

Hi-Clearance Inc. and Subsidiaries
Consolidated Financial Statements and
Independent Auditors' Report
For the Six Months Ended June 30, 2025 and 2024

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Independent Auditors' Report

Board of Directors of Hi-Clearance Inc. herein declares:

Introduction

The consolidated balance sheets of Hi-Clearance Inc. and its subsidiaries as of June 30, 2025 and June 30, 2024, and the consolidated statements of comprehensive income for the periods from April 1 to June 30, 2025 and 2024, and from January 1 to June 30, 2025 and 2024, as well as the consolidated statements of changes in equity and consolidated cash flow statements for the periods from January 1 to June 30, 2025 and 2024, and the accompanying notes to the consolidated financial statements (including a summary of significant accounting policies), have been reviewed and completed. In accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, as approved and published by the Financial Supervisory Commission, the management is responsible for preparing the interim financial statements in accordance with IAS 34, Interim Financial Reporting. The auditors are responsible for forming a conclusion on the consolidated financial statements based on the review results.

Scope

In addition to the introductory paragraph that provides a summary of the conclusion, the auditor performed the review work in compliance with TWSRE2410 "Review of Financial Statements." The procedures conducted during the review of the consolidated financial statements involve making inquiries (mainly to personnel responsible for financial and accounting matters), performing analytical procedures, and conducting other review procedures. The scope of review work is clearly smaller than that of audit work, so the auditor may not be able to detect all significant matters that can be identified through an audit, and therefore cannot express an audit opinion.

Basis for Retaining Conclusions

As described in Note 4 (II) to the consolidated financial statements, certain non-material subsidiaries included in the aforementioned consolidated financial reports are based on the unaudited financial statements of those investee companies for the same periods. As of June 30, 2025 and June 30, 2024, the total assets of these non-material subsidiaries were NT\$635,950 thousand and NT\$687,734 thousand, respectively, accounting for 12.64% and 13.74% of the consolidated total assets. Their total liabilities were NT\$284,244 thousand and NT\$284,159 thousand, respectively, accounting for 13.12% and 13.36% of the consolidated total liabilities. The comprehensive income for the periods from April 1 to June 30, 2025 and 2024, and from January 1 to June 30, 2025 and 2024 was NT\$(5,967) thousand, NT\$7,420 thousand, NT\$1,086 thousand, and NT\$14,502 thousand, respectively, accounting for (6.75)%, 6.74%, 0.63%, and 6.99% of the consolidated comprehensive income.

Except for the items described in the previous paragraph, as noted in Note 6 (VI) to the consolidated financial statements, the investments in associates of Hi-Clearance Inc. and its

subsidiaries, accounted for using the equity method, were NT\$123,502 thousand and NT\$120,340 thousand as of June 30, 2025 and June 30, 2024, respectively. For the periods from April 1 to June 30, 2025 and 2024, and from January 1 to June 30, 2025 and 2024, the share of profit or loss from associates accounted for using the equity method was NT\$1,604 thousand, NT\$3,877 thousand, NT\$4,819 thousand, and NT\$8,224 thousand, respectively. These amounts are based on the unaudited financial statements of the investee companies for the same periods.

Retaining Conclusions

According to the results of our review, except for the potential adjustments that may affect the consolidated financial statements if the financial reports of the investee companies were audited, we have not found any instances where the consolidated financial statements do not comply with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34 "Interim Financial Reporting," as recognized and issued by the Financial Supervisory Commission, in all material respects. Therefore, the consolidated financial position of Hi-Clearance Inc. and its subsidiaries as of June 30, 2025 and June 30, 2024, and the consolidated financial performance for the periods from April 1 to June 30, 2025 and 2024, and from January 1 to June 30, 2025 and 2024, as well as the consolidated cash flows for the period from January 1 to June 30, 2025 and 2024, are fairly presented.

KPMG Taiwan

Shu-Chih, Yang

CPA:

Shyh-Gang, Horng

Securities authorities approval
document no.:

Regulatory Examination Letter No.
: 1040003949
Regulatory Examination Letter No.
1110336423

August 8, 2025

Hi-Clearance Inc. and Subsidiaries
Consolidated Balance Sheets
June 30, 2025, December 31, 2024, and June 30, 2024

Unit: NTS thousand

Assets	2025.6.30		2024.12.31		2024.6.30			Liabilities and equity	2025.6.30		2024.12.31		2024.6.30	
	Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
Current assets:								Current liabilities:						
1100 Cash and cash equivalents (Note 6 (I))	\$ 485,160	10	414,865	8	427,141	9	2100 Short-term loans (Note 6 (XI) and Note 8)	\$ 407,387	8	367,987	7	317,987	6	
1110 Financial assets at fair value through profit or loss - current (Note 6 (II))	16,976	-	22,561	-	53,167	1	2120 Financial liabilities at fair value through profit or loss - current (Note 6(II))	1,234	-	-	-	-	-	
1150 Net amount of notes receivable (Note 6 (IV), (XVIII) and Note 8)	193,711	4	183,794	4	193,007	4	2130 Contract liabilities - current (Note 6 (XVIII))	20,071	-	19,604	-	18,089	-	
1170 Net amount of accounts receivable (Note 6 (IV), (XVIII))	1,019,616	20	957,359	19	1,042,131	21	2150 Notes payable	8,292	-	6,260	-	7,651	-	
1180 Net amount of accounts receivable - related parties (Notes 6 (IV), (XVIII) and Note 7)	20,919	-	59,804	1	71,570	1	2170 Accounts payable	587,802	12	655,695	13	600,331	13	
1197 Net amount of financial leases receivable (Note 6 (IV), (XVIII))	37,451	1	36,133	1	38,444	1	2180 Accounts payable - related parties (Note 7)	1,360	-	1,020	-	2,293	-	
1200 Other receivables	2,369	-	2,936	-	14,434	-	2216 Dividends payable	311,647	6	-	-	311,647	6	
1300 Inventory (Note 6 (V))	643,811	13	671,681	14	621,983	12	2219 Other payables - others	139,212	3	174,610	4	154,667	3	
1410 Prepayments	34,199	1	23,263	-	31,380	1	2220 Other payables - related parties (Note 7)	8,179	-	13,726	-	9,353	-	
1476 Other financial assets - current (Note 8)	107,242	2	108,102	2	57,261	1	2230 Current income tax liabilities	44,827	1	57,746	1	48,682	1	
1479 Other current assets - others	4,228	-	4,297	-	7,461	-	2280 Lease liabilities - current (Note 6 (XII))	79,250	2	78,769	2	77,290	2	
Total current assets	2,565,682	51	2,484,795	49	2,557,979	51	2300 Other current liabilities	19,878	-	27,090	1	20,091	-	
Non-current assets:							Total current liabilities	1,629,139	32	1,402,507	28	1,568,081	31	
1517 Financial assets at fair value through other comprehensive income - non-current (Note 6 (III))	12,010	-	12,010	-	45,268	1	Non-current liabilities:							
1550 Investments accounted for using the equity method (Note 6 (VI))	123,502	2	123,835	2	120,340	2	2527 Contract liabilities - non-current (Note 6 (XVIII))	27,247	1	26,922	1	24,027	-	
1600 Property, plant, and equipment (Notes 6 (VII) and 8)	1,303,385	26	1,272,551	26	1,096,766	22	2570 Deferred income tax liabilities	8,747	-	8,747	-	8,372	-	
1755 Right-of-use assets (Note 6 (VIII))	554,835	11	571,407	12	579,050	12	2580 Lease liabilities - non-current (Note 6 (XII))	499,674	10	518,630	10	525,112	11	
1760 Investment property (Note 6 (IX))	26,087	1	26,092	1	26,096	1	2600 Other non-current liabilities	1,661	-	1,661	-	1,770	-	
1780 Intangible assets (Note 6 (X))	234,423	5	174,187	4	180,699	3	Total non-current liabilities	537,329	11	555,960	11	559,281	11	
1840 Deferred income tax assets	5,612	-	5,612	-	4,917	-	Total liabilities	2,166,468	43	1,958,467	39	2,127,362	42	
1930 Long-term notes receivable (Note 6 (IV), (XVIII) and Note 8)	9,560	-	10,011	-	7,858	-	Equity (Note 6 (XVI)):							
194D Net amount of long-term financial leases receivable (Note 6 (IV), (XVIII))	104,026	2	109,945	2	93,481	2	3110 Capital stock	445,210	9	445,210	9	445,210	9	
1990 Other non-current assets - others (Note 7)	91,188	2	169,945	4	294,490	6	3200 Capital surplus	1,601,988	32	1,601,988	33	1,601,988	32	
Total non-current assets	2,464,628	49	2,475,595	51	2,448,965	49	3300 Retained earnings	863,369	17	992,317	20	837,479	17	
Total assets	\$ 5,030,310	100	4,960,390	100	5,006,944	100	3400 Other equity	(46,725)	(1)	(37,592)	(1)	(5,095)	-	
							Total equity	2,863,842	57	3,001,923	61	2,879,582	58	
							Total liabilities and equity	\$ 5,030,310	100	4,960,390	100	5,006,944	100	

(Please refer to the notes of the Consolidated Financial Statements)

Chairman: Lee Chung-Liang

Executive: Chen Kuo-Shih

Chief Accountant: Chang Yaw-Yuan

Hi-Clearance Inc. and Subsidiaries
Consolidated Statements of Comprehensive Income
April 1 to June 30, 2025, and 2024, and January 1 to June 30, 2025, and 2024

Unit: NT\$ thousand

	April to June 2025		April to June 2024		January to June 2025		January to June 2024	
	Amount	%	Amount	%	Amount	%	Amount	%
4000 Operating revenue (Notes 6 (XVIII) and Note 7)	\$ 1,070,062	100	1,096,986	100	2,120,555	100	2,061,829	100
5000 Operating costs (Notes 6 (V), (XIV), Note 7, and Note 12)	790,881	74	801,425	73	1,570,993	74	1,508,375	73
Gross profit	279,181	26	295,561	27	549,562	26	553,454	27
Operating expenses (Notes 6 (IV), (XII), (XIV), (XIX), Note 7, and Note 12):								
6100 Selling and marketing expenses	103,949	10	102,705	9	202,645	10	189,454	9
6200 General and administrative expenses	72,687	7	72,750	7	139,793	7	138,666	7
6450 Expected credit losses (or reversal)	(517)	-	(93)	-	287	-	(431)	-
Total operating expenses	176,119	17	175,362	16	342,725	17	327,689	16
Net operating income	103,062	9	120,199	11	206,837	9	225,765	11
Non-operating income and expenses:								
7100 Interest income (Note 6 (XX))	2,950	-	2,925	-	5,105	-	5,008	-
7010 Other income (Note 6 (XX) and Note 7)	2,559	-	4,999	-	3,311	-	10,551	1
7020 Other gains and losses (Note 6 (XX))	16,558	2	6,003	1	16,223	1	9,662	-
7050 Financial costs (Notes 6 (XII) and (XX))	(4,211)	-	(2,853)	-	(8,550)	-	(5,360)	-
7060 Share of profit or loss of affiliates and joint ventures accounted for using the equity method (Note 6 (VI))	1,604	-	3,877	-	4,819	-	8,224	-
Total non-operating income and expenses	19,460	2	14,951	1	20,908	1	28,085	1
7900 Income before tax	122,522	11	135,150	12	227,745	10	253,850	12
7950 Less: Income tax expenses (Note 6 (XV))	24,396	2	26,111	2	45,046	2	48,708	2
Net income for the period	98,126	9	109,039	10	182,699	8	205,142	10
8300 Other comprehensive income:								
8360 Components that may be reclassified to profit or loss								
8361 Exchange differences on translation of financial statements of foreign operations	(9,635)	(1)	1,012	-	(9,133)	-	2,219	-
Total components that may be reclassified to profit or loss	(9,635)	(1)	1,012	-	(9,133)	-	2,219	-
8300 Other comprehensive income (net after tax)	(9,635)	(1)	1,012	-	(9,133)	-	2,219	-
Total comprehensive income for the period	<u>\$ 88,491</u>	<u>8</u>	<u>110,051</u>	<u>10</u>	<u>173,566</u>	<u>8</u>	<u>207,361</u>	<u>10</u>
Earnings per share (NT\$) (Note 6 (XVII))								
9750 Basic earnings per share (NT\$)	<u>\$ 2.20</u>		<u>2.45</u>		<u>4.10</u>		<u>4.61</u>	
9850 Diluted earnings per share (NT\$)	<u>\$ 2.20</u>		<u>2.45</u>		<u>4.10</u>		<u>4.60</u>	

(Please refer to the notes of the Consolidated Financial Statements)

Chairman: Lee Chung-Liang

Executive: Chen Kuo-Shih

Chief Accountant: Chang Yaw-Yuan

Hi-Clearance Inc. and Subsidiaries
Consolidated Statements of Changes in Equity
January 1 to June 30, 2025, and 2024

Unit: NTS thousand

	Capital Stock - Common Shares	Capital Surplus	Retained Earnings			Total	Other Equity Items			Total equity
			Legal Reserve	Special Reserve	Unappropriated Earnings		Exchange differences on translation of financial statements of foreign operations	Unrealized Gains (Losses) in Equity Instruments at Fair Value Through Other Comprehensive Income	Others	
Balance as of January 1, 2024	\$ 445,210	1,601,988	400,322	4,776	538,886	943,984	(6,645)	-	(669)	2,983,868
Appropriation and distribution of earnings:										
Appropriation of legal reserve	-	-	34,740	-	(34,740)	-	-	-	-	-
Appropriation of special reserve	-	-	-	1,869	(1,869)	-	-	-	-	-
Cash dividends of common shares	-	-	-	-	(311,647)	(311,647)	-	-	-	(311,647)
Net income for the period	-	-	-	-	205,142	205,142	-	-	-	205,142
Other comprehensive income for the period	-	-	-	-	-	-	2,219	-	-	2,219
Total comprehensive income for the period	-	-	-	-	205,142	205,142	2,219	-	-	207,361
Balance as of June 30, 2024	\$ 445,210	1,601,988	435,062	6,645	395,772	837,479	(4,426)	-	(669)	2,879,582
Balance as of January 1, 2025	\$ 445,210	1,601,988	435,062	6,645	550,610	992,317	(3,665)	(33,258)	(669)	3,001,923
Appropriation and distribution of earnings:										
Appropriation of legal reserve	-	-	35,998	-	(35,998)	-	-	-	-	-
Appropriation of special reserve	-	-	-	30,947	(30,947)	-	-	-	-	-
Cash dividends of common shares	-	-	-	-	(311,647)	(311,647)	-	-	-	(311,647)
Net income for the period	-	-	-	-	182,699	182,699	-	-	-	182,699
Other comprehensive income for the period	-	-	-	-	-	-	(9,133)	-	-	(9,133)
Total comprehensive income for the period	-	-	-	-	182,699	182,699	(9,133)	-	-	173,566
Balance as of June 30, 2025	\$ 445,210	1,601,988	471,060	37,592	354,717	863,369	(12,798)	(33,258)	(669)	2,863,842

(Please refer to the notes of the Consolidated Financial Statements)

Chairman: Lee Chung-Liang

Executive: Chen Kuo-Shih

Chief Accountant: Chang Yaw-Yuan

Hi-Clearance Inc. and Subsidiaries
Consolidated Statements of Cash Flows
January 1 to June 30, 2025, and 2024

Unit: NT\$ thousand

	January to June 2025	January to June 2024
Cash flows from operating activities:		
Income before tax for the period	\$ 227,745	253,850
Adjustment items:		
Adjustments to reconcile profit (loss)		
Depreciation expenses	85,989	79,618
Amortization expenses	16,165	8,280
Expected credit losses (or reversal)	287	(431)
Net gain on financial assets and liabilities at fair value through profit or loss	(2,200)	(2,343)
Interest expenses	8,550	5,360
Interest income	(5,105)	(5,008)
Share of profit of associates and joint ventures accounted for using the equity method	(4,819)	(8,224)
Loss (gain) on disposal of property, plant, and equipment	3,406	(1,094)
Gains on lease modifications	(2,838)	(449)
Total adjustments to reconcile profit (loss)	<u>99,435</u>	<u>75,709</u>
Changes in operating assets and liabilities:		
Decrease in financial assets at fair value through profit or loss	9,019	921
Decrease (increase) in notes receivable	(9,412)	36,602
Increase in accounts receivable and financial leases	(57,879)	(118,923)
Decrease in accounts receivable - related parties	38,885	13,510
Decrease (increase) in other receivables	567	(13,093)
Decrease (increase) in inventory	9,313	(7,471)
Decrease (increase) in prepayments	(13,033)	37,803
Decrease (increase) in other current assets	(1,512)	431
Decrease in other financial assets	860	1,634
Increase in other operating assets	(3,498)	(7,552)
Total net changes in assets related to operating activities	<u>(26,690)</u>	<u>(56,138)</u>
Decrease in financial liabilities at fair value through profit or loss	-	(19)
Increase in contractual liabilities	792	9,483
Increase in notes payable	2,032	130
Decrease in accounts payable	(67,893)	(80,838)
Increase in payables to related parties	340	11
Decrease in other payables	(35,398)	(29,930)
Decrease in other payables - related parties	(5,547)	(5,312)
Decrease in other current liabilities	(7,212)	(6,425)
Decrease in net defined benefit liabilities	-	(133)
Total net changes in liabilities related to operating activities	<u>(112,886)</u>	<u>(113,033)</u>
Total net changes in assets and liabilities related to operating activities	<u>(139,576)</u>	<u>(169,171)</u>
Total adjustment items	<u>(40,141)</u>	<u>(93,462)</u>
Cash inflows from operations	187,604	160,388
Interest received	5,105	5,008
Interest paid	(8,550)	(5,360)
Income tax paid	(57,965)	(29,244)
Net cash inflow from operating activities	<u>126,194</u>	<u>130,792</u>
Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	-	(45,000)
Acquisition of property, plant, and equipment	(54,333)	(26,454)
Disposal of property, plant, and equipment	4,133	2,566
Increase in refundable deposits	(38,006)	(34,740)
Decrease in refundable deposits	40,375	26,107
Intangible asset acquisition	(30,492)	-
Decrease (increase) in prepayments for equipment and land	26,787	(211,355)
Dividends received from associates	5,152	4,274
Net cash outflow from investing activities	<u>(46,384)</u>	<u>(284,602)</u>
Cash flows from financing activities:		
Increase in short-term loans	881,652	680,000
Decrease in short-term loans	(842,252)	(453,578)
Repayments of long-term loans	-	(12,651)
Increase in guarantee deposits received	-	6,054
Decrease in guarantee deposits received	-	(6,214)
Lease principal payment	(41,651)	(36,047)
Net cash inflow (outflow) from financing activities	<u>(2,251)</u>	<u>177,564</u>
Effects of exchange rate changes on the balance of cash held in foreign currencies	(7,264)	2,250
Increase in cash and cash equivalents during the period	<u>70,295</u>	<u>26,004</u>
Cash and cash equivalents at beginning of period	<u>414,865</u>	<u>401,137</u>
Cash and cash equivalents at end of period	<u>\$ 485,160</u>	<u>427,141</u>

(Please refer to the notes of the Consolidated Financial Statements)

Chairman: Lee Chung-Liang

Executive: Chen Kuo-Shih

Chief Accountant: Chang Yaw-Yuan

Hi-Clearance Inc. and Subsidiaries
Notes to Consolidated Financial Statements
2025 & 2024 Q2

(Unless otherwise specified, all amounts are in NT\$ thousand)

I. Company History

Hi-Clearance Inc. (hereinafter referred to as "the Company") was established on February 13, 1989, with the approval of the Ministry of Economic Affairs. The Company's registered address is 8F.-2, No. 2, Ln. 609, Sec. 5, Chongxin Rd., Sanchong Dist., New Taipei City, Taiwan (R.O.C.) Primary business activities of the Company and its subsidiaries (the Consolidated Companies) involve trading medical equipment, biochemical reagents, and Western medicine, as well as providing medical management consulting services.

II. Date of Authorization for Issuance of the Parent Company Only Financial Statements and Procedures for Authorization

The Consolidated Financial Statements have been approved for release by the Board of Directors on August 8, 2025.

III. Application of New and Amended Standards and Interpretations

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

Since January 1, 2025, the Consolidated Companies have been implementing the newly revised International Financial Reporting Standards (IFRSs), which has not significantly impacted the Consolidated Financial Statements.

- Amendments to IAS 21 "Lack of Exchangeability"

(II) Impact of IFRSs not yet recognized by the FSC

The Consolidated Companies assessed that the application of the following newly revised IFRSs, effective January 1, 2026, would not have a material impact on the Consolidated Financial Statements.

- IFRS 17 "Insurance Contracts" and amendments to IFRS 17
- Amendments to IFRS 9 and IFRS 7, "Amendments to the Classification and Measurement of Financial Instruments"
- Annual improvements to IFRS
- IFRS 9 and amendments to IFRS 7 "Contracts Referencing Nature-dependent Electricity"

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

(III) New and amended standards and interpretations not yet recognized by FSC

The International Accounting Standards Board has issued and revised standards and interpretations that have not yet been approved by the Financial Supervisory Commission. The following are the ones that may be relevant to the Consolidated Companies:

New or Amended Standards	Main Content for Amendments	Effective Date of Issuance by the IASB
IFRS 18 "Presentation and Disclosure in Financial Statements"	<p>The new standards introduce three categories of income and expenses, two subtotals on the income statement, and a single note regarding management performance measurement. These three amendments and enhancements to the guidance on segmenting information in financial statements lay the foundation for providing users with improved and consistent information, and will have an impact on all companies.</p> <ul style="list-style-type: none"> • A more structured income statement: The company currently uses various formats to express its financial performance, which makes it challenging for investors to compare the financial performance of different companies. The new standards have implemented a more structured income statement. They have introduced a new subtotal called "operating profit" and require that all revenues and expenses be classified into three new categories based on the company's main business activities. • Management Performance Measures (MPMs): The new criteria introduce the concept of management performance measures. Companies are now required to provide an explanation, in a single note in the financial statements, regarding the usefulness of each measurement indicator, its calculation method, and how it is adjusted for amounts recognized in accordance with international financial reporting standards and accounting principles. 	January 1, 2027

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

New or Amended Standards	Main Content for Amendments	Effective Date of Issuance by the IASB
	<ul style="list-style-type: none"> • More detailed information: The new standards provide instructions on how companies can improve the organization of information in financial statements. This guidance includes determining whether the information should be included in the primary financial statements or further detailed in the notes. 	

The Consolidated Companies is currently assessing the effects of the aforementioned criteria and interpretations on its financial condition and operating results. The relevant findings will be disclosed once the evaluation is complete.

The Consolidated Companies do not expect the following new releases and amendments to standards, that have yet to be endorsed by the FSC, to have a material impact on the 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"

IV. Summary of Significant Accounting Policies

Significant accounting policies adopted in the Consolidated Financial Statements: Unless stated otherwise, the following accounting policies have been applicable for all reporting periods of this Consolidated Financial Statements.

(I) Compliance declaration

The Consolidated Financial Statements are prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as the "Regulations") and IAS 34 "Interim Financial Reporting" endorsed and issued into effect by the FSC. The Consolidated Financial Statements do not include all the necessary information that should be disclosed in the full annual Consolidated Financial Statements prepared in accordance with the International Financial Reporting Standards, International Accounting Standards, Interpretations, and Interpretation Announcements (hereinafter referred to as the "FSC-endorsed International Financial Reporting and Accounting Standards") approved and issued by the FSC and in effect.

Except as described below, the significant accounting policies adopted in the Consolidated Financial Statements are the same as those in the Consolidated

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

Financial Statements for the year 2024. For further details, please see Note 4 of the Consolidated Financial Statements for the year 2024.

(II) Basis of consolidation

1. Subsidiaries included in the consolidated financial statements

Subsidiaries included in the Consolidated Financial Statements:

Name of Investor	Name of Subsidiary	Nature of Business	Percentage of Shareholding			Description
			2025.6.30	2024.12.31	2024.6.30	
The Company	Succeed Agents Limited (B.V.I.) (referred to as 'SA company')	Financial holding and investment	100.00%	100.00%	100.00%	Note 1
The Company	Renalysis Medical Care Co., Ltd.	Medical management consulting services	100.00%	100.00%	100.00%	
The Company	XinFu Healthcare Corp.	Medical management consulting services	- %	100.00%	100.00%	Note2
The Company	Sin Hwa Co., Ltd.	Medical equipment trade	100.00%	100.00%	100.00%	Note 1
The Company	Sin Hwa Investment Co., Ltd.	Financial holding and investment	100.00%	100.00%	100.00%	Note 1
The Company	HC Healthcare Co., Ltd.	Medical management consulting services and medical equipment trading	100.00%	100.00%	100.00%	Note 1
SA company	PT Hiclearance Medical Indonesia (referred to as "HMI company")	Medical equipment trade	100.00%	100.00%	100.00%	Note 1
SA company	Moral Well Co., Ltd., (referred to as "MW company")	Financial holding and investment	100.00%	100.00%	100.00%	Note 1
MW company	Taicha Medical Corp. (Shanghai)	International trade and re-export trade	100.00%	100.00%	100.00%	Note 1

Note 1: Subsidiaries of little importance and the financial statements have not been audited by the CPA.

Note 2: On November 8, 2024, the Board of Directors of XinFu Healthcare Corp. approved the liquidation process. As of March 24, 2025, the relevant liquidation procedures have not been completed.

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

(III) Income Tax

The Consolidated Companies comply with IAS 34, "Interim Financial Reporting," paragraph B12. This standard specifies the measurement and disclosure of income tax expenses for the interim period.

The income tax expense is calculated by multiplying the net profit before tax for the reporting period by the management's best estimate of the effective tax rate for the full year. The current income tax expense and deferred income tax expense are then allocated based on the proportion of the estimated full-year current income tax expense and deferred income tax expense.

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

Income tax expenses that are recognized in equity items or other comprehensive income items are measured based on the temporary differences between the carrying amounts of the related assets and liabilities for financial reporting purposes and their tax bases. This measurement is done using the applicable tax rates that are expected to be realized or settled upon.

(IV) Employee benefits

During the midterm period, the defined benefit plans are based on the actuarial retirement cost rate as of the reporting date of the previous year. The calculation covers the period from the beginning of the year to the end of the current period, and adjustments are made for significant market fluctuations, substantial reductions, liquidations, or other significant one-time events that occur after the reporting date.

V. Primary Sources of Uncertainties in Material Accounting Judgments, Estimates, and Assumptions

When preparing the Consolidated Financial Statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and the IAS 34 "Interim Financial Reporting" approved by the FSC, management must make judgments and estimates regarding the future, including climate-related risks and opportunities, affecting the reported amounts of accounting policies, assets, liabilities, income, and expenses. Actual results may differ from the estimates.

When preparing the Consolidated Financial Statements, management made significant judgments and estimates regarding uncertainties in adopting the accounting policies of the Consolidated Companies, in accordance with Note 5 of the Consolidated Financial Statements for the year 2024.

VI. Details of Significant Accounts

Except as described below, there are no significant differences in the descriptions of the major accounting items in this Consolidated Financial Statement compared to the report in 2024. For related information, please refer to Note 6 of the 2024 Consolidated Financial Statement.

(I) Cash and cash equivalents

	<u>2025.6.30</u>	<u>2024.12.31</u>	<u>2024.6.30</u>
Cash on hand	\$ 366	392	427
Demand deposits	425,794	350,173	365,514
Time deposits	<u>59,000</u>	<u>64,300</u>	<u>61,200</u>
Cash and cash equivalents in the consolidated statement of cash flows	<u>\$ 485,160</u>	<u>414,865</u>	<u>427,141</u>

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

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

1. Details are as follows:

	<u>2025.6.30</u>	<u>2024.12.31</u>	<u>2024.6.30</u>
Financial assets mandatorily measured at fair value through profit or loss:			
Beneficiary certificate - fund	\$ 16,976	22,031	53,167
Non-hedging derivative instruments - Forward foreign exchange contracts	-	530	-
Total	\$ <u>16,976</u>	<u>22,561</u>	<u>53,167</u>
Financial liabilities held for trading:			
Non-hedging derivative instruments - Forward foreign exchange contracts	\$ <u>1,234</u>	-	-

2. Non-hedging derivative instruments

Derivative financial instrument transactions are undertaken to mitigate the exchange rate risk associated with business activities. The following is a detailed list of derivative instruments classified as financial assets measured at fair value through profit or loss and financial liabilities held for trading, which were not accounted for as hedging instruments by the Consolidated Companies:

	<u>2025.6.30</u>		
	<u>Contract Amount</u>	<u>Currency</u>	<u>Maturity period</u>
Derivative financial liabilities:			
Forward foreign exchange contracts	JPY410,044	NTD to JPY	2025.07.09~2025.09.29
	<u>2024.12.31</u>		
	<u>Contract Amount</u>	<u>Currency</u>	<u>Maturity period</u>
Derivative financial assets:			

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

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

	<u>2025.6.30</u>	<u>2024.12.31</u>	<u>2024.6.30</u>
Domestic unlisted (over-the-counter) stocks - Taiwan Depository & Clearing Corporation	\$ 268	268	268
Domestic unlisted (over-the-counter) stocks - EPED Inc.	11,742	11,742	45,000
Total	<u>\$ 12,010</u>	<u>12,010</u>	<u>45,268</u>

1. The Consolidated Companies hold these investments in equity instruments as long-term strategic investments and not for trading purposes, therefore, they have been designated to be at fair value through other comprehensive income.
2. From January 1 to June 30, 2025, and 2024, the Consolidated Companies did not dispose of any strategic investments, and there were no transfers of accumulated gains and losses within the equity during that period.
3. The above financial assets have not been pledged as collateral.

(IV) Accounts receivable, notes receivable, receivable financing lease payments, and collections

	<u>2025.6.30</u>	<u>2024.12.31</u>	<u>2024.6.30</u>
Notes receivable	\$ 196,432	186,565	195,920
Long-term notes receivable	9,659	10,114	7,938
Accounts receivable	1,040,580	978,053	1,061,330
Receivables from related parties	20,919	59,804	71,570
Finance lease receivables	37,829	36,498	38,832
Long-term finance lease receivables	105,077	111,056	94,426
Overdue receivables	4,217	4,217	4,217
Less: Loss allowance	<u>(29,430)</u>	<u>(29,261)</u>	<u>(27,742)</u>
Net amount	<u>\$ 1,385,283</u>	<u>1,357,046</u>	<u>1,446,491</u>

For details regarding the Consolidated Companies' bills for collection deposited in banks in the amounts of NT\$188,369 thousand, NT\$179,682 thousand, and NT\$187,438 thousand, respectively, as collateral for 10-20% of the forward letters of credit as of June 30, 2025, December 31, 2024, and June 30, 2024, please refer to Note 8.

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

Lease benefit maturity analysis for undiscounted lease benefits received after the reporting date:

	<u>2025.6.30</u>	<u>2024.12.31</u>	<u>2024.6.30</u>
Under 1 year	\$ 42,311	40,961	43,809
1-2 year(s)	32,287	31,210	29,363
2-3 years	23,777	22,252	21,902
3-4 years	19,470	16,400	15,245
4-5 years	11,645	11,198	8,780
Over 5 years	31,097	43,853	31,693
Total lease investment	160,587	165,874	150,792
Unearned financing income	(17,681)	(18,320)	(17,534)
Present value of lease payments receivable	142,906	147,554	133,258
Less: Loss allowance	(1,429)	(1,476)	(1,333)
Net amount	<u>\$ 141,477</u>	<u>146,078</u>	<u>131,925</u>
	<u>2025.6.30</u>	<u>2024.12.31</u>	<u>2024.6.30</u>
Overdue receivables	\$ 4,217	4,217	4,217
Less: Loss allowance	(4,217)	(4,217)	(4,217)
	<u>\$ -</u>	<u>-</u>	<u>-</u>

The Consolidated Companies estimate expected credit losses for all receivables, accounts receivable, finance lease receivables, and collection items using a simplified approach. This approach involves measuring the expected credit losses over the lifetime of the assets. For this measurement purpose, these receivables are grouped based on shared credit risk characteristics representing the customer's ability to pay all amounts due according to the contractual terms, with forward-looking information accounted for as well. Expected credit loss analysis for the consolidated accounts receivable, notes receivable, finance leases receivable, and collections:

	<u>2025.6.30</u>		
	<u>Carrying Amounts of Notes and Accounts Receivable, Finance Leases Receivable and Collections</u>	<u>Weighted Average Expected Credit Loss Rate</u>	<u>Allowance for Expected Credit Losses During the Period</u>
Not overdue	\$ 1,362,192	0.31%	4,166
1-180 days overdue	27,993	2.63%	736
181-365 days overdue	5,088	100%	5,088
Over 366 days overdue	19,440	100%	19,440
	<u>\$ 1,414,713</u>		<u>29,430</u>

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

	2024.12.31		
	Carrying Amounts of Notes and Accounts Receivable, Finance Leases Receivable and Collections	Weighted Average Expected Credit Loss Rate	Allowance for Expected Credit Losses During the Period
Not overdue	\$ 1,362,315	0.39%	5,269
1-180 days overdue	271	100%	271
181-365 days overdue	1,861	100%	1,861
Over 366 days overdue	<u>21,860</u>	100%	<u>21,860</u>
	<u>\$ 1,386,307</u>		<u>29,261</u>

	2024.6.30		
	Carrying Amounts of Notes and Accounts Receivable, Finance Leases Receivable and Collections	Weighted Average Expected Credit Loss Rate	Allowance for Expected Credit Losses During the Period
Not overdue	\$ 1,412,372	0.07%	921
1-180 days overdue	33,579	10.19%	3,423
181-365 days overdue	9,474	48.45%	4,590
Over 366 days overdue	<u>18,808</u>	100%	<u>18,808</u>
	<u>\$ 1,474,233</u>		<u>27,742</u>

Changes in loss allowance for notes and accounts receivable, finance lease receivable and collections of the Consolidated Companies:

	January to June 2025	January to June 2024
Beginning balance	\$ 29,261	28,151
Recognized impairment loss (reversal)	287	(431)
Foreign currency exchange gain/loss	(118)	22
Ending balance	<u>\$ 29,430</u>	<u>27,742</u>

(V) Inventories

	2025.6.30	2024.12.31	2024.6.30
Commodities	\$ 643,811	643,669	621,983
Goods in transit	<u>-</u>	<u>28,012</u>	<u>-</u>
	<u>\$ 643,811</u>	<u>671,681</u>	<u>621,983</u>

From April 1 to June 30, 2025, improvements have been made to the factor that previously caused the net realizable value of inventory to be lower than the cost, and

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

a decrease of NT\$67 thousand in operating costs was recognized due to an increase in net realizable value.

From April 1 to June 30, 2024, inventory was adjusted to its net realizable value, leading to an inventory impairment loss of NT\$1,008 thousand, and reported as operating costs.

From January 1 to June 30, 2025, inventory was adjusted to its net realizable value, leading to an inventory impairment loss of NT\$1,652 thousand, and reported as operating costs.

From January 1 to June 30, 2024, improvements have been made to the factor that previously caused the net realizable value of inventory to be lower than the cost, and a decrease of NT\$983 thousand in operating costs was recognized due to an increase in net realizable value.

As of June 30, 2025, December 31, 2024, and June 30, 2024, none of the inventories of the Consolidated Companies have been pledged as collaterals.

(VI) Investments accounted for using the equity method

1. Investments of the Consolidated Companies accounted for under the equity method at the reporting date:

	<u>2025.6.30</u>	<u>2024.12.31</u>	<u>2024.6.30</u>
Associate	<u>\$ 123,502</u>	<u>123,835</u>	<u>120,340</u>

The financial information of associates of the Consolidated Companies, which are individually immaterial, and accounted for using the equity method, and is included in the Consolidated Financial Statements as follows:

	<u>2025.6.30</u>	<u>2024.12.31</u>	<u>2024.6.30</u>
Closing aggregated carrying amount of interests in individually insignificant related parties	<u>\$ 123,502</u>	<u>123,835</u>	<u>120,340</u>

	<u>April to June 2025</u>	<u>April to June 2024</u>	<u>January to June 2025</u>	<u>January to June 2024</u>
Equity owned by the Consolidated Companies:				
Net profit from ongoing operations for the current period	\$ 1,604	3,877	4,819	8,224
Other comprehensive income	-	-	-	-
Total comprehensive income	<u>\$ 1,604</u>	<u>3,877</u>	<u>4,819</u>	<u>8,224</u>

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

2. As of June 30, 2025, December 31, 2024, and June 30, 2024, no investments in related parties of the Consolidated Companies, accounted for under the equity method, have been pledged as collaterals.
3. Investments accounted for using the equity method without auditing Investee and Consolidated Companies that use the equity method calculate their share of profit and other comprehensive income based on unaudited financial statements.

(VII) Property, plant, and equipment

Changes in cost and depreciation of properties, plants, and equipment of the Consolidated Companies from January 1 to June 30, 2025, and 2024:

	<u>Land</u>	<u>Building and Construction</u>	<u>Transportation Equipment</u>	<u>Office Equipment</u>	<u>Leased Assets</u>	<u>Construction in Process</u>	<u>Total</u>
Cost:							
Balance as of January 1, 2025	\$ 618,850	459,772	5,516	97,647	444,067	-	1,625,852
Addition	-	2,008	771	7,453	29,501	14,600	54,333
Reclassifications	-	3,483	-	2,734	21,416	1,961	29,594
Disposal and obsolescence	-	-	-	(299)	(20,267)	-	(20,566)
Effects of exchange rate changes	-	-	-	(15)	(2,623)	-	(2,638)
Balance as of June 30, 2025	<u>\$ 618,850</u>	<u>465,263</u>	<u>6,287</u>	<u>107,520</u>	<u>472,094</u>	<u>16,561</u>	<u>1,686,575</u>
Balance as of January 1, 2024	\$ 412,632	455,875	4,565	83,044	417,090	-	1,373,206
Addition	-	1,133	110	5,041	20,170	-	26,454
Reclassifications	-	-	-	8,012	43,037	-	51,049
Disposal and obsolescence	-	-	-	(1,777)	(3,253)	-	(5,030)
Effects of exchange rate changes	-	-	-	7	326	-	333
Balance as of June 30, 2024	<u>\$ 412,632</u>	<u>457,008</u>	<u>4,675</u>	<u>94,327</u>	<u>477,370</u>	<u>-</u>	<u>1,446,012</u>
Depreciation:							
Balance as of January 1, 2025	\$ -	78,718	2,535	48,114	223,934	-	353,301
Current year depreciation	-	5,852	390	8,142	29,014	-	43,398
Reclassifications	-	-	-	359	(180)	-	179
Disposal and obsolescence	-	-	-	(133)	(12,894)	-	(13,027)
Effects of exchange rate changes	-	-	-	(7)	(654)	-	(661)
Balance as of June 30, 2025	<u>\$ -</u>	<u>84,570</u>	<u>2,925</u>	<u>56,475</u>	<u>239,220</u>	<u>-</u>	<u>383,190</u>

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

	Land	Building and Construction	Transportation Equipment	Office Equipment	Leased Assets	Construction in Process	Total
Balance as of January 1, 2024	\$ -	67,549	1,984	35,864	206,259	-	311,656
Current year depreciation	-	5,567	261	7,073	28,228	-	41,129
Reclassifications	-	-	-	-	(31)	-	(31)
Disposal and obsolescence	-	-	-	(981)	(2,577)	-	(3,558)
Effects of exchange rate changes	-	-	-	2	-	-	50
Balance as of June 30, 2024	<u>\$ -</u>	<u>73,116</u>	<u>2,245</u>	<u>41,958</u>	<u>231,927</u>	<u>-</u>	<u>349,246</u>
Carrying amount:							
January 1, 2025	<u>\$ 618,850</u>	<u>381,054</u>	<u>2,981</u>	<u>49,533</u>	<u>220,133</u>	<u>-</u>	<u>1,272,551</u>
June 30, 2025	<u>\$ 618,850</u>	<u>380,693</u>	<u>3,362</u>	<u>51,045</u>	<u>232,874</u>	<u>16,561</u>	<u>1,303,385</u>
January 1, 2024	<u>\$ 412,632</u>	<u>388,326</u>	<u>2,581</u>	<u>47,180</u>	<u>210,831</u>	<u>-</u>	<u>1,061,550</u>
June 30, 2024	<u>\$ 412,632</u>	<u>383,892</u>	<u>2,430</u>	<u>52,369</u>	<u>245,443</u>	<u>-</u>	<u>1,096,766</u>

For details regarding the Consolidated Companies' property, plant and equipment pledged as collaterals for loans and lines of credit, please refer to Note 8.

(VIII) Right-of-use assets

Changes in cost and depreciation of leased premises, buildings, and transportation equipment of the Consolidated Companies:

	Building and Construction	Transportation Equipment	Total
Costs of right-of-use assets:			
Balance as of January 1, 2025	\$ 874,203	1,309	875,512
Addition	59,521	4,088	63,609
Decrease	(115,931)	-	(115,931)
Balance as of June 30, 2025	<u>\$ 817,793</u>	<u>5,397</u>	<u>823,190</u>
Balance as of January 1, 2024	\$ 781,067	1,309	782,376
Addition	111,403	-	111,403
Decrease	(37,572)	-	(37,572)
Balance as of June 30, 2024	<u>\$ 854,898</u>	<u>1,309</u>	<u>856,207</u>
Accumulated depreciation of right-of-use assets:			
Balance as of January 1, 2025	\$ 303,269	836	304,105
Current period depreciation	41,688	898	42,586
Decrease	(78,336)	-	(78,336)
Balance as of June 30, 2025	<u>\$ 266,621</u>	<u>1,734</u>	<u>268,355</u>

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

	<u>Building and Construction</u>	<u>Transportation Equipment</u>	<u>Total</u>
Balance as of January 1, 2024	\$ 262,521	400	262,921
Current period depreciation	38,266	218	38,484
Decrease	<u>(24,248)</u>	<u>-</u>	<u>(24,248)</u>
Balance as of June 30, 2024	<u>\$ 276,539</u>	<u>618</u>	<u>277,157</u>
Carrying amount:			
January 1, 2025	<u>\$ 570,934</u>	<u>473</u>	<u>571,407</u>
June 30, 2025	<u>\$ 551,172</u>	<u>3,663</u>	<u>554,835</u>
January 1, 2024	<u>\$ 518,546</u>	<u>909</u>	<u>519,455</u>
June 30, 2024	<u>\$ 578,359</u>	<u>691</u>	<u>579,050</u>

(IX) Investment properties

	<u>Land and Improvements</u>	<u>Building and Construction</u>	<u>Total</u>
Carrying amount:			
January 1, 2025	<u>\$ 25,736</u>	<u>356</u>	<u>26,092</u>
June 30, 2025	<u>\$ 25,736</u>	<u>351</u>	<u>26,087</u>
January 1, 2024	<u>\$ 25,736</u>	<u>365</u>	<u>26,101</u>
June 30, 2024	<u>\$ 25,736</u>	<u>360</u>	<u>26,096</u>

There were no significant additions, disposals, impairments, or reversals of investment properties of the Consolidated Companies during the period from January 1 to June 30, 2025 and 2024. Please refer to Note 12 (I) for the depreciation amount for this period. For other related information, please see Note 6 (IX) of the 2024 Consolidated Financial Statements.

As of June 30, 2025, December 31, 2024, and June 30, 2024, no investment properties of the Consolidated Companies were pledged as collaterals.

There are no significant differences in the disclosed information regarding the fair value of investment properties between the Consolidated Financial Statements of the Consolidated Companies and Note 6 (IX) to the 2024 Consolidated Financial Statements.

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

(X) Intangible assets

Changes in cost and amortization of intangible assets of the Consolidated Companies from January 1 to June 30, 2025 and 2024:

	<u>Goodwill</u>	<u>Distribution Rights</u>	<u>Other Intangible Assets</u>	<u>Total</u>
Cost:				
Balance as of January 1, 2025	\$ 116,961	-	121,741	238,702
Addition	-	30,477	15	30,492
Reclassifications	-	45,714	195	45,909
Balance as of June 30, 2025	<u>\$ 116,961</u>	<u>76,191</u>	<u>121,951</u>	<u>315,103</u>
Balance as of January 1, 2024	<u>\$ 116,961</u>	-	<u>119,910</u>	<u>236,871</u>
Balance as of June 30, 2024	<u>\$ 116,961</u>	-	<u>119,910</u>	<u>236,871</u>
Amortization:				
Balance as of January 1, 2025	\$ -	-	64,515	64,515
Current period amortization	-	7,619	8,546	16,165
Balance as of June 30, 2025	<u>\$ -</u>	<u>7,619</u>	<u>73,061</u>	<u>80,680</u>
Balance as of January 1, 2024	\$ -	-	47,892	47,892
Current period amortization	-	-	8,280	8,280
Balance as of June 30, 2024	<u>\$ -</u>	-	<u>56,172</u>	<u>56,172</u>
Carrying amount:				
January 1, 2025	<u>\$ 116,961</u>	-	<u>57,226</u>	<u>174,187</u>
June 30, 2025	<u>\$ 116,961</u>	<u>68,572</u>	<u>48,890</u>	<u>234,423</u>
January 1, 2024	<u>\$ 116,961</u>	-	<u>72,018</u>	<u>188,979</u>
June 30, 2024	<u>\$ 116,961</u>	-	<u>63,738</u>	<u>180,699</u>

As of June 30, 2025, December 31, 2024, and June 30, 2024, the Consolidated Companies' intangible assets have not been used as collateral or security.

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

(XI) Short-term loans

Short-term loans of the Consolidated Companies:

	<u>2025.6.30</u>	<u>2024.12.31</u>	<u>2024.6.30</u>
Unsecured bank loans	\$ 267,387	200,000	220,000
Secured bank loans	140,000	167,987	97,987
Total	<u>\$ 407,387</u>	<u>367,987</u>	<u>317,987</u>
Unused credit line	<u>\$ 836,238</u>	<u>702,799</u>	<u>905,176</u>
Interest rate	<u>1.825%~2.150%</u>	<u>1.825~2.150%</u>	<u>1.82%2.00%</u>

Assets of the Consolidated Companies pledged as collaterals for bank loans are described in Note 8.

(XII) Lease liabilities

Carrying amount of the consolidated lease liabilities:

	<u>2025.6.30</u>	<u>2024.12.31</u>	<u>2024.6.30</u>
Current	<u>\$ 79,250</u>	<u>78,769</u>	<u>77,290</u>
Non-current	<u>\$ 499,674</u>	<u>518,630</u>	<u>525,112</u>

For an analysis of maturity, please refer to Note 6 (XXI): Financial Instruments.

Leases recognized in the income statement:

	<u>April to June 2025</u>	<u>April to June 2024</u>	<u>January to June 2025</u>	<u>January to June 2024</u>
Interest expenses for lease liabilities	<u>\$ 2,213</u>	<u>1,921</u>	<u>4,403</u>	<u>3,654</u>
Changes in lease payments not accounted for in measurement of lease liabilities	<u>\$ 1,444</u>	<u>1,323</u>	<u>2,647</u>	<u>2,088</u>
Income from subleasing right-of-use assets	<u>\$ 18,946</u>	<u>22,447</u>	<u>42,381</u>	<u>43,998</u>
Short-term lease expenses	<u>\$ 848</u>	<u>354</u>	<u>2,022</u>	<u>717</u>
Expenses for low-value lease assets (excluding low-value short-term leases)	<u>\$ 64</u>	<u>51</u>	<u>111</u>	<u>85</u>

Leases recognized in the cash flow statement:

	<u>January to June 2025</u>	<u>January to June 2024</u>
Total cash flows on lease	<u>\$ 50,834</u>	<u>42,591</u>

1. Real estate, construction, and transportation equipment leasing

The Consolidated Companies lease buildings and structures as office spaces and storage locations, and the usual lease term is 3-10 years for office spaces, 2 years

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

for storage locations. Some leases offer the option to extend for the same duration as the original contract when the lease term expires. The lease term for transportation equipment is three years.

For right-of-use assets subleased under operating leases, please refer to Note 6 (XIII).

Certain lease agreements offer extension options, but specific terms and conditions agreed upon may differ within the Consolidated Companies as these agreements are handled independently by various regions. These options are enforceable only by the Consolidated Companies and not by the lessor. Where it is not reasonably certain that the optional extended lease term will be exercised, the lease liability does not include payments for the period covered by the option.

2. Other leases

The Consolidated Companies lease office equipment and other assets for a period of one to two years under short-term or low-value leases. In accordance with the exemption recognition rules, the Consolidated Companies do not recognize the associated right-of-use assets and lease liabilities.

(XIII) Operating leases

The Consolidated Companies had no significant new operating lease agreements from January 1 to June 30, 2025 and 2024. For related information, please refer to Note 6 (XV) of the 2024 Consolidated Financial Statements.

(XIV) Employee benefits

1. Defined benefit plans

The details of expenses reported by the Consolidated Companies are as follows:

	April to June 2025	April to June 2024	January to June 2025	January to June 2024
Operating costs \$	6	5	12	11
Operating expenses	1,437	1,427	2,878	2,857
Total	<u>\$ 1,443</u>	<u>1,432</u>	<u>2,890</u>	<u>2,868</u>

2. Defined contribution plans

Pension costs under the defined contribution plan amounted are as follows, and have been allocated to the Bureau of Labor Insurance:

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

	April to June 2025	April to June 2024	January to June 2025	January to June 2024
Operating costs \$	792	729	1,557	1,456
Operating expenses	3,628	3,206	7,022	6,248
Total	<u>\$ 4,420</u>	<u>3,935</u>	<u>8,579</u>	<u>7,704</u>

(XV) Income Tax

- Detailed breakdown of the Consolidated Companies' income tax expenses:

	April to June 2025	April to June 2024	January to June 2025	January to June 2024
Income tax expenses	<u>\$ 24,396</u>	<u>26,111</u>	<u>45,046</u>	<u>48,708</u>

- The Consolidated Companies have no income tax expense that is recognized directly in equity and other comprehensive income.
- Income tax assessment

The income tax settlement declarations of the Company, Renalysis Medical Care, Sin Hwa Co., Ltd, Sin Hwa, HC-Healthcare income tax settlement declaration have been approved by tax authorities until 2023.

(XVI) Capital and other equity

Except as described below, there were no significant changes in capital and other equity for the Consolidated Companies from January 1 to June 30, 2025 and 2024. For related information, please refer to Note 6 (XVII) of the 2024 Consolidated Financial Statements.

- Capital Surplus

Breakdown of the Company's capital surplus is as follows:

	2025.6.30	2024.12.31	2024.6.30
Premium on share issuance	\$ 1,591,611	1,591,611	1,591,611
Employees stock option	9,174	9,174	9,174
Expired stock options	706	706	706
Income from donations	497	497	497
	<u>\$ 1,601,988</u>	<u>1,601,988</u>	<u>1,601,988</u>

- Retained Earnings

In accordance with the Articles of Incorporation, if the annual final accounts show a surplus, taxes should be paid first to offset any past losses, then 10% of the surplus should be allocated to legal reserve, unless the legal reserve has

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

already reached the paid-in capital. Furthermore, a special reserve may be set aside based on operational needs and legal requirements of the Consolidated Companies. Afterwards, if there is still a surplus and unappropriated earnings from the beginning of the period, the Board of Directors shall propose an earnings distribution plan and submit for approval at the shareholders' meeting.

The Company is currently in a period of business growth. The dividend policy prioritizes the future development and financial condition of the Company while also considering reasonable returns for shareholders. The amount of dividends and profits distributed to shareholders shall not be less than fifty percent of the distributable earnings for the year, of which at least fifty percent shall be distributed in cash dividends.

(1) Distribution of earnings

At the shareholders' meetings held on May 26, 2025 and May 29, 2024, the Company resolved to distribute dividends for 2024 and 2023, respectively. Dividends distributed to shareholders are detailed as follows:

	<u>2024</u>		<u>2023</u>	
	<u>Allotment Ratio (NT\$)</u>	<u>Amount</u>	<u>Allotment Ratio (NT\$)</u>	<u>Amount</u>
Cash dividends \$	7.00	<u><u>311,647</u></u>	7.00	<u><u>311,647</u></u>

(XVII) Earnings per share

The calculation of basic earnings per share is as follows:

	<u>April to June 2025</u>	<u>April to June 2024</u>	<u>January to June 2025</u>	<u>January to June 2024</u>
Basic earnings per share				
Net income attributable to the Company for the current period	\$ 98,126	109,039	182,699	205,142
Net profit attributable to the common equity holders of the Company	<u>\$ 98,126</u>	<u>109,039</u>	<u>182,699</u>	<u>205,142</u>
Weighted average number of common shares outstanding (thousand shares)	<u>44,521</u>	<u>44,521</u>	<u>44,521</u>	<u>44,521</u>
	<u>\$ 2.20</u>	<u>2.45</u>	<u>4.10</u>	<u>4.61</u>
Diluted earnings per share				
Net income attributable to the Company for the current period	\$ 98,126	109,039	182,699	205,142
Net profit attributable to the common equity holders of the Company (After adjusting for the effects of dilutive potential common shares)	<u>\$ 98,126</u>	<u>109,039</u>	<u>182,699</u>	<u>205,142</u>

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

	<u>April to June 2025</u>	<u>April to June 2024</u>	<u>January to June 2025</u>	<u>January to June 2024</u>
Weighted average number of common shares outstanding (thousand shares)	44,521	44,521	44,521	44,521
Effect of employee stock compensation (thousand shares)	17	18	25	27
Weighted average number of common shares outstanding (After adjusting for the effects of dilutive potential common shares) (thousand shares)	<u>44,538</u>	<u>44,539</u>	<u>44,546</u>	<u>44,548</u>
	<u>\$ 2.20</u>	<u>2.45</u>	<u>4.10</u>	<u>4.60</u>

(XVIII) Revenue from contracts with customers

1. Revenue breakdown

	<u>April to June 2025</u>		
	<u>Hemodialysis Division</u>	<u>Other Divisions</u>	<u>Total</u>
Main markets in the region:			
Taiwan	\$ 710,503	356,543	1,067,046
Japan	247	-	247
Indonesia	2,769	-	2,769
	<u>\$ 713,519</u>	<u>356,543</u>	<u>1,070,062</u>
Main products/services:			
Dialyzer and blood tubing	\$ 319,599	-	319,599
Erythropoietin and liquid medications	304,022	-	304,022
Hemodialysis machine, maintenance and repair	60,241	-	60,241
Anesthesia and sleep	-	86,062	86,062
Lease income	2,091	54,784	56,875
Service revenue	2,682	31,074	33,756
Others	24,884	184,623	209,507
	<u>\$ 713,519</u>	<u>356,543</u>	<u>1,070,062</u>

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

	<u>April to June 2024</u>		
	<u>Hemodialysis Division</u>	<u>Other Divisions</u>	<u>Total</u>
Main markets in the region:			
Taiwan	\$ 699,133	388,651	1,087,784
China	-	1,907	1,907
Indonesia	7,295	-	7,295
	<u>\$ 706,428</u>	<u>390,558</u>	<u>1,096,986</u>
Main products/services:			
Dialyzer and blood tubing	\$ 328,120	-	328,120
Erythropoietin and liquid medications	299,067	-	299,067
Hemodialysis machine, maintenance and repair	45,982	-	45,982
Anesthesia and sleep	-	93,961	93,961
Lease income	1,516	49,404	50,920
Service revenue	2,948	30,943	33,891
Others	28,795	216,250	245,045
	<u>\$ 706,428</u>	<u>390,558</u>	<u>1,096,986</u>
	<u>January to June 2025</u>		
	<u>Hemodialysis Division</u>	<u>Other Divisions</u>	<u>Total</u>
Main markets in the region:			
Taiwan	\$ 1,423,112	686,172	2,109,284
China	-	1,738	1,738
Japan	247	-	247
Indonesia	9,286	-	9,286
	<u>\$ 1,432,645</u>	<u>687,910</u>	<u>2,120,555</u>
Main products/services:			
Dialyzer and blood tubing	\$ 652,324	-	652,324
Erythropoietin and liquid medications	619,004	-	619,004
Hemodialysis machine, maintenance and repair	101,540	-	101,540
Respiration and anesthesia	-	163,655	163,655
Lease income	3,709	107,472	111,181
Service revenue	6,101	61,901	68,002
Others	49,967	354,882	404,849
	<u>\$ 1,432,645</u>	<u>687,910</u>	<u>2,120,555</u>

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

	January to June 2024		
	Hemodialysis Division	Other Divisions	Total
Main markets in the region:			
Taiwan	\$ 1,412,659	635,348	2,048,007
China	-	2,813	2,813
Indonesia	11,009	-	11,009
	\$ 1,423,668	638,161	2,061,829
Main products/services:			
Dialyzer and blood tubing	\$ 677,628	-	677,628
Erythropoietin and liquid medications	596,486	-	596,486
Hemodialysis machine, maintenance and repair	79,704	-	79,704
Respiration and anesthesia	-	153,997	153,997
Lease income	3,262	97,462	100,724
Service revenue	6,737	62,602	69,339
Others	59,851	324,100	383,951
	\$ 1,423,668	638,161	2,061,829

2. Contract balance

	2025.6.30	2024.12.31	2024.6.30
Notes receivable	\$ 196,432	186,565	195,920
Long-term notes receivable	9,659	10,114	7,938
Accounts receivable	1,040,580	978,053	1,061,330
Receivables from related parties	20,919	59,804	71,570
Finance lease receivables	37,829	36,498	38,832
Long-term finance lease receivables	105,077	111,056	94,426
Overdue receivables	4,217	4,217	4,217
Less: Loss allowance	(29,430)	(29,261)	(27,742)
Total	\$ 1,385,283	1,357,046	1,446,491
	2025.6.30	2024.12.31	2024.6.30
Contractual liabilities for maintenance and repair services	\$ 47,318	46,526	42,116

Please refer to Note 6 (IV) for the disclosure of notes receivable, accounts receivable and finance lease receivables and their impairment.

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

Revenue recognized from January 1 to June 30, 2025, and 2024 for the initial balance of contract liabilities as of January 1, 2025, and 2024, was NT\$7,746 thousand and NT\$5,725 thousand, respectively.

Changes in contract liabilities are mainly due to timing difference between the Consolidated Companies' performance obligations and customer payment.

3. Allocation to transaction price of outstanding performance obligations

On June 30, 2025, December 31, 2024, and June 30, 2024, the total transaction price for the extended warranty service allocated to outstanding performance obligations, which has not yet been fulfilled, was NT\$47,318 thousand, NT\$46,526 thousand, and NT\$42,116 thousand, respectively. The Consolidated Companies shall recognize this revenue gradually as the service is provided, which is expected to be completed within two to six years.

(XIX) Remuneration for employees, directors, and supervisors

On May 26, 2025, pursuant to a resolution adopted at the Shareholders' Meeting, the Company amended its Articles of Incorporation. According to the amended provisions, if the Company generates profits in a given fiscal year, no less than 1% shall be allocated as employee remuneration (of which not less than 30% shall be distributed to non-managerial employees), and no more than 3% shall be allocated as remuneration for directors and supervisors. However, the Consolidated Companies should reserve a deficit compensation amount in advance losses have accumulated. Remuneration in stock or cash is targeted at employees of the Consolidated Companies who meet certain criteria. Prior to the amendment, the Articles of Incorporation provided that, if there are profits for the year, the allocation for the remuneration of employees shall be at least 1%, and that of directors and supervisors shall be no more than 3%. However, the Consolidated Companies should reserve a deficit compensation amount in advance losses have accumulated. Remuneration in stock or cash is targeted at employees of the Consolidated Companies who meet certain criteria.

The estimated remuneration for employees, directors, and supervisors of the Company is as follows:

	April to June 2025	April to June 2024	January to June 2025	January to June 2024
Remuneration for employees	\$ 1,259	1,339	2,309	2,513
Remuneration for directors and supervisors	3,777	4,019	6,926	7,541
	\$ 5,036	5,358	9,235	10,054

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

Remuneration to employees, directors, and supervisors was estimated by multiplying the net profit before tax for each respective period by the percentage of employee remuneration and director and supervisor remuneration specified in the Company's Articles of Incorporation. The remuneration was recorded as operating expenses for the respective period and was all paid in cash. Any differences between the actual amount distributed in the following year and the estimated amount are treated as changes in accounting estimate, and are recognized in the profit or loss of the subsequent year. For related information, please refer to the Market Observation Post System (MOPS).

The employee remuneration provisions for the fiscal years 2024 and 2023 of the Company amounted to NT\$4,534 thousand and NT\$4,320 thousand, respectively. The remuneration provision for directors and supervisors amounted to NT\$13,602 thousand and NT\$12,959 thousand, respectively. These amounts are consistent with the actual payments made. For more information, please refer to the MOPS.

(XX) Non-operating income and expenses

1. Interest income

Interest income of the Consolidated Companies:

	April to June 2025	April to June 2024	January to June 2025	January to June 2024
Interest on bank deposits \$	1,525	1,314	2,304	1,843
Interest income on finance lease receivables	1,395	1,599	2,722	3,122
Other interest income	30	12	79	43
	<u>\$ 2,950</u>	<u>2,925</u>	<u>5,105</u>	<u>5,008</u>

2. Other income

Other income of the Consolidated Companies:

	April to June 2025	April to June 2024	January to June 2025	January to June 2024
Other income	<u>\$ 2,559</u>	<u>4,999</u>	<u>3,311</u>	<u>10,551</u>

3. Other gains and losses

Other gains and losses of the Consolidated Companies:

	April to June 2025	April to June 2024	January to June 2025	January to June 2024
Gains on foreign currency exchange	\$ 23,434	5,473	14,748	6,965
Gains (losses) on disposal of property, plant, and equipment	(5,239)	542	(3,406)	1,094

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

	<u>April to June 2025</u>	<u>April to June 2024</u>	<u>January to June 2025</u>	<u>January to June 2024</u>
Net gain on financial assets (liabilities) at fair value through profit (loss)	(1,846)	727	2,200	2,343
Others	209	(739)	2,681	(740)
	<u>\$ 16,558</u>	<u>6,003</u>	<u>16,223</u>	<u>9,662</u>

4. Finance costs

Finance costs of the Consolidated Companies:

	<u>April to June 2025</u>	<u>April to June 2024</u>	<u>January to June 2025</u>	<u>January to June 2024</u>
Interest expenses	<u>\$ 4,211</u>	<u>2,853</u>	<u>8,550</u>	<u>5,360</u>

(XXI) Financial instruments

Apart from the exceptions mentioned below, there have been no significant changes in the fair value of the financial instruments of the Consolidated Companies, nor in its exposure to credit risk, liquidity risk, and market risk. For further details, please consult Note 6 (XXIII) of the 2024 Consolidated Financial Statements.

1. Liquidity risk

The table below displays maturity dates of financial liabilities, including interest but excluding the impact of netting agreements.

	<u>Carrying Amount</u>	<u>Contract Cash Flow</u>	<u>Within 1 Year</u>	<u>1-5 Years</u>	<u>Over 5 Years</u>
June 30, 2025					
Non-derivative financial liabilities					
Short-term loans	\$ 407,387	409,155	409,155	-	-
Notes payable	8,292	8,292	8,292	-	-
Accounts payable	587,802	587,802	587,802	-	-
Payables to related parties	1,360	1,360	1,360	-	-
Other payables	139,212	139,212	139,212	-	-
Other payables to related parties	8,179	8,179	8,179	-	-
Dividends payable	311,647	311,647	311,647	-	-
Lease liabilities	578,924	622,888	87,419	281,629	253,840
	<u>\$ 2,042,803</u>	<u>2,088,535</u>	<u>1,553,066</u>	<u>281,629</u>	<u>253,840</u>
December 31, 2024					
Non-derivative financial liabilities					
Short-term loans	\$ 367,987	369,730	369,730	-	-
Notes payable	6,260	6,260	6,260	-	-
Accounts payable	655,695	655,695	655,695	-	-
Payables to related parties	1,020	1,020	1,020	-	-
Other payables	174,610	174,610	174,610	-	-
Other payables to related parties	13,726	13,726	13,726	-	-
Lease liabilities	597,399	643,136	86,878	287,328	268,930
	<u>\$ 1,816,697</u>	<u>1,864,177</u>	<u>1,307,919</u>	<u>287,328</u>	<u>268,930</u>

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

	Carrying Amount	Contract Cash Flow	Within 1 Year	1-5 Years	Over 5 Years
June 30, 2024					
Non-derivative financial liabilities					
Short-term loans	\$ 317,987	318,386	318,386	-	-
Notes payable	7,651	7,651	7,651	-	-
Accounts payable	600,331	600,331	600,331	-	-
Payables to related parties	2,293	2,293	2,293	-	-
Other payables	154,667	154,667	154,667	-	-
Other payables to related parties	9,353	9,353	9,353	-	-
Dividends payable	311,647	311,647	311,647	-	-
Lease liabilities	602,402	645,807	84,837	284,744	276,226
	\$ 2,006,331	2,050,135	1,489,165	284,744	276,226

The Consolidated Companies do not anticipate cash flows for the maturity analysis to occur earlier or differ significantly in amount.

2. Foreign exchange risk

(1) Exposure to foreign exchange risk

Consolidated financial assets and liabilities that are exposed to significant foreign exchange rate risk:

	2025.6.30			2024.12.31			2024.6.30		
	Foreign Currency	Exchange Rate	NT\$	Foreign Currency	Exchange Rate	NT\$	Foreign Currency	Exchange Rate	NT\$
<u>Financial assets</u>									
<u>Monetary items</u>									
JPY	\$ 40,943	0.2018	8,262	171,959	0.2096	36,043	224,377	0.2015	45,212
USD	505	29.120	14,706	234	32.785	7,672	143	32.438	4,639
<u>Financial liabilities</u>									
<u>Monetary items</u>									
JPY	633,450	0.2018	127,830	646,027	0.2096	135,407	618,330	0.2015	124,593
USD	2,330	29.120	67,850	1,870	32.785	61,308	1,828	32.438	59,297

(2) Sensitivity analysis

The Consolidated Companies' exposure to foreign exchange risk on monetary items mainly arises from cash, cash equivalents, and accounts payable denominated in foreign currencies, which generate foreign exchange gains or losses upon translation. As of June 30, 2025, and 2024, if NT\$ depreciates or appreciates by 0.25% against US\$ and JPY, with all other factors remaining constant, the net income before tax for January 1 to June 30, 2025, and 2024, would decrease or increase by NT\$432 thousand and NT\$335 thousand, respectively.

(3) Exchange gains and losses on monetary items

The Consolidated Companies disclose foreign currency exchange gains and losses (including realized and unrealized) for monetary items on a consolidated basis. For the periods from April 1 to June 30, 2025 and 2024, and from January 1 to June 30, 2025 and 2024, the foreign currency

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

exchange gains and losses were NT\$23,434 thousand, NT\$5,473 thousand, NT\$14,748 thousand, and NT\$6,965 thousand, respectively.

3. Interest rate analysis

Financial assets and financial liabilities with interest rate risk of the Consolidated Companies:

	<u>2025.6.30</u>	<u>2024.12.31</u>	<u>2024.6.30</u>
Variable rate instruments (book value):			
Financial assets	\$ 592,036	522,575	483,975
Financial liabilities	407,387	367,987	317,987

Financial assets and financial liabilities with interest rate risk of the Consolidated Companies are described in the liquidity risk management segment of these notes.

The sensitivity analysis below is prepared based on the risk exposure of non-derivative instruments to the interest rates at the report date. Floating rate assets are analyzed by assuming that the amount of assets outstanding at the reporting date is outstanding for the entire year.

If the interest rate increased or decreased by 0.25%, the Consolidated Companies' net income before tax from January 1 to June 30, 2025, and 2024, would have increased or decreased by NT\$231 thousand and NT\$207 thousand, respectively, with all other variables remaining constant, which was mainly due to the Consolidated Companies' changing bank deposit rates and loans.

4. Information on fair value

(1) Classification of financial instruments and determination of fair value

The Consolidated Companies measure financial assets and liabilities at fair value through profit or loss, and financial assets at fair value through other comprehensive income on a recurring basis. Carrying amounts and fair values of various financial assets and financial liabilities (including fair value hierarchy information, but excluding financial instruments measured at fair value where the carrying amount is a reasonable approximation of fair value, and lease liabilities, of which fair value information disclosure is not required):

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

public quotations. If the above conditions are not met, the market shall be deemed inactive. Generally, substantial disparities or notable increases between buying and selling prices, and low trading volume, are all indications of an inactive market.

Classification and attributes of financial instruments with active markets of the Consolidated Companies:

Domestic funds and forward foreign exchange contracts and other financial assets and liabilities that are traded in active markets are valued at fair value, which is determined based on market quotations.

Apart from the financial instruments mentioned above that have active markets, the fair value of other financial instruments is determined using valuation techniques or by referring to quotes from counterparties. The fair value obtained through valuation techniques can be referenced to the current fair value of other financial instruments with substantially similar conditions and characteristics, discounted cash flow methods, or other valuation techniques, including models that use market information available on the reporting date (such as the Taipei Exchange reference yield curve, or Reuters commercial paper rate average quotes).

(3) Fluctuations in level 3

	Measured at Fair Value through Other Comprehensive Income
June 30, 2025 (opening balance)	<u><u>\$ 12,010</u></u>
January 1, 2024	\$ 268
Purchases	45,000
June 30, 2024	<u><u>\$ 45,268</u></u>

(4) Quantitative information on fair value measurement of significant unobservable inputs (Level 3)

The fair value measurement of the Consolidated Companies is classified as Level 3, primarily due to the fair value measurement of financial assets recognized in other comprehensive income - equity securities.

Investments in debt instrument without active market of the Consolidated Companies involve multiple significant unobservable input values. These values are independent of each other and therefore have no correlation.

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

The list of quantified information for significant unobservable input values is as follows:

<u>Item</u>	<u>Evaluation</u>	<u>Significant Unobservable Input Values</u>	<u>Relationship between Significant Unobservable Input Values and Fair Value</u>
Financial assets at fair value through other comprehensive income - Investments in debt instrument without active market	Comparable to the Company Act	<ul style="list-style-type: none"> • The price-to-book ratio multiplier (as of June 30, 2025:3.05) (December 31, 2024:3.05) (June 30, 2024:10.15) • Lack of market liquidity discount (as of June 30, 2025:15.6%) (December 31, 2024:15.6%) (June 30, 2024:30.0%) 	<ul style="list-style-type: none"> • The fair value increases as the multiple and control premium increase • The fair value decreases as the lack of market liquidity discount increases

- (5) For the fair value measurement of Level 3, a sensitivity analysis is conducted to assess the impact of reasonably possible alternative assumptions on the fair value

The fair value measurement of financial instruments by the Consolidated Companies is reasonable. However, employing alternative valuation models or parameters may yield varying valuation outcomes. With regards to financial instruments classified as Level 3, the changes in valuation parameters have the following impact on the current period's profit or other comprehensive income:

	<u>Input Value</u>	<u>Upward or downward</u>	<u>Fair value changes are reflected in other comprehensive income</u>	
			<u>Favorable Changes</u>	<u>Unfavorable Changes</u>
June 30, 2025				
Financial assets at fair value through other comprehensive income	3.05	1%	43	(43)

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

	<u>Input Value</u>	<u>Upward or downward</u>	<u>Fair value changes are reflected in other comprehensive income</u>	
			<u>Favorable Changes</u>	<u>Unfavorable Changes</u>
December 31, 2024				
Financial assets at fair value through other comprehensive income	3.05	1%	43	(43)
June 30, 2024				
Financial assets at fair value through other comprehensive income	10.15	1%	426	(426)

Favorable and unfavorable changes for the Consolidated Companies refer to fluctuations in fair value, which are calculated using valuation techniques based on varying degrees of unobservable inputs. If the fair value of financial instruments is influenced by multiple inputs, the table above only shows the impact of a single change in input value. It does not take into account the correlation and variability between input values.

(XXII) Financial risk management

There have been no significant changes to the financial risk management objectives and policies of the Consolidated Companies, as stated in Note 6 (XXIV) of 2024 Consolidated Financial Statements.

(XXIII) Capital management

The capital management objectives, policies, and procedures of the Consolidated Companies remain consistent with those disclosed in the 2024 Consolidated Financial Statements. Furthermore, there have been no significant changes in the quantified data for the capital management items, as previously disclosed in the 2024 Consolidated Financial Statements. Please refer to Note 6 (XXV) of the 2024 Consolidated Financial Statements for the relevant information.

(XXIV) Non-cash transactions in financing activities

The Consolidated Companies' non-cash transaction financing activities from January 1 to June 30, 2025 and 2024:

1. For right-of-use assets acquired under leases, please refer to Note 6 (VIII).

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

(XXV) Changes in liabilities from financing activities

Adjustment of liabilities from financing activities:

	2025.1.1	Cash Flow	Non-cash Transactions			2025.6.30
			New Lease	Lease Modifications	Exchange Rate Changes	
Short-term loans	\$ 367,987	39,400	-	-	-	407,387
Lease liabilities	597,399	(41,651)	63,609	(40,433)	-	578,924
Guarantee deposits received	51	-	-	-	-	51
Total liabilities from financing activities	\$ 965,437	(2,251)	63,609	(40,433)	-	986,362

	2024.1.1	Cash Flow	Non-cash Transactions			2024.6.30
			New Lease	Lease Modifications	Exchange Rate Changes	
Short-term loans	\$ 91,565	226,422	-	-	-	317,987
Long-term loans	12,357	(12,651)	-	-	294	-
Lease liabilities	540,819	(36,047)	111,403	(13,773)	-	602,402
Guarantee deposits received	211	(160)	-	-	-	51
Total liabilities from financing activities	\$ 644,952	177,564	111,403	(13,773)	294	920,440

VII. Related Party Transactions

- (I) The parent company and the ultimate controller are different entities, one of them has prepared Consolidated Financial Statements for public dissemination.

Hi-Clearance Investment Inc. holds 14.64% of the Consolidated Companies' outstanding common shares. While the shareholding does not exceed 50%, it gained control over the financial and operational aspects of the Consolidated Companies on June 2, 2016, and is regarded as the parent company. Collins Co., Ltd. is the ultimate controlling entity of the Group affiliated with the Consolidated Companies. Collins Co., Ltd. has prepared Consolidated Financial Statements for public dissemination.

- (II) Names and relations of related parties

Related parties that had transactions with the Consolidated Companies during the period covered in the Consolidated Financial Statements:

Related Party	Relationship with the Consolidated Companies
Collins Co., Ltd.	Ultimate controller of the Consolidated Companies
QSC Corp.	Affiliate of the Consolidated Companies
WS Far IR Medical Technology Co., Ltd.	Affiliate of the Consolidated Companies

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

<u>Related Party</u>	<u>Relationship with the Consolidated Companies</u>
Collins Energy Solutions Co., Ltd.	Affiliate of the Consolidated Companies
Yi Sheng Medical Care Co., Ltd.	Substantive related party of the Consolidated Companies
Xing Tian Medical Care Co., Ltd.	Substantive related party of the Consolidated Companies

(III) Significant transactions with related parties

1. Operating revenue

Sales to related parties and their outstanding balances:

	<u>Sales</u>				<u>Receivables from Related Parties</u>		
	<u>April to June 2025</u>	<u>April to June 2024</u>	<u>January to June 2025</u>	<u>January to June 2024</u>	<u>2025.6.30</u>	<u>2024.12.31</u>	<u>2024.6.30</u>
Parent company	\$ -	-	2	-	-	15	-
Substantive related party: Yi Sheng Medical Care Co., Ltd.	7,846	48,134	20,091	100,492	8,259	49,678	50,858
Substantive related party: Xing Tian Medical Care Co., Ltd.	8,194	12,581	22,104	29,665	12,660	10,111	20,712
	<u>\$ 16,040</u>	<u>60,715</u>	<u>42,197</u>	<u>130,157</u>	<u>20,919</u>	<u>59,804</u>	<u>71,570</u>

Prices of goods sold to related parties are based on mutual agreement, and terms of payment are not significantly different from those of normal sales. Additionally, commissions are paid based on sales amounts. The commission expenses and payment terms for substantive related parties are agreed upon by both parties. For the periods from April 1 to June 30, 2025 and 2024, and from January 1 to June 30, 2025 and 2024, the commission amounts were NT\$6,742 thousand, NT\$4,075 thousand, NT\$9,964 thousand, and NT\$9,147 thousand, respectively. As of June 30, 2025, December 31, 2024, and June 30, 2024, NT\$3,379 thousand, NT\$3,725 thousand, and NT\$4,553 thousand remain unpaid and are recorded under "Other Payables - Related Parties".

2. Purchases

Purchases of the Consolidated Companies from related parties and their outstanding balances:

	<u>Purchases</u>				<u>Payables to Related Parties</u>		
	<u>April to June 2025</u>	<u>April to June 2024</u>	<u>January to June 2025</u>	<u>January to June 2024</u>	<u>2025.6.30</u>	<u>2024.12.31</u>	<u>2024.6.30</u>
Associate	\$ 972	629	2,105	2,336	1,360	1,020	2,293

The Consolidated Companies acquired the products from related parties without comparing the specifications with other suppliers, leading to a lack of price comparison. The payment terms are set at net 30-120 days.

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

3. Leases

Rental income from leasing office space to related parties (classified under "Other income") and its outstanding balance:

	Rental Income				Receivables from Related Parties		
	April to June 2025	April to June 2024	January to June 2025	January to June 2024	2025.6.30	2024.12.31	2024.6.30
Associate	\$ 15	15	29	29	-	-	-

4. Prepayments for equipment

Prepayments to Related Parties of the Consolidated Companies:

	2025.6.30	2024.12.31	2024.6.30
Affiliated Enterprise - Kao Ming Company	\$ 4,571	3,429	-

On July 17, 2024, the Consolidated Company entered into a construction contract for a solar photovoltaic power generation system with its affiliated enterprise, Collins Co., Ltd. The total value of the contract, excluding taxes, is NT\$5,714 thousand. As of June 30, 2025 and December 31, 2024, the Consolidated Company has made payments of NT\$4,571 thousand and NT\$3,429 thousand, which is recorded under "Other Non-Current Assets - Other." In addition, a guaranteed note of NT\$571 thousand was obtained from Kao Ming Company.

5. Labor expenses

Amounts and outstanding balances for management services provided by related parties to the Consolidated Companies (recorded under "Operating expenses"):

	Amount of Transaction				Other Payables to Related Parties		
	April to June 2025	April to June 2024	January to June 2025	January to June 2024	2025.6.30	2024.12.31	2024.6.30
Parent Company: Collins Co., Ltd.	\$ 2,400	2,400	4,800	4,800	4,800	10,000	4,800

(IV) Major senior management personnel transactions

Major senior management personnel remuneration:

	April to June 2025	April to June 2024	January to June 2025	January to June 2024
Short-term employee benefits	\$ 14,127	13,869	27,577	27,209

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

VIII. Pledged Assets

(I) Carrying values of assets pledged by the Consolidated Companies:

Asset Name	Collateral Pledged	2025.6.30	2024.12.31	2024.6.30
Restricted bank deposits (listed under Other Financial Assets - Current)	Performance guarantee/letter of credit limit	\$ 107,242	108,102	57,261
Land	Letter of credit limit/bank loan limit	107,873	107,873	107,873
Building and Construction	Letter of credit limit/bank loan limit	49,757	50,550	51,342
		\$ 264,872	266,525	216,476

(II) As of June 30, 2025, December 31, 2024, and June 30, 2024, the Consolidated Companies have opened forward letters of credit amounting to NT\$416,375 thousand, NT\$549,214 thousand, and NT\$436,837 thousand, respectively, and have used bills for collection deposited in banks in the amounts of NT\$188,369 thousand, NT\$179,682 thousand, and NT\$187,438 thousand, respectively, as collateral for 10% of the forward letters of credit.

IX. Significant Contingent Liabilities and Unrecognized Contract Commitments

	2025.6.30	2024.12.31	2024.6.30
Unused balance of issued letters of credit	\$ 214,399	261,121	183,177
Unrecognized contractual commitments for acquisition of property, plant and equipment	\$ 23,347	32,750	6,062

X. Significant Disaster Loss: None.

XI. Significant Events after the Balance Sheet Date: None.

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

XII. Others

(I) Employee benefits, depreciation and amortization expenses by function:

Functions Characteristics	April to June 2025			April to June 2024		
	Operation Costs	Operation Expenses	Total	Operation Costs	Operation Expenses	Total
Employee benefits						
Salary expenses	17,328	92,717	110,045	16,944	96,161	113,105
Labor and health insurance	1,417	6,865	8,282	1,279	5,899	7,178
Pension expenses	798	5,065	5,863	734	4,633	5,367
Other employee benefits	575	2,912	3,487	462	2,063	2,525
Depreciation expenses	37,438	6,368	43,806	35,766	5,553	41,319
Amortization expenses	-	8,082	8,082	-	4,140	4,140

Functions Characteristics	January to June 2025			January to June 2024		
	Operation Costs	Operation Expenses	Total	Operation Costs	Operation Expenses	Total
Employee benefits						
Salary expenses	34,421	185,299	219,720	32,960	183,510	216,470
Labor and health insurance	3,037	15,094	18,131	2,768	13,369	16,137
Pension expenses	1,569	9,900	11,469	1,467	9,105	10,572
Other employee benefits	1,149	5,607	6,756	859	3,918	4,777
Depreciation expenses	73,439	12,550	85,989	68,617	11,001	79,618
Amortization expenses	-	16,165	16,165	-	8,280	8,280

(II) Seasonality of operations:

The operations of the Consolidated Companies are not affected by seasonal or cyclical factors.

XIII. Supplementary Disclosures

(I) Information on Significant Transactions

The Consolidated Companies are required to disclose the following significant transaction information from January 1 to June 30, 2025, in compliance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers:

1. Loans provided for others: None.

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

2. Endorsements/guarantees provided for others:

No.	Company of Endorser/Guarantor	Endorsed and Guaranteed Parties		Limit on Endorsements/Guarantees Provided for a Single Entity	Maximum Endorsement/Guarantee Balance	Ending Endorsement/Guarantee Balance	Actual Amount Drawn	Amount of Endorsements/Guarantees Secured by Property as Collateral	Ratio of Accumulated Endorsements/Guarantees to Net Worth per Latest Financial Statements	Endorsement/Guarantee Ceiling	Endorsements/Guarantees Provided by Parent for Subsidiary	Endorsements/Guarantees Provided by Subsidiary for Parent	Endorsements/Guarantees Provided for Subsidiary in Mainland China
		Name of Company	Relationship										
0	The Company	Sin Hwa Co., Ltd.	2	1,431,921	50,000	50,000	-	Promissory note 50,000	1.75%	1,431,921	Y	N	N
0	The Company	HC-Healthcare Co., Ltd.	2	1,431,921	120,000	120,000	104,587	Promissory note 120,000	4.19%	1,431,921	Y	N	N

Note 1: The total endorsement/guarantee amount is limited to 50% of the net worth indicated in the Consolidated Companies' current financial statements. The endorsement/guarantee amount to a single enterprise is limited to 50% of the net worth indicated in this period's financial statements.

Note 2: The relationships between endorsers/guarantors and endorsees/guarantees are categorized into the following 7 types. Please specify the type:

- (1) Companies engaged in business transactions.
- (2) Companies in which the Company directly and indirectly holds more than 50% of the voting shares.
- (3) A company that directly and indirectly holds more than 50% of the voting shares in the Company.
- (4) Companies in which the Company directly or indirectly holds at least 90% of the voting shares.
- (5) Companies that are in the same industry that have mutual endorsements/guarantees in favor of each other, or those that enter in contracts with such provisions, for the purpose of contracting works.
- (6) A company that is endorsed/guaranteed by all of the contributing shareholders in proportion with their shareholding ratios due to a joint investment relationship.
- (7) Companies in the same industry who participate in the joint guarantee of performance for pre-sale house sales contracts in compliance with the Consumer Protection Act.

3. Significant securities held at end of period (excluding investments in subsidiaries, associates, and interests in joint ventures):

Unit: thousand shares/thousand units

Securities Holding Company	Types and Name of Securities	Relationship with the issuer of securities	Ledger Account	Ending Balance				Remark
				Number of Shares/Units	Carrying Amount	Shareholding Ratio	Fair Value	
Sin Hwa Investment Co., Ltd.	Fuh Hwa You Li Money Market Fund	-	Financial assets at fair value through profit or loss - current	387	5,454	- %	5,454	
Sin Hwa Investment Co., Ltd.	SinoPac Global Multi Income Fund TWD Acc	-	Financial assets at fair value through profit or loss - current	1,000	11,522	- %	11,522	
The Company	EPED Inc.	-	Financial assets at fair value through other comprehensive income - non-current	1,406	11,742	4.87%	11,742	
The Company	Taiwan Depository & Clearing Corporation	-	Financial assets at fair value through other comprehensive income - non-current	1	268	- %	268	
Taicha Medical Corp. (Shanghai)	Shanghai Shen Shang Technology Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	-	-	6.20%	-	

4. Purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None.

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

5. Receivables from related parties amounting to NT\$100 million or 20% of paid-up capital or more: None.
6. Business relationships and significant transactions between the parent company and subsidiaries:

No.	Company	Counterparty	Relationship	Trading Activities in 2025			
				Ledger Account	Amount	Transaction Term	Percentage of Consolidated Total Revenue or Total Assets
0	The Company	Renalysis Medical Care Co., Ltd.	1	Rental Income	1,127	Net 120 EOM	0.05%
0	The Company	Sin Hwa Co., Ltd.	1	Purchases	1,507	Net 30 EOM	0.07%
0	The Company	Sin Hwa Co., Ltd.	1	Sales	1,198	Net 30 EOM	0.06%
0	The Company	HMI company	1	Sales	4,813	Net 270 EOM	0.23%
0	The Company	HMI company	1	Accounts receivable	9,832	Net 270 EOM	0.20%
0	The Company	HC-Healthcare Co., Ltd.	1	Other expenses	1,127	Net 120 EOM	0.05%
0	The Company	HC-Healthcare Co., Ltd.	1	Accounts receivable	4,871	Net 120 EOM	0.10%
0	The Company	HC-Healthcare Co., Ltd.	1	Sales	11,270	Net 120 EOM	0.53%

Note 1: The number should be filled in using the following method:

1. 1. 0 represents the parent company.
2. Subsidiaries are sorted in a numerical order starting from 1.

Note 2: Types of relationships with counterparties are indicated as follows:

1. The parent company to subsidiaries.
2. Subsidiaries to the parent company.
3. Subsidiaries to subsidiaries.

Note 3: The report only provides one-sided information on sales, revenue, and accounts receivable, without any additional details on purchases, expenses, and accounts payable.

Note 4: Transactions with a value of NT\$1 million or more should be disclosed.

Note 5: The above transactions were eliminated in the preparation of the Consolidated Financial Statements.

(II) Information on Invested Companies:

Details regarding the Consolidated Companies' investments from January 1 to June 30, 2025 (excluding investments in mainland China):

Unit: NT\$ thousand/thousand shares

Name of Investor	Name of Investee	Location	Main Business Activities	Initial Investment Amount		Ending Balance			Profit/Loss of Investee for the Period	Investment Profit (Loss) Recognized	Remark
				Ending Balance for the Current Period	End of Previous Year	Shares	Shareholding	Carrying Amount			
The Company	Succeed Agents Limited (B.V.I.)	British Virgin Islands.	Financial holding and investment	49,649	49,649	1,575	100.00%	75,386	(781)	(781)	(Note 1)
The Company	Renalysis Medical Care Co., Ltd.	Sanchong District, New Taipei City	Medical management consulting services	165,037	165,037	10,000	100.00%	240,888	27,104	27,104	(Note 1)
The Company	XinFu Healthcare Corp.	Sanchong District, New Taipei City	Medical management consulting services	-	50,000	-	- %	-	71	71	(Note 1)
The Company	Sin Hwa Co., Ltd.	Sanchong District, New Taipei City	Medical equipment trade	100,000	100,000	10,000	100.00%	112,068	6,129	6,129	(Note 1)

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

Name of Investor	Name of Investee	Location	Main Business Activities	Initial Investment Amount		Ending Balance			Profit/Loss of Investee for the Period	Investment Profit (Loss) Recognized	Remark
				Ending Balance for the Current Period	End of Previous Year	Shares	Shareholding	Carrying Amount			
The Company	Sin Hwa Investment Co., Ltd.	Sanchong District, New Taipei City	Financial holding and investment	80,000	80,000	8,000	100.00%	81,673	1,778	1,778	(Note 1)
The Company	HC-Healthcare Co., Ltd.	Sanchong District, New Taipei City	Medical management consulting services and equipment trading	118,919	118,919	36,517	100.00%	142,064	3,093	3,388	(Note 1)
The Company	WS Far IR Medical Technology Co., Ltd.	Xindian District, New Taipei City	Medical equipment manufacturing and sales	63,600	63,600	600	30.00%	61,917	9,688	2,906	
Sin Hwa Investment Co., Ltd.	QSC Corp.	Sanchong District, New Taipei City	Medical equipment manufacturing and sales	60,000	60,000	6,000	20.00%	61,585	9,564	1,913	
Succeed Agents Limited (B.V.I.)	Moral Well Co., Ltd.	Apia Samoa	Financial holding and investment	58,973	58,973	2,000	100.00%	28,012	(682)	(682)	(Note 1)
Succeed Agents Limited (B.V.I.)	PT Hiclearance Medical Indonesia	Republic of Indonesia	Medical equipment trade	60,540	60,540	2,000	100.00%	44,773	(102)	(102)	(Note 1)

Note 1: The above transactions were eliminated in the preparation of the Consolidated Financial Statements.

(III) Information on Investments in Mainland China:

1. Information on investments in mainland China:

Unit: US\$ thousand/NT\$ thousand/RMB thousand

Investee Company	Main Business Activities	Paid-in Capital	Method of Investments (Note 1)	Accumulated Amount of Investments Remitted from Taiwan at Beginning of Period	Amount of Investments Remitted or Repatriated for the Period		Accumulated Amount of Investments Remitted from Taiwan at End of Period	Profit (Loss) of Investee for the Period	The Company's Direct or Indirect Ownership	Investment Profit/Loss Recognized for the Period	End-of-period Investment Book Value	Accumulated Investment Income Repatriated at End of Period
					Remitted	Repatriated						
Taicha Medical Corp. (Shanghai)	International trade and re-export trade	58,600 (USD 2,000) (Note 3)	(III)	20,785 (USD 700)	-	-	20,785 (USD 700)	(682) (USD 21)	100.00%	(682) (USD 21) (Note 2)	28,011 (USD 956) (Note 2)	-
Shanghai Shen Shang Technology Co., Ltd. (Note 4)	Medical software development and technical services	16,503 (RMB 4,034)	(III)	-	-	-	-	-	6.20%	-	-	-

Note 1: Methods of investment are divided into the following three types:

- (1) Direct investment in mainland China.
- (2) Reinvestment in mainland China via a third-party company located in a different region.
- (3) Others.

Note 2: The above entities were eliminated in the preparation of the Consolidated Financial Statements.

Note 3: A portion of the investment funds came from MW's own capital and was not transferred from Taiwan.

Note 4: The investment amount was established by Taicha Medical Corp.'s own funds, not transferred from Taiwan.

2. Limit for investment to mainland China:

Accumulated Amount of Investments Remitted from Taiwan to Mainland China at End of Period (Note 1)	Amount of Investments Authorized by Investment Commission, M.O.E.A. (Note 2)	Ceiling on Amount of Investments Stipulated by Investment Commission, M.O.E.A.
23,768 (US\$800 thousand)	61,530 (US\$2,100 thousand)	1,718,305

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

Note 1: Xing Tai International Trading (Shanghai) Co., Ltd. was sold in the first quarter of 2013, however, the payment has not yet been remitted to Taiwan. Therefore, the Consolidated Companies have accumulated a remittance amount of US\$100 thousand, equivalent to NT\$2,983 thousand, which still needs to be accounted for in line with regulations of the Investment Commission.

Note 2: Accumulated amount of investments remitted from Taiwan to mainland China at end of period was calculated based on historical exchange rates.

3. Information on significant transactions:

For details regarding significant transactions between the Consolidated Companies and their investees in Mainland China from January 1 to June 30, 2025 (eliminated at the time of preparation of the Consolidated Financial Statements), please refer to the section "Information on Significant Transactions".

XIV. Segment Information

Information and adjustments pertain to the business segments of the Consolidated Companies:

	April to June 2025			
	Hemodialysis Division	Other Divisions	Adjustment and Elimination	Total
Revenue:				
Revenue from external customers	\$ 713,519	356,543	-	1,070,062
Intersegment revenue	-	-	-	-
Total revenue	<u>\$ 713,519</u>	<u>356,543</u>	<u>-</u>	<u>1,070,062</u>
Reportable segment profit or loss	<u>\$ 71,416</u>	<u>31,646</u>	<u>-</u>	<u>103,062</u>
Reportable segment assets (Note)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
	April to June 2024			
	Hemodialysis Division	Other Divisions	Adjustment and Elimination	Total
Revenue:				
Revenue from external customers	\$ 706,428	390,558	-	1,096,986
Intersegment revenue	-	-	-	-
Total revenue	<u>\$ 706,428</u>	<u>390,558</u>	<u>-</u>	<u>1,096,986</u>
Reportable segment profit or loss	<u>\$ 82,876</u>	<u>37,323</u>	<u>-</u>	<u>120,199</u>
Reportable segment assets (Note)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

Notes to the Consolidated Financial Statements of Hi-Clearance Inc. and Subsidiaries (Cont.)

	January to June 2025			
	Hemodialysis Division	Other Divisions	Adjustment and Elimination	Total
Revenue:				
Revenue from external customers	\$ 1,432,645	687,910	-	2,120,555
Intersegment revenue	-	-	-	-
Total revenue	\$ 1,432,645	687,910	-	2,120,555
Reportable segment profit or loss	\$ 147,908	58,929	-	206,837
Reportable segment assets (Note)	\$ -	-	-	-

	January to June 2024			
	Hemodialysis Division	Other Divisions	Adjustment and Elimination	Total
Revenue:				
Revenue from external customers	\$ 1,423,668	638,161	-	2,061,829
Intersegment revenue	-	-	-	-
Total revenue	\$ 1,423,668	638,161	-	2,061,829
Reportable segment profit or loss	\$ 165,648	60,117	-	225,765
Reportable segment assets (Note)	\$ -	-	-	-

Note 1: The disclosed amount for the Consolidated Companies is 0 because the measurement of total divisional assets was not provided to the operational decision-makers.