

**EXCELSIOR MEDICAL CO., LTD.  
AND SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS**

**With Independent Auditors' Review Report  
For the Three Months Ended March 31, 2024 and 2023**

**Address: 17F., No.880, Zhongzheng Rd., Zhonghe Dist., New Taipei City 235,  
Taiwan, R.O.C.**

**Telephone: (02)22251888**

The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

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安侯建業聯合會計師事務所  
KPMG

台北市110615信義路5段7號68樓(台北101大樓)  
68F., TAIPEI 101 TOWER, No. 7, Sec. 5,  
Xinyi Road, Taipei City 110615, Taiwan (R.O.C.)

電話 Tel	+ 886 2 8101 6666
傳真 Fax	+ 886 2 8101 6667
網址 Web	kpmg.com/tw

## Independent Auditors' Review Report

To the Board of Directors Excelsior Medical Co., Ltd.:

### Introduction

We have reviewed the accompanying consolidated balance sheets of Excelsior Medical Co., Ltd. and its subsidiaries as of March 31, 2024 and 2023, and the consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 2024 and 2023, and notes to the consolidated financial statements, including a summary of significant accounting policies. 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

Except as explained in the Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with the Standard on Review Engagements 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. 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 conducted in accordance with the Standards on Auditing of the Republic of China 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.

### Basis for Qualified Conclusion

As stated in Note (4)(b), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect total assets amounting to \$699,124 thousand and \$577,659 thousand, constituting 3.80% and 3.45% of consolidated total assets as of March 31, 2024 and 2023, respectively, total liabilities amounting to \$43,687 thousand and \$51,133 thousand, constituting 0.55% and 0.76% of consolidated total liabilities as of March 31, 2024 and 2023, respectively, and total comprehensive (loss) income amounting to \$(833) thousand and \$2,108 thousand, constituting (0.25)% and 0.62% of consolidated total comprehensive (loss) income for the three months ended March 31, 2024 and 2023, respectively.

Furthermore, as stated in Note (6)(g), the other equity accounted investments of Excelsior Medical Co., Ltd. and its subsidiaries in its investee companies of \$4,201,935 thousand and \$3,796,458 thousand as of March 31, 2024 and 2023, respectively, and its share of comprehensive income of associates and joint ventures accounted for using equity method on these investee companies of \$88,016 thousand and \$87,670 thousand for the three months ended March 31, 2024 and 2023, respectively, were recognized solely on the financial statements prepared by these investee companies, but not reviewed by independent auditors.



## Qualified Conclusion

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and equity accounted investee companies described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews, 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 Excelsior Medical Co., Ltd. and its subsidiaries as of March 31, 2024 and 2023, and of its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2024 and 2023 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.

The engagement partners on the reviews resulting in this independent auditors’ review report are Wu, Tsao-Jen and Chen, Chun-Kuang.

KPMG

Taipei, Taiwan (Republic of China)

May 10, 2024

## Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated statement of financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to review such consolidated financial statements are those generally accepted and applied in the Republic of China.

The independent auditors’ review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors’ review report and consolidated financial statements, the Chinese version shall prevail.

EXCELSIOR MEDICAL CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
MARCH 31, 2024 AND 2023  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

		March 31, 2024		December 31, 2023		March 31, 2023						March 31, 2024		December 31, 2023		March 31, 2023	
ASSETS		Amount	%	Amount	%	Amount	%			LIABILITIES AND EQUITY		Amount	%	Amount	%	Amount	%
Current assets:										Current liabilities:							
1100	Cash and cash equivalents (Notes (6)(a))	\$ 2,898,852	16	2,614,786	14	2,326,422	14	2100		Short-term borrowings (Note (6)(n))		\$ 712,312	4	1,134,887	6	553,803	4
1110	Current financial assets at fair value through profit or loss	-	-	-	-	469	-	2120		Current financial liabilities at fair value through profit or loss		61	-	-	-	129	-
	(Note (6)(b))									(Note (6)(b))							
1136	Current financial assets at amortized cost (Note (6)(d))	771,041	4	768,167	4	742,152	4	2130		Current contract liabilities		499,042	3	559,166	3	453,008	3
1151	Notes receivable (Notes (6)(e), (7) and (8))	286,738	2	305,120	2	224,156	1	2150		Notes payable		5,030	-	1,797	-	330	-
1152	Other notes receivable (Notes (6)(e), (7) and (8))	292,839	2	317,692	2	279,338	2	2170		Accounts payable (Note (7))		1,120,167	6	972,929	5	1,037,997	6
1170	Accounts receivable (Notes (6)(e) and (7))	1,502,602	8	1,656,216	9	1,515,905	9	2200		Other payables (Notes (6)(o) and (7))		4,517,386	25	3,464,888	19	3,712,033	22
1200	Other receivables (Notes (6)(e) and (7))	3,467,324	19	3,535,650	20	3,146,205	19	2230		Current tax liabilities		182,811	1	143,368	1	148,142	1
130X	Inventories (Note (6)(f))	1,339,070	7	1,247,430	7	1,122,379	7	2280		Current lease liabilities (Notes (6)(r) and (7))		74,621	-	69,966	-	80,898	-
1476	Other current financial assets (Note (8))	31,986	-	23,115	-	36,998	-	2399		Other current liabilities, others (Notes (6)(p), (q) and (7))		314,329	2	331,756	3	315,200	2
1479	Other current assets, others	245,929	1	223,654	1	232,738	2					7,425,759	41	6,678,757	37	6,301,540	38
		10,836,381	59	10,691,830	59	9,626,762	58			Non-Current liabilities:							
Non-current assets:								2570		Deferred tax liabilities (Note (6)(u))		232,497	1	235,072	1	232,396	1
1517	Non-current financial assets at fair value through other	641,080	4	716,307	4	740,637	4	2580		Non-current lease liabilities (Notes (6)(r) and (7))		266,486	1	236,829	1	170,965	1
	comprehensive income (Note (6)(c))							2640		Net defined benefit liability (Note (6)(t))		8,940	-	8,880	-	8,069	-
1550	Investments accounted for using equity method (Note (6)(g))	4,201,992	23	3,980,044	22	3,796,458	23	2650		Credit balance of investments accounted for using equity method		57	-	581	-	-	-
1600	Property, plant and equipment (Notes (6)(j) and (8))	797,823	4	772,612	4	733,508	4			(Note (6)(g))							
1755	Right-of-use assets (Note (6)(k))	332,125	2	298,694	2	245,799	2	2670		Other non-current liabilities, others (Note (6)(p))		7,901	-	6,847	-	6,988	-
1760	Investment property, net (Notes (6)(l) and (8))	1,102,025	6	1,101,802	6	1,107,208	7					515,881	2	488,209	2	418,418	2
1780	Intangible assets (Note (6)(m))	45,004	-	45,151	-	31,347	-			Total liabilities		7,941,640	43	7,166,966	39	6,719,958	40
1840	Deferred tax assets (Note (6)(u))	129,014	1	136,998	1	154,555	1										
1930	Long-term notes and accounts receivable (Note (6)(e))	57,259	-	57,929	-	44,066	-			Equity attributable to owners of parent (Note (6)(v)):							
1975	Net defined benefit asset (Note (6)(t))	26,176	-	29,333	-	24,388	-	3100		Share capital		1,556,167	8	1,556,167	9	1,482,064	9
1980	Other non-current financial assets (Note (8))	220,183	1	220,905	2	180,070	1	3200		Capital surplus		3,287,576	18	3,287,576	18	3,276,372	19
1990	Other non-current assets, others	25,634	-	28,320	-	41,550	-	3300		Retained earnings		3,094,960	17	3,502,602	20	3,006,940	18
		7,578,315	41	7,388,095	41	7,099,586	42	3400		Other equity		409,726	2	266,664	1	158,531	1
										Total equity attributable to owners of parent		8,348,429	45	8,613,009	48	7,923,907	47
								36XX		Non-controlling interests (Notes (6)(i) and (v))		2,124,627	12	2,299,950	13	2,082,483	13
										Total equity		10,473,056	57	10,912,959	61	10,006,390	60
TOTAL ASSETS		\$ 18,414,696	100	18,079,925	100	16,726,348	100			TOTAL LIABILITIES AND EQUITY		\$ 18,414,696	100	18,079,925	100	16,726,348	100

(ENGLISH TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN CHINESE)

**EXCELSIOR MEDICAL CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023**

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT EARNINGS PER SHARE)

		For the Three Months Ended March 31,			
		2024		2023	
		Amount	%	Amount	%
4000	Operating revenue (Notes (6)(x) and (7))	\$ 2,042,037	100	2,006,405	100
5000	Operating costs (Notes (6)(f) and (7))	1,632,104	80	1,601,607	80
	Gross profit from operations	409,933	20	404,798	20
5910	Less: Unrealized profit from sales	23,148	1	22,403	1
5920	Add: Realized profit from sales	25,156	1	22,888	1
		411,941	20	405,283	20
	Operating expenses:				
6100	Selling expenses (Note (7))	145,329	7	150,459	7
6200	Administrative expenses (Note (7))	98,321	5	85,805	4
6300	Research and development expenses (Note (6)(e))	15	-	-	-
6450	Expected credit loss (gain) (Note (6)(e))	2,759	-	(3,707)	-
		246,424	12	232,557	11
	Net operating income	165,517	8	172,726	9
	Non-operating income and expenses:				
7100	Interest income (Note (6)(z))	14,477	1	11,520	-
7010	Other income (Notes (6)(z) and (7))	4,221	-	2,778	-
7020	Other gains and losses (Notes (6)(z) and (7))	6,774	-	30,187	2
7050	Finance costs (Notes (6)(z) and (7))	(5,070)	-	(3,243)	-
7060	Share of profit of associates and joint ventures accounted for using equity method (Note (6)(g))	88,016	4	87,670	4
		108,418	5	128,912	6
7900	Profit before tax	273,935	13	301,638	15
7950	Less: Tax expense (Note (6)(u))	47,463	2	54,662	3
	Profit	226,472	11	246,976	12
	Other comprehensive income (loss):				
8310	Items that may not be reclassified subsequently to profit or loss:				
8316	Unrealized (losses) gains from investments in equity instruments measured at fair value through other comprehensive income	(75,351)	(4)	59,005	3
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	53,083	3	78,729	4
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	(4,060)	-	(921)	-
	Total items that will not be reclassified subsequently to profit and loss	(18,208)	(1)	138,655	7
8360	Items that will be reclassified to profit or loss				
8361	Exchange differences on translation	127,424	6	(32,710)	(1)
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	(2,195)	-	(16,443)	(1)
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	2,447	-	(842)	-
	Total items that will be reclassified subsequently to profit and loss	122,782	6	(48,311)	(2)
	Other comprehensive income, net	104,574	5	90,344	5
8500	Total comprehensive income	\$ 331,046	16	337,320	17
	Profit attributable to:				
8610	Owners of parent	\$ 185,177	9	201,826	10
8620	Non-controlling interests	41,295	2	45,150	2
		\$ 226,472	11	246,976	12
	Comprehensive income attributable to:				
8710	Owners of parent	\$ 328,239	16	264,514	13
8720	Non-controlling interests	2,807	-	72,806	4
		\$ 331,046	16	337,320	17
	Earnings per share (Note (6)(w))				
9750	Basic earnings per share (NT dollars)	\$ 1.19		1.30	
9850	Diluted earnings per share (NT dollars)	\$ 1.19		1.29	

(ENGLISH TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN CHINESE)

EXCELSIOR MEDICAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Equity attributable to owners of parent					Total other equity interest				
	Share capital		Retained earnings			Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Equity attributable to owners of parent	Non-controlling interests	Total equity
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings					
Balance as of January 1, 2023	\$ 1,482,064	3,276,440	903,346	142,100	2,298,992	(104,157)	201,647	8,200,432	2,096,877	10,297,309
Profit for the year	-	-	-	-	201,826	-	-	201,826	45,150	246,976
Other comprehensive income (loss) for the year	-	-	-	-	-	(45,248)	107,936	62,688	27,656	90,344
Total comprehensive income (loss) for the year	-	-	-	-	201,826	(45,248)	107,936	264,514	72,806	337,320
Appropriation and distribution of retained earnings:										
Cash dividends of ordinary share	-	-	-	-	(540,953)	-	-	(540,953)	-	(540,953)
Changes in equity of associates and joint ventures accounted for using equity method	-	(68)	-	-	-	-	-	(68)	-	(68)
Changes in ownership interests in subsidiaries	-	-	-	-	(18)	-	-	(18)	-	(18)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	(87,200)	(87,200)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	1,647	-	(1,647)	-	-	-
Balance at March 31, 2023	\$ 1,482,064	3,276,372	903,346	142,100	1,961,494	(149,405)	307,936	7,923,907	2,082,483	10,006,390
Balance at January 1, 2024	\$ 1,556,167	3,287,576	974,960	-	2,527,642	(122,201)	388,865	8,613,009	2,299,950	10,912,959
Profit for the year	-	-	-	-	185,177	-	-	185,177	41,295	226,472
Other comprehensive income (loss) for the year	-	-	-	-	-	115,777	27,285	143,062	(38,488)	104,574
Total comprehensive income (loss) for the year	-	-	-	-	185,177	115,777	27,285	328,239	2,807	331,046
Appropriation and distribution of retained earnings:										
Cash dividends of ordinary share	-	-	-	-	(591,344)	-	-	(591,344)	-	(591,344)
Changes in equity of associates and joint ventures accounted for using equity method	-	-	-	-	30	-	-	30	-	30
Changes in ownership interests in subsidiaries	-	-	-	-	(1,505)	-	-	(1,505)	-	(1,505)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	(178,130)	(178,130)
Balance at March 31, 2024	\$ 1,556,167	3,287,576	974,960	-	2,120,000	(6,424)	416,150	8,348,429	2,124,627	10,473,056

(ENGLISH TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN CHINESE)

**EXCELSIOR MEDICAL CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023**  
**(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)**

	<b>For the Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
<b>Cash flows from operating activities:</b>		
<b>Profit before tax</b>	\$ 273,935	301,638
<b>Adjustments:</b>		
<b>Adjustments to reconcile profit (loss):</b>		
Depreciation expense	61,978	62,067
Amortization expense	1,330	789
Expected credit loss (gain)	2,759	(3,707)
Net loss on financial assets or liabilities at fair value through profit or loss	(222)	(340)
Interest expense	5,070	3,243
Interest income	(14,477)	(11,520)
Dividend income	(2,643)	(1,386)
Share of profit of associates and joint ventures accounted for using equity method	(88,016)	(87,670)
Gain on disposal of property, plan and equipment	-	(20,430)
Gain on disposal of investments	-	(37)
Unrealized profit from sales	23,148	22,403
Realized profit from sales	(25,156)	(22,888)
Others	(79)	(43)
<b>Total adjustments to reconcile profit</b>	<b>(36,308)</b>	<b>(59,519)</b>
<b>Changes in operating assets and liabilities:</b>		
<b>Changes in operating assets:</b>		
Notes receivable	18,393	77,327
Accounts receivable	147,451	(100,872)
Other receivables and notes	98,815	(126,484)
Inventories	(131,753)	27,236
Net defined benefit asset	3,157	(13)
Other current assets	(25,546)	(123,402)
Other operating assets	670	(12,104)
<b>Total changes in operating assets</b>	<b>111,187</b>	<b>(258,312)</b>
<b>Changes in operating liabilities:</b>		
Contract liabilities	(60,124)	(31,933)
Notes payable	3,233	(73)
Accounts payable	147,238	38,008
Other payables	283,414	(130,853)
Other current liabilities	(17,427)	(12,002)
Net defined benefit liability	60	(1,309)
Other operating liabilities	1,050	(416)
<b>Total changes in operating liabilities</b>	<b>357,444</b>	<b>(138,578)</b>
<b>Total changes in operating assets and liabilities</b>	<b>468,631</b>	<b>(396,890)</b>
<b>Total adjustments</b>	<b>432,323</b>	<b>(456,409)</b>
Cash inflow (outflow) generated from operations	706,258	(154,771)
Interest received	11,708	9,806
Income taxes paid	(965)	(394)
<b>Net cash flows from operating activities</b>	<b>717,001</b>	<b>(145,359)</b>



(ENGLISH TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN CHINESE)

**EXCELSIOR MEDICAL CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023**  
**(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)**

	<b>For the Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
<b>Cash flows from investing activities:</b>		
Proceeds from disposal of financial assets at fair value through other comprehensive income	-	4,764
Acquisition of financial assets at amortized cost	(108,000)	(359,526)
Proceeds from disposal of financial assets at amortized cost	120,505	322,456
Proceeds from disposal of financial assets at fair value through profit or loss	283	-
Proceeds from capital reduction of investments accounted for using equity method	-	19,538
Acquisition of property, plant and equipment	(18,795)	(15,838)
Proceeds from disposal of property, plant and equipment	-	36,889
Increase in refundable deposits	(3,266)	(2,263)
Decrease in refundable deposits	3,313	1,498
Acquisition of intangible assets	(777)	(371)
Increase in other financial assets	(8,196)	(19,755)
Decrease (increase) in other non-current assets	2,374	(7,607)
<b>Net cash flows used in from investing activities</b>	<b>(12,559)</b>	<b>(20,215)</b>
<b>Cash flows from financing activities:</b>		
(Decrease) increase in short-term borrowings	(422,575)	18,669
Increase in guarantee deposits received	4	11
Payment of lease liabilities	(18,039)	(23,221)
Interest paid	(5,936)	(3,297)
<b>Net cash flows used in financing activities</b>	<b>(446,546)</b>	<b>(7,838)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>26,170</b>	<b>(7,161)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>284,066</b>	<b>(180,573)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>2,614,786</b>	<b>2,506,995</b>
<b>Cash and cash equivalents at end of period</b>	<b>\$ 2,898,852</b>	<b>2,326,422</b>

(ENGLISH TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN CHINESE)

**EXCELSIOR MEDICAL CO., LTD. AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2024 AND 2023**

**(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, UNLESS OTHERWISE SPECIFIED)**

**(1) Company History**

Excelsior Medical Co., Ltd. (the Company) was incorporated on March 15, 1988 as a company limited by shares and registered under the Ministry of Economic Affairs, R.O.C. The address of the Company's registered office is 17F., No.880, Zhongzheng Rd., Zhonghe Dist., New Taipei City 235, Taiwan, R.O.C.. The Company and its subsidiaries (the Group) engaged primarily in the sale of medical supplies and equipment, medicines and home medical devices.

The Company's shares were traded on the Taipei Exchange (formerly the GreTai Securities Market) from June 8, 2001 to December 31, 2007 and have been traded on the Taiwan Stock Exchange since December 31, 2007.

**(2) Financial Statements Authorization Date and Authorization Process**

The consolidated financial statements were authorized for issuance by the Board of Directors on May 10, 2024.

**(3) New Standards, Amendments and Interpretations Adopted:**

- (a) The impact of the IFRS Accounting Standards endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2024:

- Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"
- Amendments to IAS 1 "Non-current Liabilities with Covenants"
- Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"
- Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"

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- (b) The impact of IFRS issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

<b>Standards or Interpretations</b>	<b>Content of amendment</b>	<b>Effective date per IASB</b>
IFRS 18 “Presentation and Disclosure in Financial Statements”	<p>The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities.</p> <ul style="list-style-type: none"><li>• A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities.</li><li>• Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.</li><li>• Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.</li></ul>	January 1, 2027

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The Group is evaluating the impact on its consolidated financial position and consolidated financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 – Comparative Information”
- Amendments to IAS21 “Lack of Exchangeability”

**(4) Summary of material accounting policies**

**(a) Statement of compliance**

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

Except the following accounting policies mentioned below, the material accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2023. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2023.

**(b) Basis of consolidation**

**1. List of subsidiaries in the consolidated financial statements :**

Name of Investor	Name of Subsidiary	Principal Activity	Shareholding			Note
			March 31, 2024	December 31, 2023	March 31, 2023	
The Company	Dynamic Medical Technologies Inc. (“Dynamic”)	Sale, maintenance and lease of laser medical equipment for beauty treatment, and sale of consumables of beauty treatment and cosmetic products	38.51 %	38.51 %	38.50 %	Note 1 、 3
”	Excelsior Healthcare Co., Limited (Excelsior Healthcare)	Investment business	100.00 %	100.00 %	100.00 %	
”	Arich Enterprise Co., Ltd. (Arich)	Sale of medicines, and logistics service	40.00 %	40.00 %	40.00 %	Note 1

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Name of Investor	Name of Subsidiary	Principal Activity	Shareholding			Note
			March 31, 2024	December 31, 2023	March 31, 2023	
The Company	Excelsior Asset Management Co., Ltd. ("Excelsior Asset")	Sales of medical equipment, precision instrument and real estate	100.00 %	100.00 %	100.00 %	
The Company and Excelsior Healthcare	Excelsior Medical (HK) Co., Limited ("Hong Kong Excelsior")	Investment business	100.00 %	100.00 %	100.00 %	
Dynamic	Dynamic Medical Technologies (Hong Kong) Ltd. ("Hong Kong Dynamic")	Sale of cosmetic health care products	100.00 %	100.00 %	100.00 %	
"	CYJ International Taiwan Inc. (CYJ Taiwan)	Sales of lifestyle beauty products and treatments, and sales of medical beauty products.	60.00 %	60.00 %	10.00 %	Note 4
The Company and Dynamic	Excelsior Beauty Co., Ltd. ("Excelsior Beauty")	Sales of lifestyle beauty products and treatments, and sales of medical beauty products.	94.91 %	94.91 %	94.91 %	
Hong Kong Dynamic	Guangzhou Dynamic Inc. ("Guangzhou Dynamic")	Sale and maintenance of medical equipment	100.00 %	100.00 %	100.00 %	Note 7
Excelsior Beauty	CYJ International Taiwan Inc. (CYJ Taiwan)	Sales of lifestyle beauty products and treatments, and sales of medical beauty products.	- %	- %	80.00 %	Note 4 、 5
Arich Enterprise Co., Ltd.	Arich Best Chain Co., Ltd. (Arich Best Chain)	Logistics business	100.00 %	100.00 %	- %	Note 2 、 7
Excelsior Healthcare	EG Healthcare, Inc.	Sale and lease of medical equipment, and medical management consultancy service	99.99 %	99.99 %	99.99 %	Note 7
"	Excelsior Investment (Malaysia) Co., Ltd	Investment business	100.00 %	100.00 %	100.00 %	"
Hong Kong Excelsior	SinoExcelsior Investment Inc. ("SinoExcelsior Investment")	Sale of medical equipment, and medical management consultancy service	100.00 %	100.00 %	100.00 %	"
Excelsior Investment (Malaysia) Co., Ltd.	Renal Laboratories Sdn. Bhd.	Manufacture of medical equipment	81.90 %	81.90 %	70.00 %	Note 6 、 7
"	Medi-Chem Systems Sdn. Bhd.	Sale of medical equipment	70.00 %	70.00 %	70.00 %	Note 7
Medi-Chem Systems Sdn. Bhd.	Renal Management Sdn. Bhd.	Lease business	100.00 %	100.00 %	100.00 %	"

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Note 1: Although the Company holds less than 50% of the shares of Dynamic and Arich, these companies' other equity shares are highly separated. Therefore, the Company still maintains control over Dynamic and Arich, and these companies are included in the consolidated financial statements.

Note 2: Arich Enterprise Co., Ltd. acquired 100% equity of Arich Best Chain Co., Ltd. on April 6, 2023, and it is included in the consolidated financial statements from that date.

Note 3: The Company bought the fractional shares of Dynamic in September, 2023, acquiring 0.01% equity in Dynamic.

Note 4: Dynamic Medical Technologies Inc. acquired 50% equity in CYJ International Taiwan Inc. from Excelsior Beauty Co. Ltd. in November 2023, the shareholding ratio after the acquisition is 60%. Therefore, the acquisition did not result in the loss of control over CYJ International Taiwan Inc. The above transaction was an organizational restructuring under common control, and the relevant transfer adopted the book value method.

Note 5: In addition to note 4, the Company disposed 30% of the equity in CYJ International Taiwan Inc., in December 2023, and the counterparties include the Company's related parties.

Note 6: Excelsior Investment (Malaysia) Co., Ltd. increase its capital in Renal Laboratories Sdn. Bhd. by cash and not in proportion to its shareholding on December 15, 2023. After the capital increase, Excelsior Investment (Malaysia) Co., Ltd. held a total of 81.9% of the equity in Renal Laboratories Sdn. Bhd.

Note 7: Non-significant subsidiaries, which were not reviewed by independent auditors.

2.Subsidiaries excluded from the consolidated financial statements: None.

(c) Classification of Current and Non-Current Assets and Liabilities

The Group classifies the asset as current under one of the following criteria, and all other assets are classified as noncurrent.

- 1.It expects to realize the asset, or intends to sell or consume it, in its normal operating cycle;
- 2.It holds the asset primarily for the purpose of trading;
- 3.It expects to realize the asset within twelve months after the reporting period; or
- 4.The asset is cash or a cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Group classifies the liability as current under one of the following criteria, and all other liabilities are classified as noncurrent.

- 1.It expects to settle the liability in its normal operating cycle;
- 2.It holds the liability primarily for the purpose of trading;
- 3.The liability is due to be settled within twelve months after the reporting period; or
- 4.It does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

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**(d) Income Taxes**

The income tax expenses have been prepared and disclosed in accordance with paragraph B 12 of International Financial Reporting Standards 34, Interim Reporting.

Income tax expenses for the period are measured by multiplying together pre-tax income for the interim reporting period and the managements best estimate period annual tax rate.

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.

**(e) 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 events.

**(5) Significant Accounting Assumptions and Judgments, and Major Sources of Estimation Uncertainty**

The preparation of the consolidated financial statements in conformity with the Regulations and IFRS Accounting Standards (in accordance with IAS 34 “Interim Financial Reporting” and 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.

The preparation of the consolidated interim financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2023. For related information, please refer to note (5) of the consolidated financial statements for the year ended December 31, 2023.

**(6) Explanation of Significant Accounts**

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 2023 consolidated financial statements. Please refer to Note (6) to the 2023 annual consolidated financial statements.

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(a) Cash and cash equivalents

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Cash on hand, demand deposits and checking accounts	\$ 2,192,814	2,041,123	1,788,533
Time deposits	706,038	573,663	537,889
Cash and cash equivalents in consolidated statement of cash flows	<u><u>\$ 2,898,852</u></u>	<u><u>2,614,786</u></u>	<u><u>2,326,422</u></u>

The Group interest risk and sensibility analysis of the financial assets and liabilities was disclosed in Note (6)(ab).

(b) Financial liabilities at fair value through profit or loss

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Mandatorily measured at fair value through profit or loss:			
Derivative instruments not used for hedging			
Forward foreign exchange contracts	\$ <u>-</u>	<u>-</u>	<u>469</u>
Held-for-trading financial liabilities			
Derivative instruments not used for hedging			
Forward foreign exchange contracts	\$ <u>61</u>	<u>-</u>	<u>129</u>

The Group holds derivative financial instruments to hedge certain foreign exchange and interest rate risk exposures arising from its operating, financing and investing activities. The following derivative instruments, without the application of hedge accounting, were classified as mandatorily measured at fair value through profit or loss and held-for-trading financial liabilities:

Forward foreign exchange contracts:

	<b>March 31, 2024</b>		
	<b>Amount (in thousands)</b>	<b>Currency</b>	<b>Maturity period</b>
Forward foreign exchange contracts purchased	JPY 70,000	JPY to TWD	2024.04
	<b>March 31, 2023</b>		
	<b>Amount (in thousands)</b>	<b>Currency</b>	<b>Maturity period</b>
Forward foreign exchange contracts purchased	JPY 210,962	JPY to TWD	2023.04~2023.05



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

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Equity investments at fair value through other comprehensive income			
Domestic listed shares	\$ -	-	81,964
Foreign listed shares	101,442	121,737	171,261
Domestic unlisted shares	149,170	141,832	144,574
Foreign unlisted shares	390,468	452,738	342,838
Total	<u>\$ 641,080</u>	<u>716,307</u>	<u>740,637</u>

1. Equity investments at fair value through other comprehensive income

The Group designated the investments shown above as equity securities at fair value through other comprehensive income because these equity securities represent those investments that the Group intends to hold for long term for strategic purposes.

There were no disposals of strategic investments and transfers of any cumulative gain or loss within equity relating to these investments as of March 31, 2024.

The Group has sold its common stocks designated at fair value through other comprehensive income because of operation strategies for the three months ended March 31, 2023. The shares sold had a fair value of \$4,764 thousand. The Group realized a gain of \$2,734 thousand, which was included in other comprehensive income (equity attributable to owners of parent), and thereafter, was transferred to retained earnings from other equity.

2. For credit risk and market risk, please refer to Note (6)(ab).

3. As of March 31, 2024, December 31, 2023 and March 31, 2023, the aforesaid financial assets were not pledged as collateral.

(d) Financial assets measured at amortized cost

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Time deposits with original maturity of more than 3 months	<u>\$ 771,041</u>	<u>768,167</u>	<u>742,152</u>

The Group has assessed that these financial assets are held to maturity to collect contractual cash flows, which consist solely of payments of principal and interest on principal amount outstanding. Therefore, these investments have been classified as financial assets measured at amortized cost.

The market interest rates of the time deposits with original maturity of more than 3 months were 1.285%~5.42%, 1.16%~5.42% and 1.085%~4.90% per annum as of March 31, 2024, December 31, 2023 and March 31, 2023, respectively.

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(e) Notes receivable, accounts receivable, lease payment receivable and other receivables

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Notes receivable	\$ 287,640	306,213	227,101
Other notes receivable	292,839	317,692	279,338
Accounts receivable	1,548,987	1,697,200	1,578,713
Receivable installments	1,861	2,265	981
Trade receivables - fair value through other comprehensive income	2,240	3,946	5,407
Lease payment receivable	74,310	74,322	53,248
Other receivables	3,474,689	3,543,882	3,153,945
Less: Loss allowance	(69,924)	(66,679)	(82,411)
Allowance for sales returns	(5,837)	(6,143)	(6,466)
Unrealized interests income	(43)	(91)	(186)
	<u><u>\$ 5,606,762</u></u>	<u><u>5,872,607</u></u>	<u><u>5,209,670</u></u>

The Group has assessed a portion of its trade receivables that was held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; therefore, such trade receivables were measured at fair value through other comprehensive income.

Arich Enterprise Co., Ltd. ("Arich") engages in medical logistics services, providing inventory management services, logistics services, customer service and domestic transportation planning services. Arich recognizes the medical logistics service revenue at a percentage of the net profit on its sale of medicines. The inventories for medical logistics services do not belong to Arich. The receivables from customers and the payables to medical companies are classified as other notes receivable, other trade receivables, other notes payable, and other trade payables.

The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information, including macroeconomic and relevant industry information. The loss allowance provision were determined as follows:

	<b>March 31, 2024</b>		
	<b>Gross carrying amount</b>	<b>Weighted- average loss rate</b>	<b>Loss allowance provision</b>
Current	\$ 5,565,787	0.40%	(22,335)
1 to 90 days past due	62,975	7.10%	(4,470)
91 to 180 days past due	7,627	6.35%	(484)
181 to 365 days past due	4,076	26.84%	(1,094)
More than 365 days past due	42,058	98.77%	(41,541)
	<u><u>\$ 5,682,523</u></u>		<u><u>(69,924)</u></u>

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	<b>December 31, 2023</b>		
	<b>Gross carrying amount</b>	<b>Weighted-average loss rate</b>	<b>Loss allowance provision</b>
Current	\$ 5,749,514	0.31%	(17,629)
1 to 90 days past due	130,177	3.58%	(4,662)
91 to 180 days past due	17,387	13.35%	(2,322)
181 to 365 days past due	3,914	22.64%	(886)
More than 365 days past due	41,902	98.28%	(41,180)
	<u><b>\$ 5,942,894</b></u>		<u><b>(66,679)</b></u>

  

	<b>March 31, 2023</b>		
	<b>Gross carrying amount</b>	<b>Weighted-average</b>	<b>Loss allowance provision</b>
Current	\$ 5,150,015	0.40%	(20,742)
1 to 90 days past due	67,060	9.22%	(6,184)
91 to 180 days past due	3,683	17.21%	(634)
181 to 365 days past due	2,590	31.93%	(827)
More than 365 days past due	62,248	86.79%	(54,024)
	<u><b>\$ 5,285,596</b></u>		<u><b>(82,411)</b></u>

The Group's lease payment receivables were as follows:

	<b>Gross investment in the lease</b>	<b>Unearned finance income</b>	<b>Present value of minimum lease payments receivable</b>
March 31, 2024			
Less than one year	\$ 21,848	(3,972)	17,876
Between one and five years	61,862	(5,428)	56,434
	<u><b>\$ 83,710</b></u>	<u><b>(9,400)</b></u>	<u><b>74,310</b></u>
December 31, 2023			
Less than one year	\$ 21,415	(3,983)	17,432
Between one and five years	62,709	(5,819)	56,890
	<u><b>\$ 84,124</b></u>	<u><b>(9,802)</b></u>	<u><b>74,322</b></u>
March 31, 2023			
Less than one year	\$ 14,667	(2,931)	11,736
Between one and five years	46,211	(4,699)	41,512
	<u><b>\$ 60,878</b></u>	<u><b>(7,630)</b></u>	<u><b>53,248</b></u>

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The Group entered into finance lease arrangements for certain vehicles and equipment. All leases were denominated in New Taiwan dollars. The average term of finance leases entered into was 5 years.

The lease payment receivables as of March 31, 2024, December 31, 2023 and March 31, 2023 were neither past due nor impaired.

The movement in the allowance for notes and trade receivable was as follows:

	<b>For the Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
Balance as of January 1	\$ 66,679	85,342
Impairment losses recognized	4,577	6,973
Impairment losses reversed	(1,818)	(10,680)
Effect of movements in exchange rate	486	776
Balance as of March 31	<u><u>\$ 69,924</u></u>	<u><u>82,411</u></u>

As of March 31, 2024, December 31, 2023 and March 31, 2023, the receivables from installment sales were \$4,101 thousand, \$6,211 thousand and \$6,388 thousand, respectively, and the related unrealized interest income were \$43 thousand, \$91 thousand and \$186 thousand, respectively.

The Group signed the accounts receivable factoring agreements without recourse with financial institutions. According to the agreements, the Group transfers almost all risks and rewards to debtors, thus is eligible for derecognizing the financial assets. The relevant information of the unexpired accounts receivable at the reporting date were as follows:

<b>March 31, 2023</b>						
<b>Purchaser</b>	<b>Amount Derecognized</b>	<b>Amount Advanced Unpaid</b>	<b>Amount Advanced Paid</b>	<b>Amount Recognized in Other Receivables</b>	<b>Range of Interest Rate</b>	<b>Significant Transferring Terms</b>
Hotai Finance Co., Ltd.	<u><u>\$ 1,750</u></u>	<u><u>-</u></u>	<u><u>1,750</u></u>	<u><u>-</u></u>	4.27%	None

(f) Inventories

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Merchandise	\$ 1,283,058	1,204,706	1,095,568
Inventory in-transit	56,012	42,724	26,811
Total	<u><u>\$ 1,339,070</u></u>	<u><u>1,247,430</u></u>	<u><u>1,122,379</u></u>

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The details of cost of goods sold were as follows :

	<b>For the Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
Cost of goods sold	\$ 1,404,772	1,424,456
Losses on inventory valuation and obsolescence	14,326	4,833
Service cost	64,300	55,609
Repair and maintenance costs	31,254	29,811
Others operating costs	117,452	86,898
Total	<u>\$ 1,632,104</u>	<u>1,601,607</u>

Inventory valuation and obsolescence due to write-down of inventory to net realizable value or slow-moving inventory were recognized as cost of operations for the three months ended March 31, 2024 and 2023.

As of March 31, 2024, December 31, 2023 and March 31, 2023, none of the combined company's inventories had been provided with pledge guarantees.

(g) Investments accounted for using equity method

A summary of the Group's financial information for investments accounted for using the equity method at the reporting date is as follows:

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Associates	<u>\$ 4,201,935</u>	<u>3,979,463</u>	<u>3,796,458</u>

1. Associates

Associates which are material to the Group consisted of the followings:

<b>Name of Associates</b>	<b>Nature of Relationship with the Group</b>	<b>Main operating location/ Registered Country of the Company</b>	<b>Proportion of shareholding and voting rights</b>		
			<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Asia Best Healthcare	Long-term care and rehabilitation services	Cayman Islands	48.47 %	48.47 %	49.38 %
Asia Best Life Care Co., Ltd.	Long-term care and rehabilitation services	Taiwan	49.38 %	49.38 %	Note

Note: Asia Best Healthcare Co., Limited with shares in its subsidiaries Asia Best Life Care Co., Ltd. was organizational reorganization on July 3, 2023. After the organizational reorganization, the company hold 49.38% equity of Asia Best Life Care Co., Ltd..

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1) Asia Best Healthcare:

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Current assets	\$ 972,839	869,569	740,912
Non-current assets	2,076,693	2,100,370	4,226,801
Current liabilities	(204,756)	(134,394)	(92,375)
Non-Current liabilities	(1,539,937)	(1,575,735)	(1,836,529)
Net assets	<u>\$ 1,304,839</u>	<u>1,259,810</u>	<u>3,038,809</u>
Net assets attributable to the Group	<u>\$ 619,675</u>	<u>597,534</u>	<u>1,540,930</u>
	<b>For the Three Months Ended March 31,</b>		
	<b>2024</b>	<b>2023</b>	
Operating revenue	\$ (1,876)	20,965	
Profit or Loss	\$ (2,149)	44,746	
Other comprehensive income	(5,816)	18,218	
Total comprehensive income	<u>\$ (7,965)</u>	<u>62,964</u>	
Dividends received	<u>\$ -</u>	<u>-</u>	

2) Asia Best Life Care Co., Ltd.:

	<b>March 31, 2024</b>	<b>December 31, 2023</b>
Current assets	\$ 689,323	620,150
Non-current assets	1,710,741	1,713,493
Current liabilities	(143,192)	(112,827)
Non-Current liabilities	(398,350)	(393,994)
Net assets	<u>\$ 1,858,522</u>	<u>1,826,822</u>
Net assets attributable to the Group	<u>\$ 974,468</u>	<u>958,815</u>
	<b>For the Three Months Ended March 31,</b>	
	<b>2024</b>	
Operating revenue	\$ 88,495	
Profit	\$ 31,700	
Other comprehensive income	-	
Total comprehensive income	<u>\$ 31,700</u>	

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The Group's financial information for investments accounted for using equity method that are individually insignificant was as follows:

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Carrying amount of individually insignificant associates' equity	<u>\$ 2,607,792</u>	<u>2,423,114</u>	<u>2,255,528</u>
		<b>For the Three Months Ended March 31,</b>	
		<b>2024</b>	<b>2023</b>
Attributable to the Group			
Profit		\$ 73,405	65,575
Other comprehensive income		53,708	53,289
Total comprehensive income		<u>\$ 127,113</u>	<u>118,864</u>

None of the Group's investments using the equity method is provided as a pledge.

**2. The unreviewed financial statements of investments accounted for using equity method**

Investments were accounted for by using the equity method, and the share of profit or loss and other comprehensive income of those investments were calculated based on the financial statements that have not been reviewed.

**(h) Acquisition of subsidiary**

**1. Acquisition of a subsidiary – Arich Best Chain Co., Ltd.**

The Company obtained control of the company by acquiring 100% of the shares of Arich Best Chain Co., Ltd. on April 6, 2023.

The main categories of consideration transferred, assets acquired and liabilities assumed on the acquisition date and the amount of goodwill recognized are as follows:

**1) The following table summarizes the acquisition date fair value of major class of consideration transferred:**

Cash	<u>\$ 31,080</u>
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2) Acquisition of identifiable asset and liabilities assumed.

The date of acquisition of identifiable asset and liabilities assumed is as follows:

Cash and cash equivalents	\$ 27,220
Accounts receivable	2,930
Other current assets	745
Property, plant and equipment	899
Other non current assets	532
Accounts payable	(864)
Other payables	(983)
Other current liabilities	(198)
The fair value of identifiable net assets	<u><u>\$ 30,281</u></u>

3) Goodwill

Goodwill arising from the acquisition has been recognized as follows:

Consideration transferred	\$ 31,080
Less: fair value of identifiable net assets	<u>(30,281)</u>
Goodwill	<u><u>\$ 799</u></u>

(i) Material non-controlling interests of subsidiaries

The material non-controlling interests of subsidiaries were as follows:

Subsidiaries	Main operating location/ Registered Country of the Company	Proportion of shareholding and voting rights		
		March 31, 2024	December 31, 2023	March 31, 2023
Dynamic	Taiwan	61.49 %	61.49 %	61.50 %
Arich	Taiwan	60.00 %	60.00 %	60.00 %

The summarized financial information below represents amounts before intragroup eliminations were as follows:

1. Collective financial information of Dynamic and its subsidiaries:

	March 31, 2024	December 31, 2023	March 31, 2023
Current assets	\$ 2,064,953	2,092,959	1,729,245
Non-current assets	1,003,997	984,062	982,327
Current liabilities	(1,219,704)	(1,079,530)	(901,506)
Non-Current liabilities	<u>(321,621)</u>	<u>(293,560)</u>	<u>(244,762)</u>
Net assets	<u><u>\$ 1,527,625</u></u>	<u><u>1,703,931</u></u>	<u><u>1,565,304</u></u>
Non-controlling interests	<u><u>\$ 838,262</u></u>	<u><u>904,945</u></u>	<u><u>861,698</u></u>



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	<b>For the Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
Operating revenue	<b>\$ 403,184</b>	<b>393,281</b>
Net income	\$ 52,117	60,142
Other comprehensive loss	(5,673)	45,661
Total comprehensive income	<b>\$ 46,444</b>	<b>105,803</b>
Profit, attributable to non-controlling interests	<b>\$ 29,149</b>	<b>34,509</b>
Comprehensive income, attributable to non-controlling interests	<b>\$ 32,624</b>	<b>7,587</b>
Net cash flows from operating activities	\$ 27,658	39,063
Net cash flows from investing activities	(9,683)	(35,929)
Net cash flows from financing activities	(18,450)	(14,744)
Effect of exchange rate changes on cash and cash equivalents	(1,103)	(4,095)
Net decrease in cash and cash equivalents	<b>\$ (1,578)</b>	<b>(15,705)</b>
Dividends paid to non-controlling interests	\$ -	-

2. Collective financial information of Arich and its subsidiaries:

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Current assets	\$ 5,021,986	4,978,887	4,386,710
Non-current assets	574,617	644,117	523,451
Current liabilities	(3,651,616)	(3,569,524)	(3,026,183)
Non-Current liabilities	(29,729)	(31,034)	(32,040)
Net assets	<b>\$ 1,915,258</b>	<b>2,022,446</b>	<b>1,851,938</b>
Non-controlling interests	<b>\$ 1,149,132</b>	<b>1,239,600</b>	<b>1,111,140</b>

	<b>For the Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
Operating revenue	<b>\$ 311,849</b>	<b>263,761</b>
Net income	\$ 21,389	17,524
Other comprehensive loss	(59,993)	1,042
Total comprehensive income	<b>\$ (38,604)</b>	<b>18,566</b>
Profit, attributable to non-controlling interests	<b>\$ 12,833</b>	<b>10,514</b>
Comprehensive income, attributable to non-controlling interests	<b>\$ (23,163)</b>	<b>11,140</b>
Net cash flows from operating activities	\$ 477,839	(162,714)
Net cash flows from investing activities	(5,998)	(28,993)
Net cash flows from financing activities	(302,765)	(10,340)
Net increase (decrease) in cash and cash equivalents	<b>\$ 169,076</b>	<b>(202,047)</b>
Dividends paid to non-controlling interests	\$ -	-

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## (j) Property, plant and equipment

The cost, depreciation, and impairment of the property, plant and equipment of the Group for the three months ended March 31, 2024 and 2023 were as follows:

	Land	Buildings	Medical equipment	Miscellaneous equipment	Leased Improvement	Equipment to be inspected and construction in progress	Total
Carrying amount:							
Balance as of January 1, 2024	\$ 133,822	155,620	245,675	203,593	9,355	24,547	772,612
Balance as of March 31, 2024	\$ 134,690	156,077	267,068	197,182	13,577	29,229	797,823
Balance as of January 1, 2023	\$ 140,184	175,479	240,246	171,413	1,412	31,576	760,310
Balance as of March 31, 2023	\$ 135,936	161,960	244,015	161,183	1,347	29,067	733,508

There were no significant additions, disposal, or recognition and reversal of impairment losses of investment property for the three months ended March 31, 2024 and 2023. Information on depreciation for the period is discussed in note (12). Please refer to note (6)(j) to the 2023 annual consolidated financial statements for other related information.

## (k) Right-of-use assets

The Group leases many assets including buildings, machinery and other equipment. Information about leases for which the Group as a lessee was presented below:

	Buildings	Machinery and equipment	Total
Cost:			
Balance as of January 1, 2024	\$ 468,383	5,873	474,256
Additions	56,970	-	56,970
Write-off	(9,385)	-	(9,385)
Effect of movements in exchange rates	635	-	635
Balance as of March 31, 2024	\$ 516,603	5,873	522,476
Balance as of January 1, 2023	\$ 390,768	2,145	392,913
Additions	1,890	2,249	4,139
Write-off	(660)	(2,145)	(2,805)
Effect of movements in exchange rates	564	-	564
Balance as of March 31, 2023	\$ 392,562	2,249	394,811
Accumulated depreciation and impairment losses:			
Balance as of January 1, 2024	\$ 174,057	1,505	175,562
Depreciation for the year	18,477	497	18,974
Write-off	(4,718)	-	(4,718)
Effect of movements in exchange rates	533	-	533
Balance as of March 31, 2024	\$ 188,349	2,002	190,351

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	<b>Buildings</b>	<b>Machinery and equipment</b>	<b>Total</b>
Balance as of January 1, 2023	\$ 124,916	536	125,452
Depreciation for the year	23,562	277	23,839
Write-off	(3)	(626)	(629)
Effect of movements in exchange rates	350	-	350
Balance as of March 31, 2023	<u>\$ 148,825</u>	<u>187</u>	<u>149,012</u>
Carrying amount:			
Balance as of January 1, 2024	<u>294,326</u>	<u>4,368</u>	<u>298,694</u>
Balance as of March 31, 2024	<u>\$ 328,254</u>	<u>3,871</u>	<u>332,125</u>
Balance as of January 1, 2023	<u>\$ 265,852</u>	<u>1,609</u>	<u>267,461</u>
Balance as of March 31, 2023	<u>\$ 243,737</u>	<u>2,062</u>	<u>245,799</u>

The Group added and modified parts of the lease contracts, resulting in an increase in right-of-use assets of \$56,970 thousand and \$4,139 thousand as of March 31, 2024 and 2023, respectively.

The Group terminated and modified parts of the lease contracts, resulting in a decrease in right-of-use assets of \$4,667 thousand and \$2,176 thousand for the three months ended March 31, 2024 and 2023, respectively.

For the three months ended March 31, 2024 and 2023, the Group leases storage room, machinery and parking space under operating lease, please refer to Note (6)(s).

**(l) Investment property**

Investment properties are the assets hold by the Group. The period of rental investment properties that cannot be terminated originally is 15 years.

	<b><u>Owned property</u></b>		
	<b><u>Land</u></b>	<b><u>Buildings</u></b>	<b><u>Total</u></b>
Book value:			
Balance at January 1, 2024	\$ <u>920,080</u>	<u>181,722</u>	<u>1,101,802</u>
Balance as of March 31, 2024	\$ <u>920,080</u>	<u>181,945</u>	<u>1,102,025</u>
Balance as of January 1, 2023	\$ <u>920,080</u>	<u>188,932</u>	<u>1,109,012</u>
Balance as of March 31, 2023	\$ <u>920,080</u>	<u>187,128</u>	<u>1,107,208</u>

There were no significant additions, disposal, or recognition and reversal of impairment losses of investment property for the three months ended March 31, 2024 and 2023. Information on depreciation for the period is discussed in note (12). Please refer to note (6)(l) to the 2023 annual consolidated financial statements for other related information.

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The fair value of investment property was not significantly different from those disclosed in note (6)(l) to the annual consolidated financial statements for the year ended December 31, 2023.

As of March 31, 2024, December 31, 2023 and March 31, 2023, the investment property of the Group had been pledged as collateral, please refer to Note (8).

(m) Intangible assets

The costs, amortization and impairment of the intangible assets of the Group for the three months ended March 31, 2024 and 2023, were as follows:

	<u>Goodwill</u>	<u>Software</u>	<u>Other intangible assets</u>	<u>Total</u>
Book value:				
Balance as of January 1, 2024	\$ <u>28,245</u>	<u>5,865</u>	<u>11,041</u>	<u>45,151</u>
Balance as of March 31, 2024	\$ <u>28,335</u>	<u>6,034</u>	<u>10,635</u>	<u>45,004</u>
Balance as of January 1, 2023	\$ <u>27,755</u>	<u>1,867</u>	<u>2,000</u>	<u>31,622</u>
Balance as of March 31, 2023	\$ <u>27,667</u>	<u>1,830</u>	<u>1,850</u>	<u>31,347</u>

There were no significant additions, disposal, or recognition and reversal of impairment losses of intangible assets for the three months ended March 31, 2024 and 2023. Information on amortization for the period is discussed in note (12). Please refer to note (6)(m) to the 2023 annual consolidated financial statements for other related information.

(n) Short-term borrowings

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Secured bank loans	\$ 305,000	535,000	370,000
Unsecured bank loans	<u>407,312</u>	<u>599,887</u>	<u>183,803</u>
Total	\$ <u>712,312</u>	<u>1,134,887</u>	<u>553,803</u>
Unused short-term credit lines	\$ <u>4,081,497</u>	<u>3,547,394</u>	<u>2,568,750</u>
Range of interest rates	<u>1.58%~7.00%</u>	<u>1.74%~7.00%</u>	<u>1.56%~7.50%</u>

Please refer to Note (8) for details of the Group's assets pledged as collateral for bank borrowings.

The Group's interest risk and sensitivity analysis of financial assets and liabilities were disclosed in Note (6)(ab).

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(o) Other payables

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Logistics services payable	\$ 3,290,260	2,961,439	2,672,276
Dividend Payable	769,474	-	628,153
Others	457,652	503,449	411,604
	<u><u>\$ 4,517,386</u></u>	<u><u>3,464,888</u></u>	<u><u>3,712,033</u></u>

(p) Refund liabilities

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Refund liabilities	\$ -	2,535	12,951

For the medicine selling contract, the Group reduces its revenue by the amount of sales discounts and expected returns, and records it as refund liabilities.

(q) Provisions

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Warranties	<u><u>\$ 16,437</u></u>	<u><u>14,922</u></u>	<u><u>13,577</u></u>
			<b>Warranties</b>
Balance as of January 1, 2024			\$ 14,922
Additions			5,280
Provisions reversed or used			(3,765)
Balance as of March 31, 2024			<u><u>\$ 16,437</u></u>
Balance as of January 1, 2023			\$ 13,886
Additions			2,856
Provisions reversed or used			(3,165)
Balance as of March 31, 2023			<u><u>\$ 13,577</u></u>
Warranties			

The provision for warranty claims represents the present value of management's best estimate of the future outflow of economic benefits that will be required under the Group's obligations for warranties under local sale of goods legislation. The estimate had been made on the basis of historical warranty trends and may vary as a result of other events affecting product quality.

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(r) Lease liabilities

The carrying amounts of lease liabilities were as follows:

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Current	<u>\$ 74,621</u>	<u>69,966</u>	<u>80,898</u>
Non-current	<u>\$ 266,486</u>	<u>236,829</u>	<u>170,965</u>

For the maturities analysis, please refer to Note (6)(ab).

The Group added and modified parts of the lease contract, resulting in an increase in lease liabilities of \$56,944 thousand and \$4,139 thousand for the three months ended March 31, 2024 and 2023, respectively.

The Group terminated and modified parts of the contract, resulting in a decrease in lease liabilities of \$4,720 thousand and \$2,219 thousand for the three months ended March 31, 2024 and 2023, respectively.

The amounts recognized in profit or loss were as follows:

	<b>For the Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
Interest on lease liabilities	<u>\$ 822</u>	<u>660</u>
Income from sub-leasing right-of-use assets	<u>\$ 5,983</u>	<u>4,571</u>
Expenses relating to short-term leases	<u>\$ 14,427</u>	<u>2,767</u>

The amounts recognized in the statement of cash flows for the Group were as follows:

	<b>For the Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
Total cash outflow for leases	<u>\$ 33,288</u>	<u>26,648</u>

1. Buildings leases

The Group leases buildings for its office space. The leases of office space typically run for a period of 2 to 10 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

The Group sub-leases some of its right-of-use assets under operating leases; please refer to Note (6)(s).

2. Other leases

The Group leases machinery and other equipment, with lease terms of 2 to 3 years. In some cases, the Group has options to purchase the assets at the end of the contract term.

The Group also leases storage room, machinery and parking space with contract terms of 1 to 3 years. These leases are short-term or leases of low-value items. The Group has elected not to recognize right-of-use assets and lease liabilities for these leases.

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(s) Operating leases

Operating leases relate to leases and subleases of housing and leases of equipments with lease terms between 1 to 10 years. The leasees does not have bargain purchase options to acquire the leased housing and equipments at the expiration of the lease periods.

A maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date are as follows:

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Within 1 year	\$ 47,294	44,309	24,228
1 to 5 years	58,503	63,640	40,927
More than 5 years	8,448	9,654	13,275
	<b><u>\$ 114,245</u></b>	<b><u>117,603</u></b>	<b><u>78,430</u></b>

(t) Employee benefits

1. Defined benefit plans

Management believes that there was no material volatility of the market, no material reimbursement and settlement or other material one time events since prior fiscal year. As a result, the pension cost in the accompanying interim period was measured and disclosed according to the actuarial report as of December 31, 2023 and 2022.

The expenses recognized in profit or loss for the Group were as follows:

	<b>For the Three Months Ended March 31, 2024</b>	<b>2023</b>
Operating costs and expenses	\$ <b><u>362</u></b>	<b><u>439</u></b>

2. Defined contribution plans

The Group's expenses for the pension plan contributions to the Bureau of Labor Insurance for the three months ended March 31, 2024 and 2023 were as follows:

	<b>For the Three Months Ended March 31, 2024</b>	<b>2023</b>
Operating costs and expenses	\$ <b><u>7,430</u></b>	<b><u>6,603</u></b>

3. The foreign Company's pension costs under the local laws were \$873 thousand and \$753 thousand for the three months ended March 31, 2024 and 2023, respectively.

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(u) Income taxes

The components of income tax for the three months ended March 31, 2024 and 2023 were as follows:

	<b>For the Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
Current tax expense		
Current period	\$ 43,667	53,640
Deferred tax expense		
Current period	3,796	1,022
Income tax expense from continuing operations	<u>\$ 47,463</u>	<u>54,662</u>

The amounts of income tax recognized in other comprehensive income for the three months ended March 31, 2024 and 2023 were as follows:

	<b>For the Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
Items that will not be reclassified subsequently to profit or loss:		
Unrealized gains (losses) on equity instruments at fair value through other comprehensive income	\$ (4,060)	(921)
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation	\$ 2,447	(842)

The Company's income tax returns for the years through 2022 were assessed by the Tax Administration.

(v) Capital and other equity

Except for the following disclosure, there was no significant change in capital and other equity for the periods from January 1 to March 31, 2024 and 2023. For the related information, please refer to note (6)(v) to the consolidated financial statements for the year ended December 31, 2023.

1.Share capital

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Number of shares authorized (in thousands)	<u>\$ 200,000</u>	<u>200,000</u>	<u>200,000</u>
Shares authorized	<u>\$ 2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>155,617</u>	<u>155,617</u>	<u>148,206</u>
Shares issued	<u>\$ 1,556,167</u>	<u>1,556,167</u>	<u>1,482,064</u>



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The Company issued 7,410 and 7,057 thousand common shares amounting to \$74,103 and \$70,574 thousand, with the date of capital increase set on September 3, 2023 and September 5, 2022, based on the resolution decided during the shareholder's meeting held on June 21, 2023 and June 21, 2022, and the approval of the Financial Supervisory Commission, R.O.C. on July 25, 2023 and August 4, 2022. All relevant statutory registration procedures had been completed as of the reporting date.

A total of 10,000 thousand shares of the Company's authorized shares are reserved for the issuance of employee share options, convertible bonds with warrants and preferred shares with warrants.

**2. Capital surplus**

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Additional paid-in capital arising from ordinary share	\$ 1,822,584	1,822,584	1,822,584
Additional paid-in capital arising from bond conversion	1,072,079	1,072,079	1,072,079
Difference between consideration and carrying amount of subsidiaries acquired or disposed	98,181	98,181	98,181
Changes in ownership interest in subsidiaries	250,872	250,872	238,938
Changes in equity of associates accounted for using equity method	-	-	730
Others	43,860	43,860	43,860
	<u><u>\$ 3,287,576</u></u>	<u><u>3,287,576</u></u>	<u><u>3,276,372</u></u>

**3. Retained earnings**

The Company's article of incorporation stipulates that Company's profit after tax should first be used to offset the prior years' deficits, including adjustment of unappropriated retained earnings and 10% of the rest be set aside as legal reserve, then the special surplus reserve shall be distributed or reversed according to the Laws acts and regulations approved by the Competent authority. The remainder, together with any undistributed retained earnings, including amount of adjusted retained earnings, shall be distributed by the Board of Directors and submitted to the stockholders' meeting for approval. The distribution of dividends, bonus, legal reserve and capital surplus, distributed by way of cash, shall be decided during the Board meeting, approved by more than half of the directors, with two thirds of directors in attendance; thereafter, to be submitted in the shareholders' meeting of the Company.

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The Company's Articles also stipulate a dividend policy which is as follows: According to the present and future development plans, the investment environment, capital requirements, domestic and overseas competition, and the benefit of shareholders, the Company should distribute dividends and bonuses to shareholders at no less than 20% of the remaining profit (which is the current net profit less losses of previous years, less the adjustment to retained earnings, and less 10% of its after-tax annual earnings as legal reserve). Dividends could be distributed in cash or shares, where cash dividends should not be less than 20% of the total dividends distributed.

According to the amendment of the R.O.C. Company Act in January 2012, the Company must retain 10% of its after-tax annual earnings as legal reserve until such retention equals the amount of total capital. When a company incurs no loss, it may, pursuant to a resolution by a shareholders' meeting, distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of capital may be distributed.

The amount of cash dividends on the appropriations of earnings for 2023, and the amount of shares dividends of appropriation of earnings for 2023, had been approved and proposed, respectively during the Board meeting on March 8, 2024, as follows:

	<b>2023</b>	
	<b>Dividend per share (\$)</b>	<b>Amount</b>
Dividends distributed to common shareholders		
Cash	\$ 3.80	591,344
Share	0.50	<u>77,808</u>
Total		<u><b>669,152</b></u>

The amounts of cash dividends on the 2022 earnings distribution had been approved during the board meeting on March 16, 2023. The amounts of stock dividends on the 2022 earnings distribution had been approved during the shareholders' meeting on June 21, 2023, as follows:

	<b>2022</b>	
	<b>Dividend per share (\$)</b>	<b>Amount</b>
Dividends distributed to common shareholders		
Cash	\$ 3.65	540,953
Share	0.50	<u>74,103</u>
Total		<u><b>615,056</b></u>

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**4. Other equity interest after tax**

	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total
Balance as of January 1, 2024	\$ (122,201)	388,865	266,664
Exchange differences on translation of foreign financial statement	117,972	-	117,972
Exchange differences on associates accounted for using equity method	(2,195)	-	(2,195)
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	-	(25,798)	(25,798)
Unrealized gains from financial assets measured at fair value through other comprehensive income, associates accounted for using equity method	-	53,083	53,083
Balance as of March 31, 2024	<u>\$ (6,424)</u>	<u>416,150</u>	<u>409,726</u>
Balance as of January 1, 2023	\$ (104,157)	201,647	97,490
Exchange differences on translation of foreign financial statement	(28,805)	-	(28,805)
Exchange differences on associates accounted for using equity method	(16,443)	-	(16,443)
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	-	29,207	29,207
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income, associates accounted for using equity method	-	78,729	78,729
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	(1,647)	(1,647)
Balance as of March 31, 2023	<u>\$ (149,405)</u>	<u>307,936</u>	<u>158,531</u>

**5. Non-controlling interests after tax**

	2024	2023
Balance at January 1	\$ 2,299,950	2,096,877
Shares attributed to non-controlling interests		
Net income	41,295	45,150
Exchange differences on translation of foreign financial statements	7,005	(3,063)
Unrealized gains or losses from financial assets measured at fair value through other comprehensive income	(45,493)	30,719
Gains or losses on remeasurements of defined benefit plans	-	-
Cash dividends of subsidiaries distributed to non controlling interests	(178,130)	(87,200)
Balance at March 31	<u>\$ 2,124,627</u>	<u>2,082,483</u>

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(w) Earnings per share

For the three months ended March 31, 2024 and 2023, the basic and diluted earnings per share were calculated as follows:

1. Basic earnings per share

	<b>For the Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
Profit attributable to ordinary shareholders of the Company	\$ <u>185,177</u>	<u>201,826</u>
Weighted average number of ordinary shares (basic)(retroactive adjustments)	<u>155,617</u>	<u>155,617</u>

2. Diluted earnings per share

	<b>For the Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
Profit attributable to ordinary shareholders of the Company	\$ <u>185,177</u>	<u>201,826</u>
Weighted average number of ordinary shares (basic)(retroactive adjustments)	155,617	155,617
Effect of employee stock compensation	<u>515</u>	<u>600</u>
Weighted average number of ordinary shares (diluted)(retroactive adjustments)	<u>156,132</u>	<u>156,217</u>

(x) Revenue from contracts with customers

1. Disaggregation of revenue

	<b>For the Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
Primary geographical markets:		
Taiwan	\$ 1,949,340	1,926,349
Hong Kong	10,844	6,823
Philippines	51,882	44,492
Malaysia	14,001	14,593
Indonesia	<u>15,970</u>	<u>14,148</u>
	<u>\$ 2,042,037</u>	<u>2,006,405</u>
Major products:		
Product revenue		
Medical equipment and Supplies	\$ 1,173,522	1,189,211
Medicines	218,209	199,723
Aesthetic medical equipment and Supplies	304,366	304,921
Household appliances	33,364	39,022
Other	<u>9,308</u>	<u>16,395</u>
Service revenue	132,884	123,731
Other operating revenue	<u>170,384</u>	<u>133,402</u>
	<u>\$ 2,042,037</u>	<u>2,006,405</u>

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2.Contract balances

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Trade receivables	\$ 5,676,686	5,939,286	5,292,081
Less: allowance for impairment	(69,924)	(66,679)	(82,411)
Total	<u>\$ 5,606,762</u>	<u>5,872,607</u>	<u>5,209,670</u>
Contract liabilities	<u>\$ 499,042</u>	<u>559,166</u>	<u>453,008</u>

For details on trade receivables and allowance for impairment, please refer to note (6)(e).

The amount of revenue recognized for the three months ended March 31, 2024 and 2023 that was included in the contract liability balance at the beginning of the period were \$196,588 thousand and \$170,402 thousand, respectively.

(y) Employee compensation and directors' remuneration

In accordance with the Articles of Incorporation, the Company should contribute no less than 1% of the profit as employee compensation and no higher than 5% as directors' remuneration when there is profit for the year. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficits. The amount of compensation for employees may be paid by shares or cash, and the recipients may include the employees of the Company's affiliated companies. The amount of remuneration to directors may only be paid in cash. Both the employee compensation and directors' remuneration should be approved by the Board of Directors and reported during the shareholders' meeting.

For the three months ended March 31, 2024 and 2023, the Company estimated its employee compensation amounting to \$11,623 thousand and \$12,696 thousand, and directors' remuneration amounting to \$5,812 thousand and \$6,348 thousand, respectively. The estimated amounts mentioned above are calculated based on the net profit before tax, excluding the compensation to employees and remuneration to directors of each period, multiplied by the percentage specified in the Company's articles. These remunerations were expensed under operating costs or expenses for each period. If there are any subsequent adjustments to the actual remuneration amounts after the annual shareholders' meeting, the adjustments will be regarded as changes in accounting estimates and will be reflected in profit or loss in the following year.

For the years ended December 31, 2023 and 2022, the compensation to employees which were paid in cash, amounted to \$47,244 thousand and \$42,529 thousand, respectively and directors' remuneration paid in cash, amounted to \$23,622 thousand and \$21,264 thousand, respectively. The information is available on the Market Observation Post System website.

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(z) Non-operating income and expenses

1. Interest Income

The details of other income were as follows:

	<b>For the Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
Interest income from bank deposits	\$ 13,477	10,691
Interest income from lease payment receivable	1,000	829
	<b>\$ 14,477</b>	<b>11,520</b>

2. Other income

The details of other income were as follows:

	<b>For the Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
Dividend income	\$ 2,643	1,386
Other income	1,578	1,392
	<b>\$ 4,221</b>	<b>2,778</b>

3. Financial costs

The details of financial costs were as follows:

	<b>For the Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
Interest expense from bank borrowings	\$ 4,250	2,187
Others	820	1,056
	<b>\$ 5,070</b>	<b>3,243</b>

4. Other gains and losses

The details of other gains and losses were as follows:

	<b>For the Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
Gains on disposal of property, plant, and equipment	\$ -	20,430
Gains on disposals of investments	-	37
Foreign exchange gains	6,487	1,981
Net gains or losses on financial assets (liabilities) measured at fair value through profit or loss	222	340
Others	65	7,399
	<b>\$ 6,774</b>	<b>30,187</b>

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(aa) Reclassification adjustments of components of other comprehensive income

The details of reclassification of other comprehensive income were as follows:

	<b>For the Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
Equity instruments at fair value through other comprehensive income		
Net changes in fair value	\$ (75,351)	57,358
Net changes of fair value reclassified to retained earnings	-	1,647
Net gains or losses recognized in other comprehensive income	<u>\$ (75,351)</u>	<u>59,005</u>

(ab) Financial instruments

Except for the contention mentioned below, there was no significant change in the fair value of the Group's financial instruments and degree of exposure to credit risk, liquidity risk and market risk arising from financial instruments. For related information, please refer to note (6)(ab) to the consolidated financial statements for the year ended December 31, 2023.

1. Liquidity risks

The following are the contractual maturities of financial liabilities of the Group, excluding the impact of netting arrangements:

	<b>Carrying amount</b>	<b>Contractual cash flow</b>	<b>On Demand or Less than 1 month</b>	<b>1-3 months</b>	<b>3-6 months</b>	<b>6-12 months</b>	<b>1-2 years</b>	<b>More than 2 years</b>
<b>March 31, 2024</b>								
Non-derivative financial liabilities								
Short-term borrowings	\$ 712,312	712,312	31,962	580,350	-	100,000	-	-
Deposits received	4,189	4,189	-	-	-	-	-	4,189
Payables	5,642,583	5,642,583	1,472,677	4,010,510	84,038	75,348	-	10
Lease liabilities	341,107	341,107	6,290	12,541	19,446	36,344	60,794	205,692
Derivative financial liabilities								
Foreign exchange forward contracts:								
Outflows	14,868	14,868	-	14,868	-	-	-	-
Inflows	(14,807)	(14,807)	-	(14,807)	-	-	-	-
	<u>\$ 6,700,252</u>	<u>6,700,252</u>	<u>1,510,929</u>	<u>4,603,462</u>	<u>103,484</u>	<u>211,692</u>	<u>60,794</u>	<u>209,891</u>
<b>December 31, 2023</b>								
Non-derivative financial liabilities								
Short-term borrowings	\$ 1,134,887	1,134,887	344,537	690,350	-	100,000	-	-
Deposits received	4,185	4,185	-	-	-	-	-	4,185
Payables	4,439,614	4,439,614	788,870	3,514,634	61,337	74,763	-	10
Lease liabilities	306,795	306,795	6,270	11,605	17,568	34,523	59,252	177,577
	<u>\$ 5,885,481</u>	<u>5,885,481</u>	<u>1,139,677</u>	<u>4,216,589</u>	<u>78,905</u>	<u>209,286</u>	<u>59,252</u>	<u>181,772</u>

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	Carrying amount	Contractual cash flow	On Demand or Less than 1 month	1-3 months	3-6 months	6-12 months	1-2 years	More than 2 years
<b>March 31, 2023</b>								
Non-derivative financial liabilities								
Short-term borrowings	\$ 553,803	553,803	174,531	379,272	-	-	-	-
Deposits received	4,140	4,140	-	-	-	-	-	4,140
Payables	4,750,360	4,750,360	1,343,148	3,240,664	102,127	62,411	2,000	10
Lease liabilities	251,863	251,863	8,008	14,795	22,520	35,178	79,808	91,554
Derivative financial liabilities								
Foreign exchange forward contracts:								
Outflows	24,826	24,826	-	24,826	-	-	-	-
Inflows	(24,697)	(24,697)	-	(24,697)	-	-	-	-
	<u>\$ 5,560,295</u>	<u>5,560,295</u>	<u>1,525,687</u>	<u>3,634,860</u>	<u>124,647</u>	<u>97,589</u>	<u>81,808</u>	<u>95,704</u>

The Group is not expecting that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

## 2. Market risks

### 1) Currency risks

The Group's significant exposure to foreign currency risk of financial assets and liabilities were as follows:

Functional currency	Exchange rate	Currency	March 31, 2024	
			Foreign currency (in thousands)	Carrying amount (TWD)
<u>Financial assets</u>				
<u>Monetary items</u>				
TWD	32.000	USD	\$ 5,614	179,640
TWD	0.212	JPY	151,634	32,070
TWD	34.460	EUR	75	2,588
HKD	4.089	USD	9,445	302,243
MYR	4.926	USD	294	9,408
<u>Non-Monetary items</u>				
TWD	0.024	KRW	3,939,582	94,156
USD	0.031	TWD	758,037	758,037
USD	0.138	CNY	31,530	139,034
USD	0.128	HKD	304,940	1,245,410
USD	0.203	MYR	44,627	289,897



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			<b>March 31, 2024</b>	
<u>Functional currency</u>	<u>Exchange rate</u>	<u>Currency</u>	<u>Foreign currency (in thousands)</u>	<u>Carrying amount (TWD)</u>
<u>Financial liabilities</u>				
<u>Monetary items</u>				
TWD	0.212	JPY	351,052	74,247
TWD	32.000	USD	1,315	42,079
PHP	56.209	USD	949	30,368
			<b>December 31, 2023</b>	
<u>Functional currency</u>	<u>Exchange rate</u>	<u>Currency</u>	<u>Foreign currency (in thousands)</u>	<u>Carrying amount (TWD)</u>
<u>Financial assets</u>				
<u>Monetary items</u>				
TWD	30.705	USD	\$ 6,884	211,370
TWD	0.217	JPY	165,137	35,868
TWD	33.980	EUR	732	24,877
HKD	7.815	USD	9,221	283,126
<u>Non-Monetary items</u>				
TWD	0.024	KRW	4,745,750	113,423
USD	0.033	TWD	743,644	743,644
USD	0.141	CNY	31,469	136,245
USD	0.128	HKD	290,295	1,140,927
USD	0.209	MYR	47,801	306,461
<u>Financial liabilities</u>				
<u>Monetary items</u>				
TWD	0.217	JPY	337,035	73,204
TWD	30.705	USD	958	29,414

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			March 31, 2023	
Functional currency	Exchange rate	Currency	Foreign currency (in thousands)	Carrying amount (TWD)
Financial assets				
Monetary items				
TWD	30.450	USD	\$ 7,893	240,333
TWD	0.229	JPY	196,519	44,964
TWD	33.150	EUR	282	9,353
HKD	7.850	USD	8,773	267,135
Non-Monetary items				
TWD	0.024	KRW	6,727,500	158,500
USD	0.033	TWD	155,933	115,933
USD	0.146	CNY	31,212	138,284
USD	0.127	HKD	285,203	1,106,397
USD	0.217	MYR	29,011	191,962
Financial liabilities				
Monetary items				
TWD	0.229	JPY	423,916	96,992
TWD	30.450	USD	1,651	50,270
PHP	54.356	USD	811	24,695

Since the Group has many kinds of currency, the information on foreign exchange gains or losses on monetary items is disclosed by total amount. For the three months ended March 31, 2024 and 2023, foreign exchange gains or losses amounted to gains of \$6,487 thousand and gains of \$1,981 thousand, respectively.

2) Sensitivity analysis

The Group's foreign exchange exposure to foreign currency risk arises from foreign currency exchange fluctuations on cash and cash equivalents, accounts receivables and accounts payables. Assuming other variables remain the same, a 1% depreciation or appreciation of the TWD against foreign currency as of March 31, 2024 and 2023 would have increased or decreased the net profit after tax by \$2,974 thousand and \$3,276 thousand, respectively. The analysis is performed on the same basis for both periods.

3) Interest rate risk

The Group's financial assets and financial liabilities with interest rate exposure risk were noted in the liquidity risk section.

The following sensitivity analysis is based on the exposure to the interest rate risk of derivative and non-derivative financial instruments on the reporting date. Regarding liabilities with variable interest rates, the analysis is based on the assumption that the amount of liabilities outstanding at the reporting date was outstanding throughout the year.

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If the interest rate increases or decreases by 1%, assuming that all other variables remain constant, the Group's profit will decrease or increase by \$14,451 thousand and \$11,914 thousand for the three months ended March 31, 2024 and 2023, respectively. The changes are mainly due to floating rate bank deposits and borrowings of the Group.

4) Other price risks

Assuming that the analysis is performed on the same basis for both periods, if equity prices had been 1% higher/lower, pre-tax other comprehensive income for the three months ended March 31, 2024 and 2023 would have increased/decreased by \$6,411 thousand and \$7,406 thousand, respectively, as a result of the changes in fair values of financial assets at fair value through other comprehensive income.

3. Fair value information

1) The categories and fair values of financial instruments

The fair value of financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income is measured on a recurring basis. The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required:

	March 31, 2024				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
<b>Financial assets at fair value through other comprehensive income</b>					
Foreign listed shares	\$ 101,442	101,442	-	-	101,442
Domestic unlisted shares	149,170	-	-	149,170	149,170
Foreign unlisted shares	390,468	-	-	390,468	390,468
Sub-total	<u>641,080</u>	<u>101,442</u>	<u>-</u>	<u>539,638</u>	<u>641,080</u>
<b>Financial assets at amortized cost</b>					
Cash and cash equivalents	2,898,852	-	-	-	-
Time deposits with original maturity of more than 3 months	771,041	-	-	-	-
Receivables	5,606,762	-	-	-	-
Guarantee deposit paid	182,683	-	-	-	-
Other financial assets	69,486	-	-	-	-
Sub-total	<u>9,528,824</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<u><b>\$ 10,169,904</b></u>	<u><b>101,442</b></u>	<u><b>-</b></u>	<u><b>539,638</b></u>	<u><b>641,080</b></u>

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<b>March 31, 2024</b>					
	<b>Book value</b>	<b>Fair value</b>			<b>Total</b>
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
<b>Financial liabilities at fair value through profit or loss</b>					
Derivative financial liabilities	\$ 61	-	61	-	61
<b>Financial liabilities at amortized cost</b>					
Short-term borrowings	712,312	-	-	-	-
Payables	5,642,583	-	-	-	-
Deposits received	4,189	-	-	-	-
Lease liabilities	341,107	-	-	-	-
Sub-total	6,700,191	-	-	-	-
<b>Total</b>	<b>\$ 6,700,252</b>	<b>-</b>	<b>61</b>	<b>-</b>	<b>61</b>
<b>December 31, 2023</b>					
	<b>Book value</b>	<b>Fair value</b>			<b>Total</b>
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
<b>Financial assets at fair value through other comprehensive income</b>					
Foreign listed shares	\$ 121,737	121,737	-	-	121,737
Domestic unlisted shares	141,832	-	-	141,832	141,832
Foreign unlisted shares	452,738	-	-	452,738	452,738
Sub-total	716,307	121,737	-	594,570	716,307
<b>Financial assets at amortized cost</b>					
Cash and cash equivalents	2,614,786	-	-	-	-
Time deposits with original maturity of more than 3 months	768,167	-	-	-	-
Receivables	5,872,607	-	-	-	-
Guarantee deposit paid	183,405	-	-	-	-
Other financial assets	60,615	-	-	-	-
Sub-total	9,499,580	-	-	-	-
<b>Total</b>	<b>\$ 10,215,887</b>	<b>121,737</b>	<b>-</b>	<b>594,570</b>	<b>716,307</b>

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		December 31, 2023			
		Fair value			
	Book value	Level 1	Level 2	Level 3	Total
Financial liabilities at amortized cost					
Short-term borrowings	\$ 1,134,887	-	-	-	-
Payables	4,439,614	-	-	-	-
Deposits received	4,185	-	-	-	-
Lease liabilities	306,795	-	-	-	-
Total	\$ 5,885,481	-	-	-	-
		March 31, 2023			
		Fair value			
	Book value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Derivative financial assets	\$ 469	-	469	-	469
Financial assets at fair value through other comprehensive income					
Domestic listed shares	81,964	81,964	-	-	81,964
Foreign listed shares	171,261	171,261	-	-	171,261
Domestic unlisted shares	144,574	-	-	144,574	144,574
Foreign unlisted shares	342,838	-	-	342,838	342,838
Sub-total	740,637	253,225	-	487,412	740,637
Financial assets at amortized cost					
Cash and cash equivalents	2,326,422	-	-	-	-
Time deposits with original maturity of more than 3 months	742,152	-	-	-	-
Receivables	5,209,670	-	-	-	-
Guarantee deposit paid	142,570	-	-	-	-
Other financial assets	74,498	-	-	-	-
Sub-total	8,495,312	-	-	-	-
Total	\$ 9,236,418	253,225	469	487,412	741,106

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	March 31, 2023				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
<b>Financial liabilities at fair value through profit or loss</b>					
Derivative financial liabilities	\$ 129	-	129	-	129
<b>Financial liabilities at amortized cost</b>					
Short-term borrowings	553,803	-	-	-	-
Payables	4,750,360	-	-	-	-
Deposits received	4,140	-	-	-	-
Lease liabilities	251,863	-	-	-	-
Sub-total	5,560,166	-	-	-	-
Total	<u>\$ 5,560,295</u>	<u>-</u>	<u>129</u>	<u>-</u>	<u>129</u>

2) Valuation techniques for financial instruments not measured at fair value

The Group's valuation techniques and assumptions used for financial instruments not measured at fair value are as follows:

A. Financial assets measured at amortized cost

If the quoted prices in active markets are available, the market price is established as the fair value. However, if quoted prices in active markets are not available, the estimated valuation or prices used by competitors are adopted.

B. Financial liabilities measured at amortized cost

If there is quoted price generated by transactions, the recent transaction price and quoted price data is used as the basis for fair value measurement. However, if no quoted prices are available, the discounted cash flows are used to estimated fair values.

3) Valuation techniques for financial instruments measured at fair value

The Group considers the financial status, operating analysis, most recent transaction price, non-active market quoted price of related equity instrument, and active-market quoted price of similar instrument, and other information, in determining the input value of its investee companies. Periodically updates of information and input value for the valuation model and any necessary adjustments of fair value are required to ensure that the results of estimation are reasonable.

A. Non-derivative financial instruments

If quoted prices in active markets are available, the prices are established as fair values, such as public quoted company stock.

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For the Group's financial instruments that have no active markets, the measurement of fair values is listed as follows:

Equity instrument that has no quoted price: The method of comparable Listed Company approach is used to estimate the fair value. The main assumption for the method is to determine the fair value by using the transaction price paid for an identical or a similar instrument of an investee.

**B. Derivative financial instruments**

Derivative financial instruments are measured by using the common valuation models such as discounted cash flow model and Black-Scholes model.

**4) Changes in level 3 of the fair value**

	<b>Fair value through other comprehensive income</b>
	<b>unquoted equity instruments</b>
Balance as of January 1, 2024	\$ 594,570
Total gains and losses recognized	
In other comprehensive income	(55,043)
Reclassification and effect of movements in exchange rates	111
Balance as of March 31, 2024	<u><u>\$ 539,638</u></u>
Balance as of January 1, 2023	\$ 478,937
Total gains and losses recognized	
In other comprehensive income	8,529
Reclassification and effect of movements in exchange rates	(54)
Balance as of March 31, 2023	<u><u>\$ 487,412</u></u>

For the years ended March 31, 2024 and 2023, total gains and losses included in "other gains and losses", and "unrealized gains and losses from financial assets at fair value through other comprehensive income" were as follows:

	<b>For the Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
Total gains and losses recognized		
In other comprehensive income, and presented in "unrealized gains and losses from financial assets at fair value through other comprehensive income"	\$ (55,043)	8,529

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- 5) Quantified information for significant unobservable inputs (level 3) used in fair value measurement

The Group's financial instruments that use Level 3 inputs to measure fair value include "financial assets at fair value through other comprehensive income— equity investments without active market".

Quantified information of significant unobservable inputs was as follows:

<b>Item</b>	<b>Valuation techniques</b>	<b>Significant non-observable inputs</b>	<b>The relationship between significant Non-observable inputs and fair value</b>
Financial assets at fair value through other comprehensive income - equity instruments investments without an active market	Comparable Listed Companies Method	<ul style="list-style-type: none"> <li>· EV/Revenue Value Multiple (3.19, 2.10~2.38 and 3.09 as of March 31, 2024, December 31, 2023 and March 31, 2023, respectively. )</li> <li>· P/B Value Multiple (1.06~2.71, 1.83~3.23 and 1.06~3.51 as of March 31, 2024, December 31, 2023 and March 31, 2023, respectively. )</li> <li>· P/E Value Multiple (21.92 and 24.95 as of March 31, 2024 and December 31, 2023, respectively. )</li> <li>· Discount due to Lack of Market liquidity (12.17%~29.06%, 13.37%~30.00% and 17.57%~30.00% as of March 31, 2024, December 31, 2023 and March 31, 2023, respectively. )</li> </ul>	<ul style="list-style-type: none"> <li>· The estimated fair value would increase (decrease) if the value multiple is higher (lower) and the marketability discount is lower (higher)</li> </ul>



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6) Sensitivity analysis for fair values of financial instruments using Level 3 Inputs

The Group's fair value measurement on financial instruments is reasonable. However, the measurement would differ if different valuation models or valuation parameters are used. For financial instruments using level 3 inputs, if the valuation parameters are changed, the impact on net income or loss and other comprehensive income or loss will be as follows:

			Impact on Fair Value Change on Other Comprehensive income or loss	
	Input	Variation	Favorable Change	Unfavorable Change
March 31, 2024				
Financial assets at fair value through other comprehensive income				
Equity instruments without an active market	Value Multiple	5%	\$ 22,686	(22,686)
Equity instruments without an active market	Discount due to Lack of Market liquidity	5%	36,653	(36,653)
			<u>\$ 59,339</u>	<u>(59,339)</u>
December 31, 2023				
Financial assets at fair value through other comprehensive income				
Equity instruments without an active market	Value Multiple	5%	\$ 18,167	(18,167)
Equity instruments without an active market	Discount due to Lack of Market liquidity	5%	35,557	(35,557)
			<u>53,724</u>	<u>(53,724)</u>
March 31, 2023				
Financial assets at fair value through other comprehensive income				
Equity instruments without an active market	Value Multiple	5%	\$ 23,984	(23,984)
Equity instruments without an active market	Discount due to Lack of Market liquidity	5%	32,856	(32,856)
			<u>\$ 56,840</u>	<u>(56,840)</u>

(ac) Financial risk management

There were no significant differences of the Group's financial risk management and policies with those disclosed in Note (6)(ac) of the consolidated financial statements for the year ended December 31, 2023.

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(ad) Capital Management

Management believes that the objectives, policies and processes of capital management of the Group have been applied consistently with those described in the consolidated financial statements for the year ended December 31, 2023. Also, management believes that there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2023. Please refer to note (6)(ad) to the consolidated financial statement for the year ended December 31, 2023 for further details.

(ae) Investing and financing activities not affecting current cash flow

The Group's investing and financing activities which did not affect the current cash flow in the three months ended March 31, 2024 and 2023, were as follows:

For acquisitions of right-of-use assets by leasing, please refer to note 6(k).

Reconciliation of liabilities arising from financing activities were as follows:

			Non-cash changes			March 31, 2024
			Acquisition	Foreign exchange movement	Others	
Short-term and long-term borrowings	January 1, 2024	Cash flows				
	\$ 1,134,887	(422,575)	-	-	-	712,312
Lease liabilities	306,795	(18,039)	56,944	127	(4,720)	341,107
Total liabilities from financing activities	<u>\$ 1,441,682</u>	<u>(440,614)</u>	<u>56,944</u>	<u>127</u>	<u>(4,720)</u>	<u>1,053,419</u>

  

			Non-cash changes			March 31, 2023
			Acquisition	Foreign exchange movement	Others	
Short-term and long-term borrowings	January 1, 2023	Cash flows				
	\$ 535,134	18,669	-	-	-	553,803
Lease liabilities	272,916	(23,221)	4,139	248	(2,219)	251,863
Total liabilities from financing activities	<u>\$ 808,050</u>	<u>(4,552)</u>	<u>4,139</u>	<u>248</u>	<u>(2,219)</u>	<u>805,666</u>

**(7) Related Party Transactions**

(a) Names of related parties and their relationship with related parties

The followings are related parties that have had transactions with the Group during the periods covered in the consolidated financial statements.

<u>Name of related party</u>	<u>Relationship with the Group</u>
Arich Best Chain Co., Ltd.(Arich Best Chain)	Subsidiary (Note 1)
Excelsior Investment Co., Ltd.	Entities with significant influence over the Group
Excelsior Group Holdings Co., Ltd.	"
Bestchain Healthtaiwan Co., Ltd. (Bestchain)	Associate
Excelsior Renal Service Co., Limited (ERS)	"
Asia Best Healthcare Co., Limited (ABH)	"

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<u>Name of related party</u>	<u>Relationship with the Group</u>
Medifly Co., Ltd.	Associate
Asia Best Life Care Co., Ltd. (Former name: Asia Best Life Care Technology Co., Ltd.)	"
Excelsior Long Term Care Corporation Entity	"
Medytox Taiwan Inc.	"
Touce Biotech Co., Ltd.	"
Bestsmile Co., Ltd.	"
Exceed Healthcare Co., Ltd	"
Anxin Nice Care Co., Ltd.	"
NephroCare Limited	"
Cardinal Medical Services Ltd.	"
Visionfront Corporation	Associate (Note 2)
Excelsior Health Foundation	Other related parties
SciVision Biotech Inc.	Other related parties(Other related parties before June, 2023)

Note 1: Other related parties until April 2023, the Group acquired 100% equity in Arich Best Chain Co., Ltd. ,in April 2023.

Note 2: Visionfront Corporation and Bestchain were merged and dissolved with January 30, 2023, as the merger dissolution date.

(b) Significant transactions with related parties

1. Operating revenue

1) Sales revenue

The amounts of significant sales by the Group to related parties were as follows:

	<u>For the Three Months Ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
Associate — Bestchain	\$ 594,147	616,515
Associate — ERS	179,706	186,524
Associate — Others	64,581	66,896
	<u>\$ 838,434</u>	<u>869,935</u>

The aforementioned transactions, except the sales to Bestchain and ERS that were priced on a cost-plus basis, were conducted on normal commercial terms.

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2) Repair and maintenance revenue

The amounts of significant repair and maintenance revenue by the Group to related parties were as follows:

	<b>For the Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
Associate — ERS	\$ 24,052	23,020
Associate — Bestchain	1,233	327
	<b>\$ 25,285</b>	<b>23,347</b>

3) Other operating revenue-rental revenue

The amounts of significant other operating revenue-rental revenue by the Group to related parties were as follows:

	<b>For the Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
Entities with significant influence over the Group	\$ 18	18
Associate — ABH	4,200	4,199
Associate — ERS	690	1,208
Associate — Others	507	472
Other related parties	16	14
	<b>\$ 5,431</b>	<b>5,911</b>

4) Other operating revenue-service revenue

The amounts of significant other operating revenue-service revenue by the Group to related parties were as follows:

	<b>For the Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
Associate	\$ 3,743	3,458
Other related parties	71	71
	<b>\$ 3,814</b>	<b>3,529</b>

2. Purchases from related parties

The amounts of significant purchases by the Group from related parties were as follows:

	<b>For the Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
Associate	\$ 40,389	45,763

There is no significant difference in terms and conditions of the purchases from associates between those provided to the third parties.

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**3.Receivables from related parties**

Receivables from related parties were as follows:

<b>Accounted for as</b>	<b>Category of related party</b>	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Notes receivable	Associate	\$ 797	434	13
Other notes receivable	Associate	515	237	1,325
Accounts receivable	Associate—Bestchain	626,908	762,025	650,486
Accounts receivable	Associate—ERS	141,066	153,784	158,797
Accounts receivable	Associate—Others	47,293	41,301	49,859
Accounts receivable	Other related parties	88	8	36
Other receivables	Associate	7,130	9,146	3,480
		<u>\$ 823,797</u>	<u>966,935</u>	<u>863,996</u>

**4.Payables to related parties**

Payables to related parties were as follows:

<b>Accounted for as</b>	<b>Category of related party</b>	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Accounts payable	Associate	\$ 13,153	8,820	3,521
Other payables	Associate	12,389	14,006	8,069
		<u>\$ 25,542</u>	<u>22,826</u>	<u>11,590</u>

**5.Prepayments**

Prepayments to related parties were as follows:

	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>
Associate	<u>\$ 16,758</u>	<u>24,324</u>	<u>-</u>

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**6. Property transactions****1) Acquisitions of financial assets**

The acquisitions of financial assets from related parties are summarized as follows:

Relationship	Account	For the Three Months Ended March 31,		
		2023		
		Number of shares	Purpose	Acquisition price
Associate – Bestchain	Investments accounted for using equity method	1,512,341	Ordinary shares of Bestchain	<u>24,213</u>

**2) Disposals of financial assets**

The disposals of financial assets to related parties are summarized as follows:

Relationship	Account	For the Three Months Ended March 31,			
		2023			
		Number of shares	Purpose	Disposal price	Gain (loss) on disposal
Associate – Bestchain	Investments accounted for using equity method	2,434,870	Ordinary shares of Visionfront Corporation	<u>24,213</u>	<u>2,836</u>

Note: Bestchain Healthtaiwan Co., Ltd. absorbed and merged with Visionfront Corporation. After the merger, Visionfront Corporation was the extinguished company, and Bestchain Healthtaiwan Co., Ltd. was the surviving company. Therefore, the number of shares of Visionfront Corporation held by the Company was exchanged for shares of Bestchain Healthtaiwan Co., Ltd. on January 30, 2023.

**7. Guarantee**

As of March 31, 2024, December 31, 2023 and March 31, 2023, the Group provided associates guarantees for loans. The credit limit of the guarantees were \$500,000 thousand, \$700,000 thousand and \$400,000 thousand, and the amount utilized were \$250,000 thousand, \$150,000 thousand and \$0, respectively.

**8. Others**

	For the Three Months Ended March 31,	
	2024	2023
<u>Associates and Other related parties</u>		
Other revenue	\$ 588	1,105
Cost of goods sold	(1,088)	(1,090)
Repair and maintenance costs	(1,603)	(786)
Fright and warehousing expense	(11,840)	(10,765)
Rent expense	(460)	(643)
Other expense	(5,959)	(6,965)
	<u>\$ (20,362)</u>	<u>(19,144)</u>

The aforementioned rentals collected or paid quarterly or monthly were based on prevailing market rates.

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As of March 31, 2024, December 31, 2023 and March 31, 2023, the Group had received collections in advance from associates for \$206 thousand, \$327 thousand and \$281 thousand, respectively.

(c) Key management personnel compensation

Key management personnel compensation comprised:

	For the Three Months Ended March 31,	
	2024	2023
Short-term employee benefits	\$ 23,085	24,656
Post-employment benefit	386	480
	<u>\$ 23,471</u>	<u>25,136</u>

**(8) Pledged Assets**

The carrying amount of pledged assets were as follows:

Pledged assets	Object	March 31, 2024	December 31, 2023	March 31, 2023
Current deposits and time deposits	Bank loans, bank guarantee and credit card document receiving service guarantee	\$ 68,137	60,941	73,668
Notes receivable and other notes receivable	Guarantee of short-term loan or strengthening credit	221,501	190,717	109,653
Property, plant and equipment	Bank loans	88,026	87,295	91,412
Investment property	"	845,716	990,178	849,585
Refundable deposits (Recognized in other non current financial assets)	Guarantee for sales performance, deposits and lease deposits, etc.	182,683	183,405	142,570
		<u>\$ 1,406,063</u>	<u>1,512,536</u>	<u>1,266,888</u>

**(9) Significant Commitments and Contingencies**

(a) Unrecognized contractual commitments

1. As of March 31, 2024, December 31, 2023 and March 31, 2023, the unused letters of credit were \$49,587 thousand, \$103,442 thousand and \$75,333 thousand, respectively. The guarantee letters issued by banks for sales contract guarantee and purchase bid of hospital were \$642,691 thousand, \$621,308 thousand and \$352,867 thousand, respectively.
2. In April 2022, the Company entered into a supply agreement with the Hong Kong-based company. Pursuant to the agreement, the Company shall purchase certain products from the Hong Kong-based company in agreed quantities at agreed prices annually.

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**(10) Losses due to Major Disasters : None.**

**(11) Subsequent Events : None.**

**(12) Other**

- (a) The employee benefits, depreciation, depletion and amortization expenses categorized by function were as follows:

By item	By function	For the Three Months Ended March 31, 2024			For the Three Months Ended March 31, 2023		
		Operating cost	Operating expense	Total	Operating cost	Operating expense	Total
Employee benefits							
Salary		67,450	122,782	190,232	57,092	122,609	179,701
Labor and health insurance		6,730	10,497	17,227	5,786	9,647	15,433
Pension		3,182	5,483	8,665	2,780	5,015	7,795
Others		2,957	5,103	8,060	3,110	4,666	7,776
Depreciation		49,861	12,117	61,978	50,154	11,913	62,067
Amortization		293	1,037	1,330	299	490	789

**(13) Other disclosures**

- (a) Information on significant transactions

The following is the information on significant transactions required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” for the Group for the three months ended March 31, 2024:

1. Fund financing to other parties: None.
2. Guarantees and endorsements for other parties:

(Expressed in thousands of New Taiwan dollars)

No.	Endorsement/ guarantee provider	Counter-party		Limitation on endorsement /guarantee amount provided to each guaranteed party	Maximum balance for the year	Ending balance	Amount actually drawn	Amount of endorsement/ guarantee collateralized by properties	Ratio of accumulated endorsement/guar antee to net equity per latest financial statements	Maximum endorsement guarantee amount allowance (Note 7)	Guarantee provided by parent company	Guarantee provided by a subsidiary	Guarantee provided to subsidiaries in Mainland China
		Name	Nature of relationship (Note 2)										
0	The Company	Excelsior Asset Management CO., Ltd. (Note 4)	2	1,669,686	990,000	570,000	95,350	-	6.83 %	8,348,429	Y	N	N
0	"	EG Healthcare, Inc. (Note 4)	2	1,669,686	60,465	60,465	11,955	-	0.72 %	8,348,429	Y	N	N
0	"	Renal Laboratories Sdn. Bhd. (Note 4)	2	1,669,686	80,000	80,000	-	-	0.96 %	8,348,429	Y	N	N
0	"	Medi-Chem System Sdn. Bhd. (Note 4)	2	1,669,686	16,000	16,000	-	-	0.19 %	8,348,429	Y	N	N
0	"	Excelsior Renal Service Co., Limited (Note 3)	1	736,106	-	-	-	-	- %	8,348,429	N	N	N
0	"	Bestchain Healthtaiwan Co., Ltd. (Note 3)	1	2,519,118	700,000	500,000	250,000	-	5.99 %	8,348,429	N	N	N



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No.	Endorsement/ guarantee provider	Counter-party		Limitation on endorsement /guarantee amount provided to each guaranteed party	Maximum balance for the year	Ending balance	Amount actually drawn	Amount of endorsement/ guarantee collateralized by properties	Ratio of accumulated endorsement/guar- antee to net equity per latest financial statements	Maximum endorsement guarantee amount allowance (Note 7)	Guarantee provided by parent company	Guarantee provided by a subsidiary	Guarantee provided to subsidiaries in Mainland China
		Name	Nature of relationship (Note 2)										
1	Dynamic Medical Technologies Inc.	CYJ International Taiwan Inc. (Note 5)	2	271,185	100,000	100,000	100,000	-	7.38 %	677,963	Y	N	N
2	Arich Best Chain Co., Ltd.	Arich Enterprise Co., Ltd. (Note 6)	3	9,085	-	-	-	-	- %	15,142	N	Y	N

Note 1: the description of number column:

1. 0 is issuer.

2. Investees are listed by name and numbered starting with 1.

Note 2: Relationship with the Company

1. The companies with which it has business relations.

2. Subsidiaries in which the Company directly or indirectly holds more than 50% of its total outstanding common shares.

3. The parent company which directly or indirectly holds more than 50% of its voting rights.

4. Subsidiaries in which the Company directly or indirectly holds more than 90% of its voting rights.

5. Companies in the same type of business and providing mutual endorsements/ guarantees in favor of each other in accordance with the contractual obligations in order to fulfill the needs of the construction project.

6. Shareholders making endorsements and/or guarantees for their mutually invested company in proportion to their shareholding percentage.

7. Companies in the same type of business providing guarantees of pre-sale contracts according to the regulation.

Note 3: For guarantee and endorsement to those companies with business contact, the maximum amount cannot exceed the trading amount between two parties for the current year.

Note 4: The total amount of guarantee and endorsement cannot exceed 20% of the Company's net asset value from the most recent audited or reviewed report.

Note 5: The total amount of guarantee and endorsement cannot exceed 20% of of Dynamic's net asset value from the most recent audited or reviewed report.

Note 6: The total amount of guarantee and endorsement cannot exceed 30% of Arich Best Chain's net asset value from the most recent audited or reviewed report.

Note 7: The total amount of guarantee and endorsement cannot exceed the Company's net asset value from the most recent audited or review report: Dynamic and Arich Best Chain cannot exceed 50% of their net asset value from the most recent audited or reviewed report.

**3. Information regarding securities held at balance sheet date (excluding investment in subsidiaries, associates and joint ventures):**

(Expressed in thousands of New Taiwan dollars)

Name of holder	Category and name of security	Relationship with the Company	Account title	Ending balance				Notes
				Number of shares	Book value	Percentage of shares	Market value	
The Company	<u>Stock</u> 3-D Matrix, Ltd.	-	Fair value through other comprehensive income	273,400	7,286	0.34 %	7,286	
"	Gie Cheng Co., Ltd.	-	"	3,795,000	33,472	17.25 %	33,472	
"	Rui Guang Healthcare Co., Ltd.	-	"	2,423,951	47,873	7.15 %	47,873	
"	Sunder Biomedical Tech. Co., Ltd.	-	"	2,279,578	53,820	3.80	53,820	
"	Linkon International Golf & Country Club	-	"	1	10,900	0.10 %	10,900	
	<u>Stock</u>							
Excelsior Healthcare Co.Limited	Chai Tai Bo Ai Investment Limited	-	"	10,000	-	8.00 %	-	
EG Healthcare, Inc.	The Orchard Golf & Country Club	-	"	1	1,994	-	1,994	
Dynamic Medical Technologies Inc.	Caregen Co., Ltd.	-	"	172,500	94,156	0.32 %	94,156	
Excelsior Beauty Co., Ltd.	Join Fun Co., Ltd.	-	"	263,340	3,105	19.00 %	3,105	
Arich Enterprise Co., Ltd.	National Pharmaceutical Logistics Corp., Ltd.	Board director of investee	"	-	388,474	17.65 %	388,474	

Note : Act as limited company, no outstanding share.

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4. Accumulated buying/selling of the same marketable securities for which the amount reaches \$300 million or 20% or more of paid-in capital: None.
5. Acquisition of real estate for which the amount reaches \$300 million or 20% or more of paid-in capital : None.
6. Disposition of real estate for which the amount reaches \$300 million or 20% or more of paid-in capital: None.
7. Buying/selling products with the amount reaches \$100 million or 20% or more of paid-in capital:

(Expressed in thousands of New Taiwan dollars)

Name of company	Name of Counter-party	Relationship	Transaction details				Transactions with terms different from others		Account/note receivable (payable)		Notes
			Purchase/Sale	Amount	Percentage of total purchases/sales	Credit period	Unit price	Credit period	Balance	Percentage of total accounts/notes receivable (payable)	
The Company	Excelsior Renal Service Co., Limited	Associates	Sales	(179,706)	(14.91)%	Net 30-60 days	-		141,066	11.49 %	Note 1
"	Bestchain Healthtaiwan Co., Ltd.	"	"	(593,795)	(49.28)%	Net 30-90 days	-		626,393	51.00 %	Note 1

Note 1: The unit price of cost of goods sold for the Company is based on cost-plus pricing approach by product that is lower than average; because, the expense of goods sold for related parties is lower than average price as well.

8. Accounts receivable from related parties for which the amount reaches \$100 million or 20% or more of paid-in capital:

(Expressed in thousands of New Taiwan dollars)

Name of related party	Counter-party	Relationship	Balance of receivables from related party	Turnover rate	Past-due receivables from related party		Subsequently received amount of receivables from related party	Allowances for bad debts
					Amount	Action taken		
The Company	Excelsior Renal Service Co., Limited	Associates	141,066	4.88	-	-	67,080	-
"	Bestchain Healthtaiwan Co., Ltd.	"	626,393	3.42	-	-	235,357	-

9. Derivative transactions: None.

10. Business relationships and significant inter-company transactions:

Number	Name of the company	Name of the counter-party	Existing relationship with the counter-party	Transaction details during 2024			
				Account name	Amount	Terms of trading	Percentage of the total consolidated revenue or total assets
0	The Company	EG Healthcare, Inc.	1	Sales	18,154	Usual terms and conditions	0.89 %
"	"	"	1	Account Receivable	27,453	The same as the term for other general trading partners	0.15 %

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Number	Name of the company	Name of the counter-party	Existing relationship with the counter-party	Transaction details during 2024			
				Account name	Amount	Terms of trading	Percentage of the total consolidated revenue or total assets
1	Dynamic Medical Technologies Inc.	Excelsior Beauty Co., Ltd.	3	Sales	14,038	Base on cost-plus pricing	0.69 %
"	"	CYJ International Taiwan Inc.	3	Sales	24,199	Base on cost-plus pricing	1.19 %
"	"	"	3	Account Receivable	42,271	The same as the term for other general trading partners	0.23 %

Note 1: The numbers denote the following:

1. 0 represents the Company.

2. Subsidiaries are listed by names and numbered starting with 1.

Note 2: Relationship with the listed companies:

1. The Company to subsidiary

2. Subsidiary to the Company

3. Subsidiary to subsidiary

Note 3: The transaction amount is calculated as a proportion of the consolidated revenue or assets. If categorized as an asset or liability, the calculation is compared with the consolidated assets; if categorized as income or loss, the calculation is compared with the consolidated income or loss.

Note 4: The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

(b) Information on investees:

For the three months ended March 31, 2024, the following is the information of investees (excluding investees in Mainland china):

(Amounts Expressed in Thousands of New Taiwan Dollars, Except for Share Data)

Name of the investor	Name of investee	Location	Major operations	Initial investment amount		Ending balance			Net income (loss) of the investee	Investment income (losses)	Notes
				Ending balance	Beginning balance	Shares	Ratio of shares	Book value			
The Company	Bestchain Healthtaiwan Co., Ltd.	New Taipei City	Sale of medical equipment and medicines, interagation of warehousing and information	299,024	299,024	50,674,854	44.71 %	1,042,414	60,937	27,225	Associates (Note 1)
"	Arich Enterprise Co., Ltd.	New Taipei City	Sale of medicines, and logistics service	380,856	380,856	29,829,742	40.00 %	763,997	21,389	8,549	Subsidiary (Notes 2、9)
"	Dynamic Medical Technologies Inc.	New Taipei City	Sale, maintenance and lease of laser medical equipment for beauty treatment, and sale of consumables of beauty treatment and cosmetic products	180,312	180,312	12,706,690	38.51 %	534,732	48,315	18,579	Subsidiary (Note 9)
"	Excelsior Healthcare Co., Limited	British Virgin Islands	Investment business	898,782	898,782	28,695,856	100.00 %	1,811,169	33,017	33,017	Subsidiary (Note 9)
"	Sunrise Health Care Company	New Taipei City	Sale of medical equipment, and medical management consultancy service	18,806	18,806	2,085,547	23.97 %	28,934	166	40	Associates
"	Excelsior Medical (HK) Co., Limited	Hong Kong	Investment business	963,137	963,137	33,807,013	64.36 %	1,318,325	24,914	16,035	Subsidiary (Note 9)
"	Excelsior Beauty Co., Ltd.	New Taipei City	Sales of lifestyle beauty products and treatments, and sales of medical beauty products.	28,543	28,543	5,190,662	41.02 %	111,634	10,641	4,374	Sub-subsiidiary (Note 4、6、9)

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Name of the investor	Name of investee	Location	Major operations	Initial investment amount		Ending balance			Net income (loss) of the investee	Investment income (losses)	Notes
				Ending balance	Beginning balance	Shares	Ratio of shares	Book value			
The Company	Excelsior Asset Management Co., Ltd.	New Taipei City	Sales of medical equipment, precision instrument and real estate	780,525	780,525	83,916,300	100.00 %	663,047	4,434	4,434	Subsidiary (Note 9)
"	Medifly Co., Ltd.	Taichung	Sale of medical equipment and medicines	31,899	31,899	3,615,976	28.66 %	95,824	8,921	2,557	Associates
"	Asia Best Life Care Co., Ltd.	New Taipei City	Long-term care business	953,836	953,836	84,633,340	49.38 %	974,468	31,700	15,653	Associates (Note 9)
Excelsior Healthcare Co., Limited	EG Healthcare, Inc.	Philippines	Sale and lease of medical equipment, and medical management consultancy service	19,256	19,256	9,427,489	99.99 %	79,075	3,001	-	Sub-subsiidiary (Note 9)
"	Excelsior Renal Service Co., Limited	Hong Kong	Sale, maintenance and lease of medical equipment, and medical management consultancy service	312,505	312,505	73,375,728	49.00 %	445,731	42,285	-	Associates
"	Excelsior Medical (HK) Co., Limited	Hong Kong	Investment business	516,071	516,071	18,724,062	35.64 %	730,036	24,914	-	Subsidiary (Note 9)
"	Excelsior Investment (Malaysia) Co., Ltd	British Virgin Islands	Investment business	343,026	343,026	11,171,271	100.00 %	289,897	(2,898)	-	Sub-subsiidiary (Note 9)
Dynamic Medical Technologies Inc.	Dynamic Medical Technologies (Hong Kong) Ltd.	Hong Kong	Sale of cosmetic health-care products	382,278	382,278	79,021,783	100.00 %	318,981	769	-	Sub-subsiidiary (Note 9)
"	Excelsior Beauty Co., Ltd.	New Taipei City	Sales of lifestyle beauty products and treatments, and sales of medical beauty products.	55,395	55,395	6,819,523	53.89 %	138,333	10,641	-	Sub-subsiidiary (Note 1・6・9)
"	CYJ International Taiwan Inc.	New Taipei City	Sales of lifestyle beauty products and treatments, and sales of medical beauty products.	90,633	90,633	7,344,008	60.00 %	55,983	(2,724)	-	Sub-subsiidiary (Note 5・9)
"	Medytox Taiwan Inc.	New Taipei City	Sale of cosmetic health-care products	18,000	18,000	1,800,000	40.00 %	(57)	194	-	Associates
"	TOUCE BIOTECH Co., Ltd	Taipei	Sale of cosmetic health-care products	45,000	45,000	420,000	35.00 %	45,797	255	-	Associates
Dynamic Medical Technologies (Hong Kong) Ltd.	CYJ INTERNATIONAL COMPANY LIMITED	Hong Kong	Sale and treatment of hair regrowth and conditioning	66,547	66,547	2,150,000	50.00 %	11,108	(55)	-	Sub-subsiidiary
Arich Enterprise Co., Ltd.	Arich Best Chain Co., Ltd.	New Taipei City	Logistics Bussiness	31,080	31,080	3,000,000	100.00 %	30,418	(479)	-	Sub-subsiidiary (Note 7・9)
Excelsior Medical (HK) Co., Limited	Asia Best Healthcare Co., Ltd.	Cayman Islands	Long-term care business	458,902	458,902	129,492	48.47 %	619,675	(2,149)	-	Associates
"	Cardinal Medical Services Ltd.	British Virgin Islands	Sale of medical equipment, and medical management consultancy service	106,121	106,121	9,800	49.00 %	138,362	14,815	-	Associates
"	NephroCare Limited	Hong Kong	Sale of medical equipment, and medical management consultancy service	688,755	688,755	151,801,588	49.00 %	799,679	29,034	-	Associates

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Name of the investor	Name of investee	Location	Major operations	Initial investment amount		Ending balance			Net income (loss) of the investee	Investment income (losses)	Notes
				Ending balance	Beginning balance	Shares	Ratio of shares	Book value			
Excelsior Investment (Malaysia) Co., Ltd	Renal Laboratories Sdn. Bhd.	Malaysia	Manufacture of medical equipment	288,387	288,387	32,523,586	81.90 %	249,634	(2,622)	-	Sub-subsidiary (Note 9)
"	Medi-Chem Systems Sdn. Bhd.	Malaysia	Sale of medical equipment	44,052	44,052	350,000	70.00 %	34,816	(517)	-	Sub-subsidiary (Note 9)
Medi-Chem Systems Sdn. Bhd.	Renal Management Sdn. Bhd.	Malaysia	Lease business	1,315	1,315	200,000	100.00 %	8,147	27	-	Sub-subsidiary (Note 9)

Note 1: Including the adjustment made from the unrealized gain/loss with subsidiaries and associates.

Note 2: Including the amortization listed by the book value of net identified assets.

Note 3: According to the regulations, the Company are required to disclose the share of income/loss of investees.

Note 4: Excelsior Beauty Co., Ltd., disposed of 30% equity in CYJ International Taiwan Inc. in December 2023.

Note 5: Dynamic Medical Technologies Inc. acquired 10% equity of CYJ International Taiwan Inc. from CYJ INTERNATIONAL COMPANY LIMITED, the associate, in November 2022 ; Dynamic Medical Technologies Inc. acquired 50% equity in CYJ International Taiwan Inc. from Excelsior Beauty Co. Ltd. in November 2023, the shareholding ratio after the acquisition is 60%.

Note 6: Excelsior Beauty Co., Ltd., has completed the registration of changes in capital reduction in May 2023, and is therefore included in the consolidated financial statements from that date.

Note 7: Arich Enterprise Co., Ltd. acquired 100% equity of the company on April 6, 2023.

Note 8: On July 3, 2023, Asia Best Healthcare Co., Ltd. used the shares of its subsidiary Asia Best Life Care Co., Ltd. as the consideration for the organizational restructuring, after the organizational restructuring the Company held 49.38% of the equity in Asia Best Life Care Co., Ltd. In addition, on November 8, 2023 , the Company purchased all the equity in Asia Best Life Care Co. from Excelsior Medical (HK) Co., and the relevant procedures have been completed.

Note 9: The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

**(c) Information on investment in Mainland China:**

**1. Information on investment in Mainland China:**

(Amounts Expressed in Thousands of New Taiwan Dollars)

Name of the investee	Main Businesses and products	Total amount of paid-in capital	Method of investment (Note 1)	Accumulated outflow of investment from Taiwan as of January 1, 2024	Investment flows		Accumulated outflow of investment from Taiwan as of March 31, 2024	Net income (loss) of the investee	Direct /indirect shareholding (%) by the Company	Current investment gains and losses	Carrying Amount	Accumulated Inward Remittance of Earnings
					Out-flow	Inflow						
Excelsior Healthcare (Shanghai) Corporation (Note 3)	Sale and lease of medical equipment, and medical management consultancy service	-	(2)	30,240	-	-	30,240	-	- %	-	-	-
Shanghai Lintech Medicare Co. (Note 4)	Sale and maintenance of medical equipment	-	(2)	29,213	-	-	29,213	-	- %	-	-	-
Pacific Beijing Bo-Ai Medical Management Consulting Co., Ltd.	Investment business and medical management consultancy service	84,187	(2)	80,327	-	-	80,327	(45,382)	7.80 %	-	-	-
SinoExcelsior Investment Inc. (Note 5)	Sale of medical equipment, and medical management consultancy service	291,579	(2)	947,845	-	-	947,845	351	100.00 %	351	139,034	-
Guangzhou Dynamic Inc.	Sale and maintenance of medical equipment	44,346	(2)	119,574	-	-	119,574	(309)	100.00 %	(309)	8,812	-
Beijing Dynamic Inc. (Note 6)	Sale and maintenance of medical equipment	-	(2)	34,424	-	-	34,424	-	- %	-	-	-
National Pharmaceutical Logistics Corp., Ltd.	Medical logistics	370,493	(3)	66,603	-	-	66,603	8,268	17.65 %	-	388,474	83,293

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**2. Limitation on investment in Mainland China:**

<b>Company</b>	<b>Accumulated Investment in Mainland China as of March 31, 2024</b>	<b>Investment Amounts Authorized by Investment Commission, MOEA</b>	<b>Upper Limit on Investment (Note 7)</b>
The Company	1,087,625	1,289,640	5,009,057
Dynamic Medical Technologies Inc.	153,998	153,998	813,555
Arich Enterprise Co., Ltd.	66,603	66,603	1,149,154

Note 1: Investments in Mainland China are differentiated by the following four methods:

- (1) Direct investment in Mainland China with remittance through a third region.
- (2) Indirect investment in Mainland China through an existing investee company in a third region.
- (3) Other methods (i.e. entrusted Investment)

Note 2: Recognition of investment gain or loss during current period is pursuant to the following:

- (1) If the corporation is in the set-up phase, notes are required.
- (2) Recognition basis of investment gains or losses is determined by the following three types, and related notes are required.
  - 1) Financial statements of the investee company were audited and certified by an international firm in cooperation with an R.O.C. accounting firm.
  - 2) Financial statements of the investee company were audited and certified by the external accountant of the parent company.
  - 3) Others

Note 3: The liquidation procedure of Excelsior Healthcare (Shanghai) Corporation was completed in March 2016, and the investment had remitted to Excelsior Healthcare Co., Limited in the third place. As of March 31, 2024, the accumulated amount of investment from Taiwan has not been repatriated yet.

Note 4: The disposal of Shanghai Lintech Medicare Co. was completed in December 2015. As of March 31, 2024, the original investment amount of \$29,213 thousand from Taiwan has not been repatriated yet.

Note 5: The current investment outflow is not included the direct investment amount of \$207,380 thousand through the third region.

Note 6: The liquidation procedure of Beijing Dynamic Inc. was completed in November 2018, and the investment had remitted to Dynamic Medical Technologies (Hong Kong) Ltd. in the third place. As of March 31, 2024, the accumulated amount of investment from Taiwan has not been repatriated yet.

Note 7: (1)The upper limit on investment of the Company and Dynamic is the 60% of net value.

(2)The upper limit on investment of Arich is the higher of \$80,000 thousand or 60% of net value.

Note 8: All amounts listed are disclosed in NTD.

**3. Significant transactions :**

The significant inter-company transactions with the subsidiary in Mainland China, which were eliminated in the preparation of consolidated financial statements, are disclosed in “Information of significant transactions”.

**(d) Major shareholders:**

<b>Shareholder's Name</b>	<b>Shareholding</b>	<b>Shares</b>	<b>Percentage</b>
Excelsior Investment Co., Ltd.		17,390,232	11.17 %
Excelsior Group Holdings Co., Ltd.		16,455,934	10.57 %
Bestchain Healthtaiwan Co., Ltd.		15,286,432	9.82 %

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**(14) Segment Information**

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of company. Specifically, the Group's reportable segments were as follows:

- (a) Excelsior segment - the Company.
- (b) Dynamic segment - Dynamic, Hong Kong Dynamic, Excelsior Beauty, Guangzhou Dynamic, and CYJ International Taiwan Inc..
- (c) Arich segment - Arich , and Arich Best Chain.
- (d) Other segment - Bestsmile, Excelsior Healthcare, EG Healthcare, Excelsior Investment (Malaysia), Renal Laboratories Sdn. Bhd., Medi-Chem Systems Sdn. Bhd., Renal Management Sdn. Bhd., Excelsior Asset, Hong Kong Excelsior and SinoExcelsior Investment.

The Group's operating segment information and reconciliation are as follows:

<b>For the three months ended March 31, 2024</b>	<b>Excelsior segment</b>	<b>Dynamic segment</b>	<b>Arich segment</b>	<b>Others</b>	<b>Adjustment and Elimination</b>	<b>Total</b>
<b>Revenue</b>						
Revenue from external customers	\$ 1,240,447	400,511	311,843	89,236	-	2,042,037
Inter-segment revenue	21,165	2,673	6	13,630	(37,474)	-
<b>Total</b>	<b><u>\$ 1,261,612</u></b>	<b><u>403,184</u></b>	<b><u>311,849</u></b>	<b><u>102,866</u></b>	<b><u>(37,474)</u></b>	<b><u>2,042,037</u></b>
<b>Reportable segment profit (loss)</b>	<b><u>\$ 212,499</u></b>	<b><u>65,451</u></b>	<b><u>26,034</u></b>	<b><u>54,961</u></b>	<b><u>(85,010)</u></b>	<b><u>273,935</u></b>
<b>For the three months ended March 31, 2023</b>						
<b>Revenue</b>						
Revenue from external customers	\$ 1,281,725	390,701	263,755	70,224	-	2,006,405
Inter-segment revenue	14,452	2,580	6	26,332	(43,370)	-
<b>Total</b>	<b><u>\$ 1,296,177</u></b>	<b><u>393,281</u></b>	<b><u>263,761</u></b>	<b><u>96,556</u></b>	<b><u>(43,370)</u></b>	<b><u>2,006,405</u></b>
<b>Reportable segment profit (loss)</b>	<b><u>\$ 235,676</u></b>	<b><u>74,851</u></b>	<b><u>21,693</u></b>	<b><u>75,727</u></b>	<b><u>(106,309)</u></b>	<b><u>301,638</u></b>