

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

CONSOLIDATED FINANCIAL STATEMENTS

**With Independent Auditors' Review Report
For the Six Months Ended June 30, 2025 and 2024**

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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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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 June 30, 2025 and 2024, and the consolidated statements of comprehensive income for the three months and six months ended June 30, 2025 and 2024, as well as the changes in equity and cash flows for the six months ended June 30, 2025 and 2024, 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 \$684,324 thousand and \$706,350 thousand, constituting 3.71% and 3.99% of consolidated total assets as of June 30, 2025 and 2024, respectively, total liabilities amounting to \$93,260 thousand and \$50,173 thousand, constituting 1.22% and 0.73% of consolidated total liabilities as of June 30, 2025 and 2024, respectively, and total comprehensive (loss) income amounting to gains \$11,152 thousand, losses \$218 thousand, gains \$20,331 thousand and losses \$1,051 thousand, constituting 31.39%, 0.10%, 9.28% and 0.19% of consolidated total comprehensive (loss) income for the three months and six months June 30, 2025 and 2024, 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 \$4,076,220 thousand and \$4,283,730 thousand as of June 30, 2025 and 2024, respectively, and its share of comprehensive income of associates and joint ventures accounted for using equity method on these investee companies of gains \$137,806 thousand, gains \$112,687 thousand, gains \$231,774 thousand and gains \$200,703 thousand for the three months and six months ended June 30, 2025 and 2024, 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 June 30, 2025 and 2024, and of its consolidated financial performance for the three months and six months ended June 30, 2025 and 2024, as well as its consolidated cash flows for the six months ended June 30, 2025 and 2024 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 Kuo, Rou-Lan and Chen, Chun-Kuang.

KPMG

Taipei, Taiwan (Republic of China)
August 12, 2025

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.

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

EXCELSIOR MEDICAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

JUNE 30, 2025 AND 2024

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

		June 30, 2025		December 31, 2024		June 30, 2024						June 30, 2025		December 31, 2024		June 30, 2024	
ASSETS		Amount	%	Amount	%	Amount	%			LIABILITIES AND EQUITY		Amount	%	Amount	%	Amount	%
Current assets:										Current liabilities:							
1100	Cash and cash equivalents (Note (6)(a))	\$ 2,324,907	13	4,189,204	21	2,501,343	14	2100		Short-term borrowings (Note (6)(m))		\$ 822,216	4	917,531	4	1,151,448	7
1110	Current financial assets at fair value through profit or loss	-	-	117	-	220	-	2120		Current financial liabilities at fair value through profit or loss		1,120	-	-	-	786	-
	(Note (6)(b))									(Note (6)(b))							
1136	Current financial assets at amortized cost (Note (6)(d))	538,340	3	757,571	4	714,832	4	2130		Current contract liabilities		534,663	3	543,595	3	454,774	3
1151	Notes receivable (Notes (6)(e), (7) and (8))	203,464	1	219,939	1	266,706	1	2150		Notes payable		5,568	-	1,931	-	2,904	-
1152	Other notes receivable (Notes (6)(e), (7) and (8))	248,262	1	236,916	1	287,932	2	2170		Accounts payable (Note (7))		1,052,716	6	977,039	5	975,062	6
1170	Accounts receivable (Notes (6)(e) and (7))	1,777,347	10	1,725,993	8	1,650,927	9	2200		Other payables (Notes (6)(n) and (7))		3,619,937	19	5,307,269	26	3,190,330	18
1200	Other receivables (Notes (6)(e) and (7))	3,503,539	19	3,424,143	17	3,150,381	18	2230		Current tax liabilities		104,844	-	101,220	-	96,640	-
130X	Inventories (Note (6)(f))	1,320,184	7	1,392,801	7	1,146,954	7	2280		Current lease liabilities (Notes (6)(p) and (7))		127,679	1	128,343	1	75,065	-
1476	Other current financial assets (Note (8))	67,005	-	101,248	-	58,034	-	2399		Other current liabilities, others (Notes (6)(o) and (7))		305,404	2	311,733	2	381,594	2
1479	Other current assets, others	225,823	1	173,008	1	302,650	2					6,574,147	35	8,288,661	41	6,328,603	36
		10,208,871	55	12,220,940	60	10,079,979	57			Non-Current liabilities:							
Non-current assets:								2540		Long-term borrowings (Note (6)(m))		350,000	2	-	-	-	-
1517	Non-current financial assets at fair value through other	703,766	4	655,910	3	599,873	3	2570		Deferred tax liabilities (Note (6)(s))		341,756	2	322,486	1	230,968	1
	comprehensive income (Note (6)(c))							2580		Non-current lease liabilities (Notes (6)(p) and (7))		339,583	2	377,827	2	265,798	2
1550	Investments accounted for using equity method (Note (6)(g))	4,077,227	22	4,043,825	20	4,286,430	24	2640		Net defined benefit liability (Note (6)(r))		4,143	-	4,368	-	9,085	-
1600	Property, plant and equipment (Notes (6)(i) and (8))	775,831	4	795,597	4	788,315	5	2650		Credit balance of investments accounted for using equity method		1,007	-	2,675	-	2,700	-
1755	Right-of-use assets (Note (6)(j))	283,443	2	325,619	2	331,026	2			(Note (6)(g))							
1760	Investment property, net (Notes (6)(k) and (8))	1,604,394	9	1,610,545	8	1,102,237	7	2670		Other non-current liabilities, others		15,016	-	14,631	-	8,075	-
1780	Intangible assets (Note (6)(l))	45,485	-	47,124	-	44,780	-					1,051,505	6	721,987	3	516,626	3
1840	Deferred tax assets (Note (6)(s))	112,225	1	108,561	1	130,898	1			Total liabilities		7,625,652	41	9,010,648	44	6,845,229	39
1930	Long-term notes and accounts receivable (Note (6)(e))	324,885	2	283,334	1	72,939	-			Equity attributable to owners of parent (Note (6)(t)):							
1975	Net defined benefit asset (Note (6)(r))	51,516	-	53,951	-	26,575	-			Share capital		1,633,975	9	1,633,975	8	1,556,167	9
1980	Other non-current financial assets (Note (8))	220,411	1	207,699	1	202,411	1	3100		Stock dividend to be distributed		81,699	-	-	-	77,808	-
1990	Other non-current assets, others	21,229	-	14,896	-	24,994	-	3150		Capital surplus		3,382,788	19	3,382,788	16	3,382,406	19
		8,220,412	45	8,147,061	40	7,610,478	43	3200		Retained earnings		3,343,199	18	3,619,990	18	3,237,499	19
								3300		Other equity		44,372	-	333,488	2	390,030	2
								3400		Total equity attributable to owners of parent		8,486,033	46	8,970,241	44	8,643,910	49
								36XX		Non-controlling interests (Notes (6)(h) and (t))		2,317,598	13	2,387,112	12	2,201,318	12
										Total equity		10,803,631	59	11,357,353	56	10,845,228	61
TOTAL ASSETS		\$ 18,429,283	100	20,368,001	100	17,690,457	100	TOTAL LIABILITIES AND EQUITY				\$ 18,429,283	100	20,368,001	100	17,690,457	100

EXCELSIOR MEDICAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS AND SIX MONTHS ENDED JUNE 30, 2025 AND 2024
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT EARNINGS PER SHARE)

		For the three months ended June 30,				For the Six Months Ended June 30,			
		2025		2024		2025		2024	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating revenue (Notes (6)(v) and (7))	\$ 2,167,649	100	2,159,513	100	4,316,974	100	4,201,550	100
5000	Operating costs (Notes (6)(f) and (7))	1,700,124	78	1,737,501	80	3,393,676	79	3,369,605	80
	Gross profit from operations	467,525	22	422,012	20	923,298	21	831,945	20
5910	Less: Unrealized profit from sales	22,376	1	22,343	1	42,925	1	45,491	1
5920	Add: Realized profit from sales	21,431	-	25,537	1	43,794	1	50,693	1
		466,580	21	425,206	20	924,167	21	837,147	20
	Operating expenses:								
6100	Selling expenses (Note (7))	177,299	8	164,956	8	360,355	8	310,285	8
6200	Administrative expenses (Note (7))	91,917	4	84,854	4	188,756	4	183,175	4
6300	Research and development expenses	58	-	29	-	58	-	44	-
6450	Expected credit loss (gain) (Note (6)(e))	(2,961)	-	1,870	-	(6,465)	-	4,629	-
		266,313	12	251,709	12	542,704	12	498,133	12
	Net operating income	200,267	9	173,497	8	381,463	9	339,014	8
	Non-operating income and expenses:								
7100	Interest income (Note (6)(x))	18,041	-	22,315	1	41,364	1	36,792	1
7010	Other income (Notes (6)(x) and (7))	2,731	-	1,574	-	3,348	-	5,795	-
7020	Other gains and losses (Notes (6)(x) and (7))	(18,547)	-	3,532	-	(11,798)	-	10,306	-
7050	Finance costs (Notes (6)(x) and (7))	(8,175)	-	(5,463)	-	(16,757)	-	(10,533)	-
7060	Share of profit of associates and joint ventures accounted for using equity method(Note (6)(g))	137,806	6	112,687	5	231,774	5	200,703	5
		131,856	6	134,645	6	247,931	6	243,063	6
7900	Profit before tax	332,123	15	308,142	14	629,394	15	582,077	14
7950	Less: Tax expense (Note (6)(s))	58,999	3	45,279	2	116,029	3	92,742	2
	Profit	273,124	12	262,863	12	513,365	12	489,335	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	76,710	3	(41,204)	(2)	48,190	1	(116,555)	(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	(34,506)	(2)	(41,606)	(2)	(23,354)	(1)	11,477	-
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	17,389	-	(847)	-	13,037	-	(4,907)	-
	Total items that will not be reclassified subsequently to profit and loss	24,815	1	(81,963)	(4)	11,799	-	(100,171)	(3)
8360	Items that will be reclassified to profit or loss								
8361	Exchange differences on translation	(390,764)	(18)	47,343	2	(344,434)	(8)	174,767	4
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	55,726	3	(9,747)	-	36,760	1	(11,942)	-
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	(1,569)	-	1,015	-	(1,591)	-	3,462	-
	Total items that will be reclassified subsequently to profit and loss	(333,469)	(15)	36,581	2	(306,083)	(7)	159,363	4
	Other comprehensive income, net	(308,654)	(14)	(45,382)	(2)	(294,284)	(7)	59,192	1
8500	Total comprehensive income	\$ (35,530)	(2)	217,481	10	219,081	5	548,527	13
	Profit attributable to:								
8610	Owners of parent	\$ 229,822	10	220,377	10	425,065	10	405,554	10
8620	Non-controlling interests	43,302	2	42,486	2	88,300	2	83,781	2
		\$ 273,124	12	262,863	12	513,365	12	489,335	12
	Comprehensive income attributable to:								
8710	Owners of parent	\$ (81,927)	(4)	200,681	9	135,949	3	528,920	13
8720	Non-controlling interests	46,397	2	16,800	1	83,132	2	19,607	-
		\$ (35,530)	(2)	217,481	10	219,081	5	548,527	13
	Earnings per share (Note (6)(u))								
9750	Basic earnings per share (NT dollars)	\$ 1.41		1.35		2.60		2.48	
9850	Diluted earnings per share (NT dollars)	\$ 1.41		1.35		2.59		2.47	

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

EXCELSIOR MEDICAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Equity attributable to owners of parent										
	Share capital		Retained earnings				Total other equity interest				
	Ordinary shares	Stock dividend to be distributed	Capital surplus	Legal reserve	Special reserve	Unappropriated 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
Balance as of 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	-	-	-	-	-	405,554	-	-	405,554	83,781	489,335
Other comprehensive income (loss) for the year	-	-	-	-	-	-	148,636	(25,270)	123,366	(64,174)	59,192
Total comprehensive income (loss) for the year	-	-	-	-	-	405,554	148,636	(25,270)	528,920	19,607	548,527
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	-	77,322	-	(77,322)	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	-	(591,344)	-	-	(591,344)	-	(591,344)
Stock dividends of ordinary share	-	77,808	-	-	-	(77,808)	-	-	-	-	-
Changes in ownership interests in subsidiaries	-	-	-	-	-	(1,505)	-	-	(1,505)	-	(1,505)
Difference between consideration and carry amounts of the subsidiaries acquired or disposed	-	-	94,830	-	-	-	-	-	94,830	64,213	159,043
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(182,452)	(182,452)
Balance at June 30, 2024	\$ 1,556,167	77,808	3,382,406	1,052,282	-	2,185,217	26,435	363,595	8,643,910	2,201,318	10,845,228
Balance at January 1, 2025	\$ 1,633,975	-	3,382,788	1,052,282	-	2,567,708	(10,729)	344,217	8,970,241	2,387,112	11,357,353
Profit for the year	-	-	-	-	-	425,065	-	-	425,065	88,300	513,365
Other comprehensive income (loss) for the year	-	-	-	-	-	-	(269,881)	(19,235)	(289,116)	(5,168)	(294,284)
Total comprehensive income (loss) for the year	-	-	-	-	-	425,065	(269,881)	(19,235)	135,949	83,132	219,081
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	-	78,654	-	(78,654)	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	-	(620,910)	-	-	(620,910)	-	(620,910)
Stock dividends of ordinary share	-	81,699	-	-	-	(81,699)	-	-	-	-	-
Changes in ownership interests in subsidiaries	-	-	-	-	-	753	-	-	753	-	753
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(152,646)	(152,646)
Balance at June 30, 2025	\$ 1,633,975	81,699	3,382,788	1,130,936	-	2,212,263	(280,610)	324,982	8,486,033	2,317,598	10,803,631

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

EXCELSIOR MEDICAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	For the Six Months Ended June 30,	
	2025	2024
Cash flows from operating activities:		
Profit before tax	\$ 629,394	582,077
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	152,314	127,538
Amortization expense	3,601	2,686
Expected credit (gain) loss	(6,465)	4,629
Net loss on financial assets or liabilities at fair value through profit or loss	2,545	944
Interest expense	16,757	10,533
Interest income	(41,364)	(36,792)
Dividend income	(1,577)	(2,657)
Share of profit of associates and joint ventures accounted for using equity method	(231,774)	(200,703)
Gain on disposal of property, plan and equipment	(406)	(792)
Unrealized profit from sales	42,925	45,491
Realized profit from sales	(43,794)	(50,693)
Profit from lease modification	(97)	(53)
Total adjustments to reconcile profit	<u>(107,335)</u>	<u>(99,869)</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Notes receivable	16,500	38,334
Accounts receivable	(16,896)	(3,803)
Other receivables and notes	(99,816)	417,777
Inventories	26,427	51,056
Net defined benefit asset	2,435	2,758
Other current assets	(65,715)	(84,320)
Other operating assets	<u>(42,558)</u>	<u>(15,010)</u>
Total changes in operating assets	<u>(179,623)</u>	<u>406,792</u>
Changes in operating liabilities:		
Contract liabilities	(8,932)	(104,392)
Notes payable	3,637	1,107
Accounts payable	75,677	2,133
Other payables	(1,687,774)	(278,540)
Other current liabilities	(6,329)	(12,386)
Net defined benefit liability	(225)	205
Other operating liabilities	<u>411</u>	<u>1,205</u>
Total changes in operating liabilities	<u>(1,623,535)</u>	<u>(390,668)</u>
Total changes in operating assets and liabilities	<u>(1,803,158)</u>	<u>16,124</u>
Total adjustments	<u>(1,910,493)</u>	<u>(83,745)</u>
Cash (outflow) inflow generated from operations	(1,281,099)	498,332
Interest received	41,931	39,524
Income taxes paid	<u>(111,476)</u>	<u>(134,450)</u>
Net cash flows (used in) from operating activities	<u>(1,350,644)</u>	<u>403,406</u>

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

EXCELSIOR MEDICAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	For the Six Months Ended June 30,	
	2025	2024
Cash flows from (used in) investing activities:		
Acquisition of financial assets at amortized cost	(343,807)	(412,589)
Proceeds from disposal of financial assets at amortized cost	526,925	486,914
Acquisition of financial assets at fair value through profit or loss	(2,124)	(757)
Proceeds from disposal of financial assets at fair value through profit or loss	816	379
Acquisition of property, plant and equipment	(46,089)	(44,729)
Proceeds from disposal of property, plant and equipment	406	1,187
Increase in refundable deposits	(13,356)	(8,310)
Decrease in refundable deposits	980	26,109
Acquisition of intangible assets	(1,688)	(1,492)
Other financial assets	33,907	(34,224)
Other non-current assets	(7,137)	2,703
Dividends received	12,130	-
Net cash flows from investing activities	160,963	15,191
Cash flows from (used in) financing activities:		
(Decrease) increase in short-term borrowings	(95,315)	16,561
Proceeds from long-term borrowings	350,000	-
(Decrease) increase in guarantee deposits received	(26)	23
Payment of lease liabilities	(67,527)	(36,927)
Increase in other non-current liabilities	-	62,224
Cash dividends paid	(620,910)	(591,344)
Disposal of ownership interests in subsidiaries (without losing control)	-	159,043
Interest paid	(14,377)	(10,901)
Change in non-controlling interests	(152,646)	(178,130)
Net cash flows used in financing activities	(600,801)	(579,451)
Effect of exchange rate changes on cash and cash equivalents	(73,815)	47,411
Net decrease in cash and cash equivalents	(1,864,297)	(113,443)
Cash and cash equivalents at beginning of period	4,189,204	2,614,786
Cash and cash equivalents at end of period	\$ 2,324,907	2,501,343

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(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 August 12, 2025.

(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, 2025:

- Amendments to IAS21 “Lack of Exchangeability”

- (b) The impact of IFRS Accounting Standards endorsed by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2026, would not have a significant impact on its consolidated financial statements:

- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

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- (c) The impact of IFRS Accounting Standards 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:

Standards or Interpretations	Content of amendment	Effective date per IASB
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">• 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.• 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.• 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.	January 1, 2027

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.

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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 19 “Subsidiaries without Public Accountability: Disclosures”

(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, 2024. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2024.

(b) Basis of consolidation

1. List of subsidiaries in the consolidated financial statements :

Name of Investor	Name of Subsidiary	Principal Activity	Shareholding			Note
			June 30, 2025	December 31, 2024	June 30, 2024	
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	33.96 %	33.96 %	33.96 %	Note 1、2
”	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
”	Excelsior Asset Management Co., Ltd. (“Excelsior Asset”)	Sales of medical equipment, precision instrument and real estate	100.00 %	100.00 %	100.00 %	

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Name of Investor	Name of Subsidiary	Principal Activity	Shareholding			Note
			June 30, 2025	December 31, 2024	June 30, 2024	
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.	55.41 %	55.41 %	60.00 %	Note 3
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 4
Arich Enterprise Co., Ltd.	Arich Best Chain Co., Ltd. (Arich Best Chain)	Logistics business	100.00 %	100.00 %	100.00 %	"
Excelsior Healthcare	EG Healthcare, Inc.	Sale and lease of medical equipment, and medical management consultancy service	99.99 %	99.99 %	99.99 %	"
"	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 %	81.90 %	"
"	Medi-Chem Systems Sdn. Bhd.	Sale of medical equipment	70.00 %	70.00 %	70.00 %	"
Medi-Chem Systems Sdn. Bhd.	Renal Management Sdn. Bhd.	Lease business	100.00 %	100.00 %	100.00 %	"

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: The Company bought the fractional shares of Dynamic in September 2024 acquiring 0.004%, of Dynamic's shares. On May 20, 2024, the Company sold 1,500 thousand of its shares in Dynamic, resulting in its shareholding ratio to decrease to 33.96%, while still maintaining control over Dynamic.

Note 3: CYJ International Taiwan Inc. conducted a cash capital increase by issuing 12,759,960 new shares, amount to NT\$127,600 thousand, with the base date set on July 1, 2024, based on a resolution approved during its board meeting held on April 24, 2024, in which the Company subscribed 6,507,580 shares, at the amount of NT\$65,076 thousand, resulting in the Company's shareholding ratio to decrease to 55.41%.

Note 4: Non-significant subsidiaries, which were not reviewed by independent auditors.

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

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(c) Income Taxes

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

Income tax expenses for the period are 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.

(d) 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, 2024. For related information, please refer to note (5) of the consolidated financial statements for the year ended December 31, 2024.

(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 2024 consolidated financial statements. Please refer to Note (6) to the 2024 annual consolidated financial statements.

(a) Cash and cash equivalents

	June 30, 2025	December 31, 2024	June 30, 2024
Cash on hand, demand deposits and checking accounts	\$ 1,747,098	2,210,164	1,876,442
Time deposits	577,809	1,979,040	624,901
Cash and cash equivalents in consolidated statement of cash flows	<u>\$ 2,324,907</u>	<u>4,189,204</u>	<u>2,501,343</u>

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

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

	<u>June 30,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>	<u>June 30,</u> <u>2024</u>
Mandatorily measured at fair value through profit or loss:			
Forward foreign exchange contracts	\$ <u>-</u>	<u>117</u>	<u>220</u>
Held-for-trading financial liabilities			
Forward foreign exchange contracts	\$ <u>1,120</u>	<u>-</u>	<u>786</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:

<u>June 30, 2025</u>			
	<u>Amount</u> <u>(in thousands)</u>	<u>Currency</u>	<u>Maturity period</u>
Forward foreign exchange contracts purchased	JPY 137,395	JPY to TWD	2025.07~2025.08
Forward foreign exchange contracts purchased	USD 641	USD to TWD	2025.07
<u>December 31, 2024</u>			
	<u>Amount</u> <u>(in thousands)</u>	<u>Currency</u>	<u>Maturity period</u>
Forward foreign exchange contracts purchased	JPY 103,867	JPY to TWD	2025.1
<u>June 30, 2024</u>			
	<u>Amount</u> <u>(in thousands)</u>	<u>Currency</u>	<u>Maturity period</u>
Forward foreign exchange contracts purchased	JPY 219,920	JPY to TWD	2024.07~2024.08
Forward foreign exchange contracts purchased	USD 726	USD to TWD	2024.07

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

	June 30, 2025	December 31, 2024	June 30, 2024
Equity investments at fair value through other comprehensive income			
Domestic listed shares	\$ 2,748	2,391	-
Foreign listed shares	141,448	121,050	97,199
Domestic unlisted shares	133,622	151,165	157,342
Foreign unlisted shares	425,948	381,304	345,332
Total	<u>\$ 703,766</u>	<u>655,910</u>	<u>599,873</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 for the six months ended June 30, 2025 and 2024, respectively.

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

3. As of June 30, 2025, December 31, 2024 and June 30, 2024, the aforesaid financial assets were not pledged as collateral.

(d) Financial assets measured at amortized cost

	June 30, 2025	December 31, 2024	June 30, 2024
Time deposits with original maturity of more than 3 months	<u>\$ 538,340</u>	<u>757,571</u>	<u>714,832</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 1.100%~4.17%, 1.255%~4.60% and 1.29%~5.30% as of June 30, 2025, December 31, 2024 and June 30, 2024, respectively.

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

	June 30, 2025	December 31, 2024	June 30, 2024
Notes receivable	\$ 205,206	222,184	269,681
Other notes receivable	248,262	236,916	287,932
Accounts receivable	1,762,299	1,722,350	1,696,744
Receivable installments	5,146	4,070	4,203
Lease payment receivable	389,925	346,980	90,352
Other receivables	3,505,485	3,428,145	3,154,625
Less: Loss allowance	(53,539)	(64,032)	(67,748)
Allowance for sales returns	(5,122)	(6,116)	(6,614)
Unrealized interests income	(165)	(172)	(290)
	<u><u>\$ 6,057,497</u></u>	<u><u>5,890,325</u></u>	<u><u>5,428,885</u></u>

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:

	June 30, 2025	
	Gross carrying amount	Weighted- average loss rate
Current	\$ 5,976,144	0.23%
1 to 90 days past due	96,514	3.96%
91 to 180 days past due	7,921	21.30%
181 to 365 days past due	3,115	54.38%
More than 365 days past due	32,464	99.69%
	<u><u>\$ 6,116,158</u></u>	<u><u>(53,539)</u></u>

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	December 31, 2024		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Current	\$ 5,842,758	0.33%	(19,155)
1 to 90 days past due	70,118	7.41%	(5,199)
91 to 180 days past due	8,878	25.56%	(2,269)
181 to 365 days past due	2,205	48.71%	(1,074)
More than 365 days past due	36,514	99.51%	(36,335)
	<u>\$ 5,960,473</u>		<u>(64,032)</u>
	June 30, 2024		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Current	\$ 5,385,245	0.43%	(22,970)
1 to 90 days past due	68,670	7.47%	(5,129)
91 to 180 days past due	7,278	11.28%	(821)
181 to 365 days past due	2,924	16.66%	(487)
More than 365 days past due	39,130	97.98%	(38,341)
	<u>\$ 5,503,247</u>		<u>(67,748)</u>

The Group's lease payment receivables were as follows:

	Gross investment in the lease	Unearned finance income	Present value of minimum lease payments receivable
June 30, 2025			
Less than one year	\$ 71,884	(4,308)	67,576
Between one and five years	374,784	(52,435)	322,349
	<u>\$ 446,668</u>	<u>(56,743)</u>	<u>389,925</u>
December 31, 2024			
Less than one year	\$ 81,422	(14,285)	67,137
Between one and five years	321,455	(41,612)	279,843
	<u>\$ 402,877</u>	<u>(55,897)</u>	<u>346,980</u>
June 30, 2024			
Less than one year	\$ 27,299	(4,938)	22,361
Between one and five years	74,728	(6,737)	67,991
	<u>\$ 102,027</u>	<u>(11,675)</u>	<u>90,352</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 term of finance leases entered into was 1 to 5 years.

The lease payment receivables as of June 30, 2025, December 31, 2024 and June 30, 2024 were neither past due nor impaired.

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

	For the Six Months Ended June 30,	
	2025	2024
Balance as of January 1	\$ 64,032	66,679
Impairment losses recognized	2,879	6,124
Impairment losses reversed	(9,344)	(1,495)
Amounts written off	(2,577)	(3,718)
Effect of movements in exchange rate	(1,451)	158
Balance as of June 30	<u>\$ 53,539</u>	<u>67,748</u>

As of June 30, 2025, December 31, 2024 and June 30, 2024, the receivables from installment sales were \$5,146 thousand, \$4,070 thousand and \$4,203 thousand, respectively, and the related unrealized interest income were \$165 thousand, \$172 thousand and \$290 thousand, respectively.

(f) Inventories

	June 30, 2025	December 31, 2024	June 30, 2024
Merchandise	\$ 1,274,008	1,368,680	1,115,465
Inventory in-transit	46,176	24,121	31,489
Total	<u>\$ 1,320,184</u>	<u>1,392,801</u>	<u>1,146,954</u>

The details of cost of goods sold were as follows :

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Cost of goods sold	\$ 1,475,560	1,528,565	2,958,732	2,933,337
(Reversal) losses on inventory valuation and obsolescence	(4,697)	(659)	(2,622)	13,667
Service Cost	74,001	56,348	142,738	120,648
Repair and maintenance costs	36,696	33,141	71,734	64,395
Others operating costs	118,564	120,106	223,094	237,558
Total	<u>\$ 1,700,124</u>	<u>1,737,501</u>	<u>3,393,676</u>	<u>3,369,605</u>

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The factor leading to the net realizable value of inventories lower than the cost no longer exists, resulting in an increase in the net realizable value and the recognition of a gain on inventory recoveries for the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025.

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 six months ended June 30, 2024.

As of June 30, 2025, December 31, 2024 and June 30, 2024, 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:

	June 30, 2025	December 31, 2024	June 30, 2024
Associates	<u><u>\$ 4,076,220</u></u>	<u><u>4,041,150</u></u>	<u><u>4,283,730</u></u>

1. Associates

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

Name of Associates	Nature of Relationship with the Group	Main operating location/ Registered Country of the Company	Proportion of shareholding and voting rights		
			June 30, 2025	December 31, 2024	June 30, 2024
Asia Best Healthcare	Long-term care and rehabilitation services	Cayman Islands	48.47 %	48.47 %	48.47 %
Asia Best Life Care Co., Ltd.	Long-term care and rehabilitation services	Taiwan	49.38 %	49.38 %	49.38 %

1) Asia Best Healthcare:

	June 30, 2025	December 31, 2024	June 30, 2024
Current assets	\$ 917,624	840,369	959,780
Non-current assets	2,075,816	2,026,400	2,063,493
Current liabilities	(201,665)	(130,509)	(218,714)
Non-Current liabilities	<u>(1,558,372)</u>	<u>(1,481,003)</u>	<u>(1,521,905)</u>
Net assets	<u><u>\$ 1,233,403</u></u>	<u><u>1,255,257</u></u>	<u><u>1,282,654</u></u>
Net assets attributable to the Group	<u><u>\$ 584,358</u></u>	<u><u>595,843</u></u>	<u><u>625,847</u></u>

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	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Operating revenue	\$ <u>21,393</u>	<u>14,198</u>	<u>55,506</u>	<u>12,322</u>
Profit	\$ 22,102	289	50,756	(1,860)
Other comprehensive income	<u>88,981</u>	<u>(6,158)</u>	<u>70,565</u>	<u>(11,974)</u>
Total comprehensive income	\$ <u>111,083</u>	<u>(5,869)</u>	<u>121,321</u>	<u>(13,834)</u>
Comprehensive income attributable to the Group	\$ <u>53,841</u>	<u>(2,844)</u>	<u>58,804</u>	<u>(6,705)</u>

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

	June 30, 2025	December 31, 2024	June 30, 2024
Current assets	\$ 722,154	711,634	701,807
Non-current assets	1,700,662	2,032,035	1,697,425
Current liabilities	(190,751)	(179,989)	(188,173)
Non-Current liabilities	<u>(340,784)</u>	<u>(696,270)</u>	<u>(381,878)</u>
Net assets	\$ <u>1,891,281</u>	<u>1,867,410</u>	<u>1,829,181</u>
Net assets attributable to the Group	\$ <u>1,016,034</u>	<u>983,301</u>	<u>985,370</u>

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Operating revenue	\$ <u>93,690</u>	<u>93,110</u>	<u>188,653</u>	<u>181,605</u>
Profit	\$ 31,516	22,079	66,291	53,779
Other comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income	\$ <u>31,516</u>	<u>22,079</u>	<u>66,291</u>	<u>53,779</u>
Comprehensive income attributable to the Group	\$ <u>15,562</u>	<u>10,903</u>	<u>32,733</u>	<u>26,556</u>

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

		June 30, 2025	December 31, 2024	June 30, 2024	
Carrying amount of individually insignificant associates' equity	\$	<u>2,475,828</u>	<u>2,462,006</u>	<u>2,672,513</u>	
		For the Three Months Ended June 30, 2025	2024	For the Six Months Ended June 30, 2025	2024
Attributable to the Group					
Profit	\$	111,533	101,645	174,440	175,050
Other comprehensive income		<u>(21,909)</u>	<u>(48,368)</u>	<u>(20,798)</u>	<u>5,340</u>
Total comprehensive income	\$	<u>89,624</u>	<u>53,277</u>	<u>153,642</u>	<u>180,390</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) 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		
		June 30, 2025	December 31, 2024	June 30, 2024
Dynamic	Taiwan	66.04 %	66.04 %	66.04 %
Arich	Taiwan	60.00 %	60.00 %	60.00 %

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

1. Collective financial information of Dynamic and its subsidiaries:

	June 30, 2025	December 31, 2024	June 30, 2024
Current assets	\$ 1,770,830	1,906,632	1,870,780
Non-current assets	1,088,331	1,097,709	1,005,855
Current liabilities	(826,469)	(869,163)	(1,012,378)
Non-Current liabilities	(352,184)	(375,649)	(321,178)
Net assets	<u>\$ 1,680,508</u>	<u>1,759,529</u>	<u>1,543,079</u>
Non-controlling interests	<u>\$ 914,041</u>	<u>955,987</u>	<u>934,269</u>
	For the Three Months Ended June 30,	For the Six Months Ended June 30,	
	2025	2024	2025
Operating revenue	<u>\$ 327,219</u>	<u>398,450</u>	<u>678,454</u>
Net income	\$ 43,893	54,532	90,791
Other comprehensive loss	18,424	74	8,262
Total comprehensive income	<u>\$ 62,317</u>	<u>54,606</u>	<u>99,053</u>
Profit, attributable to non-controlling interests	<u>\$ 26,587</u>	<u>30,241</u>	<u>54,979</u>
Comprehensive income, attributable to non-controlling interests	<u>\$ 14,421</u>	<u>30,078</u>	<u>62,702</u>
	For the Six Months Ended June 30,		
	2025	2024	
Net cash flows from operating activities	\$ 30,334	49,445	
Net cash flows from investing activities	33,336	51,911	
Net cash flows from financing activities	(195,056)	(198,294)	
Effect of exchange rate changes on cash and cash equivalents	22,031	(908)	
Net decrease in cash and cash equivalents	<u>\$ (109,355)</u>	<u>(97,846)</u>	
Dividends paid to non-controlling interests	<u>\$ 99,480</u>	<u>136,980</u>	

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2. Collective financial information of Arich and its subsidiaries:

	June 30, 2025	December 31, 2024	June 30, 2024
Current assets	\$ 4,984,173	6,464,006	4,574,701
Non-current assets	670,102	639,998	515,058
Current liabilities	(3,602,232)	(5,041,639)	(3,159,540)
Non-Current liabilities	(125,760)	(141,513)	(39,823)
Net assets	<u>\$ 1,926,283</u>	<u>1,920,852</u>	<u>1,890,396</u>
Non-controlling interests	<u>\$ 1,155,747</u>	<u>1,152,489</u>	<u>1,134,215</u>

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Operating revenue	\$ <u>378,713</u>	<u>317,294</u>	<u>772,514</u>	<u>629,143</u>
Net income	\$ 29,546	20,222	58,214	41,611
Other comprehensive loss	41,245	(45,084)	35,826	(105,077)
Total comprehensive income	<u>\$ 70,791</u>	<u>(24,862)</u>	<u>94,040</u>	<u>(63,466)</u>
Profit, attributable to non-controlling interests	<u>\$ 17,728</u>	<u>12,133</u>	<u>34,929</u>	<u>24,966</u>
Comprehensive income, attributable to non-controlling interests	<u>\$ 42,475</u>	<u>(14,917)</u>	<u>56,424</u>	<u>(38,080)</u>

	For the Six Months Ended June 30,	
	2025	2024
Net cash flows from operating activities	\$ (1,422,572)	203,829
Net cash flows from investing activities	23,724	(19,623)
Net cash flows from financing activities	(117,490)	(173,524)
Net(decrease) increase in cash and cash equivalents	<u>\$ (1,516,338)</u>	<u>10,682</u>
Dividends paid to non-controlling interests	<u>\$ 53,166</u>	<u>41,150</u>

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(i) Property, plant and equipment

The cost, depreciation, and impairment of the property, plant and equipment of the Group for the nine months ended June 30, 2025 and 2024 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, 2025	\$ 140,507	162,669	255,090	186,118	12,195	39,018	795,597
Balance as of June 30, 2025	\$ 136,677	154,068	248,021	186,973	10,986	39,106	775,831
Balance as of January 1, 2024	\$ 133,822	155,620	245,675	203,593	9,355	24,547	772,612
Balance as of June 30, 2024	\$ 135,731	156,820	264,948	191,971	13,406	25,439	788,315

There were no significant additions, disposal, or recognition and reversal of impairment losses of investment property for the six months ended June 30, 2025 and 2024. Information on depreciation for the period is discussed in note (12). Please refer to note (6)(j) to the 2024 annual consolidated financial statements for other related information.

(j) 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	Other equipment	Total
Cost:				
Balance as of January 1, 2025	\$ 551,249	7,737	-	558,986
Additions	27,138	4,539	422	32,099
Write-off	(25,530)	-	-	(25,530)
Effect of movements in exchange rates	(2,783)	-	(27)	(2,810)
Balance as of June 30, 2025	\$ 550,074	12,276	395	562,745
Balance as of January 1, 2024	\$ 468,383	5,873	-	474,256
Additions	74,245	1,864	-	76,109
Write-off	(9,787)	-	-	(9,787)
Effect of movements in exchange rates	104	-	-	104
Balance as of June 30, 2024	\$ 532,945	7,737	-	540,682

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	<u>Buildings</u>	<u>Machinery and equipment</u>	<u>Other equipment</u>	<u>Total</u>
Accumulated depreciation and impairment losses:				
Balance as of January 1, 2025	\$ 229,593	3,774	-	233,367
Depreciation for the year	55,583	1,499	47	57,129
Write-off	(10,669)	-	-	(10,669)
Effect of movements in exchange rates	(522)	-	(3)	(525)
Balance as of June 30, 2025	<u>\$ 273,985</u>	<u>5,273</u>	<u>44</u>	<u>279,302</u>
Balance as of January 1, 2024	\$ 174,057	1,505	-	175,562
Depreciation for the year	37,699	1,088	-	38,787
Write-off	(4,727)	-	-	(4,727)
Effect of movements in exchange rates	34	-	-	34
Balance as of June 30, 2024	<u>\$ 207,063</u>	<u>2,593</u>	<u>-</u>	<u>209,656</u>
Carrying amount:				
Balance as of January 1, 2025	<u>321,656</u>	<u>3,963</u>	<u>-</u>	<u>325,619</u>
Balance as of June 30, 2025	<u>\$ 276,089</u>	<u>7,003</u>	<u>351</u>	<u>283,443</u>
Balance as of January 1, 2024	<u>\$ 294,326</u>	<u>4,368</u>	<u>-</u>	<u>298,694</u>
Balance as of June 30, 2024	<u>\$ 325,882</u>	<u>5,144</u>	<u>-</u>	<u>331,026</u>

The Group added and modified parts of the lease contracts, resulting in an increase in right-of-use assets of \$32,099 thousand and \$76,109 thousand for the six months ended June 30, 2025 and 2024, respectively.

The Group terminated and modified parts of the lease contracts, resulting in a decrease in right-of-use assets of \$14,861 thousand and \$5,060 thousand for the six months ended June 30, 2025 and 2024, respectively.

For the six months ended June 30, 2025 and 2024, the Group leases storage room, machinery and parking space under operating lease, please refer to Note (6)(q).

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(k) 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.

	Owned property		Total
	Land	Buildings	
Balance at January 1, 2025	\$ <u>1,266,920</u>	<u>343,625</u>	<u>1,610,545</u>
Balance as of June 30, 2025	\$ <u>1,266,920</u>	<u>337,474</u>	<u>1,604,394</u>
Balance as of January 1, 2024	\$ <u>920,080</u>	<u>181,722</u>	<u>1,101,802</u>
Balance as of June 30, 2024	\$ <u>920,080</u>	<u>182,157</u>	<u>1,102,237</u>

The fair value of investment properties was not significantly different from those disclosed in Note(6)(l) to the annual consolidated financial statements for the year ended December 31 , 2024.

As of June 30, 2025, December 31, 2024 and June 30, 2024, the investment property of the Group had been pledged as collateral , please refer to Note (8).

(l) Intangible assets

	Goodwill	Software	Other	Total
			intangible assets	
Book value:				
Balance as of January 1, 2025	\$ <u>28,945</u>	<u>8,762</u>	<u>9,417</u>	<u>47,124</u>
Balance as of June 30, 2025	\$ <u>28,544</u>	<u>8,336</u>	<u>8,605</u>	<u>45,485</u>
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 June 30, 2024	\$ <u>28,444</u>	<u>6,107</u>	<u>10,229</u>	<u>44,780</u>

There were no significant additions, disposal, or recognition and reversal of impairment losses of intangible assets for the six months ended June 30, 2025 and 2024. Information on amortization for the period is discussed in note (12). Please refer to note (6)(m) to the 2024 annual consolidated financial statements for other related information.

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(m) Long and short-term borrowings

	June 30, 2025	December 31, 2024	June 30, 2024
Secured bank loans	\$ 767,000	614,500	315,000
Unsecured bank loans	405,216	303,031	836,448
Total	<u>\$ 1,172,216</u>	<u>917,531</u>	<u>1,151,448</u>
Unused credit lines	<u>\$ 4,039,826</u>	<u>4,847,754</u>	<u>3,656,289</u>
Range of interest rates	<u>1.71%~6.50%</u>	<u>1.76%~7.53%</u>	<u>1.75%~7.33%</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)(z).

(n) Other payables

	June 30, 2025	December 31, 2024	June 30, 2024
Logistics services payable	\$ 3,128,195	4,606,255	2,672,678
Dividend payable	27,429	-	4,322
Others	464,313	701,014	513,330
	<u>\$ 3,619,937</u>	<u>5,307,269</u>	<u>3,190,330</u>

(o) Provisions

	June 30, 2025	December 31, 2024	June 30, 2024
Warranties	<u>\$ 16,740</u>	<u>18,241</u>	<u>17,594</u>
			Warranties
Balance as of January 1, 2025			\$ 18,241
Additions			7,066
Provisions reversed or used			(8,567)
Balance as of June 30, 2025			<u>\$ 16,740</u>
Balance as of January 1, 2024			\$ 14,922
Additions			10,474
Provisions reversed or used			(7,802)
Balance as of June 30, 2024			<u>\$ 17,594</u>

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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.

(p) Lease liabilities

The carrying amounts of lease liabilities were as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Current	\$ <u>127,679</u>	<u>128,343</u>	<u>75,065</u>
Non-current	\$ <u>339,583</u>	<u>377,827</u>	<u>265,798</u>

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

The Group added and modified parts of the lease contract, resulting in an increase in lease liabilities of \$32,076 thousand and \$76,109 thousand for the six months ended June 30, 2025 and 2024, respectively.

The Group terminated and modified parts of the contract, resulting in a decrease in lease liabilities of \$1,108 thousand and \$5,113 thousand for the six months ended June 30, 2025 and 2024, respectively.

The amounts recognized in profit or loss were as follows:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Interest on lease liabilities	\$ <u>1,941</u>	<u>885</u>	<u>3,963</u>	<u>1,707</u>
Income from sub-leasing right-of-use assets	\$ <u>4,283</u>	<u>6,596</u>	<u>8,125</u>	<u>12,579</u>
Expenses relating to short-term leases	\$ <u>3,295</u>	<u>14,436</u>	<u>6,509</u>	<u>28,863</u>

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

	For the Six Months Ended June 30,	
	2025	2024
Total cash outflow for leases	\$ <u>77,999</u>	<u>67,497</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)(q).

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2. Other leases

The Group leases machinery and other equipment, with lease terms of 1 to 5 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 year 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.

(q) 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:

	<u>June 30,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>	<u>June 30,</u> <u>2024</u>
Within 1 year	\$ 6,419	19,854	48,403
1 to 5 years	257	30,378	54,808
More than 5 years	-	4,827	7,241
	<u>\$ 6,676</u>	<u>55,059</u>	<u>110,452</u>

(r) 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, 2024 and 2023.

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

	<u>For the Three Months Ended June 30,</u>		<u>For the Six Months Ended June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Operating costs and expenses	\$ <u>156</u>	<u>257</u>	<u>306</u>	<u>619</u>

2. Defined contribution plans

The Group's expenses for the pension plan contributions to the Bureau of Labor Insurance for the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024 were as follows:

	<u>For the Three Months Ended June 30,</u>		<u>For the Six Months Ended June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Operating costs and expenses	\$ <u>8,574</u>	<u>7,849</u>	<u>16,896</u>	<u>15,279</u>

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3. The foreign Company's pension costs under the local laws were \$677 thousand, \$674 thousand, \$1,588 thousand and \$1,547 thousand for the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024, respectively.

(s) **Income taxes**

The components of income tax for the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024 were as follows:

	<u>For the Three Months Ended June 30,</u>		<u>For the Six Months Ended June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Current tax expense				
Current period	\$ 51,228	54,078	110,999	97,745
Adjustment for prior periods	870	(8,444)	870	(8,444)
	<u>52,098</u>	<u>45,634</u>	<u>111,869</u>	<u>89,301</u>
Deferred tax expense				
Current period	5,086	(2,411)	2,345	1,385
Prior period underestimate	1,815	2,056	1,815	2,056
	<u>6,901</u>	<u>(355)</u>	<u>4,160</u>	<u>3,441</u>
Income tax expense from continuing operations	<u>\$ 58,999</u>	<u>45,279</u>	<u>116,029</u>	<u>92,742</u>

The amounts of income tax recognized in other comprehensive income for the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024 were as follows:

	<u>For the Three Months Ended June 30,</u>		<u>For the Six Months Ended June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gains (losses) on equity instruments at fair value through other comprehensive income	\$ <u>17,389</u>	<u>(847)</u>	<u>13,037</u>	<u>(4,907)</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation	\$ <u>1,569</u>	<u>1,015</u>	<u>(1,591)</u>	<u>3,462</u>

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

(t) **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 June 30, 2025 and 2024. For the related information, please refer to note (6)(v) to the consolidated financial statements for the year ended December 31, 2024.

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1.Share capital

	June 30, 2025	December 31, 2024	June 30, 2024
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>163,398</u>	<u>163,398</u>	<u>155,617</u>
Shares issued	\$ <u>1,633,975</u>	<u>1,633,975</u>	<u>1,556,167</u>

The Company decided to issue 8,170 thousand common shares amounting to \$81,699 thousand, based on the resolution decided during the shareholders' meeting held on June 26, 2025, As of June 30,2025, the above transaction has yet to be approved by the Financial Supervisory Commission, R.O.C.

The Company issued 7,781 thousand common shares amounting to \$77,808 thousand, with the date of capital increase set on September 1, 2024, based on the resolution decided during the shareholders' meeting held on June 21, 2024 , and the approval of the Financial Supervisory Commission, R.O.C. on July 30, 2024. All relevant statutory registration procedures have 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

	June 30, 2025	December 31, 2024	June 30, 2024
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	193,054	193,054	193,011
Changes in ownership interest in subsidiaries	250,872	250,872	250,872
Changes in equity of associates accounted for using equity method	339	339	-
Others	<u>43,860</u>	<u>43,860</u>	<u>43,860</u>
	<u>\$ 3,382,788</u>	<u>3,382,788</u>	<u>3,382,406</u>

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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.

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 2024 had been approved during the board meeting on March 7, 2025. The amount of shares dividends of appropriation of earnings for 2024 had been approved during the shareholders' meeting on June 26, 2025, as follows:

	2024	
	Dividend per share (\$)	Amount
Dividends distributed to common shareholders		
Cash	\$ 3.80	620,910
Share	0.50	81,699
Total		702,609

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The amounts of cash dividends on the 2023 earnings distribution had been approved during the board meeting on March 8, 2024. The amounts of stock dividends on the 2023 earnings distribution had been approved during the shareholders' meeting on June 21, 2024, as follows:

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

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, 2025	\$ (10,729)	344,217	333,488
Exchange differences on translation of foreign financial statement	(306,641)	-	(306,641)
Exchange differences on associates accounted for using equity method	36,760	-	36,760
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	-	4,119	4,119
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income, associates accounted for using equity method	-	(23,354)	(23,354)
Balance as of June 30, 2025	<u><u>\$ (280,610)</u></u>	<u><u>324,982</u></u>	<u><u>44,372</u></u>
Balance as of January 1, 2024	\$ (122,201)	388,865	266,664
Exchange differences on translation of foreign financial statement	160,578	-	160,578
Exchange differences on associates accounted for using equity method	(11,942)	-	(11,942)
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	-	(36,747)	(36,747)
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income, associates accounted for using equity method	-	11,477	11,477
Balance as of June 30, 2024	<u><u>\$ 26,435</u></u>	<u><u>363,595</u></u>	<u><u>390,030</u></u>

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5. Non-controlling interests after tax

	For the Six Months Ended June 30,	
	2025	2024
Balance, beginning of year	\$ 2,387,112	2,299,950
Shares attributed to non-controlling interests		
Net income	88,300	83,781
Exchange differences on translation of foreign financial statements	(36,202)	10,727
Unrealized gains or losses from financial assets measured at fair value through other comprehensive income	31,034	(74,901)
Gains on non-controlling interests from the disposal of subsidiaries	-	64,213
Cash dividends of subsidiaries distributed to non controlling interests	(152,646)	(182,452)
Balance, end of year	<u>\$ 2,317,598</u>	<u>2,201,318</u>

(u) Earnings per share

For the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024, the basic and diluted earnings per share were calculated as follows:

1. Basic earnings per share

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Profit attributable to ordinary shareholders of the Company	\$ <u>229,822</u>	<u>220,377</u>	<u>425,065</u>	<u>405,554</u>
Weighted average number of ordinary shares (basic)(retroactive adjustments)	<u>163,398</u>	<u>163,398</u>	<u>163,398</u>	<u>163,398</u>

2. Diluted earnings per share

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Profit attributable to ordinary shareholders of the Company	\$ <u>229,822</u>	<u>220,377</u>	<u>425,065</u>	<u>405,554</u>
Weighted average number of ordinary shares (basic)(retroactive adjustments)	163,398	163,398	163,398	163,398
Effect of employee stock compensation	(29)	277	512	474
Weighted average number of ordinary shares (diluted)(retroactive adjustments)	<u>163,369</u>	<u>163,675</u>	<u>163,910</u>	<u>163,872</u>

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The Company resolved to issue shares free of charge, based on the resolution decided during the shareholders' meeting held on June 26, 2025. As of the approval date of the financial statements, the date of capital increase has not yet been determined. If the distribution of shares free of charge occurred before the financial statements been released, the planned retrospectively adjusted earnings per share would be as follows:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Basic earnings per share	<u>1.34</u>	<u>1.28</u>	<u>2.48</u>	<u>2.36</u>
Diluted earnings per share	<u>1.34</u>	<u>1.28</u>	<u>2.47</u>	<u>2.36</u>

(v) Revenue from contracts with customers

1. Disaggregation of revenue

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Primary geographical markets:				
Taiwan	\$ 2,035,189	2,052,837	4,052,646	4,002,177
Hong Kong	1,730	7,950	2,784	18,794
China	3,366	-	10,402	-
Philippines	97,043	60,375	186,731	112,257
Malaysia	16,896	18,984	33,621	32,985
Indonesia	<u>13,425</u>	<u>19,367</u>	<u>30,790</u>	<u>35,337</u>
	<u>\$ 2,167,649</u>	<u>2,159,513</u>	<u>4,316,974</u>	<u>4,201,550</u>
Major products:				
Product revenue				
Medical equipment and Supplies	\$ 1,235,215	1,267,780	2,455,787	2,441,302
Medicines	278,325	231,316	595,016	449,525
Aesthetic medical equipment and Supplies	223,828	302,310	481,662	606,676
Household appliances	37,993	39,388	72,783	72,752
Other	38,806	14,069	51,595	23,377
Repair and maintenance revenue	150,161	138,243	289,743	271,127
Other operating revenue	<u>203,321</u>	<u>166,407</u>	<u>370,388</u>	<u>336,791</u>
	<u>\$ 2,167,649</u>	<u>2,159,513</u>	<u>4,316,974</u>	<u>4,201,550</u>

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2.Contract balances

	June 30, 2025	December 31, 2024	June 30, 2024
Notes receivable, accounts receivable, lease payment receivable and other receivables	\$ 6,111,036	5,954,357	5,496,633
Less: allowance for impairment	(53,539)	(64,032)	(67,748)
Total	<u>\$ 6,057,497</u>	<u>5,890,325</u>	<u>5,428,885</u>
Contract liabilities	<u>\$ 534,663</u>	<u>543,595</u>	<u>454,774</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 June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024 that was included in the contract liability balance at the beginning of the period were \$99,553 thousand, \$44,164 thousand \$168,061 thousand and \$240,752 thousand, respectively.

(w) Employee compensation and directors' remuneration

On June 26, 2025, the Company resolved at the shareholders' meeting to amend its Articles of Incorporation. According to the amended Company Article of Incorporation, if the Company incurs profit for the year, the profit shall first be used to offset against any accumulated deficits. Thereafter, a maximum of 5% of the remaining net profit shall be allocated as directors' remuneration in cash, and no less than 1% (in shares or in cash) as employee remuneration. (At least 30% shall be allocated for salary adjustments or remuneration distributions for its non-executive employees.) The distribution shall also include those employees of the Company's subsidiaries who meet certain requirements.

Prior to the amendment, the Articles of Incorporation stipulated that, if the Company incurs profit for the year, the profit shall first be used to offset against any accumulated deficits. Thereafter, a maximum of 5% of the remaining net profit shall be allocated as directors' remuneration in cash, and a minimum of 1% (in shares or in cash) as employee remuneration, including those employees of the Company's subsidiaries who meet certain requirements..

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For the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024, the Company estimated its employee compensation amounting to \$14,180 thousand, \$13,264 thousand, \$26,432 thousand and \$24,887 thousand, and directors' remuneration amounting to \$7,090 thousand, \$6,632 thousand, \$13,216 thousand and \$12,444 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, 2024 and 2023, the compensation to employees which were paid in cash, amounted to \$47,985 thousand and \$47,244 thousand, respectively and directors' remuneration paid in cash, amounted to \$23,992 thousand and \$23,622 thousand, respectively. The information is available on the Market Observation Post System website.

(x) Non-operating income and expenses

1. Interest Income

The details of other income were as follows:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Interest income from bank deposits	\$ 13,248	21,186	32,237	34,663
Interest income from lease payment receivable	4,793	1,129	9,127	2,129
	\$ 18,041	22,315	41,364	36,792

2. Other income

The details of other income were as follows:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Dividend income	\$ 1,577	14	1,577	2,657
Other income	1,154	1,560	1,771	3,138
	\$ 2,731	1,574	3,348	5,795

3. Financial costs

The details of financial costs were as follows:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Bank borrowings	\$ 5,367	4,577	11,049	8,827
Others	2,808	886	5,708	1,706
	\$ 8,175	5,463	16,757	10,533

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4. Other gains and losses

The details of other gains and losses were as follows:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Gains (losses) on disposal of property, plant, and equipment	\$ (7)	792	406	792
Foreign exchange (losses) gains	(14,511)	1,317	(10,012)	7,804
Net gains or losses on financial assets (liabilities) measured at fair value through profit or loss	(3,807)	(1,166)	(2,545)	(944)
Others	(222)	2,589	353	2,654
	\$ (18,547)	3,532	(11,798)	10,306

(y) Reclassification adjustments of components of other comprehensive income

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

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Equity instruments at fair value through other comprehensive income				
Net changes in fair value	\$ 76,710	(41,204)	48,190	(116,555)
Net gains or losses recognized in other comprehensive income	\$ 76,710	(41,204)	48,190	(116,555)

(z) 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 arising from financial instruments. For related information, please refer to note (6)(z) to the consolidated financial statements for the year ended December 31, 2024.

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1. Liquidity risks

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

	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
June 30, 2025								
Non-derivative financial liabilities								
Short-term borrowings	\$ 822,216	822,216	105,216	717,000	-	-	-	-
Payables	4,678,221	4,678,221	780,654	3,761,231	52,329	84,007	-	-
Lease liabilities	467,262	467,262	11,739	21,040	31,973	62,927	100,672	238,911
Long-term borrowings	350,000	350,000	-	-	-	-	-	350,000
Deposits received	11,124	11,124	-	-	-	-	-	11,124
Foreign exchange forward contracts:								
Outflows	47,497	47,497	-	47,497	-	-	-	-
Inflows	(46,377)	(46,377)	-	(46,377)	-	-	-	-
	<u>\$ 6,329,943</u>	<u>6,329,943</u>	<u>897,609</u>	<u>4,500,391</u>	<u>84,302</u>	<u>146,934</u>	<u>100,672</u>	<u>600,035</u>
December 31, 2024								
Non-derivative financial liabilities								
Short-term borrowings	\$ 917,531	917,531	257,090	660,441	-	-	-	-
Payables	6,286,239	6,286,239	929,916	5,206,955	62,267	87,091	-	10
Lease liabilities	506,170	506,170	11,100	21,725	33,339	62,179	119,546	258,281
Deposits received	11,148	11,148	-	-	-	-	-	11,148
	<u>\$ 7,721,088</u>	<u>7,721,088</u>	<u>1,198,106</u>	<u>5,889,121</u>	<u>95,606</u>	<u>149,270</u>	<u>119,546</u>	<u>269,439</u>
June 30, 2024								
Non-derivative financial liabilities								
Short-term borrowings	\$ 1,151,448	1,151,448	311,098	740,350	100,000	-	-	-
Payables	4,168,296	4,168,296	768,960	3,227,698	85,717	85,911	-	10
Lease liabilities	340,863	340,863	6,719	12,884	19,102	36,360	58,257	207,541
Deposits received	4,208	4,208	131	-	-	-	-	4,077
Derivative financial liabilities								
Foreign exchange forward contracts:								
Outflows	45,309	45,309	31,590	13,719	-	-	-	-
Inflows	(44,523)	(44,523)	(30,958)	(13,565)	-	-	-	-
	<u>\$ 5,665,601</u>	<u>5,665,601</u>	<u>1,087,540</u>	<u>3,981,086</u>	<u>204,819</u>	<u>122,271</u>	<u>58,257</u>	<u>211,628</u>

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

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2. Market risks

1) Currency risks

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

			June 30, 2025	
Functional currency	Exchange rate	Currency	Foreign currency (in thousands)	Carrying amount (TWD)
Financial assets				
Monetary items				
TWD	29.300	USD	\$ 3,198	93,699
TWD	0.203	JPY	25,339	5,154
TWD	34.350	EUR	30	1,033
HKD	7.851	USD	1,560	45,703
MYR	4.379	USD	757	22,181
Non-Monetary items				
TWD	0.022	KRW	5,908,125	129,270
USD	0.034	TWD	695,749	695,749
USD	0.140	CNY	6,216	25,424
USD	0.127	HKD	259,247	967,721
USD	0.228	MYR	43,779	292,846
USD	0.018	PHP	223,857	116,750
Financial liabilities				
Monetary items				
TWD	0.203	JPY	223,151	45,389
TWD	29.300	USD	873	25,578
PHP	56.314	USD	1,342	39,321

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Functional currency	Exchange rate	Currency	December 31, 2024	
			Foreign currency (in thousands)	Carrying amount (TWD)
Financial assets				
Monetary items				
TWD	32.785	USD	\$ 15,225	499,144
TWD	0.210	JPY	71,177	14,940
TWD	34.140	EUR	383	13,079
Non-Monetary items				
TWD	0.023	KRW	4,968,000	111,581
USD	0.031	TWD	723,565	723,565
USD	0.137	CNY	31,857	142,670
USD	0.129	HKD	269,642	1,138,621
USD	0.216	MYR	44,839	316,797
USD	0.017	PHP	168,922	95,809
Financial liabilities				
Monetary items				
TWD	32.785	USD	2,640	86,552
Functional currency	Exchange rate	Currency	June 30, 2024	
			Foreign currency (in thousands)	Carrying amount (TWD)
Financial assets				
Monetary items				
TWD	32.450	USD	\$ 5,514	178,934
TWD	0.202	JPY	215,256	43,417
TWD	34.710	EUR	567	19,675
HKD	7.810	USD	9,839	319,292
MYR	4.918	USD	322	10,449
Non-Monetary items				
TWD	0.024	KRW	3,769,125	89,479
USD	0.031	TWD	767,791	767,791
USD	0.137	CNY	31,615	140,551
USD	0.128	HKD	313,854	1,302,651
USD	0.203	MYR	44,740	295,153

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Functional currency	Exchange rate	Currency	June 30, 2024	
			Foreign currency (in thousands)	Carrying amount (TWD)
Financial liabilities				
Monetary items				
TWD	0.202	JPY	320,341	64,613
TWD	32.450	USD	1,001	32,482
PHP	58.595	USD	895	29,043

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 six months ended June 30, 2025 and 2024, foreign exchange gains or losses amounted to losses of \$10,012 thousand and gains of \$7,804 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 June 30, 2025 and 2024 would have increased or decreased the net profit after tax by \$470 thousand and \$3,755 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.

If the interest rate increases or decreases by 1%, assuming that all other variables remain constant, the Group's net profit after tax will increase or decrease by \$8,827 thousand and \$11,979 thousand for the six months ended June 30, 2025 and 2024, 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 six months ended June 30, 2025 and 2024 would have increased/decreased by \$7,038 thousand and \$5,999 thousand, respectively, as a result of the changes in fair values of financial assets at fair value through other comprehensive income.

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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:

	June 30, 2025				
		Fair value			
	Book value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income					
Domestic listed shares	\$ 2,748	2,748	-	-	2,748
Foreign listed shares	141,448	141,448	-	-	141,448
Domestic unlisted shares	133,622	-	-	133,622	133,622
Foreign unlisted shares	425,948	-	-	425,948	425,948
Sub-total	703,766	144,196	-	559,570	703,766
Financial assets at amortized cost					
Cash and cash equivalents	2,324,907	-	-	-	-
Time deposits with original maturity of more than 3 months	538,340	-	-	-	-
Receivables	6,057,497	-	-	-	-
Guarantee deposits paid	182,911	-	-	-	-
Other financial assets	104,505	-	-	-	-
Sub-total	9,208,160	-	-	-	-
Total	\$ 9,911,926	144,196	-	559,570	703,766
Financial liabilities at fair value through profit or loss					
Derivative financial liabilities	\$ 1,120	-	1,120	-	1,120
Financial liabilities at amortized cost					
Short-term and long-term borrowings	1,172,216	-	-	-	-
Payables	4,678,221	-	-	-	-
Guarantee deposits received	11,124	-	-	-	-
Lease liabilities	467,262	-	-	-	-
Total	\$ 6,329,943	-	1,120	-	1,120

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	December 31, 2024				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss					
Derivative financial assets	\$ 117	-	117	-	117
Financial assets at fair value through other comprehensive income					
Domestic listed shares	2,391	2,391	-	-	2,391
Foreign listed shares	121,050	121,050	-	-	121,050
Domestic unlisted shares	151,165	-	-	151,165	151,165
Foreign unlisted shares	381,304	-	-	381,304	381,304
Sub-total	655,910	123,441	-	532,469	655,910
Financial assets at amortized cost					
Cash and cash equivalents	4,189,204	-	-	-	-
Time deposits with original maturity of more than 3 months	757,371	-	-	-	-
Receivables	5,890,325	-	-	-	-
Guarantee deposits paid	170,199	-	-	-	-
Other financial assets	138,748	-	-	-	-
Sub-total	11,145,847	-	-	-	-
Total	\$ 11,801,874	123,441	117	532,469	656,027
Financial liabilities at amortized cost					
Short-term and long-term borrowings	\$ 917,531	-	-	-	-
Payables	6,286,239	-	-	-	-
Guarantee deposits received	11,148	-	-	-	-
Lease liabilities	506,170	-	-	-	-
Total	\$ 7,721,088	-	-	-	-

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	June 30, 2024				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss					
Derivative financial assets	\$ 220	-	220	-	220
Financial assets at fair value through other comprehensive income					
Foreign listed shares	97,199	97,199	-	-	97,199
Domestic unlisted shares	157,342	-	-	157,342	157,342
Foreign unlisted shares	345,332	-	-	345,332	345,332
Sub-total	599,873	97,199	-	502,674	599,873
Financial assets at amortized cost					
Cash and cash equivalents	2,501,343	-	-	-	-
Time deposits with original maturity of more than 3 months	714,832	-	-	-	-
Receivables	5,428,885	-	-	-	-
Guarantee deposits paid	164,911	-	-	-	-
Other financial assets	95,534	-	-	-	-
Sub-total	8,905,505	-	-	-	-
Total	\$ 9,505,598	97,199	220	502,674	600,093
Financial liabilities at fair value through profit or loss					
Derivative financial liabilities	\$ 786	-	786	-	786
Financial liabilities at amortized cost					
Short-term and long-term borrowings	1,151,448	-	-	-	-
Payables	4,168,296	-	-	-	-
Guarantee deposits received	4,208	-	-	-	-
Lease liabilities	340,863	-	-	-	-
Sub-total	5,664,815	-	-	-	-
Total	\$ 5,665,601	-	786	-	786

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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.

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.

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4) Changes in level 3 of the fair value

	Fair value through other comprehensive income <u>unquoted equity instruments</u>
Balance as of January 1, 2025	\$ 532,469
Total gains and losses recognized	
In other comprehensive income	26,959
Reclassification and effect of movements in exchange rates	<u>142</u>
Balance as of June 30, 2025	<u><u>\$ 559,570</u></u>
Balance as of January 1, 2024	\$ 594,570
Total gains and losses recognized	
In other comprehensive income	(92,017)
Reclassification and effect of movements in exchange rates	<u>121</u>
Balance as of June 30, 2024	<u><u>\$ 502,674</u></u>

For the six months ended June 30, 2025 and 2024, the total gains and losses that were included in “unrealized gains and losses from financial assets at fair value through other comprehensive income” were as follows:

	<u>For the Three Months Ended June 30,</u>		<u>For the Six Months Ended June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
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”	\$ 40,924	(36,974)	26,959	(92,017)

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”.

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Quantified information of significant unobservable inputs was as follows:

Item	Valuation techniques	Significant non-observable inputs	The relationship between significant Non-observable inputs and fair value
Financial assets at fair value through other comprehensive income - equity instruments investments without an active market	Market approach- Company comparisons	<ul style="list-style-type: none"> · EV/Revenue Value Multiple (3.2 as of June 30, 2024.) · P/B Value Multiple (0.674~2.70, 0.74~2.20 and 1~3.49 as of June 30, 2025, December 31, 2024 and June 30, 2024, respectively.) · P/E Value Multiple (21.23 as of June 30, 2024.) · Discount due to Lack of Market liquidity (14.06%~30%, 9.86%~30% and 10%~22.3% as of June 30, 2025, December 31, 2024 and June 30, 2024, respectively.) 	· The estimated fair value would increase (decrease) if the value multiple is higher (lower) and the marketability discount is lower (higher)

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:

	Input	Variation	Impact on Fair Value Change on Other Comprehensive income or loss	
			Favorable Change	Unfavorable Change
June 30, 2025				
Financial assets at fair value through other comprehensive income				
Equity instruments without an active market	Value Multiple	5%	\$ 27,199	(27,199)
Equity instruments without an active market	Discount due to Lack of Market liquidity	5%	37,523	(37,523)
			\$ 64,722	(64,722)

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			Impact on Fair Value Change on Other Comprehensive income or loss	
			Favorable Change	Unfavorable Change
December 31, 2024				
Financial assets at fair value through other comprehensive income				
Equity instruments without an active market	Value Multiple	5%	\$ 26,139	(26,139)
Equity instruments without an active market	Discount due to Lack of Market liquidity	5%	34,999	(34,999)
			<u>\$ 61,138</u>	<u>(61,138)</u>
June 30, 2024				
Financial assets at fair value through other comprehensive income				
Equity instruments without an active market	Value Multiple	5%	\$ 24,513	(24,513)
Equity instruments without an active market	Discount due to Lack of Market liquidity	5%	32,496	(32,496)
			<u>\$ 57,009</u>	<u>(57,009)</u>

(aa) 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, 2024.

(ab) 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, 2024. Also, management believes that there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2024. Please refer to note (6)(ad) to the consolidated financial statement for the year ended December 31, 2024 for further details.

(ac) 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 six months ended June 30, 2025 and 2024, were as follows:

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

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Reconciliation of liabilities arising from financing activities were as follows:

	January 1, 2025	Cash flows	Non-cash changes			June 30, 2025
			Acquisition	Foreign exchange movement	Others	
Short-term and long-term borrowings	\$ 917,531	254,685	-	-	-	1,172,216
Lease liabilities	506,170	(67,527)	32,076	(2,349)	(1,108)	467,262
Total liabilities from financing activities	<u>\$ 1,423,701</u>	<u>187,158</u>	<u>32,076</u>	<u>(2,349)</u>	<u>(1,108)</u>	<u>1,639,478</u>

	January 1, 2024	Cash flows	Non-cash changes			June 30, 2024
			Acquisition	Foreign exchange movement	Others	
Short-term borrowings	\$ 1,134,887	16,561	-	-	-	1,151,448
Lease liabilities	306,795	(36,927)	76,109	(1)	(5,113)	340,863
Total liabilities from financing activities	<u>\$ 1,441,682</u>	<u>(20,366)</u>	<u>76,109</u>	<u>(1)</u>	<u>(5,113)</u>	<u>1,492,311</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>
Excelsior Investment Co., Ltd.	Entities with significant influence over the Group
Excelsior Group Holdings Co., Ltd.	"
Xuan Hui Co., Ltd.	"
Bestchain Healthtaiwan Co., Ltd. (Bestchain)	Associate
Excelsior Renal Service Co., Limited (ERS)	"
Asia Best Healthcare Co., Limited (ABH)	"
Medifly Co., Ltd.	"
Asia Best Life Care Co., Ltd. (ABL)	"
Excelsior Long Term Care Corporation Entity	"
Medytox Taiwan Inc.	"
Touce Biotech Co., Ltd. (Touce Biotech)	"
Bestsmile Co., Ltd.(Bestsmile)	"
Exceed Healthcare Co., Ltd.	"
Anxin Nice Care Co., Ltd.	"
NephroCare Limited	"
Cardinal Medical Services Ltd.	"

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<u>Name of related party</u>	<u>Relationship with the Group</u>
CYJ INTERNATIONAL COMPANY LIMITED (CYJ)	Associate (Note 1)
Excelsior Health Foundation	Other related parties

Note 1: CYJ INTERNATIONAL COMPANY LIMITED was dissolved by resolution of the shareholders' meeting on May 13, 2024.

(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 June 30,</u>		<u>For the Six Months Ended June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Associate—Bestchain	\$ 605,856	657,844	1,207,651	1,251,991
Associate—ERS	189,558	194,778	373,136	374,484
Associate—Others	65,544	63,429	130,553	128,010
Other related parties	38	37	71	37
	<u>\$ 860,996</u>	<u>916,088</u>	<u>1,711,411</u>	<u>1,754,522</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.

2) Repair and maintenance revenue

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

	<u>For the Three Months Ended June 30,</u>		<u>For the Six Months Ended June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Associate—ERS	\$ 23,496	24,786	46,514	48,838
Associate—Bestchain	5,479	455	8,251	1,688
	<u>\$ 28,975</u>	<u>25,241</u>	<u>54,765</u>	<u>50,526</u>

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3) Other operating revenue-rental revenue

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

	<u>For the Three Months Ended June 30,</u>		<u>For the Six Months Ended June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Entities with significant influence over the Group	\$ 18	18	36	36
Associate — ABH	10,912	4,200	17,393	8,400
Associate — ERS	1,099	1,522	2,273	2,212
Associate — Others	729	1,048	5,885	1,555
Other related parties	12	15	23	31
	<u>\$ 12,770</u>	<u>6,803</u>	<u>25,610</u>	<u>12,234</u>

4) Other operating revenue-service revenue

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

	<u>For the Three Months Ended June 30,</u>		<u>For the Six Months Ended June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Associate	\$ 3,969	3,760	7,855	7,503
Other related parties	63	72	125	143
	<u>\$ 4,032</u>	<u>3,832</u>	<u>7,980</u>	<u>7,646</u>

2. Purchases from related parties

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

	<u>For the Three Months Ended June 30,</u>		<u>For the Six Months Ended June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Associate	\$ 28,082	45,009	82,581	85,398

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:

Accounted for as	Category of related party	June 30, 2025	December 31, 2024	June 30, 2024
Notes receivable	Associate	\$ 54	756	25
Other notes receivable	Associate	1,156	219	1,052
Accounts receivable	Associate— Bestchain	642,113	693,595	693,242
Accounts receivable	Associate— ERS	152,434	163,977	151,846
Accounts receivable	Associate— Others	56,358	47,620	50,625
Accounts receivable	Other related parties	125	5	198
Other receivables	Associate	1,681	5,715	6,975
		<u><u>\$ 853,921</u></u>	<u><u>911,887</u></u>	<u><u>903,963</u></u>

4.Payables to related parties

Payables to related parties were as follows:

Accounted for as	Category of related party	June 30, 2025	December 31, 2024	June 30, 2024
Accounts payable	Associate	\$ 20,883	12,233	11,820
Other payables	Associate	11,486	11,657	14,166
Deposits received	Associate	7,713	7,713	-
		<u><u>\$ 40,082</u></u>	<u><u>31,603</u></u>	<u><u>25,986</u></u>

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5. Prepayments

Prepayments to related parties were as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Associate	\$ <u>15,891</u>	<u>28,293</u>	<u>57,164</u>

6. Temporary receipts

Temporarily receipts to related parties were as follow :

	June 30, 2025	December 31, 2024	June 30, 2024
Entities with significant influence over the Group-Xuan Hui Co.,Ltd.	\$ -	-	8,677
Entities with significant influence over the Group-Excelsior Group Holdings Co., Ltd.	-	-	13,015
Associate-Bestchain	-	-	10,846
	<u>\$ -</u>	<u>-</u>	<u>32,538</u>

The Company temporarily receive to related parties were CYJ Taiwan received amount for conducting a cash capital increase, with the date set on July 1, 2024.

7. Property transactions

1) Purchases of property, plant and equipment

The purchases price of property, plant and equipment purchased from related parties are summarized as follows:

	For the three months ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Associate-Bestsmile	\$ <u>6,688</u>	<u>-</u>	<u>6,688</u>	<u>-</u>

2) Disposals of property, plant and equipment

The disposals of property, plant and equipment to related parties were summarized as follows:

	For the Three Months Ended June 30,			
	2025		2024	
Category of related party	Disposal price	Gains (losses) from disposal	Disposal price	Gains (losses) from disposal
Associates	\$ -	-	88	40

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Category of related party	For the Six Months Ended June 30,			
	2025		2024	
	Disposal price	Gains (losses) from disposal	Disposal price	Gains (losses) from disposal
Associates	\$ -	-	88	40

3) Disposals of financial assets

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

		For the Three Months Ended June 30,			
		2024			
Relationship	Account	Number of shares	Purpose	Disposal price	Gain (loss) on disposal
Associate—Bestchain	Investments accounted for using equity method	1,500,000	Ordinary shares of Dynamic	\$ 159,043	-

		For the Six Months Ended June 30,			
		2024			
Relationship	Account	Number of shares	Purpose	Disposal price	Gain (loss) on disposal
Associate—Bestchain	Investments accounted for using equity method	1,500,000	Ordinary shares of Dynamic	\$ 159,043	-

8. Guarantee

As of June 30, 2025, December 31, 2024 and June 30, 2024, the Group provided associates guarantees for loans. The credit limit of the guarantees were \$800,000 thousand, \$1,200,000 thousand and \$800,000 thousand, and the amount utilized were \$185,000 thousand, \$285,000 thousand and \$350,000 thousand, respectively.

9. Others

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
<u>Associates and Other related parties</u>				
Other revenue	\$ 561	984	1,057	1,572
Cost of goods sold	(1,916)	(1,123)	(6,482)	(2,211)
Repair and maintenance costs	(3,790)	(1,334)	(4,828)	(2,937)
Fright and warehousing expense	(13,243)	(12,883)	(26,323)	(24,723)
Rent expense	(993)	(448)	(2,378)	(908)
Other expense	(7,611)	(6,549)	(15,055)	(12,508)

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

As of June 30, 2025, December 31, 2024 and June 30, 2024, the Group had received collections in advance from associates for \$1,464 thousand, \$3,339 thousand and \$116 thousand, respectively.

(c) Key management personnel compensation

Key management personnel compensation comprised:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Short-term employee benefits \$	17,785	22,046	39,710	45,131
Post-employment benefit	251	394	502	780
	<u>\$ 18,036</u>	<u>22,440</u>	<u>40,212</u>	<u>45,911</u>

(8) Pledged Assets

The carrying amount of pledged assets were as follows:

Pledged assets	Object	June 30, 2025	December 31, 2024	June 30, 2024
Current deposits and time deposits	Bank loans, bank guarantee and credit card document receiving service guarantee	\$ 102,767	136,537	94,165
Notes receivable and other notes receivable	Guarantee of short-term loan or strengthening credit	287,361	213,352	256,179
Property, plant and equipment	Bank loans	88,907	94,351	88,974
Investment property	"	1,350,757	1,497,473	844,754
Refundable deposits (Recognized in other non-current financial assets)	Guarantees for sales performance, deposits and lease deposits, etc.	182,911	170,199	164,911
		<u>\$ 2,012,703</u>	<u>2,111,912</u>	<u>1,448,983</u>

(9) Significant Commitments and Contingencies

(a) Unrecognized contractual commitments

- As of June 30, 2025, December 31, 2024 and June 30, 2024, the unused letters of credit were \$52,748 thousand, \$28,792 thousand and \$36,425 thousand, respectively. The guarantee letters issued by banks for sales contract guarantee and purchase bid of hospital were \$888,080 thousand, \$932,010 thousand and \$601,173 thousand, respectively.

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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.
3. The Group won the bid for the procurement project for COVID-19 treatment drugs (including storage and distribution) from the Centers for Disease Control, Ministry of Health and Welfare (CDC), who entered into an agreement with the Group on July 17, 2024, in which the Group will purchase drugs and provide storage and distribution services to the CDC.

(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 function By item	For the Three Months Ended June 30, 2025			For the Three Months Ended June 30, 2024		
	Operating cost	Operating expense	Total	Operating cost	Operating expense	Total
Employee benefits						
Salary	77,126	123,347	200,473	70,904	123,914	194,818
Labor and health insurance	7,320	10,457	17,777	6,541	9,379	15,920
Pension	3,666	5,741	9,407	3,351	5,429	8,780
Others	3,330	6,248	9,578	2,278	6,240	8,518
Depreciation	56,677	20,144	76,821	52,657	12,903	65,560
Amortization	129	1,686	1,815	290	1,066	1,356

By function By item	For the Six Months Ended June 30, 2025			For the Six Months Ended June 30, 2024		
	Operating cost	Operating expense	Total	Operating cost	Operating expense	Total
Employee benefits						
Salary	148,049	260,943	408,992	138,354	246,696	385,050
Labor and health insurance	14,971	22,468	37,439	13,271	19,876	33,147
Pension	7,233	11,557	18,790	6,533	10,912	17,445
Others	7,062	12,489	19,551	5,235	11,343	16,578
Depreciation	113,610	38,704	152,314	102,518	25,020	127,538
Amortization	303	3,298	3,601	583	2,103	2,686

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(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 six months ended June 30, 2025:

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	1,697,207	990,000	570,000	65,000	-	6.72 %	8,486,033	Y	N	N
0	"	EG Healthcare, Inc. (Note 4)	2	1,697,207	146,450	143,215	5,203	-	1.69 %	8,486,033	Y	N	N
0	"	Renal Laboratories Sdn. Bhd. (Note 4)	2	1,697,207	83,013	73,250	-	-	0.86 %	8,486,033	Y	N	N
0	"	Medi-Chem System Sdn. Bhd. (Note 4)	2	1,697,207	16,602	14,650	-	-	0.17 %	8,486,033	Y	N	N
0	"	Excelsior Renal Service Co., Limited (Note 3)	1	775,053	-	-	-	-	- %	8,486,033	N	N	N
0	"	Bestchain Healthtaiwan Co., Ltd. (Note 3)	1	2,469,668	1,200,000	800,000	185,000	-	9.43 %	8,486,033	N	N	N
1	Dynamic Medical Technologies Inc.	CYJ International Taiwan Inc.(Note 5)	2	294,556	100,000	100,000	-	-	6.79 %	736,390	Y	N	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 Dynamic's net asset value from the most recent audited or reviewed report.

Note 6: The total amount of guarantee and endorsement cannot exceed the Company's net asset value from the most recent audited or review report: Dynamic cannot exceed 50% of its net asset value from the most recent audited or reviewed report.

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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	3-D Matrix, Ltd.	-	Fair value through other comprehensive income	273,400	12,178	0.25 %	12,178	
"	Gie Cheng Co., Ltd.	-	"	3,795,000	24,629	17.25 %	24,629	
"	Rui Guang Healthcare Co., Ltd.	-	"	2,423,951	38,056	7.15 %	38,056	
"	Sunder Biomedical Tech. Co., Ltd.	-	"	2,279,578	53,069	3.80 %	53,069	
"	Linkon International Golf & Country Club	-	"	1	14,900	0.10 %	14,900	
"	Chi Sheng Pharma & Biotech Co., Ltd.	-	"	86,000	2,748	0.15 %	2,748	
Excelsior Healthcare Co. Limited	Chai Tai Bo Ai Investment Limited	-	"	10,000	-	8.00 %	-	
EG Healthcare, Inc.	The Orchard Golf & Country Club	-	"	1	1,564	- %	1,564	
Dynamic Medical Technologies Inc.	Caregen Co., Ltd.	-	"	172,500	129,270	0.32 %	129,270	
Excelsior Beauty Co., Ltd.	Join Fun Co., Ltd.	-	"	263,340	2,968	19.00 %	2,968	
Arich Enterprise Co., Ltd.	National Pharmaceutical Logistics Corp., Ltd.	Board director of investee	"	-	424,384	17.65 %	424,384	Note

Note : Act as limited company, no outstanding share.

4. 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	373,110	14.79 %	Net 30-60 days	-		152,407	11.66 %	Note 1
"	Bestchain Healthtaiwan Co., Ltd.	"	"	1,206,893	47.83 %	Net 30-90 days	-		641,458	49.08 %	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.

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5. 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	152,407	4.72	-	-	65,692	-
"	Bestchain Healthtaiwan Co., Ltd.	"	641,458	3.62	-	-	-	-

6. 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 2025			
				Account name	Amount	Terms of trading	Percentage of the total consolidated revenue or total assets
0	The Company	EG Healthcare, Inc.	1	Sales	52,222	Usual terms and conditions	1.21 %
"	"	"	1	Account Receivable	43,293	The same as the term for other general trading partners	0.23 %
1	Dynamic Medical Technologies Inc.	CYJ International Taiwan Inc.	3	Sales	54,025	The same as the term for other general trading partners	7.96 %
"	"	"	3	Account Receivable	31,488	The same as the term for other general trading partners	1.09 %

Note 1: The numbers denote the following:

- 0 represents the Company.
- Subsidiaries are listed by names and numbered starting with 1.

Note 2: Relationship with the listed companies:

- The Company to subsidiary
- Subsidiary to the Company
- 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 six months ended June 30, 2025, 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	55,235,590	44.71 %	1,085,900	146,500	65,458	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 %	768,384	58,214	23,282	Subsidiary (Note 2)
"	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	116,113	116,113	12,328,785	33.96 %	511,214	79,099	26,822	Subsidiary

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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 Healthcare Co., Limited	British Virgin Islands	Investment business	898,782	898,782	28,695,856	100.00 %	1,556,309	106,719	106,719	Subsidiary
"	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 %	29,093	69	16	Associates
"	Excelsior Medical (HK) Co., Limited	Hong Kong	Investment business	963,137	963,137	33,807,013	64.36 %	1,187,464	83,970	54,043	Subsidiary
"	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 %	102,833	21,823	8,960	Sub-subsiidary
"	Excelsior Asset Management Co., Ltd.	New Taipei City	Sales of medical equipment, precision instrument and real estate	780,525	780,525	85,509,500	100.00 %	693,965	14,617	14,617	Subsidiary
"	Medifly Co., Ltd.	Taichung	Sale of medical equipment and medicines	31,899	31,899	3,615,976	28.66 %	105,012	16,220	4,649	Associates
"	Asia Best Life Care Co., Ltd	New Taipei City	Long-term care business	953,836	953,836	84,633,340	49.38 %	1,016,034	66,291	32,733	Associates
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 %	116,750	29,880	-	Sub-subsiidary
"	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 %	351,894	101,102	-	Associates
"	Excelsior Medical (HK) Co., Limited	Hong Kong	Investment business	516,071	516,071	18,724,062	35.64 %	657,570	83,970	-	Subsidiary
"	Excelsior Investment (Malaysia) Co., Ltd	British Virgin Islands	Investment business	343,026	343,026	11,171,271	100.00 %	292,846	(7,480)	-	Sub-subsiidary
Dynamic Medical Technologies Inc.	Dynamic Medical Technologies (Hong Kong) Ltd.	Hong Kong	Sale of cosmetic health-care products	104,652	382,278	13,061,783	100.00 %	56,285	4,033	-	Sub-subsiidary (Note 5)
"	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 %	103,866	21,823	-	Sub-subsiidary (Note 1)
"	Medytox Taiwan Inc.	New Taipei City	Sale of cosmetic health-care products	18,000	18,000	1,800,000	40.00 %	(1,007)	3,120	-	Associates
"	TOUCE BIOTECH Co., Ltd	Taipei City	Sale of cosmetic health-care products	45,000	45,000	420,000	35.00 %	49,629	4,254	-	Associates
"	CYJ International Taiwan Inc.	New Taipei City	Sales of lifestyle beauty products and treatments, and sales of medical beauty products	155,709	155,709	13,851,588	55.41 %	135,878	3,674	-	Sub-subsiidary (Note 4)

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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			
Arich Enterprise Co., Ltd.	Arich Best Chain Co., Ltd.	New Taipei City	Logistics Bussiness	31,080	31,080	3,000,000	100.00 %	31,291	378	-	Sub-subsidiary
Excelsior Medical (HK) Co., Limited	Asia Best Healthcare Co., Ltd.	Cayman Islands	Long-term care business	458,902	458,902	129,492	48.47 %	584,358	50,756	-	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 %	117,972	20,581	-	Associates
"	NephroCare Limited	Hong Kong	Sale of medical equipment, and medical management consultancy service	688,755	688,755	151,801,588	49.00 %	738,263	84,303	-	Associates
Excelsior Investment (Malaysia) Co., Ltd	Renal Laboratories Sdn. Bhd.	Malaysia	Manufacture of medical equipment	288,387	288,387	32,523,586	81.90 %	251,366	(8,656)	-	Sub-subsidiary
"	Medi-Chem Systems Sdn. Bhd.	Malaysia	Sale of medical equipment	44,052	44,052	350,000	70.00 %	35,785	347	-	Sub-subsidiary
Medi-Chem Systems Sdn. Bhd.	Renal Management Sdn. Bhd.	Malaysia	Lease business	1,315	1,315	200,000	100.00 %	8,614	117	-	Sub-subsidiary

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: Based on a resolution approved during its board meeting held on April 24, 2024, CYJ International Taiwan Inc. conducted a cash capital increase by issuing 12,759,960 ordinary shares, with a total issuance amount of NT\$127,600 thousand, with the base date set on July 1, 2024, wherein the Company purchased 6,507,580 ordinary shares, with \$65,067 thousand in cash, resulting in the Company's shareholder ratio to decrease to 55.41%.

Note 5: The registration procedures of the capital reduction amounting to HKD 65,960 thousand (equivalent to NTD 277,626 thousand) of the Company's subsidiary, Dynamic Medical Technologies (Hong Kong) Limited, was approved by the competent authority on February 24, 2025, with the authorization letter having been from the Investment Commission on April 10, 2025.

Note 6: 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 pain-in capital	Method of investment (Note 1)	Accumulated outflow of investment from Taiwan as of January 1, 2025	Investment flows		Accumulated outflow of investment from Taiwan as of June 30, 2025	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	(236)	7.80 %	-	-	-
SinoExcelsior Investment Inc. (Note 5, 7)	Sale of medical equipment, and medical management consultancy service	179,004	(2)	947,845	-	-	947,845	343	100.00 %	343	25,424	-

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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, 2025	Investment flows		Accumulated outflow of investment from Taiwan as of June 30, 2025	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						
Guangzhou Dynamic Inc.	Sale and maintenance of medical equipment	44,346	(2)	119,574	-	-	119,574	(577)	100.00 %	(577)	6,957	-
Beijing Dynamic Inc. (Note 6)	Sale and maintenance of medical equipment	-	(2)	34,424	-	27,323	7,101	-	- %	-	-	-
National Pharmaceutical Logistics Corp., Ltd.	Medical logistics	370,493	(3)	66,603	-	-	66,603	33,748	17.65 %	-	424,384	93,846

2. Limitation on investment in Mainland China:

Company	Accumulated Investment in Mainland China as of June 30, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment (Note 8)
The Company	1,087,625	1,289,640	5,091,620
Dynamic Medical Technologies Inc.	126,675	126,675	883,667
Arich Enterprise Co., Ltd.	66,603	66,603	1,155,769

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 June 30, 2025, 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 June 30, 2025, 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, with the deductible amount of USD 826 thousand, had been completed in November 2018, and the Investment Commission's authorization letter was obtained on April 10, 2025.

Note 7: Based on a resolution approved during its board meeting held on December 28, 2024, Sino Excelsior Investment Inc. conducted a cash capital reduction of CNY25,000 thousand, at a ratio of 42% with the approval of the competent authority on February 6, 2025. The fund had been remitted to Excelsior Medical (HK) Co., Ltd., belonging to a third region. As of June 30, 2025, the accumulated amount of investment from Taiwan has not yet to be repatriated.

Note 8: (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 9: 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".

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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:

For the Three Months Ended June 30, 2025	Excelsiro segment	Dynamic segment	Arich segment	Others	Adjustment and Elimination	Total
Revenue						
Revenue from external customers	\$ 1,314,188	327,119	378,713	147,629	-	2,167,649
Inter-segment revenue	26,505	100	-	4,883	(31,488)	-
Total	\$ 1,340,693	327,219	378,713	152,512	(31,488)	2,167,649
Reportable segment profit (loss)	\$ 262,327	54,424	38,532	99,257	(122,417)	332,123
For the Three Months Ended June 30, 2024						
Revenue						
Revenue from external customers	\$ 1,333,046	398,337	317,285	110,845	-	2,159,513
Inter-segment revenue	30,827	113	9	13,786	(44,735)	-
Total	\$ 1,363,873	398,450	317,294	124,631	(44,735)	2,159,513
Reportable segment profit (loss)	\$ 247,894	67,053	24,392	60,431	(91,628)	308,142
For the Six Months Ended June 30, 2025						
Revenue						
Revenue from external customers	\$ 2,583,522	678,197	772,514	282,741	-	4,316,974
Inter-segment revenue	63,912	257	-	17,325	(81,494)	-
Total	\$ 2,647,434	678,454	772,514	300,066	(81,494)	4,316,974
Reportable segment profit (loss)	\$ 488,994	112,797	74,122	187,957	(234,476)	629,394
For the Six Months Ended June 30, 2024						
Revenue						
Revenue from external customers	\$ 2,573,493	798,848	629,128	200,081	-	4,201,550
Inter-segment revenue	51,992	2,786	15	27,416	(82,209)	-
Total	\$ 2,625,485	801,634	629,143	227,497	(82,209)	4,201,550
Reportable segment profit (loss)	\$ 460,393	132,504	50,426	115,392	(176,638)	582,077