total equity		3,895,080	55	4,098,995	56	3,990,326	53
Total assets		\$	7,044,344	100	7,377,756	100	7,550,713	100		Total liabilities and equity	\$	7,044,344	100	7,377,756	100	7,550,713	100

**ShareHope Medicine Co., Ltd. and its subsidiaries**  
**Consolidated Statement of Comprehensive Income**  
**For the three months and six months ended June 30, 2023 and 2022**

**Unit: NT\$**

		For the three months ended June 30, 2023		For the three months ended June 30, 2022		For the six months ended June 30, 2023		For the six months ended June 30, 2022	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	<b>Operating revenue (Note 6 (26) and Note 7)</b>	\$ 941,170	100	1,115,797	100	1,837,428	100	2,156,252	100
5000	<b>Operating costs (Note 6 (7), (10), (11) and (21), and Note 7)</b>	(752,772)	(80)	(829,369)	(74)	(1,481,976)	(81)	(1,581,405)	(73)
	<b>Gross profit</b>	188,398	20	286,428	26	355,452	19	574,847	27
	<b>Operating expenses (Note 6 (4), (10), (11), (18) and (21), and Note 7):</b>								
6100	Marketing expenses	(53,828)	(6)	(64,636)	(6)	(107,727)	(6)	(132,746)	(6)
6200	Administrative expenses	(117,883)	(13)	(120,725)	(11)	(225,678)	(12)	(232,510)	(11)
6300	R&D expenses	(3,328)	-	(3,125)	-	(5,885)	-	(6,737)	-
6235	Expected credit (impairment losses) gains on reversal	(229)	-	1,170	-	(1,925)	-	1,217	-
	<b>Total operating expenses</b>	(175,268)	(19)	(187,316)	(17)	(341,215)	(18)	(370,776)	(17)
6500	Other net income and expenses (Note 6 (28))	17,923	2	18,510	2	37,831	2	37,551	2
	<b>Net operating income</b>	31,053	3	117,622	11	52,068	3	241,622	12
	<b>Non-operating income and expenses (Note (18) and (29)):</b>								
7100	Interest income	3,205	-	442	-	3,990	-	572	-
7010	Other income	6,282	1	15,766	1	14,031	1	23,489	1
7020	Other gains and losses	1,947	-	(2,469)	-	12,883	1	712	-
7050	Finance costs	(13,864)	(1)	(7,709)	(1)	(26,547)	(2)	(13,227)	(1)
7770	Share of losses of affiliates recognized by the equity method	(105)	-	(257)	-	(824)	-	(449)	-
	<b>Total non-operating income and expenses</b>	(2,535)	-	5,773	-	3,533	-	11,097	-
7900	<b>Net income before tax</b>	28,518	3	123,395	11	55,601	3	252,719	12
7950	<b>Income tax expenses (Note 6 (22))</b>	(14,196)	(2)	(30,724)	(3)	(26,241)	(1)	(64,314)	(3)
	<b>Net income for the period</b>	14,322	1	92,671	8	29,360	2	188,405	9
8300	<b>Other comprehensive income (Note 6 (22) and (23)):</b>								
8310	<b>Items not reclassified to profit or loss</b>								
8316	Unrealized valuation profits and losses on equity instrument investments at fair value through other comprehensive income	34,033	4	(33,777)	(3)	62,972	3	(36,263)	(2)
8320	Share of other comprehensive income of affiliates recognized by the equity method	-	-	-	-	-	-	(1)	-
8349	Less: income taxes related to non-reclassified items	6,036	1	(6,430)	(1)	5,239	-	(3,868)	-
	<b>Total items not reclassified to profit or loss</b>	27,997	3	(27,347)	(2)	57,733	3	(32,396)	(2)
8360	<b>Items that may be reclassified to profit or loss subsequently</b>								
8361	Exchange difference from translation of the financial statements of foreign operations	(742)	-	90	-	(706)	-	1,716	-
8399	Less: income taxes related to items that may be reclassified	(212)	-	6	-	(202)	-	319	-
	<b>Total items that may be reclassified to profit or loss subsequently</b>	(530)	-	84	-	(504)	-	1,397	-
8300	<b>Other comprehensive income for the period</b>	27,467	3	(27,263)	(2)	57,229	3	(30,999)	(2)
8500	<b>Total comprehensive income for this period</b>	<u>\$ 41,789</u>	<u>4</u>	<u>65,408</u>	<u>6</u>	<u>86,589</u>	<u>5</u>	<u>157,406</u>	<u>7</u>
	<b>Net profit for the period attributable to (Note 6 (9)):</b>								
8610	Owners of the parent company	\$ 32,787	3	102,640	9	70,191	4	219,230	10
8620	Non-controlling interests	(18,465)	(2)	(9,969)	(1)	(40,831)	(2)	(30,825)	(1)
		<u>\$ 14,322</u>	<u>1</u>	<u>92,671</u>	<u>8</u>	<u>29,360</u>	<u>2</u>	<u>188,405</u>	<u>9</u>
	<b>Total comprehensive income attributable to (Note 6 (9)):</b>								
8710	Owners of the parent company	\$ 58,732	6	80,255	7	122,330	7	200,041	9
8720	Non-controlling interests	(16,943)	(2)	(14,847)	(1)	(35,741)	(2)	(42,635)	(2)
		<u>\$ 41,789</u>	<u>4</u>	<u>65,408</u>	<u>6</u>	<u>86,589</u>	<u>5</u>	<u>157,406</u>	<u>7</u>
	<b>Earnings per share (NT\$) (Note 6 (25))</b>								
9750	<b>Basic earnings per share</b>	<u>\$ 0.27</u>		<u>0.86</u>		<u>0.58</u>		<u>1.83</u>	
9850	<b>Diluted earnings per share</b>	<u>\$ 0.27</u>		<u>0.85</u>		<u>0.58</u>		<u>1.81</u>	

(Please refer to the attached Notes to the Consolidated Financial Statements for details)

Chairperson: 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**  
**For the six months ended June 30, 2023 and 2022**

**Unit: NT\$ thousand**

	Ordinary share capital	Stock dividends to be distributed	Additional paid-in capital	Statutory 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
<b>Balance on January 1, 2022</b>	\$ 1,143,259	-	1,267,418	163,624	33,469	567,167	(3,173)	(22,962)	3,148,802	734,492	3,883,294
Net income for the period	-	-	-	-	-	219,230	-	-	219,230	(30,825)	188,405
Other comprehensive income for the period	-	-	-	-	-	-	981	(20,170)	(19,189)	(11,810)	(30,999)
Total comprehensive income for this period	-	-	-	-	-	219,230	981	(20,170)	200,041	(42,635)	157,406
Allocation and distribution of earnings:											
Appropriation of legal reserve	-	-	-	23,474	-	(23,474)	-	-	-	-	-
Common share cash dividend	-	-	-	-	-	(57,163)	-	-	(57,163)	(2,161)	(59,324)
Ordinary share stock dividend	-	57,163	-	-	-	(57,163)	-	-	-	-	-
Reversal of special reserves	-	-	-	-	(7,333)	7,333	-	-	-	-	-
Changes in ownership interests in subsidiaries	-	-	(3,166)	-	-	(46)	-	46	(3,166)	3,166	-
Increase of non-controlling interests	-	-	-	-	-	-	-	-	-	2,000	2,000
Share-based payment transaction	-	-	-	-	-	-	-	-	-	6,950	6,950
<b>Balance on June 30, 2022</b>	<b>\$ 1,143,259</b>	<b>57,163</b>	<b>1,264,252</b>	<b>187,098</b>	<b>26,136</b>	<b>655,884</b>	<b>(2,192)</b>	<b>(43,086)</b>	<b>3,288,514</b>	<b>701,812</b>	<b>3,990,326</b>
<b>Balance on January 1, 2023</b>	\$ 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	-	-	-	-	-	70,191	-	-	70,191	(40,831)	29,360
Other comprehensive income for the period	-	-	-	-	-	-	(582)	52,721	52,139	5,090	57,229
Total comprehensive income for this period	-	-	-	-	-	70,191	(582)	52,721	122,330	(35,741)	86,589
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	-	-	(97,852)	-	-	(3,451)	-	-	(101,303)	(126,754)	(228,057)
<b>Balance on June 30, 2023</b>	<b>\$ 1,200,422</b>	<b>60,021</b>	<b>1,166,656</b>	<b>216,895</b>	<b>-</b>	<b>677,706</b>	<b>(2,671)</b>	<b>61,236</b>	<b>3,380,265</b>	<b>514,815</b>	<b>3,895,080</b>

(Please refer to the attached Notes to the Consolidated Financial Statements for details)

Chairperson: Hung-jen Yang

Manager: Ching-wen Liu

Chief Accounting Officer: Ya-mei Huang

**ShareHope Medicine Co., Ltd. and its subsidiaries**  
**Consolidated Cash Flow Statement**  
**For the six months ended June 30, 2023 and 2022**

**Unit: NT\$**

	<u>For the six months ended June 30, 2023</u>	<u>For the six months ended June 30, 2022</u>
<b>Cash flows from operating activities:</b>		
Net income before tax for the period	\$ 55,601	252,719
<b>Items adjusted:</b>		
Income and expense items		
depreciation expense	143,680	138,685
Amortization expenses	15,398	12,144
Expected credit impairment losses (gains on reversal)	1,925	(1,217)
Net (gains) losses on financial assets at fair value through profit or loss	(12,189)	5,138
Interest expenses	27,387	13,227
Interest income	(3,990)	(572)
Share of losses of affiliates recognized by the equity method	824	449
Losses on disposal and retirement of properties, plants and equipment	3,183	17
Unrealized foreign exchange gains	(91)	(148)
Lease modification gains	(502)	(235)
Total income and expense items	<u>175,625</u>	<u>167,488</u>
Changes in assets/liabilities related to operating activities:		
Notes receivable (including related parties)	3,806	2,575
Accounts receivable (including related parties)	64,918	(123,288)
Lease payments receivable (including related parties)	46,059	4,210
Other receivables (including related parties)	6,089	(603)
Inventories	(28,126)	(23,165)
Prepayments	(25,327)	(18,378)
Other current assets	(6,042)	(782)
contract liability	3,524	23
Notes payable (including related parties)	(2,560)	82,524
Accounts payable (including related parties)	(144,128)	(19,838)
Other payables (including related parties)	(45,118)	(24,154)
Other current liabilities	9,202	(3,616)
Net defined benefit liabilities	(40)	(89)
Total net changes in assets and liabilities related to operating activities	<u>(117,743)</u>	<u>(124,581)</u>
Cash inflow from operation	113,483	295,626
Interests received	3,990	572
Interests paid	(26,160)	(11,555)
Income taxes paid	(57,602)	(67,775)
<b>Cash inflow from operating activities</b>	<u>33,711</u>	<u>216,868</u>

(Please refer to the attached Notes to the Consolidated Financial Statements for details)

Chairperson: 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)**  
**For the six months ended June 30, 2023 and 2022**

Unit: NT\$

	<b>For the six months ended June 30, 2023</b>	<b>For the six months ended June 30, 2022</b>
<b>Cash flows from investing activities:</b>		
Acquisition of financial assets at fair value through other comprehensive income	\$ (7,000)	(46,581)
Capital returned due to capital reduction in financial assets at fair value through other comprehensive income	26,514	16,250
Acquisition of long-term equity method investments	(10,000)	(23,900)
Acquisition of financial assets at amortized cost	(11,251)	(22,516)
Disposal of financial assets at fair value through profit or loss	71,171	-
Increase in prepayments for investment	-	(70,000)
Acquisition of property, plant and equipment	(145,377)	(1,178,244)
Disposal of property, plant and equipment	2,461	97,337
Decrease in refundable deposits	20,361	3,763
Increase in other receivables- related parties	(21,123)	(575)
Acquisition of intangible assets	(18,707)	(17,549)
Decrease (increase) in other non-current assets	3,897	(20,399)
<b>Cash outflow from investing activities:</b>	<b>(89,054)</b>	<b>(1,262,414)</b>
<b>Cash flows from financing activities:</b>		
Increase in short-term loans	119,058	108,049
Decrease in short-term bills payable	-	(54)
Borrowing of long-term loans	-	1,194,000
Repayment of long-term loans	(394)	(16,419)
Increase in deposits received	2,385	4,236
Lease principal payment	(65,092)	(61,663)
Distribution of cash dividends	(2,426)	-
Buyback cost of treasury stock	(227,434)	-
Changes in non-controlling interests	(228)	8,950
<b>Cash (outflow) inflow from financing activities</b>	<b>(174,131)</b>	<b>1,237,099</b>
Impact of exchange rate changes on cash and cash equivalents	(509)	1,844
(Decrease) increase in cash and cash equivalents for the period	(229,983)	193,397
Balance of cash and cash equivalents at the beginning of the period	1,535,182	1,557,173
Balance of cash and cash equivalents at the end of the period	<b>\$ 1,305,199</b>	<b>1,750,570</b>

(Please refer to the attached Notes to the Consolidated Financial Statements for details)

Chairperson: 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**  
**For the Six Months Ended June 30, 2023 and 2022**  
(Unless otherwise specified, all amounts are in NT\$)

**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 Statements was approved and issued by the Board of Directors on August 11, 2023.

**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, 2023, which made no significant impact on the Consolidated Financial Statements.

- Amendment to “Disclosure of Accounting Policies” under IAS 1
- Amendment to “Definition of Accounting Estimates” under IAS 8
- Amendment to “Deferred Income Tax Related to Assets and Liabilities Arising from a Single Transaction” under IAS 12

- (II) 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:

Newly issued or amended standards	Major amendments	Effective date of standards issued by the Board
Amendment to “Classification of Liabilities as Current or Non-current” under IAS 1	According to the current IAS 1, liabilities for which the enterprise does not have the right to unconditionally defer settlement for at least 12 months after the reporting period shall be classified as current. The statement “unconditionally” is removed from the amendment which instead stipulates that the right must exist and be substantive at the end of the reporting period.  It is clarified in the amendment that how enterprises should classify liabilities that are settled by issuing equity instruments of such liabilities (e.g., convertible corporate bonds).	January 1, 2024

Newly issued or amended standards	Major amendments	Effective date of standards issued by the Board
Amendment to “Non-current Contractual Liabilities” under IAS 1	<p>After reconsidering certain aspects of the amendment to IAS 1 in 2020, it is clarified in the new amendment that only contractual terms to which an enterprise shall be subject on or before the reporting date will affect the classification of liabilities as current or non-current.</p> <p>The contractual terms (i.e. future terms) to which an enterprise shall be subject after the reporting date will not affect the classification of liabilities at that date. However, as for non-current liabilities subject to future contractual terms, enterprises shall disclose information to notify users of financial statements of the risk that such liabilities may be repaid within 12 months after the reporting date.</p>	January 1, 2024

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
- Amendment to “Comparative Information on the Initial Application of IFRSs 17 and IFRSs 9” under IFRSs 17
- Amendment to “Requirements for Sale and Leaseback Transactions” under IFRSs 16
- Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”
- Amendments to IAS12 “International Tax Reform- Pillar Two Model Rules”

#### IV. Summary of Major Accounting Policies

##### (I) Compliance statement

These Consolidated Financial Statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to “Regulations”) and guidelines of IAS 34 “Interim Financial Reporting” which are endorsed and issued into effect by FSC. The Consolidated Financial Statements do not include all of the information required by the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS endorsed by the FSC) for a complete set of the annual Consolidated Financial Statements.

Except the following accounting policies mentioned below, the significant accounting policies adopted in the Consolidated Financial Statements are the same as those in the Consolidated Financial Statement for the year ended December 31, 2022. For the related information, please refer to Note 4 of the Consolidated Financial Statements for the year ended December 31, 2022.

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

## (II) Consolidation basis

### 1. Subsidiaries included in the Consolidated Financial Statements

Name of investor	Name of subsidiary	Nature of business	Percentage of equity held			Explanat ion
			June 30, 2023	December 31, 2022	June 30, 2022	
The Company	Chungyuan Medical Management Co., Ltd. (hereinafter referred to as Chungyuan Medical Management Company)	Management Consulting Services	100.00%	100.00%	100.00%	
The Company	Mytrex Health Technologies Co., Ltd. (hereinafter referred to as Mytrex Health Company, formerly known as Mytrex Co., Ltd.)	Manufacturing and processing of non-woven fabrics and sales of medical and sanitary materials	61.46%	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%	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%	100.00%	
The Company	Pregetic Medical Health Co., Ltd. (hereinafter referred to as Pregetic Health Company)	Health management services	38.90%	38.90%	38.90%	
The Company	Medzoneasia Co., Ltd. (hereinafter referred to as Medzoneasia, formerly known as Medzoneasia Co., Ltd.)	Wholesale and trading of medicines and provision of medical information software services	83.47%	60.21%	60.21%	Note 1
The Company	Shengshih Technology Co., Ltd. (hereinafter referred to as Shengshih Company, formerly known as Hungxin Management Consulting Co., Ltd.)	Management Consulting Services	100.00%	100.00%	100.00%	
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%	100.00%	
Mytrex Health Company	Mytrex USA Co. (formerly known as TSVC Co.)	Health care support services	88.89%	88.89%	88.89%	
Mytrex Health Company	Sheng Yo Rehabilitative Technologies, Inc. (hereinafter referred to as Sheng Yo Company)	Health management services	90.91%	90.91%	90.91%	
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%	-	-	Note 2
Medzoneasia	TECHGROUP Integrate Design Co., Ltd. (hereinafter referred to as TECHGROUP)	Medical information software services	51.00%	51.00%	51.00%	
Medzoneasia	Macro Global Corporation (hereinafter referred to as Macro Global Corporation, formerly known as Macro Co., Ltd.)	Wholesale and trading of medicines	-	100.00%	100.00%	Note 2
Medzoneasia	YES Health Company	Wholesale and trading of medicines and management consulting for pharmacies	-	100.00%	100.00%	Note 2
Medzoneasia	Digimed	Information software services	60.00%	60.00%	60.00%	
YES Health Company	Digimed	Information software services	20.00%	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%	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%	100.00%	
Pregetic Health Company	Fuyi Health Management Consulting Co., Ltd. (hereinafter referred to as Fuyi Company)	Health management services	100.00%	100.00%	100.00%	
Pregetic Health Company	Chinachem Biomedical Co., Ltd. (hereinafter referred to as Chinachem)	Healthcare services	50.00%	-	-	%
Hung-Han Company	Hanting Digital Technology Co., Ltd. (hereinafter referred to as Hanting Company)	Information software services	100.00%	100.00%	100.00%	
Hung-Han Company	Chinachem	Healthcare services	50.00%	100.00	-	
Hung-Han Company	Macro Global Corporation	Wholesale and trading of medicines	100.00%	-	-	Note 2

Note 1: In March 2023, Medzoneasia bought back treasury stock, resulting in an increase in the Company's shareholding ratio.

Note 2: In February and March 2023, Medzoneasia respectively transferred all the equity they held in Macro Global Corporation and YES Health Company to Hung-Han Company and Mytrex Health Company, resulting in a change in the shareholding ratio.

### 2. Subsidiaries not included in the Consolidated Financial Statements: None.

(III) Employee benefits

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

(IV) Income taxes

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

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period using the effective annual tax rate as forecasted by the management. Current tax expenses and deferred income tax expenses are recognized proportionally based on the estimated annual current income tax expenses and deferred income tax expenses.

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time of the asset or liability is recovered or settled, and be recognized directly in equity or other comprehensive income as tax expense.

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

The preparation of the Consolidated Financial Statements in conformity with the Regulations and IAS 34 “Interim Financial Reporting” endorsed by the FSC requires management to make judgments, estimates, and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Major sources of the uncertainty in major accounting judgements and estimates made by the management adopting accounting policies of the Consolidated Company in the preparation of the Consolidated Financial Statements were consistent with Note 5 of the Consolidated Financial Statements for the year ended December 31, 2022.

**VI. Explanation of Significant Accounting Items**

Except for the following disclosures, there were no material differences in the disclosures of significant accounts between the interim Consolidated Financial Statements for the current period and the 2022 Consolidated Financial Statements. Please refer to Note 6 of the 2022 annual Consolidated Financial Statements.

(I) Cash and cash equivalents

	<u>June 30, 2023</u>	<u>December 31, 2022</u>	<u>June 30, 2022</u>
Cash on hand and working capital	\$ 5,114	5,051	4,873
Cheques, demand deposits and foreign currency deposits	1,249,477	1,479,706	1,695,350
Cash equivalents - repurchase bonds	50,608	50,425	50,347
	<u>\$ 1,305,199</u>	<u>1,535,182</u>	<u>1,750,570</u>

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

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

	June 30, 2023	December 31, 2022	June 30, 2022
<b>Financial assets mandatorily measured at fair value through profit or loss:</b>			
Non-derivative financial assets			
Fund beneficiary certificates	\$ 10,398	10,341	10,296
TPEX listed stocks	-	61,912	56,188
Non-TWSE/TPEX listed stocks	23,046	20,174	21,456
	<b>\$ 33,444</b>	<b>92,427</b>	<b>87,940</b>
Current	\$ 10,398	10,341	10,296
Non-current	23,046	82,086	77,644
	<b>\$ 33,444</b>	<b>92,427</b>	<b>87,940</b>

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:

	June 30, 2023	December 31, 2022	June 30, 2022
Stocks issued by non-TWSE/TPEX listed companies	\$ 313,692	306,190	236,399
Stocks issued by non-listed foreign companies	279,069	273,661	238,551
Limited partnership interests	131,577	101,029	64,542
	<b>\$ 724,338</b>	<b>680,880</b>	<b>539,492</b>

The investments in equity instruments are held by the Consolidated 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.

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

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

	June 30, 2023	December 31, 2022	June 30, 2022
Notes receivable	\$ 9,317	13,123	13,437
Accounts receivable - measured at amortized cost	187,706	183,826	251,615
Accounts receivable-related parties - measured at amortized cost	901,302	1,038,039	945,956
Accounts receivable-finance lease payments - measured at amortized cost	388	388	-
Accounts receivable-related parties - finance lease payments - measured at amortized cost	13,066	6,026	9,714
Less: loss allowances	(6,491)	(4,608)	(5,439)
Unrealized interest income	(1,810)	(987)	(1,342)
	<b>\$ 1,103,478</b>	<b>1,235,807</b>	<b>1,213,941</b>

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

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 Consolidated Company are analyzed as follows:

	<b>June 30, 2023</b>		
	<b>The carrying amount of notes and accounts receivable and finance lease receivables (including related parties)</b>	<b>Weighted average expected credit loss rate</b>	<b>Loss allowances for lifetime expected credit losses</b>
Not overdue	\$ 1,082,166	0%~0.02%	203
Less than 60 days overdue	16,863	0%~15%	906
61~90 days overdue	1,051	0%~100%	128
91-120 days overdue	5,797	0%~40%	1,162
More than 121 days overdue	4,092	0%~100%	4,092
	<b><u>\$ 1,109,969</u></b>		<b><u>6,491</u></b>

  

	<b>December 31, 2022</b>		
	<b>The carrying amount of notes and accounts receivable and finance lease receivables (including related parties)</b>	<b>Weighted average expected credit loss rate</b>	<b>Loss allowances for lifetime expected credit losses</b>
Not overdue	\$ 1,223,714	0%~0.34%	223
Less than 60 days overdue	9,327	0%~10.00%	5
61~90 days overdue	109	0%~100%	-
91-120 days overdue	641	0%~40.00%	-
More than 121 days overdue	6,624	0%~100%	4,380
	<b><u>\$ 1,240,415</u></b>		<b><u>4,608</u></b>

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

	June 30, 2022		
	The Carrying Amount of Notes and Accounts Receivable and Finance Lease Receivables	Weighted average expected credit loss rate	Loss allowances for lifetime expected credit losses
Not overdue	\$ 1,197,586	0.00%~0.03%	246
Less than 60 days overdue	1,482	0.00%~10.00%	2
61~90 days overdue	13,334	0.00%~100%	825
91-120 days overdue	629	0.00%~40.00%	-
More than 121 days overdue	6,349	0.00%~100%	4,366
	<u>\$ 1,219,380</u>		<u>5,439</u>

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

	For the six months ended June 30, 2023	For the six months ended June 30, 2022
Beginning balance	\$ 4,608	6,624
Impairment losses (gains on reversal)	1,925	(1,217)
Foreign currency translation gains and losses	(42)	32
Ending balance	<u>\$ 6,491</u>	<u>5,439</u>

(V) Other receivables

	June 30, 2023	December 31, 2022	June 30, 2022
Receivables from chain pharmacies	\$ 23,677	23,760	-
Other receivables-related parties	47,092	26,445	35,419
Others	27,195	32,725	13,235
Less: loss allowances	(856)	(882)	(888)
	<u>\$ 97,108</u>	<u>82,048</u>	<u>47,766</u>

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

	For the six months ended June 30, 2023	For the six months ended June 30, 2022
Beginning balance	\$ 882	868
Foreign currency translation gains and losses	(26)	20
Ending balance	<u>\$ 856</u>	<u>888</u>

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 five years, with an implied interest rate of 5% 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:

	June 30, 2023	December 31, 2022	June 30, 2022
Less than one year	\$ 13,453	6,415	9,714
1~2 years	11,241	3,732	6,529
2~3 years	6,756	3,154	3,164
3~4 years	3,841	3,154	3,154
4~5 years	2,762	1,985	2,720
More than 5 years	5,563	1,598	2,441
Gross investment in the lease	43,616	20,038	27,722
Unearned finance income	(4,348)	(2,732)	(3,541)
Present value of lease payments receivable	<b>\$ 39,268</b>	<b>17,306</b>	<b>24,181</b>
Current	\$ 11,644	5,427	8,373
Non-current	27,624	11,879	15,808
	<b>\$ 39,268</b>	<b>17,306</b>	<b>24,181</b>

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.

No loss allowance had to be provisioned due to increased risk of expected credit losses on the financial lease receivables of the Consolidated Company on June 30, 2023, December 31 and June 30, 2022.

(VII) Inventories

	June 30, 2023	December 31, 2022	June 30, 2022
Medicines and medical materials	\$ 46,296	36,852	102,985
Raw materials	36,080	30,274	43,901
Work in progress	431	2,210	2,375
Finished good	27,832	29,147	27,173
Commodity	201,230	174,054	137,247
Medical equipment	210	-	124
	<b>\$ 312,079</b>	<b>272,537</b>	<b>313,805</b>

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

Particulars of cost of sales are as follows:

	<b>For the three months ended June 30, 2023</b>	<b>For the three months ended June 30, 2022</b>	<b>For the six months ended June 30, 2023</b>	<b>For the six months ended June 30, 2022</b>
Cost of inventories sold	\$ 632,217	672,279	1,242,570	1,296,297
Inventory (falling price loss) recovery benefit	(675)	(5,819)	(680)	(5,568)
Obsolete inventories	241	704	306	704
Scrap income	(146)	(324)	(368)	(746)
Inventory overages (shortages)	(6)	-	(45)	3
Others	801	6,706	6,021	13,081
	<b>\$ 632,432</b>	<b>673,546</b>	<b>1,247,804</b>	<b>1,303,771</b>

**(VIII) Changes in ownership interests in subsidiaries**

**1. 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:

	<b>For the six months ended June 30, 2023</b>
The carrying amount of equity in Macro Global Corporation sold	\$ (74,113)
The consideration for transfer to Hung-Han Company	74,596
	<b>\$ 483</b>
Additional paid-in capital - the difference between the price and book value of subsidiaries' equity actually acquired	<b>\$ 483</b>

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:

	<b>2023</b>
The carrying amount of equity in YES Health Company sold	\$ (233,204)
Consideration for transfer to Mytrex Health Company	230,000
	<b>\$ (3,204)</b>
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)
	<b>\$ (3,204)</b>

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

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

	<b>2023</b>
undistributed earnings	<b>\$ (1,691)</b>

## 2. Subsidiary's buyback of treasury stock without loss of control

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:

	<b>2023</b>
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	<b>\$ (101,151)</b>

## 3. No participation in subsidiaries' capital increase by issuance of new shares pursuant to employee share option schemes without loss of control

In June 2022, the Company did not subscribe for new shares issued by Pregetic Health Company based on its shareholding ratio, resulting in a decrease in its shareholding ratio from 39.93% to 38.90%. Given that the Company remains control over Pregetic Health Company even though it did not participate in the subsidiary's capital increase by issuance of new shares pursuant to employee share option schemes based on its shareholding ratio, the transaction shall be accounted for as an equity transaction.

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

	<b>June 30, 2023</b>
Decrease in equity attributable to subsidiaries' employees after exercising stock options by purchasing new shares	\$ (462)
Equity attributable to subsidiaries' employees recognized in the newly issued shares based on their equity ratio after exercising stock options by purchasing new shares	(2,704)
Additional paid-in capital - recognized changes in ownership interests in subsidiaries	<b>\$ (3,166)</b>

## (IX) Subsidiaries with material non-controlling interests

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

Name of subsidiary	Principal business premises/ Country of company registration	Proportion of ownership interest and voting rights of non-controlling interests		
		June 30, 2023	December 31, 2022	June 30, 2022
Mytrex Health Company	Taiwan	38.54%	38.54%	38.54%
TECHGROUP Integrate Design Co., Ltd.	Taiwan	49.00%	49.00%	49.00%
Medzoneasia	Taiwan	16.53%	39.79%	39.79%
Pregetic Health Company	Taiwan	61.10%	61.10%	61.10%

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

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:

	June 30, 2023	December 31, 2022	June 30, 2022
Current assets	\$ 78,618	227,662	217,181
Non-current assets	657,533	527,435	626,614
Current liabilities	(20,839)	(25,160)	(23,506)
Non-current liabilities	(293)	(143)	(10)
Net assets	<u>\$ 715,019</u>	<u>729,794</u>	<u>820,279</u>
Carrying amount of non-controlling interests at the end of the period	<u>\$ 298,006</u>	<u>303,582</u>	<u>336,837</u>

	For the three months ended June 30, 2023	For the three months ended June 30, 2022	For the six months ended June 30, 2023	For the six months ended June 30, 2022
Net loss for the period	\$ (14,969)	(2,389)	(21,525)	(13,838)
Other comprehensive income	985	79	3,545	408
Total comprehensive income	<u>\$ (13,984)</u>	<u>(2,310)</u>	<u>(17,980)</u>	<u>(13,430)</u>
Net loss for the period attributable to non-controlling interests	<u>\$ (5,591)</u>	<u>(1,562)</u>	<u>(8,118)</u>	<u>(5,975)</u>
Total comprehensive income attributable to non-controlling interests	<u>\$ (5,212)</u>	<u>(1,531)</u>	<u>(6,752)</u>	<u>(5,817)</u>

	For the six months ended June 30, 2023	For the six months ended June 30, 2022
Cash flows from operating activities	\$ (7,209)	(12,825)
Cash flows from investing activities	(140,000)	(73,000)
Effects of exchange rate	(87)	(682)
Decrease in cash and cash equivalents	<u>\$ (147,296)</u>	<u>(86,507)</u>

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

	June 30, 2023	December 31, 2022	June 30, 2022
Current assets	\$ 38,045	37,550	29,526
Non-current assets	1,856	2,360	2,349
Current liabilities	(20,956)	(21,236)	(18,999)
Non-current liabilities	-	-	(300)
Net assets	<u>\$ 18,945</u>	<u>18,674</u>	<u>12,576</u>
Carrying amount of non-controlling interests at the end of the period	<u>\$ 19,944</u>	<u>19,745</u>	<u>18,169</u>

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

	For the three months ended June 30, 2023	For the three months ended June 30, 2022	For the six months ended June 30, 2023	For the six months ended June 30, 2022
Operating revenue	\$ 16,572	14,140	29,691	21,247
Net income for the period	\$ 3,373	3,456	5,220	1,621
Other comprehensive income	-	-	-	-
Total comprehensive income	\$ 3,373	3,456	5,220	1,621
Net income (loss) for the period attributable to non-controlling interests	\$ 946	988	1,145	(618)
Total comprehensive income attributable to non-controlling interests	\$ 946	988	1,145	(618)
			For the six months ended June 30, 2023	For the six months ended June 30, 2022
Cash flows from operating activities			\$ 9,704	(1,684)
Cash flows from investing activities			(171)	(108)
Cash flows from financing activities			(5,396)	(435)
Decrease in cash and cash equivalents			\$ 4,137	(2,227)

The consolidated financial information of Medzoneasia:

	June 30, 2023	December 31, 2022	June 30, 2022
Current assets	\$ 77,893	22,712	34,013
Non-current assets	141,163	461,311	369,430
Current liabilities	(46,110)	(52,336)	(31,008)
Non-current liabilities	(25,552)	(36,354)	(60)
Net assets	\$ 147,394	395,333	372,375
Carrying amount of non-controlling interests at the end of the period	\$ 18,464	157,303	148,167

	For the three months ended June 30, 2023	For the three months ended June 30, 2022	For the six months ended June 30, 2023	For the six months ended June 30, 2022
Operating revenue	\$ 7,064	18	11,814	644
Net (loss) income for the period	\$ (9,480)	6,560	(17,128)	8,610
Other comprehensive income	-	(1,451)	(656)	(11,977)
Total comprehensive income	\$ (9,480)	5,109	(17,784)	(3,367)
Net (loss) income for the period attributable to non-controlling interests	\$ (1,707)	2,610	(4,700)	3,426
Total comprehensive income attributable to non-controlling interests	\$ (1,825)	2,034	(4,797)	(1,339)

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

	For the six months ended June 30, 2023	For the six months ended June 30, 2022
Cash flows from operating activities	\$ (34,492)	2,228
Cash flows from investing activities	303,268	(5,643)
Cash flows from financing activities	(237,099)	75
Increase (decrease) in cash and cash equivalents	<u>\$ 31,677</u>	<u>(3,340)</u>

The consolidated financial information of Pregetic Health Company:

	June 30, 2023	December 31, 2022	June 30, 2022
Current assets	\$ 65,608	106,527	66,463
Non-current assets	358,583	368,970	387,879
Current liabilities	(138,544)	(161,498)	(141,942)
Non-current liabilities	(17,413)	(3,920)	(500)
Net assets	<u>\$ 268,234</u>	<u>310,079</u>	<u>311,900</u>
Carrying amount of non-controlling interests at the end of the period	<u>\$ 180,161</u>	<u>195,208</u>	<u>194,657</u>

	For the three months ended June 30, 2023	For the three months ended June 30, 2022	For the six months ended June 30, 2023	For the six months ended June 30, 2022
Operating revenue	<u>\$ 16,867</u>	<u>6,462</u>	<u>25,633</u>	<u>13,741</u>
Net loss for the period	\$ (19,222)	(18,529)	(46,957)	(43,259)
Other comprehensive income	2,006	(7,187)	6,218	(12,066)
Total comprehensive income	<u>\$ (17,216)</u>	<u>(25,716)</u>	<u>(40,739)</u>	<u>(55,325)</u>
Net loss for the period attributable to non-controlling interests	<u>\$ (11,745)</u>	<u>(12,162)</u>	<u>(28,691)</u>	<u>(27,017)</u>
Total comprehensive income attributable to non-controlling interests	<u>\$ (10,519)</u>	<u>(16,553)</u>	<u>(24,892)</u>	<u>(34,339)</u>

	For the six months ended June 30, 2023	For the six months ended June 30, 2022
Cash flows from operating activities	\$ (6,898)	(16,189)
Cash flows from investing activities	(39,924)	(123,300)
Cash flows from financing activities	7,500	(3,270)
Decrease in cash and cash equivalents	<u>\$ (39,322)</u>	<u>(142,759)</u>

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

(X) Property, plant and equipment

		Land	Houses and buildings	Machinery and equipment	Transportation equipment	Office equipment	Leasehold improvements	Other equipment	Leased assets	Unfinished projects and equipment to be inspected	Total
Cost:											
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	3,587	686	3,835	13,942	9,156	45,175	2,636	79,117
Disposal		-	-	(65)	-	(222)	(9,422)	(444)	(45,569)	-	(55,722)
Reclassification		-	900	(941)	-	(469)	10,594	28,381	36,677	(86,626)	(11,484)
Effects of changes in foreign exchange rates		-	-	-	-	(2)	-	-	-	-	(2)
Balance on June 30, 2023	\$	<u>668,582</u>	<u>551,959</u>	<u>528,091</u>	<u>1,469</u>	<u>97,424</u>	<u>231,282</u>	<u>92,794</u>	<u>392,605</u>	<u>1,883</u>	<u>2,566,089</u>
Balance on January 1, 2022	\$	17,229	36,779	527,956	783	95,022	214,438	57,874	392,761	-	1,342,842
Increase		651,353	514,180	2,538	-	1,239	1,874	162	12,295	-	1,183,641
Disposal		-	-	(558)	-	(2,501)	(2,241)	(8)	(26,927)	-	(32,235)
Reclassification		-	-	-	-	(680)	-	-	-	-	(680)
Effects of changes in foreign exchange rates		-	-	-	-	1	-	-	-	-	1
Balance on June 30, 2022	\$	<u>668,582</u>	<u>550,959</u>	<u>529,936</u>	<u>783</u>	<u>93,081</u>	<u>214,071</u>	<u>58,028</u>	<u>378,129</u>	<u>-</u>	<u>2,493,569</u>
Accumulated depreciation and impairment:											
Balance on January 1, 2023	\$	-	32,284	354,204	711	48,365	130,878	49,206	243,801	-	859,449
Depreciation for the year		-	9,301	25,145	56	7,168	12,893	2,171	21,930	-	78,664
Disposal		-	-	(65)	-	(142)	(3,860)	(444)	(45,569)	-	(50,080)
Reclassification		-	-	(354)	-	(324)	-	324	343	-	(11)
Effects of changes in foreign exchange rates		-	-	-	-	(2)	-	-	-	-	(2)
Balance on June 30, 2023	\$	<u>-</u>	<u>41,585</u>	<u>378,930</u>	<u>767</u>	<u>55,065</u>	<u>139,911</u>	<u>51,257</u>	<u>220,505</u>	<u>-</u>	<u>888,020</u>
Balance on January 1, 2022	\$	-	20,991	284,034	680	41,881	102,565	45,034	285,052	-	780,237
Depreciation for the year		-	2,076	29,438	16	6,626	13,022	1,898	20,115	-	73,191
Disposal		-	-	(497)	-	(2,490)	(2,233)	(8)	(26,926)	-	(32,154)
Reclassification		-	-	(343)	-	(680)	-	-	343	-	(680)
Effects of changes in foreign exchange rates		-	-	-	-	1	-	-	-	-	1
Balance on June 30, 2022	\$	<u>-</u>	<u>23,067</u>	<u>312,632</u>	<u>696</u>	<u>45,338</u>	<u>113,354</u>	<u>46,924</u>	<u>278,584</u>	<u>-</u>	<u>820,595</u>
Book value:											
June 30, 2023	\$	<u>668,582</u>	<u>510,374</u>	<u>149,161</u>	<u>702</u>	<u>42,359</u>	<u>91,371</u>	<u>41,537</u>	<u>172,100</u>	<u>1,883</u>	<u>1,678,069</u>
December 31, 2022	\$	<u>668,582</u>	<u>518,675</u>	<u>171,306</u>	<u>72</u>	<u>45,917</u>	<u>85,290</u>	<u>6,495</u>	<u>112,521</u>	<u>85,873</u>	<u>1,694,731</u>
June 30, 2022	\$	<u>668,582</u>	<u>527,892</u>	<u>217,304</u>	<u>87</u>	<u>47,743</u>	<u>100,717</u>	<u>11,104</u>	<u>99,545</u>	<u>-</u>	<u>1,672,974</u>

Please refer to Note 8 for details of long-term loan guarantees that have been provided as of June 30, 2023, December 31 and June 30, 2022.

(XI) Right-of-use assets

		Houses and buildings	Transportation equipment	Office equipment	Total
Cost:					
Balance on January 1, 2023	\$	582,172	21,023	-	603,195
Increase		40,161	3,596	-	43,757
Disposal		(44,427)	(2,781)	-	(47,208)
Balance on June 30, 2023	\$	<u>577,906</u>	<u>21,838</u>	<u>-</u>	<u>599,744</u>

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

	Houses and buildings	Transportation equipment	Office equipment	Total
Balance on January 1, 2022	\$ 583,811	25,495	1,088	610,394
Increase	6,500	2,524	-	9,024
Decrease	(10,389)	(2,701)	(1,088)	(14,178)
Balance on June 30, 2022	<u>\$ 579,922</u>	<u>25,318</u>	<u>-</u>	<u>605,240</u>
Accumulated depreciation:				
Balance on January 1, 2023	\$ 129,461	12,660	-	142,121
Increase	31,130	3,987	-	35,117
Disposal	(19,182)	(2,764)	-	(21,946)
Balance on June 30, 2023	<u>\$ 141,409</u>	<u>13,883</u>	<u>-</u>	<u>155,292</u>
Balance on January 1, 2022	\$ 74,451	11,798	396	86,645
Increase	32,888	3,976	-	36,864
Disposal	(8,085)	(2,701)	(396)	(11,182)
Balance on June 30, 2022	<u>\$ 99,254</u>	<u>13,073</u>	<u>-</u>	<u>112,327</u>
Book value:				
June 30, 2023	<u>\$ 436,497</u>	<u>7,955</u>	<u>-</u>	<u>444,452</u>
December 31, 2022	<u>\$ 452,711</u>	<u>8,363</u>	<u>-</u>	<u>461,074</u>
June 30, 2022	<u>\$ 480,668</u>	<u>12,245</u>	<u>-</u>	<u>492,913</u>

(XII) Investment properties

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 land improvements	Houses and buildings	Right-of-use assets	Total
June 30, 2023	<u>\$ 152,641</u>	<u>25,112</u>	<u>142,404</u>	<u>320,157</u>
December 31, 2022	<u>\$ 152,641</u>	<u>25,780</u>	<u>168,371</u>	<u>346,792</u>
June 30, 2022	<u>\$ 152,641</u>	<u>26,446</u>	<u>160,318</u>	<u>339,405</u>

The investment properties of the Consolidated Company had no significant addition, disposition, impairment, or reversal for the six months ended June 30, 2023 and 2022. Please refer to Note 12 for the amount of depreciation, and for other related information, please refer to Note 6 (14) of the Consolidated Financial Statements for the year ended December 31, 2022.

There was no significant difference between the fair value of investment properties of the Consolidated Company and the information disclosed in Note 6 (14) of the Consolidated Financial Statements for the year ended December 31, 2022.

Please refer to Note 6 (19) 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.



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

## (XIII) Intangible assets

	Management rights	Trademark rights	Customer relation	Lease contract	Membership list	Goodwill	Computer software	Franchise	Technology authorization	Right of alienation	Others	Total
Book value:												
Balance on June 30, 2023	\$ 2,857	93,145	28,839	5,032	-	165,517	38,104	44	379	13,013	213	347,143
Balance on December 31, 2022	\$ 5,716	93,145	32,872	5,367	-	165,517	38,113	215	1,516	-	213	342,674
Balance on June 30, 2022	\$ 8,573	93,145	36,909	5,703	-	165,517	33,777	385	2,652	-	-	346,661

The intangible assets of the Consolidated Company had no significant addition, disposition, impairment, or reversal for the six months ended June 30, 2023 and 2022. Please refer to Note 12 for the amount of amortization, and for other related information, please refer to Note 6 (15) of the Consolidated Financial Statements for the year ended December 31, 2022.

## (XIV) Other non-current assets

	June 30, 2023	December 31, 2022	June 30, 2022
Refundable deposits	\$ 392,155	412,516	406,324
Prepayments for equipment and engineering	15,154	13,070	29,723
Net defined benefit assets - non-current	4,762	4,595	2,990
Long-term prepayments	8,396	10,344	15,063
Prepayments for investment	-	-	70,000
Others	899	3,107	480
	<b>\$ 421,366</b>	<b>443,632</b>	<b>524,580</b>

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.

## (XV) Short-term loans

	June 30, 2023	December 31, 2022	June 30, 2022
Unsecured bank loans	\$ 390,312	261,254	275,000
Unsecured borrowings for purchase of materials	-	-	21,144
Secured bank loans	35,000	45,000	88,000
	<b>\$ 425,312</b>	<b>306,254</b>	<b>384,144</b>
Interest rate range	<b>1.75%~4.08%</b>	<b>1.35%~6.19%</b>	<b>1.42%~2.87%</b>
Unused quota	<b>\$ 831,893</b>	<b>964,084</b>	<b>1,054,291</b>

For the six months ended June 30, 2023 and 2022, the amount of addition was \$342,850 thousand and \$108,049 thousand, respectively; the range of interest rate was from 1.75% to 4.08% and from 1.42% to 2.87%, respectively; the month of expiration was from February 2023 to June 2024 and from June 2022 to July 2022, respectively; the amount of repayment was \$223,792 thousand and \$0 thousand, respectively.

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

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

(XVI) Short-term bills payable

	June 30, 2023		December 31, 2022		June 30, 2022	
	Interest rate	Amount	Interest rate	Amount	Interest rate	Amount
Commercial paper payable	1.72%~2.18%	55,000	1.31%~1.60%	55,000	1.02%~1.12%	55,000
Less: discount on short-term bills payable		(109)		(108)		(7)
		<u>\$ 54,891</u>		<u>54,892</u>		<u>54,993</u>
Unused quota		<u>\$ 60,000</u>		<u>60,000</u>		<u>60,000</u>

The short-term bills payable of the Consolidated Company had no significant issuance, buyback, or repayment for the six months ended June 30, 2023 and 2022. Please refer to Note 6 (29) for the interest expenses, and for other related information, please refer to Note 6 (18) of the Consolidated Financial Statements for the year ended December 31, 2022.

(XVII) Long-term loans

June 30, 2023			
	Currency	Interest rate range	Expiration month
Secured bank loans	NT\$	1.93%~2.93%	2024.11~2031.3
Less: amount due within one year			
			<u>\$ 998,982</u>
			<u>(32,079)</u>
			<u>\$ 966,903</u>
Unused quota			<u>\$ 620,000</u>

December 31, 2022			
	Currency	Interest rate range	Expiration month
Secured bank loans	NT\$	1.93%~2.83%	2024.11~2031.3
Less: amount due within one year			
			<u>\$ 999,376</u>
			<u>(31,753)</u>
			<u>\$ 967,623</u>
Unused quota			<u>\$ 620,000</u>

June 30, 2022			
	Currency	Interest rate range	Expiration month
Secured bank loans	NT\$	1.99%~2.46%	2023.11~2031.3
Less: amount due within one year			
			<u>\$ 1,335,108</u>
			<u>(33,087)</u>
			<u>\$ 1,302,021</u>
Unused quota			<u>\$ 310,440</u>

The long-term loans of the Consolidated Company had no significant issuance, buyback, or repayment for the six months ended June 30, 2023 and 2022. Please refer to Note 6 (29) for the interest expenses, and for other related information, please refer to Note 6 (19) of the Consolidated Financial Statements for the year ended December 31, 2022.

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

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

(XVIII) Lease liabilities

	June 30, 2023	December 31, 2022	June 30, 2022
Current	<u>\$ 111,434</u>	<u>118,503</u>	<u>117,625</u>
Non-current	<u>\$ 492,342</u>	<u>526,576</u>	<u>548,861</u>

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

The following amounts are recognized in profit or loss:

	For the three months ended June 30, 2023	For the three months ended June 30, 2022	For the six months ended June 30, 2023	For the six months ended June 30, 2022
Interest expenses on lease liabilities	<u>\$ 3,550</u>	<u>3,279</u>	<u>6,559</u>	<u>6,677</u>
Variable lease payments not included in the measurement of the lease liabilities	<u>\$ 5,359</u>	<u>4,558</u>	<u>9,615</u>	<u>8,384</u>
Income from sublease of right-of-use assets	<u>\$ 20,939</u>	<u>8,193</u>	<u>40,510</u>	<u>16,869</u>
Expenses on short-term leases and low-value leases	<u>\$ 2,070</u>	<u>1,766</u>	<u>4,608</u>	<u>3,343</u>
COVID-19-related rent concessions	<u>\$ -</u>	<u>331</u>	<u>-</u>	<u>721</u>

The following amounts are recognized in the cash flow statement:

	For the six months ended June 30, 2023	For the six months ended June 30, 2022
Total cash outflows for leases	<u>\$ 85,874</u>	<u>79,346</u>

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 (19) 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 Consolidated 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.

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

## (XIX) Operating leases

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 (10) Property, Plant and Equipment, (11) Right-of-use Assets and (12) 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:

	<u>June 30, 2023</u>	<u>December 31, 2022</u>	<u>June 30, 2022</u>
1st year	\$ 175,499	143,318	150,557
2nd year	71,686	40,525	30,940
3rd year	43,601	20,455	2,582
4th year	25,433	3,125	825
5th year	24,292	2,642	770
More than 5 years	113,537	13,749	-
Total undiscounted lease payments	<u>\$ 454,048</u>	<u>223,814</u>	<u>185,674</u>

## (XX) Other payables

	<u>June 30, 2023</u>	<u>December 31, 2022</u>	<u>June 30, 2022</u>
Dividends Payable	\$ 62,447	-	59,324
Employee remuneration payable	90,421	94,442	86,564
Salaries and bonuses payable	49,136	75,877	49,020
Equipment payables	20,261	83,186	25,818
Directors' and supervisors' remuneration payable	6,431	5,350	6,892
Business tax payable	4,996	2,591	1,798
Others	53,394	74,339	51,796
	<u>\$ 287,086</u>	<u>335,785</u>	<u>281,212</u>

## (XXI) Employee benefits

### 1. Defined benefit plans

Since there was no material volatility of the market, material curtailments, settlements, or other significant one-off event occurred subsequent to the end of prior fiscal year, the pension cost in the accompanying interim consolidated financial statements was measured and disclosed according to the actuarially determined pension cost as of December 31, 2022 and 2021.

	<u>For the three months ended June 30, 2023</u>	<u>For the three months ended June 30, 2022</u>	<u>For the six months ended June 30, 2023</u>	<u>For the six months ended June 30, 2022</u>
Operating costs	\$ 51	41	101	81
Operating expenses	71	73	142	138
	<u>\$ 122</u>	<u>114</u>	<u>243</u>	<u>219</u>

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

2. Defined contribution plans

	For the three months ended June 30, 2023	For the three months ended June 30, 2022	For the six months ended June 30, 2023	For the six months ended June 30, 2022
Operating costs	\$ 1,610	1,684	3,173	3,021
Operating expenses	3,447	4,105	7,056	7,366
	<u>\$ 5,057</u>	<u>5,789</u>	<u>10,229</u>	<u>10,387</u>

(XXII) Income taxes

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

	For the three months ended June 30, 2023	For the three months ended June 30, 2022	For the six months ended June 30, 2023	For the six months ended June 30, 2022
Income tax expenses for the period	\$ 14,155	29,733	26,858	63,748
Income tax expenses for the period before adjustment	(323)	(369)	(323)	(369)
Deferred tax income	364	1,360	(294)	935
income tax expense	<u>\$ 14,196</u>	<u>30,724</u>	<u>26,241</u>	<u>64,314</u>

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

	For the three months ended June 30, 2023	For the three months ended June 30, 2022	For the six months ended June 30, 2023	For the six months ended June 30, 2022
Items not reclassified to profit or loss:				
Equity instruments at fair value through other comprehensive income	<u>\$ (6,036)</u>	<u>6,430</u>	<u>(5,239)</u>	<u>3,868</u>

	For the three months ended June 30, 2023	For the three months ended June 30, 2022	For the six months ended June 30, 2023	For the six months ended June 30, 2022
Items that may be reclassified to profit or loss subsequently				
Exchange difference from translation of the financial statements of foreign operations	<u>\$ 212</u>	<u>(6)</u>	<u>202</u>	<u>(319)</u>

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

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

<u>Name of company</u>	<u>Year of approval</u>
The Company	2021
Chungyuan Medical Management Company	2021
TECHGROUP Integrate Design Co., Ltd.	2021
Mytrex Health Company	2021
Macro Global Corporation	2021
YES Health Company	2020
Medzoneasia	2021
Pregetic Health Company	2021
Shengshih Technology Co., Ltd.	2019
Hung-Han Company	2021
Fuyi Company	2021

**(XXIII) Capital and other equity**

Except for the following disclosures, there was no significant change in capital and other equity of the Consolidated Company for the six months ended June 30, 2023 and 2022. For other related information, please refer to Note 6 (26) of the Consolidated Financial Statements for the year ended December 31, 2022.

**1. Additional paid-in capital**

	<u>June 30, 2023</u>	<u>December 31, 2022</u>	<u>June 30, 2022</u>
Premium on issuance of stocks and conversion of corporate bonds	\$ 1,095,196	1,095,196	1,095,196
The difference between the price and book value of subsidiaries' equity actually acquired and disposed of	46,149	46,149	44,485
Recognized changes in ownership interests in subsidiaries	18,515	116,367	117,775
Lapsed share option	2,896	2,896	2,896
Share option for convertible corporate bonds	3,900	3,900	3,900
	<u><b>\$ 1,166,656</b></u>	<u><b>1,264,508</b></u>	<u><b>1,264,252</b></u>

**2. 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 2021 was approved by the shareholders' meetings of the Company on June 29, 2022, and the amounts of dividends distributed to owners are as follows:

		<b>2021</b>	
		<b>Allotment rate</b>	
		<b>(NT\$)</b>	<b>Amount</b>
Dividends distributed to ordinary shareholders:			
Cash	\$	0.50	57,163
Stock		0.50	57,163
			<b><u>\$ 114,326</u></b>

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:

		<b>2022</b>	
		<b>Allotment rate</b>	
		<b>(NT\$)</b>	<b>Amount</b>
Dividends distributed to ordinary shareholders:			
Cash	\$	0.50	60,021
Stock		0.50	60,021
			<b><u>\$ 120,042</u></b>

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

3. 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-controllin g interests	Total
Balance on January 1, 2023	\$ (2,089)	8,515	(16,206)	(9,780)
Exchange difference from translation of the net assets of foreign operations	(582)	-	75	(507)
Unrealized gains on financial assets at fair value through other comprehensive income	-	52,721	5,015	57,736
Balance on June 30, 2023	<u>\$ (2,671)</u>	<u>61,236</u>	<u>(11,116)</u>	<u>47,449</u>
Balance on January 1, 2022	\$ (3,173)	(22,962)	459	(25,676)
Changes in ownership interests in subsidiaries	-	46	-	46
Exchange difference from translation of the net assets of foreign operations	981	-	415	1,396
Unrealized gains (losses) on financial assets at fair value through other comprehensive income	-	(20,169)	(12,225)	(32,394)
Share of unrealized gains or losses of affiliates applying the equity method on financial assets at fair value through other comprehensive income	-	(1)	-	(1)
Balance on June 30, 2022	<u>\$ (2,192)</u>	<u>(43,086)</u>	<u>(11,351)</u>	<u>(56,629)</u>

4. Non-controlling interests

	Non-controlling interests
Beginning balance on January 1, 2023	\$ 679,736
Net loss for the period attributable to non-controlling interests	(40,832)
Other comprehensive income for the period attributable to non-controlling interests	5,090
Distribution of ordinary share cash dividends	(2,426)
The difference between the price and book value of treasury stock bought back by the subsidiary	(126,283)
The difference between the price and book value of subsidiaries' equity actually acquired	(471)
Ending balance on June 30, 2023	<u>\$ 514,814</u>
Beginning balance on January 1, 2022	\$ 734,492
Net loss for the period attributable to non-controlling interests	(30,825)
Other comprehensive income for the period attributable to non-controlling interests	(11,810)
Distribution of ordinary share cash dividends	(2,161)
Failure to subscribe in the capital increase scheme of subsidiaries in proportion to shareholding ratio	3,166
Acquisition of subsidiaries	2,000
Exercise of stock options by employees of subsidiaries	6,950
Ending balance on June 30, 2022	<u>\$ 701,812</u>



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

(XXIV) Share-based payments

There was no significant change in share-based payments of the Consolidated Company for the six months ended June 30, 2023 and 2022. For other related information, please refer to Note 6 (27) of the Consolidated Financial Statements for the year ended December 31, 2022.

(XXV) Earnings per share

	For the three months ended June 30, 2023	For the three months ended June 30, 2022	For the six months ended June 30, 2023	For the six months ended June 30, 2022
<b>Basic earnings per share:</b>				
Net profits attributable to ordinary equity holders of the Company	\$ 32,787	102,640	70,191	219,230
Weighted average number of outstanding ordinary shares	120,042	120,042	120,042	120,042
Basic earnings per share (NT\$)	\$ 0.27	0.86	0.58	1.83
<b>Diluted earnings per share:</b>				
Net profits attributable to ordinary equity holders of the Company for the period (basic)	\$ 32,787	102,640	70,191	219,230
Effects of dilutive potential ordinary shares				
Net profits attributable to ordinary equity holders of the Company (diluted)	\$ 32,787	102,640	70,191	219,230
Effects of dilutive potential ordinary shares				
Weighted average number of outstanding ordinary shares (basic)	120,042	120,042	120,042	120,042
Effects of employee remuneration in stock	154	573	487	851
Weighted average number of outstanding ordinary shares (diluted)	120,196	120,615	120,529	120,893
Diluted earnings per share (NT\$)	\$ 0.27	0.85	0.58	1.81

The distribution of stock dividends was approved by the Shareholders' Meeting on June 30, 2023. The base date for this distribution will be determined by the Board of Directors in a separate meeting. If the distribution of stock dividends occurs before the date when the financial statements were approved and issued, the pro forma earnings per share after retrospective adjustment are as follows:

	For the three months ended June 30, 2023	For the three months ended June 30, 2022	For the six months ended June 30, 2023	For the six months ended June 30, 2022
Basic earnings per share	\$ 0.26	0.81	0.56	1.74
Diluted earnings per share	\$ 0.26	0.81	0.55	1.73

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

(XXVI) Revenue from contracts with customers

1. Disaggregation of revenue

For the three months ended June 30, 2023				
	Sales of goods	Service provision	Leases	Total
Main regional markets:				
Asia	\$ 721,367	178,323	34,931	934,621
Europe	6,549	-	-	6,549
	<b>\$ 727,916</b>	<b>178,323</b>	<b>34,931</b>	<b>941,170</b>
Main product/service lines:				
Medicines and medical materials	\$ 693,071	-	-	693,071
Non-woven filter fabric	34,845	-	-	34,845
Service provision	-	178,323	-	178,323
Equipment leases	-	-	17,447	17,447
Leases of properties	-	-	17,484	17,484
	<b>\$ 727,916</b>	<b>178,323</b>	<b>34,931</b>	<b>941,170</b>
For the three months ended June 30, 2022				
	Sales of goods	Service provision	Leases	Total
Main regional markets:				
Asia	\$ 795,236	287,423	30,223	1,112,882
Other countries	2,915	-	-	2,915
	<b>\$ 798,151</b>	<b>287,423</b>	<b>30,223</b>	<b>1,115,797</b>
Main product/service lines:				
Medicines and medical materials	\$ 741,408	-	-	741,408
Non-woven filter fabric	56,743	-	-	56,743
Service provision	-	287,423	-	287,423
Equipment leases	-	-	11,317	11,317
Leases of investment properties	-	-	18,906	18,906
	<b>\$ 798,151</b>	<b>287,423</b>	<b>30,223</b>	<b>1,115,797</b>
For the six months ended June 30, 2023				
	Sales of goods	Service provision	Leases	Total
Main regional markets:				
Asia	\$ 1,430,067	329,965	68,017	1,828,049
Europe	8,202	-	-	8,202
Other countries	1,177	-	-	1,177
	<b>\$ 1,439,446</b>	<b>329,965</b>	<b>68,017</b>	<b>1,837,428</b>

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

For the six months ended June 30, 2023				
	Sales of goods	Service provision	Leases	Total
Main product/service lines:				
Medicines and medical materials	\$ 1,364,547	-	-	1,364,547
Non-woven filter fabric	74,899	-	-	74,899
Service provision	-	329,965	-	329,965
Equipment leases	-	-	30,951	30,951
Leases of investment properties and properties	-	-	37,066	37,066
	<b>\$ 1,439,446</b>	<b>329,965</b>	<b>68,017</b>	<b>1,837,428</b>
For the six months ended June 30, 2022				
	Sales of goods	Service provision	Leases	Total
Main regional markets:				
Asia	\$ 1,528,625	560,361	62,291	2,151,277
Europe	1,042	-	-	1,042
Other countries	3,933	-	-	3,933
	<b>\$ 1,533,600</b>	<b>560,361</b>	<b>62,291</b>	<b>2,156,252</b>
Main product/service lines:				
Medicines and medical materials	\$ 1,423,485	-	-	1,423,485
Non-woven filter fabric	110,115	-	-	110,115
Service income	-	560,361	-	560,361
Equipment leases	-	-	34,358	34,358
Leases of investment properties	-	-	27,933	27,933
	<b>\$ 1,533,600</b>	<b>560,361</b>	<b>62,291</b>	<b>2,156,252</b>

2. Contract balances

	June 30, 2023	December 31, 2022	June 30, 2022
Notes receivable	\$ 9,317	13,123	13,437
Accounts receivable	187,706	183,826	251,615
Accounts receivable - related parties	901,302	1,038,039	945,956
Finance lease receivables	353	332	-
Finance lease receivables - related parties	11,291	5,095	8,372
Long-term finance lease receivables	95	277	-
Long-term finance lease receivables - related parties	27,529	11,602	15,808
Less: loss allowances	(6,491)	(4,608)	(5,439)
	<b>\$ 1,131,102</b>	<b>1,247,686</b>	<b>1,229,749</b>

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

	<b>June 30, 2023</b>	<b>December 31, 2022</b>	<b>June 30, 2022</b>
Contract liability - sales of goods	\$ 7,527	4,003	5,851
Contract liability-customer loyalty programmes	1,522	1,522	1,452
	<b>\$ 9,049</b>	<b>5,525</b>	<b>7,303</b>

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, 2023 and 2022 were recognized for the six months ended June 30, 2023 and 2022 as income of \$370 thousand and \$4,612 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 for the three months and six months ended June 30, 2023 and 2022 were NT\$2,996 thousand, NT\$8,514 thousand, NT\$5,998 thousand, and NT\$18,031 thousand, respectively, and the estimated amounts of directors' remuneration were NT\$530 thousand, NT\$1,463 thousand, NT\$1,030 thousand, and NT\$3,049 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 2022 and 2021, the Company appropriated \$24,494 thousand and \$19,466 thousand respectively for employees' remuneration, and \$4,082 thousand and \$3,244 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 2022 and 2021. Relevant information can be found on the MOPS.

**(XXVIII) Other net income and expenses**

	<b>For the three months ended June 30, 2023</b>	<b>For the three months ended June 30, 2022</b>	<b>For the six months ended June 30, 2023</b>	<b>For the six months ended June 30, 2022</b>
Income from sublease of investment properties	\$ 10,979	10,232	21,672	20,464
Losses on disposal of property, plant and equipment	(3,180)	(6)	(3,181)	(17)
Lease modification gains	165	91	502	235
Income from subleases of right-of-use assets	9,959	8,193	18,838	16,869
	<b>\$ 17,923</b>	<b>18,510</b>	<b>37,831</b>	<b>37,551</b>

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

(XXIX) Non-operating income and expenses

1. Interest income

	For the three months ended June 30, 2023	For the three months ended June 30, 2022	For the six months ended June 30, 2023	For the six months ended June 30, 2022
Bank deposit interest	\$ 2,486	440	3,266	568
Other interest income	719	2	724	4
	<u>\$ 3,205</u>	<u>442</u>	<u>3,990</u>	<u>572</u>

2. Other income

	For the three months ended June 30, 2023	For the three months ended June 30, 2022	For the six months ended June 30, 2023	For the six months ended June 30, 2022
Rental income	\$ -	471	-	557
Royalty income	1,586	4,112	2,889	4,112
Government grants	-	3,466	2,388	3,466
Logistics income	1,354	-	2,938	-
Dividend income	1,629	-	1,629	-
Others	1,713	7,717	4,187	15,354
	<u>\$ 6,282</u>	<u>15,766</u>	<u>14,031</u>	<u>23,489</u>

3. Other gains and losses

	For the three months ended June 30, 2023	For the three months ended June 30, 2022	For the six months ended June 30, 2023	For the six months ended June 30, 2022
Foreign exchange gains (losses)	\$ 1,894	2,753	1,454	6,363
(Losses) gains on financial assets at fair value through profit or loss	739	(5,072)	12,189	(5,138)
Others	(686)	(150)	(760)	(513)
	<u>\$ 1,947</u>	<u>(2,469)</u>	<u>12,883</u>	<u>712</u>

4. Finance costs

	For the three months ended June 30, 2023	For the three months ended June 30, 2022	For the six months ended June 30, 2023	For the six months ended June 30, 2022
Interest on loans from financial institutions	\$ 10,312	4,429	19,982	6,547
Amortization of interest on lease liabilities	3,550	3,279	6,559	6,677
Others	2	1	6	3
	<u>\$ 13,864</u>	<u>7,709</u>	<u>26,547</u>	<u>13,227</u>

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

## (XXX) Financial instruments

Except for the following disclosures, there was no significant change in the fair value and exposure to credit risk, liquidity risk, and market risk of financial instrument of the Consolidated Company. For related information, please refer to Note 6 (33) of the Consolidated Financial Statements for the year ended December 31, 2022.

### 1. Credit risk of accounts receivable

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

Other financial assets measured at amortized cost include restricted bank deposits 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 made no provision of loss allowances for other financial assets measured at amortized cost as of June 30, 2023, December 31 and June 30, 2022 due to 12-month expected credit losses or lifetime expected credit losses.

### 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	Paid immediately or within 1 month	Within 6 months	6~12 months	1~3 years	Over 3 years
<b>June 30, 2023</b>								
Non-derivative financial liabilities								
Non-interest bearing liabilities	\$	958,259	958,259	451,206	495,016	2,213	5,678	4,146
lease liabilities		603,776	698,009	12,981	61,037	70,823	217,321	335,847
Floating rate instruments		1,424,294	1,501,090	38,094	352,312	89,087	358,855	662,742
Fixed-rate instruments		54,891	55,000	55,000	-	-	-	-
	<b>\$</b>	<b>3,041,220</b>	<b>3,212,358</b>	<b>557,281</b>	<b>908,365</b>	<b>162,123</b>	<b>581,854</b>	<b>1,002,735</b>
<b>December 31, 2022</b>								
Non-derivative financial liabilities								
Non-interest bearing liabilities	\$	1,153,713	1,153,713	647,641	493,602	1,394	11,076	-
lease liabilities		645,079	690,997	11,429	56,879	61,525	208,131	353,033
Floating rate instruments		1,305,630	1,392,885	28,327	193,124	147,208	353,937	670,289
Fixed-rate instruments		54,892	55,000	55,000	-	-	-	-
	<b>\$</b>	<b>3,159,314</b>	<b>3,292,595</b>	<b>742,397</b>	<b>743,605</b>	<b>210,127</b>	<b>573,144</b>	<b>1,023,322</b>
<b>June 30, 2022</b>								
Non-derivative financial liabilities								
Non-interest bearing liabilities	\$	997,090	997,090	338,312	655,941	584	2,253	-
lease liabilities		666,486	708,462	31,902	57,755	85,783	234,023	298,999
Floating rate instruments		1,719,252	1,838,271	68,645	244,174	139,742	333,405	1,052,305
Fixed-rate instruments		54,993	55,000	55,000	-	-	-	-
	<b>\$</b>	<b>3,437,821</b>	<b>3,598,823</b>	<b>493,859</b>	<b>957,870</b>	<b>226,109</b>	<b>569,681</b>	<b>1,351,304</b>

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

The Consolidated 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. Market risk

#### (1) Exchange rate risk

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

	June 30, 2023				December 31, 2022			June 30, 2022		
	Foreign currency	Exchange rate (NT\$)	NT\$		Foreign currency	Exchange rate (NT\$)	NT\$	Foreign currency	Exchange rate (NT\$)	NT\$
<u>Financial asset</u>										
<u>Monetary items</u>										
USD	\$	2,496	31.14	77,725	2,466	30.710	75,731	3,132	29.720	93,083
CNY		34	4.282	146	34	4.4080	150	-	-	-
EUR		237	33.81	8,013	147	32.720	4,810	870	31.050	27,014
<u>Non-monetary items</u>										
USD	\$	8,962	31.14	279,077	8,911	30.710	273,657	8,027	29.720	238,562
CNY		6,581	4.282	28,180	6,655	4.408	29,335	6,704	4.439	29,759
<u>Financial liability</u>										
<u>Monetary items</u>										
USD	-	-	-		432	30.710	13,267	711	29.720	21,131

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 June 30, 2023 and 2022, if the New Taiwan dollar appreciated and depreciated by 5% against the U.S. dollar, Renminbi and Euro, while all other factors remained unchanged, the net profit before tax for the six months ended June 30, 2023 and 2022 would decrease or increase by NT\$4,294 thousand and NT\$4,948 thousand, respectively. The analysis of the two periods was 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) for the six months ended June 30, 2023 and 2022 amounted to NT\$1,454 thousand and NT\$6,363 thousand, respectively.

#### (2) Interest rate risk

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 increases or decreases by 20 basis points, while all other variables remain unchanged, the pre-tax net profit of the Consolidated Company for the six months ended June 30, 2023 and 2022 will increase or decrease by NT\$2,849 thousand and \$3,439 thousand, mainly due to changes in the interest rate of the Consolidated Company's floating rate loans.

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

(3) Other price risks

The impact of changes in the price of equity securities (the analysis of the two periods is conducted on the same basis and other factors are assumed to remain unchanged) on the comprehensive income item at the reporting day is as follows:

	For the three months ended June 30, 2023	For the three months ended June 30, 2022	For the six months ended June 30, 2023	For the six months ended June 30, 2022
Price of securities at the reporting date	Post-tax profit or loss	Post-tax profit or loss	Post-tax profit or loss	Post-tax profit or loss
Up 10%	\$ -	(349)	-	5,619
Down 10%	\$ -	349	-	(5,619)

4. 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:

	June 30, 2023				
	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss					
Fund beneficiary certificates	\$ 10,398	10,398	-	-	10,398
Non-TWSE/TPEX listed stocks	23,046	-	-	23,046	23,046
Subtotal	33,444	10,398	-	23,046	33,444
Financial assets at fair value through other comprehensive income					
Non-TWSE/TPEX listed stocks	313,692	-	-	313,692	313,692
Non-overseas listed stocks	279,069	-	-	279,069	279,069
Limited partnership interests	131,577	-	-	131,577	131,577
Subtotal	724,338	-	-	724,338	724,338
Financial assets at amortized cost					
Cash and cash equivalents	1,305,199	-	-	-	-
Restricted bank deposits	56,842	-	-	-	-
Net notes receivable and accounts receivable (including related parties)	1,091,834	-	-	-	-
Other net receivables (including related parties)	97,108	-	-	-	-
Finance lease receivables (including those due within one year)	39,268	-	-	-	-
Subtotal	2,590,251	-	-	-	-
Total	\$ 3,348,033	10,398	-	747,384	757,782



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

June 30, 2023					
	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
Financial liabilities at amortized cost					
Short-term loans	\$ 425,312	-	-	-	-
Long-term loans (including those due within one year)	998,982	-	-	-	-
Short-term bills payable	54,891	-	-	-	-
Notes and accounts payable (including related parties)	656,102	-	-	-	-
Other payables (including related parties)	289,631	-	-	-	-
Long-term accounts payable (including those due within one year)	12,526	-	-	-	-
Lease liabilities (including those due within one year)	603,776	-	-	-	-
Total	<b>\$ 3,041,220</b>	-	-	-	-
December 31, 2022					
	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss:					
Fund beneficiary certificates	\$ 10,341	10,341	-	-	10,341
TPEX listed stocks	61,912	61,912	-	-	61,912
Non-TWSE/TPEX listed stocks	20,174	-	-	20,174	20,174
Subtotal	92,427	72,253	-	20,174	92,427
Financial assets at fair value through other comprehensive income					
Non-TWSE/TPEX listed stocks	306,190	-	-	306,190	306,190
Non-overseas listed stocks	273,661	-	-	273,661	273,661
Limited partnership interests	101,029	-	-	101,029	101,029
Subtotal	680,880	-	-	680,880	680,880
Financial assets at amortized cost					
Cash and cash equivalents	1,535,182	-	-	-	-
Restricted bank deposits	45,591	-	-	-	-
Net notes receivable and accounts receivable (including related parties)	1,230,380	-	-	-	-
Other net receivables (including related parties)	82,048	-	-	-	-
Finance lease receivables (including those due within one year)	17,306	-	-	-	-
Subtotal	2,910,507	-	-	-	-
Total	<b>\$ 3,683,814</b>	<b>72,253</b>	-	<b>701,054</b>	<b>773,307</b>
Financial liabilities at amortized cost					
Short-term loans	\$ 306,254	-	-	-	-
Long-term loans (including those due within one year)	999,376	-	-	-	-
Short-term bills payable	54,892	-	-	-	-
Notes and accounts payable (including related parties)	802,790	-	-	-	-
Other payables (including related parties)	337,078	-	-	-	-
Long-term accounts payable (including those due within one year)	13,845	-	-	-	-
Lease liabilities (including those due within one year)	645,079	-	-	-	-
Total	<b>\$ 3,159,314</b>	-	-	-	-

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

	Carrying amount	June 30, 2022			
		Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss					
Fund beneficiary certificates	\$ 10,296	10,296	-	-	10,296
TPEX listed stocks	56,188	56,188	-	-	56,188
Non-TWSE/TPEX listed stocks	21,456	-	-	21,456	21,456
Subtotal	87,940	66,484	-	21,456	87,940
Financial assets at fair value through other comprehensive income					
Non-TWSE/TPEX listed stocks	236,399	-	-	236,399	236,399
Non-overseas listed stocks	238,551	-	-	238,551	238,551
Limited partnership interests	64,542	-	-	64,542	64,542
Subtotal	539,492	-	-	539,492	539,492
Financial assets at amortized cost					
Cash and cash equivalents	1,750,570	-	-	-	-
Restricted bank deposits	68,862	-	-	-	-
Net notes receivable and accounts receivable (including related parties)	1,205,569	-	-	-	-
Other net receivables (including related parties)	47,766	-	-	-	-
Finance lease receivables (including those due within one year)	24,180	-	-	-	-
Subtotal	3,096,947	-	-	-	-
Total	<b>\$ 3,724,379</b>	<b>66,484</b>	<b>-</b>	<b>560,948</b>	<b>627,432</b>
Financial liabilities at amortized cost					
Short-term loans	\$ 384,144	-	-	-	-
Long-term loans (including those due within one year)	1,335,108	-	-	-	-
Short-term bills payable	54,993	-	-	-	-
Notes and accounts payable (including related parties)	713,461	-	-	-	-
Other payables (including related parties)	281,629	-	-	-	-
Long-term payables	2,000	-	-	-	-
Lease liabilities (including those due within one year)	666,486	-	-	-	-
Total	<b>\$ 3,437,821</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(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 active markets are presented below by type and attribute:

- Stocks issued by TPEX listed companies

The fair value of a financial asset that is subject to standard terms and conditions and traded in an active market is determined with reference to the quoted price in the market. Except for the aforementioned financial instruments traded in active markets, the fair value of other financial instruments is determined by valuation techniques or with reference to quoted prices from counterparties. The fair value obtained through valuation techniques can be calculated by referring to the current fair value of other financial instruments with substantially similar conditions and characteristics, discounted cash flow model or other valuation techniques, including by using models based on market information available on the balance sheet date.

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, 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 change in the fair value hierarchy of financial assets during the six months ended June 30, 2023 and 2022.

(4) Table of Changes in Level 3

	Measured at fair value through profit or loss	Measured at fair value through other comprehensive income
	<b>Non-derivative financial assets mandatorily measured at fair value through profit or loss</b>	
	<b>Equity instruments without quoted prices</b>	
January 1, 2023	\$ 20,174	680,880
Total gains or losses		
Recognized in profit or loss	2,872	-
Recognized in other comprehensive income	-	62,972
Purchase	-	7,000
Capital returned due to capital reduction	-	(26,514)
June 30, 2023	<b>\$ 23,046</b>	<b>724,338</b>
January 1, 2022	\$ 22,928	545,424
Total gains or losses		
Recognized in profit or loss	(1,472)	-
Recognized in other comprehensive income	-	(36,263)
Purchase	-	46,581
Capital returned due to capital reduction	-	(16,250)
June 30, 2022	<b>\$ 21,456</b>	<b>539,492</b>

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

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 June 30, 2023 and 2022 are as follows:

		<b>For the three months ended June 30, 2023</b>	<b>For the three months ended June 30, 2022</b>	<b>For the six months ended June 30, 2023</b>	<b>For the six months ended June 30, 2022</b>
Total gains or losses					
Recognized in profit or loss (presented in "other gains and losses")	\$	709	(98)	2,872	(1,472)
Recognized in other comprehensive income (presented in "unrealized valuation gains (losses) on financial assets measured at fair value through other comprehensive income")		12,619	(33,777)	41,558	(36,263)

(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:

	Inputs	Up or down changes	Changes in fair value reflected in profit or loss for the period		Changes in fair value reflected in other comprehensive income for the period	
			Favorable changes	Adverse changes	Favorable changes	Adverse changes
<b>June 30, 2023</b>						
Financial assets at fair value through profit or loss	Liquidity discount	5%	1,440	(1,440)	-	-
Financial assets at fair value through other comprehensive income	Liquidity discount	5%	-	-	44,879	(44,290)
<b>December 31, 2022</b>						
Financial assets at fair value through profit or loss	Liquidity discount	5%	1,261	(1,261)	-	-
Financial assets at fair value through other comprehensive income	Liquidity discount	5%	-	-	41,855	(42,201)
<b>June 30, 2022</b>						
Financial assets at fair value through profit or loss	Liquidity discount	5%	1,341	(1,341)	-	-
Financial assets at fair value through other comprehensive income	Liquidity discount	5%	-	-	32,245	(35,039)

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

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**

There was no significant change in objectives and policies of the Consolidated Company's financial risk management and the information disclosed in Note 6 (34) of the Consolidated Financial Statements for the year ended December 31, 2022.

**(XXXII) Capital management**

Objectives, policies, and procedures of the Consolidated Company's capital management were consistent with those disclosed in the Consolidated Financial Statements for the year ended December 31, 2022. Also, there were no significant changes in the summarized quantitative information for capital management as disclosed in the Consolidated Financial Statements for the year ended December 31, 2022. Please refer to Note 6 (35) of the Consolidated Financial Statements for the year ended December 31, 2022 for further details.

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

The non-cash investing and financing activities of the Consolidated Company during the six months ended June 30, 2023 and 2022 are as follows:

1. Please refer to Note 6 (11) for obtaining right-of-use assets and investment properties through leasing.
2. Cash paid for purchase of property, plant and equipment is as follows:

	<b>For the six months ended June 30, 2023</b>	<b>For the six months ended June 30, 2022</b>
Acquisition of property, plant and equipment	\$ 79,117	1,183,641
Net changes in equipment payables in subsidiaries	66,260	(5,397)
Cash paid	<b><u>\$ 145,377</u></b>	<b><u>1,178,244</u></b>

Cash paid for purchase of intangible assets is as follows:

	<b>For the six months ended June 30, 2023</b>	<b>For the six months ended June 30, 2022</b>
Acquisition of intangible assets	\$ 19,867	20,639
Net changes in payables on technology patent authorization	(1,160)	(3,090)
Cash paid	<b><u>\$ 18,707</u></b>	<b><u>17,549</u></b>

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

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

	January 1, 2023	Cash flows	Changes in non-cash items			June 30, 2023
			Lease changes	Effects of changes in foreign exchange rates	Others	
Short-term loans	\$ 306,254	119,058	-	-	-	425,312
Short-term bills payable	54,892	-	-	-	(1)	54,891
Long-term loans (including those due within one year)	999,376	(394)	-	-	-	998,982
Lease liabilities (including those due within one year)	645,079	(65,092)	23,789	-	-	603,776
Deposits received	18,022	2,385	-	-	-	20,407
	<b>\$ 2,023,623</b>	<b>55,957</b>	<b>23,789</b>	<b>-</b>	<b>(1)</b>	<b>2,103,368</b>

	January 1, 2022	Cash flows	Changes in non-cash items			June 30, 2022
			Lease changes	Effects of changes in foreign exchange rates	Others	
Short-term loans	\$ 276,100	108,049	-	(5)	-	384,144
Short-term bills payable	54,979	(54)	-	-	68	54,993
Long-term loans (including those due within one year)	157,527	1,177,581	-	-	-	1,335,108
Lease liabilities (including those due within one year)	720,179	(61,663)	7,970	-	-	666,486
Deposits received	8,926	4,236	-	-	-	13,162
	<b>\$ 1,217,711</b>	<b>1,228,149</b>	<b>7,970</b>	<b>(5)</b>	<b>68</b>	<b>2,453,893</b>

## VII. Transactions with Related Parties

### (I) Name of and relationship with related parties

The related parties who have traded with the Consolidated 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
Air Long-Term Care Co., Ltd.	Associate
Mingta Medical Technology Co., Ltd.	Substantial related party
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
Shengyu Health Technologies Co., Ltd.	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

<b>Name of the related party</b>	<b>Relationship with the Consolidated Company</b>
Pisheng Construction Co., Ltd (hereinafter referred to as Pisheng Construction)	Substantial related party
Zhiyi Clinic	Substantial related party
Shengyu Clinic	Substantial related party
Shengjen Clinic	Substantial related party
Harvard Clinic	Substantial related party
Fuying Clinic	Substantial related party
Ssu-kang Chang	Other related parties
Hung-jen Yang	The management
Kun-chang Yang	The management

## (II) Significant transactions with related parties

## 1. Sales of goods

<b>Category of the related party</b>	<b>Operating revenue</b>			
	<b>For the three months ended</b>	<b>For the three months ended</b>	<b>For the six months ended</b>	<b>For the six months ended</b>
	<b>June 30, 2023</b>	<b>June 30, 2022</b>	<b>June 30, 2023</b>	<b>June 30, 2022</b>
Substantial related party				
Minsheng General Hospital	\$ 248,680	214,815	501,168	445,520
Others	18,254	20,694	38,510	41,035
	<b>\$ 266,934</b>	<b>235,509</b>	<b>539,678</b>	<b>486,555</b>

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

<b>Category of the related party</b>	<b>Service income</b>			
	<b>For the three months ended</b>	<b>For the three months ended</b>	<b>For the six months ended</b>	<b>For the six months ended</b>
	<b>June 30, 2023</b>	<b>June 30, 2022</b>	<b>June 30, 2023</b>	<b>June 30, 2022</b>
Substantial related party				
Minsheng General Hospital	\$ 144,022	260,795	256,062	484,362
Others	15,146	9,312	21,421	20,063
	<b>\$ 159,168</b>	<b>270,107</b>	<b>277,483</b>	<b>504,425</b>

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			
	For the three months ended	For the three months ended	For the six months ended	For the six months ended
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Substantial related party				
Minsheng General Hospital	\$ 10,975	9,089	20,949	18,824
Fuying Clinic	13,689	10,021	20,042	20,042
Harvard Clinic	3,642	3,670	7,312	7,255
Zhiyi Clinic	5,946	-	7,759	-
Others	485	3,395	6,983	6,624
	<b>\$ 34,737</b>	<b>26,175</b>	<b>63,045</b>	<b>52,745</b>

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.

## Operating costs and operating expenses

Category of the related party	- Rental expenses			
	For the three months ended	For the three months ended	For the six months ended	For the six months ended
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Substantial related party	\$ 3,025	446	3,606	948
Parent company	116	116	233	231
	<b>\$ 3,141</b>	<b>562</b>	<b>3,839</b>	<b>1,179</b>

The Consolidated Company pays monthly rent to the above-mentioned related party in accordance with the general market conditions.

## 4. Purchase of goods

Category of the related party	Operating costs			
	For the three months ended	For the three months ended	For the six months ended	For the six months ended
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Substantial related party	\$ -	345	-	662

The prices and payment terms for goods purchased by the Consolidated Company from the above-mentioned related party are not significantly different from those for general manufacturers, with a payment term of 30 days upon acceptance.

## 5. Acceptance of services

Category of the related party	Operating costs and operating expenses			
	For the three months ended	For the three months ended	For the six months ended	For the six months ended
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Substantial related party	3,990	1,483	5,993	2,072
Associate	144	-	144	-
	<b>\$ 4,134</b>	<b>1,483</b>	<b>6,137</b>	<b>2,072</b>

For the services provided by the Consolidated Company to the above-mentioned related party, the two parties has entered into a contact by mutual agreement, with a payment term of about 2 months.



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

6. Receivables due from related parties

Category of the related party	Account items	June 30, 2023	December 31, 2022	June 30, 2022
Substantial related party				
Minsheng General Hospital	Accounts receivable	\$ 780,123	910,381	832,266
Fuying Clinic	Accounts receivable	63,246	62,976	59,416
Others	Accounts receivable	57,182	64,259	61,475
Substantial related party		-	-	-
Minsheng General Hospital	Finance lease receivables	3,192	1,720	-
Lungtan Minsheng Hospital	Finance lease receivables	2,162	1,108	-
Tayuan Minsheng Hospital	Finance lease receivables	1,046	2,267	-
Zhiyi Clinic	Finance lease receivables	3,446	-	-
Others	Finance lease receivables	28	-	-
Substantial related party				
Minsheng General Hospital	Long-term finance lease receivables	2,329	-	816
Lungtan Minsheng Hospital	Long-term finance lease receivables	1,610	1,905	1,987
Tayuan Minsheng Hospital	Long-term finance lease receivables	8,674	9,697	10,836
Shengyu Clinic	Long-term finance lease receivables	7,406	-	-
Zhiyi Clinic	Long-term finance lease receivables	5,516	-	2,169
Others	Long-term finance lease receivables	1,994	-	-
Substantial related party				
Harvard Clinic	Other receivables	4,370	5,955	14,080
Fuying Clinic	Other receivables	19,716	20,029	21,200
Zhiyi Clinic	Other receivables	20,192	-	-
Others	Other receivables	2,814	461	139
		<b>\$ 985,046</b>	<b>1,080,758</b>	<b>1,004,384</b>

7. Payables to related parties

Category of the related party	Account items	June 30, 2023	December 31, 2022	June 30, 2022
Substantial related party				
Minsheng General Hospital	Accounts payable	\$ 33	1,850	3,874
Fuying Clinic	Accounts payable	869	-	-
Others	Accounts payable	626	1,645	854
Associate	Accounts payable	-	61	-
Parent company	Other payables	-	41	-
Substantial related party	Other payables	2,358	1,132	352
The management	Other payables	36	107	65
Associate	Other payables	151	12	-
		<b>\$ 4,073</b>	<b>4,848</b>	<b>5,145</b>

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

8. Endorsement/Guarantee

(1) Lease contracts

Category of the related party	June 30, 2023	December 31, 2022	June 30, 2022
Substantial related party - Minsheng General Hospital	\$ 228,736	227,598	227,598

(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	For the three months ended June 30, 2023	For the three months ended June 30, 2022	For the six months ended June 30, 2023	For the six months ended June 30, 2022
Substantial related party	Operating costs - other expenses	\$ 2,064	32	2,332	2,023
Substantial related party	Operating expenses - other expenses	1,660	1,479	3,306	2,967
Associate	Operating cost - other expenses	111	-	111	-
Associate	Operating expenses - other expenses	235	-	283	650
Substantial related party	Other income-others	1,279	-	1,279	-
Parent company	Other income and expenses -rental income	145	143	289	286
Substantial related party	Other income - rental income	7,259	7,190	14,460	14,349

Category of the related party	Account items	June 30, 2023	December 31, 2022	June 30, 2022
Substantial related party				
Pisheng Construction	Prepayments	\$ 3,739	3,739	3,739
Pisheng Construction	Long-term prepayments	2,804	4,673	6,543
Associate	Prepayments	607	-	-
Substantial related party	Collections and payments on behalf of others	212	-	-
Substantial related party				
Minsheng General Hospital	Refundable deposits	250,000	282,340	282,340
Fuying Clinic	Refundable deposits	15,000	15,000	15,000
Harvard Clinic	Refundable deposits	22,000	18,000	-
Others	Refundable deposits	39,186	31,686	49,186
Parent company	Refundable deposits	82	82	81

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

Category of the related party	Account items	June 30, 2023	December 31, 2022	June 30, 2022
Substantial related party				
Minsheng General Hospital	Deposits received	5,640	6,991	4,990
Zhiyi Clinic	Deposits received	3,600	-	-
Tayuan Minsheng Hospital	Deposits received	902	902	902
Harvard Clinic	Deposits received	60	-	60
Others	Deposits received	52	112	252
Parent company	Deposits received	101	100	100

(III) Transactions with key management personnel

Remuneration paid to key management personnel includes:

	For the three months ended June 30, 2023	For the three months ended June 30, 2022	For the six months ended June 30, 2023	For the six months ended June 30, 2022
Short-term employee benefits	\$ 10,546	13,380	21,736	25,910
Post-employment benefits	244	90	530	337
	<u>\$ 10,790</u>	<u>13,470</u>	<u>22,266</u>	<u>26,247</u>

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	June 30, 2023	December 31, 2022	June 30, 2022
Financial assets at amortized cost-current	Guarantee letters for bank loans and leases	\$ 16,252	5,001	17,300
Financial assets at amortized cost-non-current	Guarantees for bank loans and commercial papers	40,590	40,590	51,562
Investment properties	Bank loans	177,753	178,420	179,087
Property, plant and equipment	Bank loans	1,146,965	1,155,534	1,164,104
		<u>\$ 1,381,560</u>	<u>1,379,545</u>	<u>1,412,053</u>

IX. Material Contingent Liabilities and Unrecognized Contractual Commitments

(I) Material unrecognized contractual commitments

	June 30, 2023	December 31, 2022	June 30, 2022
Purchase of property, plant and equipment	\$ 95,112	73,530	89,033
Purchase of intangible assets	1,500	546	546
Guaranteed notes issued for bank loan contracts	2,645,000	2,645,000	2,507,000
	<u>\$ 2,741,612</u>	<u>2,719,076</u>	<u>2,596,579</u>

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

(II) Collection and payment of contract prices:

1. The Consolidated Company has entered into a contract on online multimedia brand marketing services with Employee Community Co., Ltd., under which the company shall provide online multimedia brand marketing services for the "Harvard Nutrition Lab" brands during the cooperation period. The unrecognized amount is as follows:

	June 30, 2023	December 31, 2022	June 30, 2022
Unpaid amount	\$ 540	540	540

2. The Consolidated Company has entered into a business transfer contract with a biomedical company, under which the company shall transfer OEM/distribution business of branded products to the Consolidated Company. The unrecognized amount is as follows:

	June 30, 2023	December 31, 2022	June 30, 2022
Unpaid amount	\$ -	11,880	-

**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 By property	For the three months ended June 30, 2023			For the three months ended June 30, 2022		
	Categorized into operating costs	Categorized into operating expenses	Total	Categorized into operating costs	Categorized into operating expenses	Total
Employee benefit expenses						
Remuneration expenses	30,607	68,557	99,164	35,383	80,441	115,824
Labor and health insurance expenses	3,106	7,072	10,178	3,167	7,429	10,596
Pension expenses	1,661	3,518	5,179	1,725	4,178	5,903
Remuneration to directors	-	1,752	1,752	-	4,004	4,004
Other employee benefit expenses	1,648	4,159	5,807	1,781	3,503	5,284
depreciation expense	40,724	33,840	74,564	48,839	21,040	69,879
Amortization expenses	2,007	5,739	7,746	1,706	4,359	6,065

By function By property	For the six months ended June 30, 2023			For the six months ended June 30, 2022		
	Categorized into operating costs	Categorized into operating expenses	Total	Categorized into operating costs	Categorized into operating expenses	Total
Employee benefit expenses						
Remuneration expenses	62,235	141,493	203,728	70,234	153,191	223,425
Labor and health insurance expenses	6,454	14,567	21,021	6,310	13,970	20,280
Pension expenses	3,274	7,198	10,472	3,102	7,504	10,606
Remuneration to directors	-	2,784	2,784	-	6,017	6,017
Other employee benefit expenses	3,238	7,329	10,567	3,359	6,659	10,018
depreciation expense	70,687	72,992	143,679	81,490	57,195	138,685
Amortization expenses	4,009	11,389	15,398	3,371	8,773	12,144

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

### (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 during the six months ended June 30, 2023 is as follows:

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

Unit: NT\$ thousand

Serial No.	Name of the endorser/guarantor	Endorsee/guarantee		Limit of the guarantee/endorsement amount for a single enterprise	Maximum endorsement/guarantee balance for the period	Ending endorsement/guarantee balance	Actual expenditures	Amount of endorsement/s/guarantees with property guarantee	The ratio of accumulated endorsements/guarantees to the net value of the latest financial statements	Maximum amount limits for endorsement/s/guarantees	Endorsements/guarantees provided by parent company to the subsidiaries	Endorsements/guarantees provided by subsidiaries to the parent company	Endorsements/guarantees made for Mainland China
		Name of company	Relationship										
0	ShareHope Medicine Co., Ltd.	Minsheng General Hospital	1	1,768,141	228,736	228,736	228,736	-	6.77%	1,690,133	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

Holder of securities	Type and name of securities	Relationship with securities issuer	Accounting items	End of the period				Remarks
				Contribution amount/number of shares (thousand shares or thousand)	Carrying amount	Shareholding ratio	Fair value	
The Company	Fund beneficiary certificates Federal Money Market Fund	None	Financial assets at fair value through profit or loss - current	771	10,398	-	10,398	
The Company	Stock Tsaihsin Health Business Co., Ltd.	None	Financial assets at fair value through profit or loss - non-current	1,000	23,046	3.70 %	23,046	
The Company	Stock Yichuang Second Venture Capital Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	2,000	16,241	0.92 %	16,241	
The Company	Stock Chunghua 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	45,471	2.86 %	45,471	

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

Holder of securities	Type and name of securities	Relationship with securities issuer	Accounting items	End of the period				Remarks
				Contribution amount/number of shares (thousand shares or thousand)	Carrying amount	Shareholding ratio	Fair value	
The Company	Stock Yiting 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	58,851	7.50 %	58,851	
The Company	Stock BenQ BM Holding Cayman Corporation	None	Financial assets at fair value through other comprehensive income - non-current	5,258	279,069	2.15 %	279,069	
The Company	Limited partnership interests Chunghua Development Second Biomedical Venture Capital Limited Partnership	None	Financial assets at fair value through other comprehensive income - non-current	67,868	107,911	3.22 %	107,911	
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	21,843	3.37 %	21,843	
Mytrex Health Company	Stock Shangching Technology Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	68	1,559	0.81 %	1,559	
Mytrex Health Company	Stock Intelligent Medical Technology Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	1,760	25,296	9.99 %	25,296	
Mytrex Health Company	Stock Yiho Smart Technology Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	250	5,398	19.53 %	5,398	
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	40,601	2.29 %	40,601	
Pregetic Health Company	Stock Yita International Hospital Management Consulting Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	417	4,692	4.20 %	4,692	
Pregetic Health Company	Stock Juichuan Data Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	1,000	19,534	14.29 %	19,534	
Pregetic Health Company	Stock Kangchien Gene Technology Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	1,304	27,803	14.81 %	27,803	
Hung-Han Company	Stock Juichuan Data Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	250	4,885	3.57 %	4,885	
Fuyi Company	Limited partnership interests Chunghua Development Venture Capital Limited Partnership	None	Financial assets at fair value through other comprehensive income - non-current	2,000	23,666	1.75 %	23,666	
Medzoneasia	Stock Yaosheng Information Technology Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	500	41,518	10.00 %	41,518	
					724,338		724,338	

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: none.

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

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	Ratio of the balance to notes and accounts receivable (payable)	notes and accounts receivable (payable)	
The Company	Minsheng General Hospital	Substantial related party	(Sell)	(501,001)	(45.09) %	Net 180 days	-		697,064	74.31%	
The Company	Minsheng General Hospital	Substantial related party	Service income	(249,118)	(22.42) %	Net 30-180 days	-		77,257	8.24%	
									<b>774,321</b>		

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	Amount provisioned for loss allowances
					Amount	Accounting treatment		
The Company	Minsheng General Hospital	Substantial related party	774,321	1.80	-		123,372	151

9. Engagement in derivatives transactions: none.
10. Business relationship and major transactions between the parent company and the subsidiaries:

Unit: NT\$ thousand

Serial No.	Name of the trading party	Counterparty	Relationship with the counterparty	Transaction situation			
				Account	Amount	Transaction condition	Ratio of the amount to consolidated total operating income or total assets
0	The Company	YES Health Company	1	Sales income	79,008	Net 60 days	4.30%
0	"	"	1	Accounts receivable - related parties	44,452	"	0.63%
0	"	Medzoneasia	1	Lease income	8,571	—	0.47%
1	Medzoneasia	The Company	2	Refundable deposits	3,003	—	0.04%
1	"	"	2	Right-of-use assets	43,007	—	0.61%
1	"	"	2	lease liabilities	49,149	—	0.70%
2	Pregetic Health Company	The Company	2	Right-of-use assets	5,138	—	0.07%
2	"	"	2	lease liabilities	5,186	—	0.07%

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

- 0 represents the parent company.
- 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:

- Parent to subsidiary.
- Subsidiary to parent.
- 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.

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

## (2) Relevant information on reinvestment business (excluding investees in mainland China):

Information on reinvestment business of the Consolidated Company for the six months ended June 30, 2023 were as follows:

Unit: NT\$ thousand/thousand shares

Name of investor	Name of investee	Region	Principal business	Initial investment amount		Shareholding at the end of the period			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%	424,027	(21,063)	(12,945)	Note 1
The Company	ShareHope Medicine (HongKong) Co., Ltd.	Hong Kong, China	Investment management	44,831	44,831	1,500	100.00%	21,545	(575)	(575)	Note 1
The Company	Chungyuan Medical Management Co., Ltd.	Taoyuan City	Management Consulting Services	11,389	11,389	1,000	100.00%	11,674	27	27	Note 1
The Company	Pohui Biotechnology Co., Ltd.	Taipei City	Biotechnology Services	22,106	22,106	2,211	25.00%	3,947	(51)	(13)	Note 2
The Company	Medzoneasia	New Taipei City	Wholesale and trading of medicines and provision of medical information software services	314,169	314,169	15,654	83.47%	129,042	(17,128)	(12,428)	Note 1
The Company	Pregetic Health Company	Taoyuan City	Health management services	101,000	101,000	10,500	38.90%	98,649	(46,957)	(18,266)	Note 1
The Company	Shengshih Technology Co., Ltd.	Taipei City	Management Consulting Services	1,000	1,000	100	100.00%	813	(32)	(32)	Note 1
Mytrex Health Company	Mytrex USA Co.	California, USA	Health care support services	23,516	23,516	800	88.89%	12,497	57	51	Note 1
Mytrex Health Company	Air Long-Term Care Co., Ltd.	Taoyuan City	Management Consulting Services	10,000	10,000	667	22.37%	10,330	467	105	Note 2
Mytrex Health Company	Mytrex Industries Inc.	Taoyuan City	Manufacturing and processing of non-woven fabrics and sales of medical and sanitary materials	507,888	507,888	12,000	100.00%	287,890	(13,422)	(13,422)	Note 1
Mytrex Health Company	Sheng Yo Company	Tainan City	Health management services	20,000	20,000	2,000	90.91%	12,581	(3,021)	(2,747)	Note 1
Mytrex Health Company	YES Health Company	Taoyuan City	Wholesale and trading of medicines and management consulting for pharmacies	230,000	-	6,035	100.00%	232,992	(1,402)	(217)	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%	2,045	467	31	Note 2
Medzoneasia	TECHGROUP Integrate Design Co., Ltd.	New Taipei City	Medical information software services	50,759	50,759	1	51.00%	40,542	5,220	1,192	Note 1
Medzoneasia	Global Biotech Multimedia Co., Ltd.	Taipei City	Magazine (periodical) publication	10,000	10,000	500	23.98%	8,955	(1,136)	(332)	Note 2
Medzoneasia	YES Health Company	Taoyuan City	Wholesale and trading of medicines and management consulting for pharmacies	-	221,180	-	- %	-	(1,402)	(1,632)	Note 3
Medzoneasia	Macro Global Corporation	Taichung City	Wholesale and trading of medicines	-	72,155	-	- %	-	3,751	1,012	Note 1 and 3
Medzoneasia	Digimed Co., Ltd.	Taipei City	Information software services	6,000	6,000	600	60.00%	1,889	(1,003)	(602)	Note 1
Pregetic Health Company	Hung-Han Company	Taipei City	Health management services	118,880	118,880	7,000	100.00%	72,149	(14,816)	15,412	Note 1
Pregetic Health Company	Employee Community Co., Ltd.	Taipei City	Advertising	1,700	1,700	170	48.57%	620	481	234	Note 2
Pregetic Health Company	Fuyi Company	Taipei City	Health management consulting services	219,288	204,288	19,500	100.00%	174,953	(20,250)	(20,518)	Note 1
Pregetic Health Company	Anchun Technology Co., Ltd.	Taipei City	Health management services	20,000	20,000	2,000	40.00%	18,200	(2,688)	(1,075)	Note 2
Pregetic Health Company	Chinachem Biomedical Co., Ltd.	Taipei City	Healthcare services	10,000	-	1,000	50.00%	6,052	(6,391)	(530)	
Hung-Han Company	Hanting Digital Technology Co., Ltd.	New Taipei City	Information software services	20,000	20,000	2,000	100.00%	6,211	(3,770)	(3,770)	Note 1
Hung-Han Company	Chinachem Biomedical Co., Ltd.	Taipei City	Healthcare services	10,000	10,000	1,000	50.00%	6,052	(6,391)	(5,861)	Note 1
Hung-Han Company	Macro Global Corporation	Taichung City	Wholesale and trading of medicines	74,820	-	6,450	100.00%	71,970	3,751	3,045	Note 1 and 3
Fuyi Company	Shangchia Health Business Co., Ltd.	Taipei City	Health management services	33,900	23,900	3,390	33.90%	34,650	572	226	Note 2
YES Health Company	Digimed Co., Ltd.	Taipei City	Information software services	2,000	2,000	200	20.00%	630	(1,003)	(201)	Note 1

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.



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

## (III) Information on investments in mainland China:

### 1. Information on reinvestments in mainland China:

Unit: NT\$/US\$ thousand

Name of mainland investee	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 over 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 in direct or indirect investee	Investment income and losses recognized in the period (Note 2)	Book value of investment at the end of the period	Investment income received as of the end of the period
					Outward remittance	Inward remittance						
Minsheng (Tianjin) Investment Management Co., Ltd.	Investment management	11,885	(2)	11,885	-	-	11,885	(335)	100.00%	(335)	2,983	-
Minsheng Asia-Pacific (Beijing) Enterprise Management Co., Ltd.	Hospital management consulting services	5,124	(1)	5,124	-	-	5,124	377	100.00%	377	6,760	-

Note 1: Investment methods can be classified into the following three types:

- (1) Directly invest in mainland China.
- (2) Reinvest in mainland companies through third regions.
- (3) 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	Investment limits in mainland China stipulated by the Investment Commission of the Ministry of Economic Affairs (Note)
17,009	17,009	2,028,159

Note: 60% of the net value.

### 3. Information on major transactions: none.

## (IV) Information about the major shareholder

Unit: share

Name of the major shareholder	Share	Number of shares held	Shareholding
Minsheng Medical Holding Co., Ltd.		34,822,800	29.00%

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.

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

## XIV. Department Information

For the three months ended June 30, 2023							
	Pharmaceutical Distribution Department	Health Management Department	Technological Materials Department	Hospital Department	Other departments	Adjustment and cancellation	Total
Revenue:							
Revenue from external customers	\$ 595,845	194,062	34,844	54,038	62,381	-	941,170
Interdepartmental revenue	42,716	3,212	(22)	30	4,420	(50,356)	-
Total revenue	<u>\$ 638,561</u>	<u>197,274</u>	<u>34,822</u>	<u>54,068</u>	<u>66,801</u>	<u>(50,356)</u>	<u>941,170</u>
Profits and losses of reportable departments	<u>\$ 22,877</u>	<u>4,899</u>	<u>3,563</u>	<u>39,589</u>	<u>(67,970)</u>	<u>25,052</u>	<u>28,010</u>

  

For the three months ended June 30, 2022							
	Pharmaceutical Distribution Department	Health Management Department	Technological Materials Department	Hospital Department	Other departments	Adjustment and cancellation	Total
Revenue:							
Revenue from external customers	\$ 702,814	261,855	56,775	47,827	46,526	-	1,115,797
Interdepartmental revenue	50,976	1,011	317	56	-	(52,360)	-
Total revenue	<u>\$ 753,790</u>	<u>262,866</u>	<u>57,092</u>	<u>47,883</u>	<u>46,526</u>	<u>(52,360)</u>	<u>1,115,797</u>
Profits and losses of reportable departments	<u>\$ 34,346</u>	<u>95,187</u>	<u>(3,697)</u>	<u>33,239</u>	<u>(38,116)</u>	<u>2,436</u>	<u>123,395</u>

  

For the six months ended June 30, 2023							
	Pharmaceutical Distribution Department	Health Management Department	Technological Materials Department	Hospital Department	Other departments	Adjustment and cancellation	Total
Revenue:							
Revenue from external customers	\$ 1,206,731	368,216	74,898	79,202	108,381	-	1,837,428
Interdepartmental revenue	79,742	4,384	-	60	8,706	(92,892)	-
Total revenue	<u>\$ 1,286,473</u>	<u>372,600</u>	<u>74,898</u>	<u>79,262</u>	<u>117,087</u>	<u>(92,892)</u>	<u>1,837,428</u>
Profits and losses of reportable departments	<u>\$ 44,762</u>	<u>29,760</u>	<u>5,430</u>	<u>50,268</u>	<u>(120,055)</u>	<u>44,928</u>	<u>55,093</u>

  

For the six months ended June 30, 2022							
	Pharmaceutical Distribution Department	Health Management Department	Technological Materials Department	Hospital Department	Other departments	Adjustment and cancellation	Total
Revenue:							
Revenue from external customers	\$ 1,353,182	486,947	110,115	123,939	82,069	-	2,156,252
Interdepartmental revenue	102,339	1,011	349	86	-	(103,785)	-
Total revenue	<u>\$ 1,455,521</u>	<u>487,958</u>	<u>110,464</u>	<u>124,025</u>	<u>82,069</u>	<u>(103,785)</u>	<u>2,156,252</u>
Profits and losses of reportable departments	<u>\$ 55,239</u>	<u>180,349</u>	<u>(588)</u>	<u>94,275</u>	<u>(96,165)</u>	<u>19,609</u>	<u>252,719</u>