

**Universal Vision Biotechnology Co., Ltd.
and Subsidiaries**

**Consolidated Financial Statements for the
Three Months Ended March 31, 2025 and 2024 and
Independent Auditors' Review Report**

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Universal Vision Biotechnology Co., Ltd.

Introduction

We have reviewed the accompanying consolidated balance sheets of Universal Vision Biotechnology Co., Ltd. and its subsidiaries (collectively, the “Group”) as of March 31, 2025 and 2024, and the related consolidated statements of comprehensive income, the consolidated statements of changes in equity and cash flows for the three months then ended, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2025 and 2024, and of its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' review report are Wan-I Liao and Tsung-Yuan Tsai.

Deloitte & Touche
Taipei, Taiwan
Republic of China

May 14, 2025

Notice to Readers

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

For the convenience of readers, the independent auditors' review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' review report and consolidated financial statements shall prevail.

UNIVERSAL VISION BIOTECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2025		December 31, 2024		March 31, 2024	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 935,884	15	\$ 506,854	9	\$ 1,204,022	23
Financial assets at fair value through profit or loss - current (Note 7)	1,337,694	22	1,295,373	22	-	-
Financial assets at amortized cost - current (Notes 9 and 10)	92,979	2	115,216	2	751,600	14
Trade receivables (Note 11)	522,205	8	565,569	10	536,994	10
Other receivables	11,866	-	11,897	-	7,904	-
Inventories (Note 12)	297,749	5	289,725	5	285,450	5
Other current assets	64,232	1	57,187	1	67,588	1
Total current assets	3,262,609	53	2,841,821	49	2,853,558	53
NON-CURRENT ASSETS						
Financial assets at fair value through other comprehensive income - non-current (Notes 8 and 10)	115,320	2	111,073	2	31,564	1
Property, plant and equipment (Notes 14 and 32)	1,807,134	29	1,756,259	31	1,563,984	29
Right-of-use assets (Note 15)	882,365	14	917,162	16	708,890	13
Intangible assets (Note 16)	24,330	-	22,790	-	22,826	-
Deferred tax assets (Note 4)	69,072	1	72,259	1	67,276	1
Prepayments for equipment	8,051	-	-	-	91,433	2
Refundable deposits (Note 32)	41,645	1	41,202	1	39,773	1
Other non-current assets (Note 32)	139	-	136	-	3,336	-
Total non-current assets	2,948,056	47	2,920,881	51	2,529,082	47
TOTAL	\$ 6,210,665	100	\$ 5,762,702	100	\$ 5,382,640	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 17 and 32)	\$ 42,611	1	\$ 92,012	2	\$ 42,336	1
Trade payables (Note 18)	298,056	5	268,070	5	263,495	5
Payables for equipment (Note 20)	160,601	2	91,080	1	68,368	1
Other payables (Note 19)	874,073	14	277,453	5	830,500	15
Current tax liabilities (Note 4)	232,072	4	154,445	3	238,962	4
Lease liabilities - current (Note 15)	178,190	3	178,399	3	158,653	3
Current portion of long-term borrowings (Notes 17 and 32)	-	-	-	-	677	-
Other current liabilities (Note 23)	47,973	1	29,265	-	40,807	1
Total current liabilities	1,833,576	30	1,090,724	19	1,643,798	30
NON-CURRENT LIABILITIES						
Deferred tax liabilities (Note 4)	62,305	1	60,930	1	61,624	1
Lease liabilities - non-current (Note 15)	752,601	12	783,828	14	588,580	11
Long-term accounts payable (Note 20)	62,416	1	70,908	1	86,301	2
Guarantee deposits	584	-	584	-	544	-
Total non-current liabilities	877,906	14	916,250	16	737,049	14
Total liabilities	2,711,482	44	2,006,974	35	2,380,847	44
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 22)						
Share capital						
Ordinary shares	847,249	14	847,249	15	847,249	16
Capital surplus	381,924	6	381,924	7	381,924	7
Retained earnings						
Legal reserve	378,623	6	378,623	6	278,614	5
Special reserve	11,384	-	11,384	-	5,042	-
Unappropriated earnings	1,725,539	28	1,998,328	35	1,343,842	25
Total retained earnings	2,115,546	34	2,388,335	41	1,627,498	30
Other equity	11,583	-	4,505	-	3,666	-
Total equity attributable to owners of the Company	3,356,302	54	3,622,013	63	2,860,337	53
NON-CONTROLLING INTERESTS	142,881	2	133,715	2	141,456	3
Total equity	3,499,183	56	3,755,728	65	3,001,793	56
TOTAL	\$ 6,210,665	100	\$ 5,762,702	100	\$ 5,382,640	100

The accompanying notes are an integral part of the consolidated financial statements.

UNIVERSAL VISION BIOTECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31			
	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Note 23)	\$ 1,123,220	100	\$ 1,071,180	100
OPERATING COSTS (Notes 12 and 24)	<u>(456,612)</u>	<u>(41)</u>	<u>(410,140)</u>	<u>(38)</u>
GROSS PROFIT	<u>666,608</u>	<u>59</u>	<u>661,040</u>	<u>62</u>
OPERATING EXPENSES (Notes 11, 21 and 24)				
Selling and marketing expenses	(167,996)	(15)	(180,184)	(17)
General and administrative expenses	(108,950)	(9)	(113,374)	(11)
Expected credit gain	<u>2,998</u>	<u>-</u>	<u>425</u>	<u>-</u>
Total operating expenses	<u>(273,948)</u>	<u>(24)</u>	<u>(293,133)</u>	<u>(28)</u>
PROFIT FROM OPERATIONS	<u>392,660</u>	<u>35</u>	<u>367,907</u>	<u>34</u>
NON-OPERATING INCOME AND EXPENSES (Note 24)				
Interest income	17,570	2	4,549	1
Other income	2,093	-	2,978	-
Other gains and losses	43,856	4	4,230	-
Finance costs	<u>(5,404)</u>	<u>(1)</u>	<u>(3,983)</u>	<u>-</u>
Total non-operating income and expenses	<u>58,115</u>	<u>5</u>	<u>7,774</u>	<u>1</u>
PROFIT BEFORE INCOME TAX	450,775	40	375,681	35
INCOME TAX EXPENSE (Notes 4 and 25)	<u>(80,606)</u>	<u>(7)</u>	<u>(77,192)</u>	<u>(7)</u>
NET PROFIT FOR THE PERIOD	<u>370,169</u>	<u>33</u>	<u>298,489</u>	<u>28</u>
OTHER COMPREHENSIVE INCOME				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations (Note 22)	7,692	1	24,014	2
Unrealized gain on investments in debt instruments at fair value through other comprehensive income (Note 22)	2,800	-	251	-
Income tax relating to items that may be reclassified subsequently to profit or loss (Notes 4 and 25)	<u>(1,769)</u>	<u>-</u>	<u>(3,762)</u>	<u>-</u>
Other comprehensive income for the period, net of income tax	<u>8,723</u>	<u>1</u>	<u>20,503</u>	<u>2</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 378,892</u>	<u>34</u>	<u>\$ 318,992</u>	<u>30</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 362,648	32	\$ 303,884	28
Non-controlling interests	<u>7,521</u>	<u>1</u>	<u>(5,395)</u>	<u>-</u>
	<u>\$ 370,169</u>	<u>33</u>	<u>\$ 298,489</u>	<u>28</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 369,726	33	\$ 318,934	30
Non-controlling interests	<u>9,166</u>	<u>1</u>	<u>58</u>	<u>-</u>
	<u>\$ 378,892</u>	<u>34</u>	<u>\$ 318,992</u>	<u>30</u>
EARNINGS PER SHARE (Note 26)				
Basic	<u>\$ 4.28</u>		<u>\$ 3.59</u>	
Diluted	<u>\$ 4.27</u>		<u>\$ 3.58</u>	

The accompanying notes are an integral part of the consolidated financial statements.

UNIVERSAL VISION BIOTECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

	Equity Attributable to Owners of the Company						Other Equity		Non-controlling Interests (Note 22)	Total Equity
	Share Capital		Capital Surplus	Retained Earnings			Exchange Differences on Translating of the Financial Statements of Foreign Operations	Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income		
	Shares	Amount		Legal Reserve	Special Reserve	Unappropriated Earnings				
	(In Thousands)									
BALANCE AT JANUARY 1, 2024	84,725	\$ 847,249	\$ 381,924	\$ 278,614	\$ 5,042	\$ 1,676,197	\$ (11,384)	\$ -	\$ 165,333	\$ 3,342,975
Appropriation of 2023 earnings										
Cash dividends distributed by the Company	-	-	-	-	-	(593,074)	-	-	-	(593,074)
Actual acquisition of interests in subsidiaries (Note 27)	-	-	-	-	-	(43,165)	-	-	(23,935)	(67,100)
Net profit for the three months ended March 31, 2024	-	-	-	-	-	303,884	-	-	(5,395)	298,489
Other comprehensive income for the three months ended March 31, 2024, net of income tax	-	-	-	-	-	-	14,849	201	5,453	20,503
Total comprehensive income for the three months ended March 31, 2024	-	-	-	-	-	303,884	14,849	201	58	318,992
BALANCE AT MARCH 31, 2024	84,725	\$ 847,249	\$ 381,924	\$ 278,614	\$ 5,042	\$ 1,343,842	\$ 3,465	\$ 201	\$ 141,456	\$ 3,001,793
BALANCE AT JANUARY 1, 2025	84,725	\$ 847,249	\$ 381,924	\$ 378,623	\$ 11,384	\$ 1,998,328	\$ 7,352	\$ (2,847)	\$ 133,715	\$ 3,755,728
Appropriation of 2024 earnings										
Cash dividends distributed by the Company	-	-	-	-	-	(635,437)	-	-	-	(635,437)
Net profit for the three months ended March 31, 2025	-	-	-	-	-	362,648	-	-	7,521	370,169
Other comprehensive income for the three months ended March 31, 2025, net of income tax	-	-	-	-	-	-	4,838	2,240	1,645	8,723
Total comprehensive income for the three months ended March 31, 2025	-	-	-	-	-	362,648	4,838	2,240	9,166	378,892
BALANCE AT MARCH 31, 2025	84,725	\$ 847,249	\$ 381,924	\$ 378,623	\$ 11,384	\$ 1,725,539	\$ 12,190	\$ (607)	\$ 142,881	\$ 3,499,183

The accompanying notes are an integral part of the consolidated financial statements.

UNIVERSAL VISION BIOTECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 450,775	\$ 375,681
Adjustments for:		
Depreciation expense	132,807	118,695
Amortization expense	709	969
Expected credit loss reversed on trade receivables	(2,998)	(425)
Net gain on fair value changes of financial assets at fair value through profit or loss	(42,321)	-
Finance costs	5,404	3,983
Interest income	(17,570)	(4,549)
Loss on disposal of property, plant and equipment	82	147
Write-down of inventories	96	4,788
Net unrealized gain on foreign currency exchange	(1,468)	-
Changes in operating assets and liabilities		
Trade receivables	46,322	47,607
Other receivables	648	(3,739)
Inventories	(8,148)	4,276
Other current assets	(7,045)	(9,007)
Trade payables	29,986	(48,813)
Other payables	(38,815)	(23,429)
Other current liabilities	18,708	11,688
Cash generated from operations	567,172	477,872
Interest received	16,828	2,966
Interest paid	(807)	(619)
Income taxes paid	(112)	(1,770)
Net cash generated from operating activities	583,081	478,449
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	-	(31,313)
Purchase of financial assets at amortized cost	-	(173,237)
Proceeds from sale of financial assets at amortized cost	22,237	-
Payments for property, plant and equipment	(74,084)	(60,931)
Proceeds from disposal of property, plant and equipment	-	171
Increase in refundable deposits	(335)	(609)
Payments for intangible assets	(554)	(37)
Increase in other non-current assets	-	(5)
Increase in prepayments for equipment	(8,051)	(7,971)
Net cash used in investing activities	(60,787)	(273,932)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	-	32,704
Repayments of short-term borrowings	(50,000)	-
Repayments of long-term borrowings	-	(664)
Repayments of the principal portion of lease liabilities	(48,982)	(43,378)
Acquisition of additional interests in subsidiaries	-	(67,100)
Net cash used in financing activities	(98,982)	(78,438)
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	5,718	15,398
NET INCREASE IN CASH AND CASH EQUIVALENTS	429,030	141,477
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	506,854	1,062,545
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 935,884</u>	<u>\$ 1,204,022</u>

The accompanying notes are an integral part of the consolidated financial statements.

UNIVERSAL VISION BIOTECHNOLOGY CO., LTD. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Universal Vision Biotechnology Co., Ltd. (the “Company”) was incorporated in Taipei under the laws of the Republic of China (ROC) in August 1994 and is mainly engaged in operating the business of (1) sales of optical devices, glasses, lens and other vision aid products (2) optometric services (3) sales and leasing of medical devices (4) providing of hospital management and technical consultancy services.

The Company’s shares have been listed on the mainboard of the Taipei Exchange (“TPEX”) since November 2004.

The consolidated financial statements are presented in the Company’s functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s board of directors on May 14, 2025.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

- a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

The Company and entities controlled by the Company (collectively the “Group”).

Amendments to IAS 21 “Lack of Exchangeability”

The initial application of the Amendments to IAS 21 “Lack of Exchangeability” did not have material impact on the Group’s accounting policies.

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2026

<u>New, Amended and Revised Standards and Interpretation</u>	<u>Effective Date Announced by IASB</u>
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” - the amendments to the application guidance of classification of financial assets	January 1, 2026 (Note)

Note: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2026. It is permitted to apply these amendments for an earlier period beginning on January 1, 2025.

Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” - the amendments to the application guidance of classification of financial assets

The amendments mainly amend the requirements for the classification of financial assets, including:

- 1) If a financial asset contains a contingent feature that could change the timing or amount of contractual cash flows and the contingent event itself does not relate directly to changes in basic lending risks and costs (e.g., whether the debtor achieves a contractually specified reduction in carbon emissions), the financial asset has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding if, and only if,
 - In all possible scenarios (before and after the occurrence of a contingent event), the contractual cash flows are solely payments of principal and interest on the principal amount outstanding; and
 - In all possible scenarios, the contractual cash flows would not be significantly different from the contractual cash flows on a financial instrument with identical contractual terms, but without such a contingent feature.
- 2) To clarify that a financial asset has non-recourse features if an entity’s ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.
- 3) To clarify that the characteristics of contractually linked instruments include a prioritization of payments to the holders of financial assets using multiple contractually linked instruments (tranches) established through a waterfall payment structure, resulting in concentrations of credit risk and a disproportionate allocation of cash shortfalls from the underlying pool between the tranches.

An entity shall apply the amendments retrospectively but is not required to restate prior periods. The effect of initially applying the amendments shall be recognized as an adjustment to the opening balance at the date of initial application. An entity may restate prior periods if, and only if, it is possible to do so without the use of hindsight.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact of the application of the amendments on the Group’s financial position and financial performance.

- c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretation	Effective Date Announced by IASB (Note)
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” - the amendments to the application guidance of derecognition of financial liabilities	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB

(Continued)

New, Amended and Revised Standards and Interpretation	Effective Date Announced by IASB (Note)
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 9 and IFRS 17 - Comparative Information”	January 1, 2023
IFRS 18 “Presentation and Disclosures in Financial Statements”	January 1, 2027
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027

(Concluded)

Note: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

1) Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”

The amendments stipulate that, when the Group sells or contributes assets that constitute a business (as defined in IFRS 3) to an associate or joint venture, the gain or loss resulting from the transaction is recognized in full. Also, when the Group loses control of a subsidiary that contains a business but retains significant influence or joint control, the gain or loss resulting from the transaction is recognized in full.

Conversely, when the Group sells or contributes assets that do not constitute a business to an associate or joint venture, the gain or loss resulting from the transaction is recognized only to the extent of the Group’s interest as an unrelated investor in the associate or joint venture, i.e., the Group’s share of the gain or loss is eliminated. Also, when the Group loses control of a subsidiary that does not contain a business but retains significant influence or joint control over an associate or a joint venture, the gain or loss resulting from the transaction is recognized only to the extent of the Group’s interest as an unrelated investor in the associate or joint venture, i.e., the Group’s share of the gain or loss is eliminated.

2) IFRS 18 “Presentation and Disclosures in Financial Statements”

IFRS 18 will supersede IAS 1” Presentation of Financial Statements”. The main changes comprise:

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discounted operations categories.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as ‘other’ only if it cannot find a more informative label.

- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management's view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.
- 3) Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” - the amendments to the application guidance of derecognition of financial liabilities

The amendments mainly stipulate that, when settling a financial liability in cash using an electronic payment system, the Group can choose to derecognize the financial liability before the settlement date if, and only if, the Group has initiated a payment instruction that resulted in:

- The entity having no practical ability to withdraw, stop or cancel the payment instruction;
- The entity having no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
- The settlement risk associated with the electronic payment system being insignificant.

The Group shall apply the amendments retrospectively but is not required to restate prior periods. The effect of initially applying the amendments shall be recognized as an adjustment to the opening balance at the date of initial application.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact of the above amended standards and interpretations on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

These interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- 3) Level 3 inputs are unobservable inputs for the asset or liability.

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries). Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

See Notes 13 and 35, Tables 4 and 5 for detailed information on subsidiaries (including percentages of ownership and main businesses).

d. Other material accounting policies

Except for the following, please refer to the consolidated financial statements for the year ended December 31, 2024.

Income tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, management is required to make judgments, estimations, and assumptions on the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

When developing material accounting estimates, the Group considers the possible impact of climate change and related government policies and regulations on the cash flow projection, growth rates, discount rates, profitability and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Refer to the consolidated financial statements for the year ended December 31, 2024.

6. CASH AND CASH EQUIVALENTS

	March 31, 2025	December 31, 2024	March 31, 2024
Cash on hand	\$ 926	\$ 2,105	\$ 2,704
Checking accounts and demand deposits	642,680	435,486	1,001,824
Cash equivalents			
Time deposits	67,074	43,328	-
Repurchase agreements collateralized by bonds	<u>225,204</u>	<u>25,935</u>	<u>199,494</u>
	<u>\$ 935,884</u>	<u>\$ 506,854</u>	<u>\$ 1,204,022</u>

The market rate intervals for time deposits and repurchase agreements collateralized by bonds at the end of the reporting period were as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Time deposits	1.50%-1.80%	1.50%	-
Repurchase agreements collateralized by bonds	1.48%-1.50%	1.47%	1.32%-1.42%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 31, 2025	December 31, 2024	March 31, 2024
Financial assets at fair value through profit or loss (FVTPL) - current			
Financial assets mandatorily classified as at FVTPL			
Non-derivative financial assets			
Mutual funds	<u>\$ 1,337,694</u>	<u>\$ 1,295,373</u>	<u>\$ -</u>

Refer to Note 35, Table 2 for financial instruments measured at fair value through profit or loss. These financial assets are not pledged as collateral.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Investments in debt instruments

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Non-current</u>			
Foreign investments			
U.S. Treasury bonds	<u>\$ 115,320</u>	<u>\$ 111,073</u>	<u>\$ 31,564</u>

- a. In 2024, the Group bought 20-year and 30-year U.S. Treasury bonds with a coupon rate of 4.75% and an effective interest rate of 4.47%-4.69%.

- b. Refer to Note 10 for information relating to the credit risk management and impairment of investments in debt instruments at fair value through other comprehensive income.
- c. Refer to Note 35, Table 2 for information relating to the breakdown below at fair value through other comprehensive income, the financial assets were not pledged as collateral.

9. FINANCIAL ASSETS AT AMORTIZED COST

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<u>Current</u>			
Domestic investments			
Time deposits with original maturities of more than 3 months (a)	\$ 92,979	\$ 115,216	\$ 751,600

- a. The ranges of interest rates for time deposits with original maturities of more than 3 months were approximately 2%, 1.58%-2.00% and 1.40%-5.60% per annum as of March 31, 2025, December 31, 2024 and March 31, 2024, respectively.
- b. Refer to Note 10 for information relating to the credit risk management and impairment of investments in financial assets at amortized cost.

10. CREDIT RISK MANAGEMENT FOR INVESTMENTS IN DEBT INSTRUMENTS

Investments in debt instruments classified as at FVTOCI and as at amortized cost were as follows:

March 31, 2025

	<u>At FVTOCI</u>	<u>At Amortized Cost</u>
Gross carrying amount	\$ 116,079	\$ 92,979
Less: Allowance for impairment loss	-	-
Amortized cost	116,079	\$ 92,979
Adjustment to fair value	(759)	
	<u>\$ 115,320</u>	

December 31, 2024

	<u>At FVTOCI</u>	<u>At Amortized Cost</u>
Gross carrying amount	\$ 114,632	\$ 115,216
Less: Allowance for impairment loss	-	-
Amortized cost	114,632	\$ 115,216
Adjustment to fair value	(3,559)	
	<u>\$ 111,073</u>	

March 31, 2024

	<u>At FVTOCI</u>	<u>At Amortized Cost</u>
Gross carrying amount	\$ 31,313	\$ 751,600
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>
Amortized cost	31,313	<u>\$ 751,600</u>
Adjustment to fair value	<u>251</u>	
	<u>\$ 31,564</u>	

The policy adopted by the Group is to invest only in debt instruments with low credit risks. The Group takes into account the historical default loss rate and the expected prospect of the industry in which its business operates in the measurement of 12-month expected credit loss or expected lifetime credit loss of debt instruments. As of March 31, 2025, December 31, 2024 and March 31, 2024, due to the low credit risk of debtors and sufficient cash flow for contract settlements, provision for expected credit loss has not been made for financial assets at amortized cost and FVTOCI.

11. TRADE RECEIVABLES

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
At amortized cost			
Gross carrying amount	\$ 534,822	\$ 581,144	\$ 549,642
Less: Allowance for impairment loss	<u>(12,617)</u>	<u>(15,575)</u>	<u>(12,648)</u>
	<u>\$ 522,205</u>	<u>\$ 565,569</u>	<u>\$ 536,994</u>

For the optometric segment, the sales of goods are paid by cash or with credit card. The average credit period for the ophthalmology business was 120 days from the end of the month and between 30-120 day from the date of the invoice; receivables are evaluated for any sign of impairment on the balance sheet date. If there is objective evidence that the estimated cash flow of accounts receivable will be adversely affected, such accounts receivable shall be assessed for impairment.

In order to minimize credit loss, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix prepared by reference to the past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecasted direction of economic conditions at the reporting date. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of trade receivables based on the Group's provision matrix.

March 31, 2025

	Not Past Due	1 to 30 Days	31 to 60 Days	61 to 150 Days	Over 151 Days	Total
Expected credit loss rate	0-39.05%	0-100.00%	0-100.00%	0-100.00%	0-100.00%	
Gross carrying amount	\$ 506,343	\$ 8,517	\$ 5,888	\$ 1,168	\$ 12,906	\$ 534,822
Loss allowance	<u>(41)</u>	<u>(221)</u>	<u>(247)</u>	<u>(286)</u>	<u>(11,822)</u>	<u>(12,617)</u>
Amortized cost	<u>\$ 506,302</u>	<u>\$ 8,296</u>	<u>\$ 5,641</u>	<u>\$ 882</u>	<u>\$ 1,084</u>	<u>\$ 522,205</u>

December 31, 2024

	Not Past Due	1 to 30 Days	31 to 60 Days	61 to 150 Days	Over 151 Days	Total
Expected credit loss rate	0-33.79%	0-100.00%	0-100.00%	0-100.00%	0-100.00%	
Gross carrying amount	\$ 539,688	\$ 8,228	\$ 5,144	\$ 12,992	\$ 15,092	\$ 581,144
Loss allowance	<u>(48)</u>	<u>(181)</u>	<u>(258)</u>	<u>(1,654)</u>	<u>(13,434)</u>	<u>(15,575)</u>
Amortized cost	<u>\$ 539,640</u>	<u>\$ 8,047</u>	<u>\$ 4,886</u>	<u>\$ 11,338</u>	<u>\$ 1,658</u>	<u>\$ 565,569</u>

March 31, 2024

	Not Past Due	1 to 30 Days	31 to 60 Days	61 to 150 Days	Over 151 Days	Total
Expected credit loss rate	0-13.86%	0-50.00%	0-50.00%	0-50.00%	0-100.00%	
Gross carrying amount	\$ 520,683	\$ 6,188	\$ 825	\$ 4,475	\$ 17,471	\$ 549,642
Loss allowance	<u>(47)</u>	<u>(78)</u>	<u>(28)</u>	<u>(543)</u>	<u>(11,952)</u>	<u>(12,648)</u>
Amortized cost	<u>\$ 520,636</u>	<u>\$ 6,110</u>	<u>\$ 797</u>	<u>\$ 3,932</u>	<u>\$ 5,519</u>	<u>\$ 536,994</u>

The movements of the loss allowance of trade receivables were as follows:

	For the Three Months Ended March 31	
	2025	2024
Balance at January 1	\$ 15,575	\$ 12,997
Less: Net remeasurement of loss allowance	(2,998)	(425)
Foreign exchange gains and losses	<u>40</u>	<u>76</u>
Balance at March 31	<u>\$ 12,617</u>	<u>\$ 12,648</u>

12. INVENTORIES

	March 31, 2025	December 31, 2024	March 31, 2024
Merchandise inventory	\$ 44,902	\$ 39,525	\$ 30,733
Consumables	<u>252,847</u>	<u>250,200</u>	<u>254,717</u>
	<u>\$ 297,749</u>	<u>\$ 289,725</u>	<u>\$ 285,450</u>

The cost of goods sold related to inventories for the three months ended March 31, 2025 and 2024 was \$333,896 thousand and \$300,813 thousand, respectively.

The cost of goods sold included write-down of inventories \$96 thousand and \$4,788 thousand for the three months ended March 31, 2025 and 2024, respectively.

13. SUBSIDIARIES

a. Subsidiaries included in the consolidated financial statements

Investor	Investee	Nature of Activities	Proportion of Ownership (%)			Remark
			March 31, 2025	December 31, 2024	March 31, 2024	
Universal Vision Biotechnology Co., Ltd.	Taixue Investment Holdings Co., Ltd.	Investment	100.00	100.00	100.00	-
Taixue Investment Holdings Co., Ltd.	Taixue Jinghua Co., Ltd.	Wholesale and retail of medical equipment, western medicine	100.00	100.00	100.00	1)
Taixue Investment Holdings Co., Ltd.	Taixue Zhongdou Co., Ltd.	Wholesale and retail of medical equipment, western medicine	100.00	100.00	100.00	2)
Taixue Investment Holdings Co., Ltd.	Eyeseer Medical Inc.	Wholesale and retail of medical equipment	100.00	100.00	100.00	3)
Taixue Investment Holdings Co., Ltd.	Taixue Zhongke Co., Ltd.	Wholesale and retail of medical equipment, western medicine	16.67	16.67	16.67	4)
Universal Vision Biotechnology Co., Ltd.	Universal Group (BVI) Inc.	Investment	100.00	100.00	100.00	-
Universal Group (BVI) Inc.	Universal Group Holding Co., Ltd.	Investment	100.00	100.00	100.00	-
Universal Group Holding Co., Ltd.	Universal International (Samoa) Co., Ltd.	Investment	100.00	100.00	100.00	-
Universal International (Samoa) Co., Ltd.	Universal Vision Biotechnology (Shanghai) Co., Ltd.	Purchase and sale of ophthalmic surgical investments, medical optical instruments, etc.	100.00	100.00	100.00	-
Universal Vision Biotechnology (Shanghai) Co., Ltd.	Taixue (Jiangsu) Investment Co., Ltd.	Investment	100.00	100.00	100.00	-
Taixue (Jiangsu) Investment Co., Ltd.	Taixue Medical Investment Management (Zhejiang) Co., Ltd.	Enterprise and medical project investment	70.00	70.00	70.00	-
Taixue Medical Investment Management (Zhejiang) Co., Ltd.	Kunshan Universal Trading Co., Ltd.	Import and export of medical devices and related services	100.00	100.00	100.00	-
Taixue Medical Investment Management (Zhejiang) Co., Ltd.	Taixue (Jiangsu) Glasses Co., Ltd.	Wholesale and retail of glasses	100.00	100.00	100.00	-
Taixue Medical Investment Management (Zhejiang) Co., Ltd.	Ningbo Haishu Taixue Ophthalmic Outpatient Department Ltd.	Ophthalmology diagnosis and eyeglasses wholesale and retail	100.00	100.00	100.00	-
Taixue Medical Investment Management (Zhejiang) Co., Ltd.	Taixue (Jiangsu) Medical Investment Management Co., Ltd.	Enterprise and medical project investment management and consulting services	100.00	100.00	100.00	5)
Taixue Medical Investment Management (Zhejiang) Co., Ltd.	Taixue Dixin Medical Investment Management (Hangzhou) Co., Ltd.	Healthcare investment management	100.00	100.00	100.00	-
Taixue Dixin Medical Investment Management (Hangzhou) Co., Ltd.	Hangzhou Taixue Ophthalmic Outpatient Department Ltd.	Ophthalmology diagnosis and eyeglasses wholesale and retail	100.00	100.00	100.00	-
Taixue (Jiangsu) Medical Investment Management Co., Ltd.	Suzhou Haiweishi Ophthalmic Clinic (LP)	The scope of ophthalmology and surgery is limited to outpatient surgery, and it also engages in spectacles and retail	80.00	80.00	80.00	6)
Taixue Dixin Medical Investment Management (Hangzhou) Co., Ltd.	Suzhou Haiweishi Ophthalmic Clinic (LP)	The scope of ophthalmology and surgery is limited to outpatient surgery, and it also engages in spectacles and retail	20.00	20.00	20.00	6)
Hangzhou Taixue Ophthalmic Outpatient Department Ltd.	Hangzhou Lingping Taixue Ophthalmic Hospital Ltd.	Retail, medical device sales and medical services	100.00	100.00	100.00	7)
Hangzhou Taixue Ophthalmic Outpatient Department Ltd.	Taixue (Hangzhou) Glasses Co., Ltd.	Wholesale and retail of glasses and sale of medical devices	100.00	100.00	100.00	8)
Hangzhou Taixue Ophthalmic Outpatient Department Ltd.	Hangzhou Taixue (II) Ophthalmic Outpatient Department Ltd.	Ophthalmic medical services and sale of medical devices	100.00	100.00	100.00	8)

- 1) Taixue Investment Holdings Co., Ltd. invested in Taixue Jinghua Co., Ltd. in 2020, and held 100,000 preferred shares A, \$10 per share, with 20 voting rights per share, or more than half (80%) of the voting rights; therefore, Taixue Jinghua Co., Ltd. is a controlled subsidiary of the Company. On December 15, 2023, Taixue Investment Holdings Co., Ltd. acquired 41.66% of the shares in Taixue Jinghua Co., Ltd., resulting in an increase of its shareholding from 16.67% to 58.33%. On January 19, 2024, Taixue Investment Holdings Co., Ltd. acquired 41.67% of the shares in Taixue Jinghua Co., Ltd., resulting in an increase of its shareholding from 58.33% to 100%. Taixue Jinghua Co., Ltd. was approved for dissolution by the sole director on February 27, 2025, and as of May 14, 2025, the related dissolution procedures are still in progress.
 - 2) Taixue Investment Holdings Co., Ltd. invested in Taixue Jhongdou Co., Ltd. in 2022, and held 1,000,000 preferred shares A, \$1 per share, with 20 voting rights per share, or more than half (80%) of the voting rights; therefore, Taixue Jhongdou Co., Ltd. is a controlled subsidiary of the Company. On December 15, 2023, Taixue Investment Holdings Co., Ltd. acquired 41.66% of the shares in Taixue Jhongdou Co., Ltd., resulting in an increase of its shareholding from 16.67% to 58.33%. On January 19, 2024, Taixue Investment Holdings Co., Ltd. acquired 41.67% of the shares in Taixue Jhongdou Co., Ltd., resulting in an increase of its shareholding from 58.33% to 100%. Taixue Jhongdou Co., Ltd. was approved for dissolution by the sole director on February 27, 2025, and as of May 14, 2025, the related dissolution procedures are still in progress.
 - 3) Taixue Investment Holdings Co., Ltd. has increased the capital of Eyeseer Medical Inc. by \$10,000 thousand in 2024.
 - 4) Taixue Investment Holdings Co., Ltd. invested in Taixue Jhongke Co., Ltd. in 2023, and held 1,000,000 preferred shares A, \$1 per share, with 20 voting rights per share, or more than half (80%) of the voting rights; therefore, Taixue Jhongke Co., Ltd. is a controlled subsidiary of the Company.
 - 5) Taixue Medical Investment Management (Zhejiang) Co., Ltd. has increased the capital of Taixue (Jiangsu) Medical Investment Management Co., Ltd. by RMB5,500 thousand in 2024.
 - 6) Taixue (Jiangsu) Medical Investment Management Co., Ltd and Taixue Dixin Medical Investment Management (Hangzhou) Co., Ltd. invested RMB1,000 thousand and RMB250 thousand in Suzhou Haiweishi Ophthalmic Clinic (LP) in 2024, respectively.
 - 7) Hangzhou Taixue Ophthalmic Outpatient Department Ltd. invested RMB5,000 thousand in Hangzhou Lingping Taixue Ophthalmic Hospital Ltd. in 2024. Hangzhou Lingping Taixue Ophthalmic Hospital Ltd. was approved for dissolution by the shareholders on February 14, 2025, and as of May 14, 2025, the related dissolution procedures are still in progress.
 - 8) Hangzhou Taixue Ophthalmic Outpatient Department Ltd. invested RMB1,000 thousand and RMB1,000 thousand in Taixue (Hangzhou) Glasses Co., Ltd. and Hangzhou Taixue (II) Ophthalmic Outpatient Department Ltd. in 2024, respectively.
- b. Details of subsidiaries that have material non-controlling interests

Name of Subsidiary	Proportion of Ownership and Voting Rights Held by Non-controlling Interests		
	March 31, 2025	December 31, 2024	March 31, 2024
Taixue Medical Investment Management (Zhejiang) Co., Ltd.	30%	30%	30%

Refer to Note 35, Tables 4 and 5 for the information on the places of incorporation and principal place of business.

Name of Subsidiary	Profit (Loss) Allocated to Non-controlling Interests		Accounted Non-controlling Interests		
	For the Three Months Ended		March 31, 2025	December 31, 2024	March 31, 2024
	March 31				
	2025	2024			
Taixue Medical Investment Management (Zhejiang) Co., Ltd.	\$ 2,598	\$ (5,334)	\$ 118,036	\$ 113,793	\$ 137,659

Taixue Medical Investment Management (Zhejiang) Co., Ltd. and its subsidiaries

	For the Three Months Ended March 31	
	2025	2024
Revenue	\$ 153,573	\$ 163,398
Profit (loss) for the period	\$ 8,659	\$ (17,781)
Other comprehensive income for the period	5,484	18,175
Total comprehensive income for the period	\$ 14,143	\$ 394
Profit (loss) attributable to:		
Owners of Universal Vision Biotechnology Co., Ltd.	\$ 6,061	\$ (12,447)
Non-controlling interests of Taixue Medical Investment Management (Zhejiang) Co., Ltd.	2,598	(5,334)
	\$ 8,659	\$ (17,781)

	For the Three Months Ended March 31	
	2025	2024
Total comprehensive income attributable to:		
Owners of Universal Vision Biotechnology Co., Ltd.	\$ 9,900	\$ 276
Non-controlling interests of Taixue Medical Investment Management (Zhejiang) Co., Ltd.	<u>4,243</u>	<u>118</u>
	<u>\$ 14,143</u>	<u>\$ 394</u>
Cash inflow (outflow) from:		
Operating activities	\$ 44,491	\$ 21,268
Investing activities	(23,810)	(2,928)
Financing activities	<u>(9,454)</u>	<u>23,463</u>
Net cash inflow	<u>\$ 11,227</u>	<u>\$ 41,803</u> (Concluded)

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

14. PROPERTY, PLANT AND EQUIPMENT

	March 31, 2025		December 31, 2024		March 31, 2024			
Assets used by the Group	\$ 1,807,134		\$ 1,756,259		\$ 1,563,984			
	Land	Buildings	Machine	Transport Equipment	Office Equipment	Leasehold Improvements	Unfinished Construction and Equipment Pending Acceptance	Total
Cost								
Balance at January 1, 2025	\$ 179,865	\$ 67,108	\$ 2,181,310	\$ 3,217	\$ 257,121	\$ 643,689	\$ 96,014	\$ 3,428,324
Additions	-	-	92,393	-	6,698	3,525	32,497	135,113
Disposals	-	-	(11,037)	-	(274)	(167)	-	(11,478)
Reclassified	-	-	-	-	930	3,759	(6,114)	(1,425)
Effect of foreign currency exchange differences	-	-	5,324	26	243	1,791	12	7,396
Balance at March 31, 2025	\$ 179,865	\$ 67,108	\$ 2,267,990	\$ 3,243	\$ 264,718	\$ 652,597	\$ 122,409	\$ 3,557,930
Accumulated depreciation								
Balance at January 1, 2025	\$ -	\$ 23,474	\$ 1,142,067	\$ 2,230	\$ 168,581	\$ 335,713	\$ -	\$ 1,672,065
Depreciation expense	-	324	55,057	100	9,654	20,010	-	85,145
Disposals	-	-	(10,970)	-	(259)	(167)	-	(11,396)
Effect of foreign currency exchange differences	-	-	3,374	19	208	1,381	-	4,982
Balance at March 31, 2025	\$ -	\$ 23,798	\$ 1,189,528	\$ 2,349	\$ 178,184	\$ 356,937	\$ -	\$ 1,750,796
Carrying amount at December 31, 2024 and January 1, 2025	\$ 179,865	\$ 43,634	\$ 1,039,243	\$ 987	\$ 88,540	\$ 307,976	\$ 96,014	\$ 1,756,259
Carrying amount at March 31, 2025	\$ 179,865	\$ 43,310	\$ 1,078,462	\$ 894	\$ 86,534	\$ 295,660	\$ 122,409	\$ 1,807,134

(Continued)

(Continued)

	Land	Buildings	Machine	Transport Equipment	Office Equipment	Leasehold Improvements	Unfinished Construction and Equipment Pending Acceptance	Total
<u>Cost</u>								
Balance at January 1, 2024	\$ 179,865	\$ 67,108	\$ 1,914,186	\$ 5,157	\$ 245,581	\$ 615,674	\$ 32,822	\$ 3,060,393
Additions	-	-	13,140	-	5,263	2,967	8,620	29,990
Disposals	-	-	(3,954)	-	(1,566)	(55)	-	(5,575)
Reclassified	-	-	10,187	-	704	6,490	(6,758)	10,623
Effect of foreign currency exchange differences	-	-	14,721	152	729	6,803	(1,236)	21,169
Balance at March 31, 2024	<u>\$ 179,865</u>	<u>\$ 67,108</u>	<u>\$ 1,948,280</u>	<u>\$ 5,309</u>	<u>\$ 250,711</u>	<u>\$ 631,879</u>	<u>\$ 33,448</u>	<u>\$ 3,116,600</u>
<u>Accumulated depreciation</u>								
Balance at January 1, 2024	\$ -	\$ 22,177	\$ 1,022,164	\$ 3,339	\$ 145,885	\$ 274,478	\$ -	\$ 1,468,043
Depreciation expense	-	324	48,443	159	9,516	19,338	-	77,780
Disposals	-	-	(3,945)	-	(1,257)	(55)	-	(5,257)
Effect of foreign currency exchange differences	-	-	8,101	104	581	3,264	-	12,050
Balance at March 31, 2024	<u>\$ -</u>	<u>\$ 22,501</u>	<u>\$ 1,074,763</u>	<u>\$ 3,602</u>	<u>\$ 154,725</u>	<u>\$ 297,025</u>	<u>\$ -</u>	<u>\$ 1,552,616</u>
Carrying amount at March 31, 2024	<u>\$ 179,865</u>	<u>\$ 44,607</u>	<u>\$ 873,517</u>	<u>\$ 1,707</u>	<u>\$ 95,986</u>	<u>\$ 334,854</u>	<u>\$ 33,448</u>	<u>\$ 1,563,984</u>

(Concluded)

No impairment loss or reversal of impairment loss was recognized for the three months ended March 31, 2025 and 2024 as there was no indication of impairment.

The above items of property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives as follows:

Building	
Main buildings	50 years
Decoration and partition works	3-6 years
Machine	3-11 years
Transport equipment	4-5 years
Office equipment	1-10 years
Leasehold improvements	Whichever is shorter, the lease term or useful term

Refer to Note 32 for property, plant and equipment used by the Group and pledged as collateral for bank borrowings.

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Carrying amount</u>			
Buildings	\$ 874,524	\$ 907,954	\$ 700,556
Transportation equipment	<u>7,841</u>	<u>9,208</u>	<u>8,334</u>
	<u>\$ 882,365</u>	<u>\$ 917,162</u>	<u>\$ 708,890</u>

	For the Three Months Ended March 31	
	2025	2024
Additions to right-of-use assets	\$ <u>12,231</u>	\$ <u>15,373</u>
Depreciation charge for right-of-use assets		
Buildings	\$ 46,295	\$ 39,550
Transportation equipment	<u>1,367</u>	<u>1,365</u>
	\$ <u>47,662</u>	\$ <u>40,915</u>
Income from the subleasing of right-of-use assets (presented in operating revenue)	\$ <u>(48,100)</u>	\$ <u>(46,060)</u>

Except for the above addition and recognized depreciation, the Group did not have significant sublease or impairment of right-of-use assets during the three months ended March 31, 2025 and 2024.

b. Lease liabilities

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Carrying amount</u>			
Current	\$ <u>178,190</u>	\$ <u>178,399</u>	\$ <u>158,653</u>
Non-current	\$ <u>752,601</u>	\$ <u>783,828</u>	\$ <u>588,580</u>

Ranges of discount rates for lease liabilities were as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Buildings	1.195%-4.75%	1.195%-4.75%	1.195%-4.75%
Transportation equipment	1.195%-2.32%	1.195%-2.32%	1.195%-2.19%

c. Material leasing activities and terms

The Group leases buildings for use as offices and retail stores with lease terms of 1 to 15 years. Lease contracts for part of retail stores contain variable payments which are determined at a specific percentage of sales generated from the respective stores. The Group does not have bargain purchase options to acquire the leasehold buildings at the end of the lease term. In addition, the Group is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessor's consent.

d. Subleases

The Group subleases its right-of-use assets for buildings under operating leases. The maturity analysis of lease payments receivable under operating subleases was as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Year 1	\$ 192,291	\$ 188,853	\$ 180,106
Year 2	78,475	106,337	157,863
Year 3	<u>21,676</u>	<u>15,162</u>	<u>50,315</u>
	<u>\$ 292,442</u>	<u>\$ 310,352</u>	<u>\$ 388,284</u>

e. Other lease information

	For the Three Months Ended March 31	
	2025	2024
Expenses relating to short-term leases	\$ 1,475	\$ 1,537
Expenses relating to low-value asset leases	\$ 126	\$ 62
Expenses relating to variable lease payments not included in the measurement of lease liabilities	\$ 339	\$ 327
Total cash outflow for leases	<u>\$ (50,922)</u>	<u>\$ (45,304)</u>

The Group's leases of certain buildings and office equipment qualify as short-term leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

16. INTANGIBLE ASSETS

	Computer Software	Other Intangible Assets	Total
<u>Cost</u>			
Balance at January 1, 2025	\$ 32,448	\$ 16,899	\$ 49,347
Additions	554	-	554
Reclassified	1,425	-	1,425
Effect of foreign currency exchange differences	<u>59</u>	<u>240</u>	<u>299</u>
Balance at March 31, 2025	<u>\$ 34,486</u>	<u>\$ 17,139</u>	<u>\$ 51,625</u>

(Continued)

	Computer Software	Other Intangible Assets	Total
<u>Accumulated amortization</u>			
Balance at January 1, 2025	\$ 26,557	\$ -	\$ 26,557
Amortization expense	709	-	709
Effect of foreign currency exchange differences	<u>29</u>	<u>-</u>	<u>29</u>
Balance at March 31, 2025	<u>\$ 27,295</u>	<u>\$ -</u>	<u>\$ 27,295</u>
Carrying amount at December 31, 2024 and January 1, 2025	<u>\$ 5,891</u>	<u>\$ 16,899</u>	<u>\$ 22,790</u>
Carrying amount at March 31, 2025	<u>\$ 7,191</u>	<u>\$ 17,139</u>	<u>\$ 24,330</u>
<u>Cost</u>			
Balance at January 1, 2024	\$ 33,978	\$ 16,062	\$ 50,040
Additions	37	-	37
Effect of foreign currency exchange differences	<u>210</u>	<u>649</u>	<u>859</u>
Balance at March 31, 2024	<u>\$ 34,225</u>	<u>\$ 16,711</u>	<u>\$ 50,936</u>
<u>Accumulated amortization</u>			
Balance at January 1, 2024	\$ 27,059	\$ -	\$ 27,059
Amortization expense	969	-	969
Effect of foreign currency exchange differences	<u>82</u>	<u>-</u>	<u>82</u>
Balance at March 31, 2024	<u>\$ 28,110</u>	<u>\$ -</u>	<u>\$ 28,110</u>
Carrying amount at March 31, 2024	<u>\$ 6,115</u>	<u>\$ 16,711</u>	<u>\$ 22,826</u>
			(Concluded)

Other intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Computer software 3-10 years

Other intangible assets

The Group acquired Suzhou Haiweishi Ophthalmic Clinic (LP) and recognized intangible assets which consisted of the expected benefits from obtaining the medical license approved by the government.

	For the Three Months Ended March 31	
	2025	2024
An analysis of amortization by function		
Operating costs	\$ 29	\$ 29
Selling and marketing expenses	148	209
General and administrative expenses	<u>532</u>	<u>731</u>
	<u>\$ 709</u>	<u>\$ 969</u>

17. BORROWINGS

a. Short-term borrowings

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<u>Unsecured borrowings</u>			
Bank loans	<u>\$ 42,611</u>	<u>\$ 92,012</u>	<u>\$ 42,336</u>
Range of interest rate	2.90%-3.45%	1.91%-3.45%	3.45%-3.80%

b. Long-term borrowings

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<u>Secured borrowings (Note 32)</u>			
Other loans	\$ -	\$ -	\$ 677
Less: Current portion	<u>-</u>	<u>-</u>	<u>(677)</u>
Long-term borrowings	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Other borrowings were fixed-rate loans from a finance company. Such loans matured in June 2024. The terms set forth in the loan agreement include loan repayment every 3 months in the next 3 years. Refer to Note 32 for the borrowings were secured by the Group's freehold land and buildings.

18. TRADE PAYABLES

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<u>Trade payable</u>			
Operating	<u>\$ 298,056</u>	<u>\$ 268,070</u>	<u>\$ 263,495</u>

The Group's credit terms with suppliers are 30-90 days from the end of the month.

19. OTHER PAYABLES

	March 31, 2025	December 31, 2024	March 31, 2024
Payables for dividends	\$ 635,437	\$ -	\$ 593,074
Payables for remuneration of employees and directors	77,992	58,426	78,485
Payables for salaries or bonuses	64,206	117,415	69,456
Payables for advertising fees	35,304	30,628	33,072
Payables for maintenance fees	10,865	15,128	9,684
Payable for professional service fees	7,367	4,245	11,951
Payables for commodity tax	7,101	15,628	12,400
Others	<u>35,801</u>	<u>35,983</u>	<u>22,378</u>
	<u>\$ 874,073</u>	<u>\$ 277,453</u>	<u>\$ 830,500</u>

20. PAYABLES FOR EQUIPMENT AND LONG-TERM ACCOUNTS PAYABLES

Items	Period	March 31, 2025	December 31, 2024	March 31, 2024	Repayment Agreement
Purchase of equipment	May 2019- September 2029	\$ 223,017	\$ 161,988	\$ 154,669	Installment by contract
Less: Current portion		<u>(160,601)</u>	<u>(91,080)</u>	<u>(68,368)</u>	
		<u>\$ 62,416</u>	<u>\$ 70,908</u>	<u>\$ 86,301</u>	

Long-term payables include the Company's installments payable for purchase of equipment. The payment period ends in September 2029. The long-term payables due in future years are as follows:

Payment Period	Amount
2026.04.01-2027.03.31	\$ 32,932
2027.04.01-2028.03.31	19,469
2028.04.01-2029.03.31	8,365
2029.04.01-2029.09.30	<u>1,650</u>
	<u>\$ 62,416</u>

21. RETIREMENT BENEFIT PLANS

Defined Contribution Plans

The pension plan under the Labor Pension Act (LPA) for the Group's resident employees in the ROC is a government-managed defined contribution plan. Based on the LPA, the Company and its subsidiaries makes monthly contributions to employees' individual pension accounts at 6% of their monthly salaries.

The employees of the Group's subsidiary in China are members of a state-managed retirement benefit plan operated by the government of China. The subsidiary is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

An analysis by function of the amount recognized in profit or loss in respect the defined contribution plans is as follows:

	For the Three Months Ended March 31	
	2025	2024
Operating expenses	\$ 3,951	\$ 3,589

22. EQUITY

a. Share capital

Ordinary shares

	March 31, 2025	December 31, 2024	March 31, 2024
Shares authorized (in thousands of shares)	200,000	200,000	200,000
Shares authorized	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Shares issued and fully paid (in thousands of shares)	84,725	84,725	84,725
Shares issued	\$ 847,249	\$ 847,249	\$ 847,249

The ordinary shares have a par value of \$10 (in dollars). Holder of each share is entitled to one vote and right to dividend.

b. Capital surplus

	March 31, 2025	December 31, 2024	March 31, 2024
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital*			
Issuance of ordinary shares	\$ 185,652	\$ 185,652	\$ 185,652
Consideration received over the carrying amount of issued convertible bonds	168,011	168,011	168,011
Treasury share transactions	1,829	1,829	1,829
Expired employee share options and conversion differences on exercised employee share options	26,432	26,432	26,432
	\$ 381,924	\$ 381,924	\$ 381,924

* Such capital surplus may be used to offset a deficit; when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and to once a year).

c. Retained earnings and dividend policy

Under the dividends policy as set forth in the Articles, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit in accordance with the laws and regulations until the amount of legal reserve is equivalent to the paid-in capital, setting aside or reversing special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders.

If the Company distributes dividends and bonuses or all or part of the legal reserve and capital reserve in the form of cash distribution, the Company's board of directors is authorized to do so with the presence of more than two-thirds of the directors and the consent of more than half of the directors present and report to the shareholders meeting. For the policies on the distribution of compensation of employees and remuneration of directors, refer to compensation of employees and remuneration of directors in Note 24-g.

The Company is currently in the growing stage. The Company shall consider meeting future capital demand for business operations and its long-term financial plan, as well as satisfying the shareholders' demand for cash inflow, when deciding to distribute dividends. The Company's Articles of Incorporation provide that shareholders' dividends may be distributed in the form of shares or cash, where cash dividends to be distributed may not be less than 30% of total dividends distributed.

Appropriations of earnings to the legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

The Company in accordance with the law when a special reserve is appropriated for cumulative net increases in fair value measurement of investment properties from prior period and cumulative net debit balance reserves from prior period, the sum of net profit for current period and items other than net profit that are included directly in the unappropriated earnings for current period is used if the prior unappropriated earnings are not sufficient.

The appropriations of earnings for 2024 and 2023 were as follows:

	Appropriation of Earnings	
	For the Year Ended December 31	
	2024	2023
Legal reserve	\$ 102,156	\$ 100,009
Special (reverse) reserve	\$ (11,384)	\$ 6,342
Cash dividends	\$ 635,437	\$ 593,074
Cash dividends per share (NT\$)	\$ 7.50	\$ 7.00

The above 2024 and 2023 appropriations for cash dividends were resolved by the Company's board of directors on March 6, 2025 and March 13, 2024, respectively; the other proposed appropriations for 2023 were resolved by the shareholders in their meeting on June 19, 2024. The other proposed appropriations for 2024 will be resolved by the shareholders in their meeting to be held on May 26, 2025.

d. Special reserve

	For the Three Months Ended March 31	
	2025	2024
Balance at January 1	\$ 11,384	\$ 5,042
Appropriations in respect of Debits to other equity items	<u>-</u>	<u>-</u>
Balance at March 31	<u>\$ 11,384</u>	<u>\$ 5,042</u>

e. Other equity items

1) Exchange differences on translating the financial statements of foreign operations

	For the Three Months Ended March 31	
	2025	2024
Balance at January 1	\$ 7,352	\$ (11,384)
Recognized for the period		
Exchange differences on the translation of the financial statements of foreign operations	6,047	18,561
Relevant income taxes	<u>(1,209)</u>	<u>(3,712)</u>
Balance at March 31	<u>\$ 12,190</u>	<u>\$ 3,465</u>

2) Unrealized valuation (loss) gain on financial assets at FVTOCI

	For the Three Months Ended March 31	
	2025	2024
Balance at January 1	\$ (2,847)	\$ -
Recognized for the period		
Unrealized gain - debt instruments	2,800	251
Relevant income taxes	<u>(560)</u>	<u>(50)</u>
Balance at March 31	<u>\$ (607)</u>	<u>\$ 201</u>

f. Non-controlling interests

	For the Three Months Ended March 31	
	2025	2024
Balance at January 1	\$ 133,715	\$ 165,333
Non-controlling interest disposal of Taixue Jinghua Co., Ltd. and Taixue Jhongdou Co., Ltd. (Note 27)	-	(23,935)
Share in profit (loss) for the period	7,521	(5,395)
Other comprehensive income during the period		
Exchange difference on translating the financial statements of foreign entities	<u>1,645</u>	<u>5,453</u>
Balance at March 31	<u>\$ 142,881</u>	<u>\$ 141,456</u>

23. REVENUE

	For the Three Months Ended March 31	
	2025	2024
Revenue from contracts with customers		
Sale of goods	\$ 250,833	\$ 226,457
Brand licensing and technical services	643,212	625,727
Medical consumables	151,212	142,851
Consultancy services	<u>29,863</u>	<u>29,228</u>
	1,075,120	1,024,263
Rental income	<u>48,100</u>	<u>46,917</u>
	<u>\$ 1,123,220</u>	<u>\$ 1,071,180</u>

For descriptions of contracts with customers, please refer to Note 23 of the consolidated financial statements for the year ended December 31, 2024.

a. Contract balances

	March 31, 2025	December 31, 2024	March 31, 2024	January 1, 2024
Trade receivables (Note 11)	<u>\$ 522,205</u>	<u>\$ 565,569</u>	<u>\$ 536,994</u>	<u>\$ 584,252</u>
Contract liabilities (presented in other current liabilities)				
Sale of goods	<u>\$ 44,608</u>	<u>\$ 25,117</u>	<u>\$ 36,722</u>	<u>\$ 24,185</u>

b. Disaggregation of revenue, please refer to Note 36.

24. NET PROFIT FROM CONTINUING OPERATIONS

a. Interest income

	For the Three Months Ended March 31	
	2025	2024
Bank deposits	\$ 1,439	\$ 4,404
Financial assets at FVTPL	14,680	-
Investments in debt instruments at FVTOCI	1,307	28
Others	<u>144</u>	<u>117</u>
	<u>\$ 17,570</u>	<u>\$ 4,549</u>

b. Other income

	For the Three Months Ended March 31	
	2025	2024
Rental income	\$ 800	\$ 742
Others	<u>1,293</u>	<u>2,236</u>
	<u>\$ 2,093</u>	<u>\$ 2,978</u>

c. Other gains and losses

	For the Three Months Ended March 31	
	2025	2024
Loss on disposal of property, plant and equipment	\$ (82)	\$ (147)
Valuation gain of financial assets at FVTPL	42,321	-
Net foreign exchange gains	1,736	4,719
Others	<u>(119)</u>	<u>(342)</u>
	<u>\$ 43,856</u>	<u>\$ 4,230</u>

d. Finance costs

	For the Three Months Ended March 31	
	2025	2024
Interest on bank loans	\$ 802	\$ 657
Interest on lease liabilities	4,599	3,324
Others	<u>3</u>	<u>2</u>
	<u>\$ 5,404</u>	<u>\$ 3,983</u>

e. Depreciation and amortization

For the Three Months Ended March 31		
	2025	2024
An analysis of depreciation by function		
Operating costs	\$ 97,057	\$ 82,921
Operating expenses	<u>35,750</u>	<u>35,774</u>
	<u>\$ 132,807</u>	<u>\$ 118,695</u>
An analysis of amortization by function		
Operating costs	\$ 29	\$ 29
Operating expenses	<u>680</u>	<u>940</u>
	<u>\$ 709</u>	<u>\$ 969</u>

For information on the amortization of intangible assets allocated to individual line items, please refer to Note 16.

f. Employee benefits expense

For the Three Months Ended March 31		
	2025	2024
Short-term benefits	\$ 168,329	\$ 172,528
Post-employment benefits (Note 21)		
Defined contribution plan	<u>3,951</u>	<u>3,589</u>
Total employee benefits expense	<u>\$ 172,280</u>	<u>\$ 176,117</u>
An analysis of employee benefits expense by function		
Operating costs	\$ 7,193	\$ 9,620
Operating expenses	<u>165,087</u>	<u>166,497</u>
	<u>\$ 172,280</u>	<u>\$ 176,117</u>

g. Compensation of employees and remuneration of directors and supervisors

According to the Company's Articles, the Company accrues compensation of employees and remuneration of directors at the rates of 1% to 10% and no higher than 3%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. In accordance with the amendments to the Securities and Exchange Act in August 2024, the shareholders of the Company expect to resolve the amendments to the Company's Articles at their 2025 regular meeting. The amendments explicitly stipulate the allocation of no less than 10% of the compensation of employees as compensation distributions for non-executive employees. The compensation of employees (including non-executive employees) and the remuneration of directors for the three months ended March 31, 2025 and 2024, are as follows:

Amount

	For the Three Months Ended March 31	
	2025	2024
Compensation of employees	\$ 13,832	\$ 11,933
Remuneration of directors	5,734	5,966

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

The compensation of employees and remuneration of directors for 2024 and 2023 that were resolved by the board of directors on March 6, 2025 and March 13, 2024, respectively, are as show below:

	For the Year Ended December 31	
	2024	2023
	Cash	Cash
Compensation of employees	\$ 41,315	\$ 40,390
Remuneration of directors	17,111	20,195

There was no difference between the actual amounts of compensation of employees and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2024 and 2023.

Information on the compensation of employees and remuneration of directors resolved by the Company's board of directors is available at the Market Observation Post System website.

25. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Three Months Ended March 31	
	2025	2024
Current tax		
In respect of the current period	\$ 79,022	\$ 76,435
Adjustments for prior year	<u>(1,256)</u>	<u>1,178</u>
	77,766	77,613
Deferred tax		
In respect of the current period	<u>2,840</u>	<u>(421)</u>
Income tax expense recognized in profit or loss	<u>\$ 80,606</u>	<u>\$ 77,192</u>

Applicable tax rate in Taiwan is 20%. Applicable tax rate for the subsidiaries in mainland China is 25%. Taxes in other jurisdictions shall be calculated at the applicable tax rates in relevant jurisdictions.

b. Income tax recognized in other comprehensive income

	For the Three Months Ended March 31	
	2025	2024
<u>Deferred tax</u>		
In respect of the current period:		
Translation of foreign operations	\$ 1,209	\$ 3,712
Unrealized gain on financial assets at FVTOCI	<u>560</u>	<u>50</u>
Total income tax recognized in other comprehensive income	<u>\$ 1,769</u>	<u>\$ 3,762</u>

c. Income tax assessments

The income tax returns through 2022 of the Company, and 2023 of Taixue Investment Holding Co., Ltd., Taixue Jinghua Co., Ltd., Taixue Jhongdou Co., Ltd., Eyeseer Medical Inc. and Taixue Jhongke Co., Ltd., respectively, in Taiwan have been assessed by Taiwan's tax authorities. All other companies prepare their tax returns according to local law.

26. EARNINGS PER SHARE

	Unit: NT\$ Per Share	
	For the Three Months Ended March 31	
	2025	2024
Basic earnings per share	<u>\$ 4.28</u>	<u>\$ 3.59</u>
Diluted earnings per share	<u>\$ 4.27</u>	<u>\$ 3.58</u>

The earning and weighted average number of ordinary shares outstanding used in the computation of earnings per share were as follows:

Net Profit for the Period

	For the Three Months Ended March 31	
	2025	2024
Profit for the year attributable to owners of the Company	\$ 362,648	\$ 303,884
Effect of potentially dilutive ordinary shares:		
Compensation of employees	<u>-</u>	<u>-</u>
Earnings used in the computation of diluted earnings per share	<u>\$ 362,648</u>	<u>\$ 303,884</u>

The weighted average number of ordinary shares outstanding (in thousands of shares) was as follows:

	For the Three Months Ended March 31	
	2025	2024
Weighted average number of ordinary shares used in the computation of basic earnings per share	84,725	84,725
Effect of potentially dilutive ordinary shares:		
Compensation of employees	<u>199</u>	<u>155</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>84,924</u>	<u>84,880</u>

If the Group offered to settle compensation paid to employees in cash or shares, the Group assumed that the entire amount of the compensation will be settled in shares, and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

27. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

On January 19, 2024, the Group purchased 41.67% of the shares in Taixue Jinghua Co., Ltd. and Taixue Jhongdou Co., Ltd., increasing its interest from 58.33% to 100%.

The above transactions were accounted as equity transactions, since the Group did not cease to have control over these subsidiaries.

	Taixue Jinghua Co., Ltd.	Taixue Jhongdou Co., Ltd.
Consideration paid	\$ (35,000)	\$ (32,100)
The proportionate share of the carrying amount of the net assets of the subsidiary transferred to non-controlling interests	<u>9,190</u>	<u>14,745</u>
Equity transaction difference	<u>\$ (25,810)</u>	<u>\$ (17,355)</u>

	Taixue Jinghua Co., Ltd.	Taixue Jhongdou Co., Ltd.	Total
<u>Line items adjusted for equity transactions</u>			
Unappropriated earnings	<u>\$ 25,810</u>	<u>\$ 17,355</u>	<u>\$ 43,165</u>

28. CASH FLOW INFORMATION

The Group's operating, investing and financing activities with only partial cash receipts and payment for the three months ended March 31, 2025 and 2024 were as follows:

a. Non-cash transactions

1) Purchase of property, plant and equipment

	For the Three Months Ended March 31	
	2025	2024
Purchase of property, plant and equipment		
Increase in property, plant and equipment	\$ 135,113	\$ 29,990
Add: Payables for equipment and long-term accounts payable at the beginning of the period	161,988	185,610
Less: Payables for equipment and long-term accounts payable at the end of the period	<u>(223,017)</u>	<u>(154,669)</u>
Cash payments	<u>\$ 74,084</u>	<u>\$ 60,931</u>

2) Interest received

	For the Three Months Ended March 31	
	2025	2024
Interest income	\$ 17,570	\$ 4,549
Add: Interest receivable at the beginning of the period	9,220	1,188
Bonds premium amortization	21	-
Less: Interest receivable at the end of the period	(9,842)	(2,657)
Imputed interest on security deposits	<u>(141)</u>	<u>(114)</u>
Interest income received	<u>\$ 16,828</u>	<u>\$ 2,966</u>

3) Interest paid

	For the Three Months Ended March 31	
	2025	2024
Interest expenses	\$ 5,404	\$ 3,983
Add: Interest payable at the beginning of the period	44	72
Less: Interest payable at the end of the period	(42)	(112)
Interest expense on lease liabilities	<u>(4,599)</u>	<u>(3,324)</u>
Interest expense paid	<u>\$ 807</u>	<u>\$ 619</u>

4) Dividends paid

	For the Three Months Ended March 31	
	2025	2024
Dividends paid	\$ 635,437	\$ 593,074
Less: Dividend payable at the end of the period	<u>(635,437)</u>	<u>(593,074)</u>
Dividend paid	<u>\$ -</u>	<u>\$ -</u>

b. Changes in liabilities arising from financing activities

For the three months ended March 31, 2025

	Opening Balance	Cash Flows	Non-cash Changes		Closing Balance
			New Leases	Others	
Short-term borrowings	\$ 92,012	\$ (50,000)	\$ -	\$ 599	\$ 42,611
Guarantee deposits received	584	-	-	-	584
Lease liabilities	<u>962,227</u>	<u>(48,982)</u>	<u>12,198</u>	<u>5,348</u>	<u>930,791</u>
	<u>\$ 1,054,823</u>	<u>\$ (98,982)</u>	<u>\$ 12,198</u>	<u>\$ 5,947</u>	<u>\$ 973,986</u>

For the three months ended March 31, 2024

	Opening Balance	Cash Flows	Non-cash Changes		Closing Balance
			New Leases	Others	
Short-term borrowings	\$ 8,670	\$ 32,704	\$ -	\$ 962	\$ 42,336
Long-term borrowings	1,301	(664)	-	40	677
Guarantee deposits received	543	-	-	1	544
Lease liabilities	<u>768,290</u>	<u>(43,378)</u>	<u>15,330</u>	<u>6,991</u>	<u>747,233</u>
	<u>\$ 778,804</u>	<u>\$ (11,338)</u>	<u>\$ 15,330</u>	<u>\$ 7,994</u>	<u>\$ 790,790</u>

29. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance.

The capital structure of the Group consists of net debt (borrowings offset by cash and cash equivalents) and equity of the Group (comprising issued capital, reserves, retained earnings, other equity and non-controlling interests).

The Group is not subject to any externally imposed capital requirements.

30. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments that are not measured at fair value

The management of the Group considers that the carrying amount of the financial assets and liabilities not measured at fair value approximated the fair value.

b. Fair value of financial instruments that are measured at fair value

Fair value hierarchy

March 31, 2025

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at FVTPL				
Mutual funds	\$ 1,337,694	\$ -	\$ -	\$ 1,337,694
Financial assets at FVTOCI				
Investments in debt instruments				
Overseas government bonds	\$ 115,320	\$ -	\$ -	\$ 115,320

December 31, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at FVTPL				
Mutual funds	\$ 1,295,373	\$ -	\$ -	\$ 1,295,373
Financial assets at FVTOCI				
Investments in debt instruments				
Overseas government bonds	\$ 111,073	\$ -	\$ -	\$ 111,073

March 31, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at FVTOCI				
Investments in debt instruments				
Overseas government bonds	\$ 31,564	\$ -	\$ -	\$ 31,564

c. Categories of financial instruments

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Financial assets</u>			
Financial assets at amortized cost (Note 1)	\$ 1,603,034	\$ 1,239,185	\$ 2,539,518
Financial assets at FVTPL			
Financial assets mandatorily classified as at FVTPL	1,337,694	1,295,373	-
Financial assets at FVTOCI			
Debt instruments	115,320	111,073	31,564

Financial liabilities

Amortized cost (Note 2)	1,438,341	800,107	1,292,748
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Note 1: The balances include financial assets measured at amortized cost, which comprise cash and cash equivalents, trade receivables, other receivables and refundable deposits.

Note 2: The balances include financial liabilities measured at amortized cost, which comprise, short-term borrowings, trade payable, payables for equipment, other payable, current portion of long-term loans payable, long-term accounts payable and guarantee deposits.

d. Financial risk management objectives and policies

The Group's major financial instruments included equity and debt instrument investments, trade receivables, trade payables, borrowings and lease liabilities. The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below), interest rates (see (b) below) and other price risks (see (c) below).

a) Foreign currency risk

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) at the end of the reporting period are set out in Note 34.

Sensitivity analysis

The Group is mainly exposed to the USD.

The following table details the Group's sensitivity to a 1% increase and decrease in the New Taiwan dollar (i.e., the functional currency) against the relevant foreign currencies. The sensitivity rate used when reporting foreign currency risk internally to key management personnel and representing management's assessment of the reasonably possible change in foreign exchange rates is 1%. The sensitivity analysis included only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the year for a 1% change in foreign currency rates. A positive number below indicates a decrease in pre-tax profit and other equity associated with the New Taiwan dollar strengthening 1% against the relevant currency. For a 1% weakening of the New Taiwan dollar against the relevant currency, there would be an equal and opposite impact on pre-tax profit and other equity, and the balances below would be negative.

	USD Impact	
	For the Three Months Ended	
	March 31	
	2025	2024
Profit or loss	\$ 1,386*	\$ 1,218*

* The result was mainly attributable to the exposure on outstanding deposits in USD and U.S. treasury bonds that were not hedged at the end of the reporting period.

b) Interest rate risk

The Group is exposed to interest rate risk because entities in the Group borrow funds and hold deposits at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings.

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows.

	March 31, 2025	December 31, 2024	March 31, 2024
Fair value interest rate risk			
Financial assets	\$ 501,503	\$ 297,657	\$ 663,762
Financial liabilities	-	-	677
Cash flow interest rate risk			
Financial assets	642,819	435,622	1,323,559
Financial liabilities	42,611	92,012	42,336

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of each liability outstanding at the end of the reporting period was outstanding for the whole year. A 0.1% increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 0.1% higher and all other variables were held constant, the Group's pre-tax profit for the three months ended March 31, 2025 and 2024 would have increased by \$150 thousand and \$320 thousand, respectively.

c) Other price risks

The Group was exposed to equity price risk through its investments in funds and beneficiary certificates. The Group's equity price risk is mainly concentrated in equity instruments that are from investments classified as financial assets measured at fair value through profit or loss. If the prices of the above investments decrease by 1% as of the reporting period end date, the Group net income for the three months ended March 31, 2025, would decrease by \$13,377 thousand.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. At the end of the reporting period, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to the failure of the counterparty to discharge its obligation and due to the financial guarantees provided by the Group, could be equal to the total of the carrying amount of the respective recognized financial assets as stated in the balance sheets.

In addition, the Group would review the recoverable amount of each receivable one by one at the end of the reporting period to ensure that impairment loss is recognized for unrecoverable receivables. As such, the Group's management concludes that the credit risk has been significantly reduced.

The important financial activities of the Group are reviewed by the board of directors in accordance with relevant rules and internal control systems. The Group follows the relevant financial and operating procedures for the overall financial risk management and segregation of responsibility.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

Ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity risk management framework for the Group's short-, medium- and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, and continuously monitoring forecasted and actual cash flows as well as matching the maturity profiles of financial assets and liabilities. As of March 31, 2025, December 31, 2024 and March 31, 2024, the Group had available unutilized short-term bank loan facilities set out in (b) below.

a) Liquidity and interest rate risk tables for non-derivative financial liabilities

The following tables detail the Group's remaining contractual maturities for its non-derivative financial liabilities with agreed repayment periods. The table have been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed repayment dates.

To the extent that interest flows are floating rate, the undiscounted amount was derived from the average interest rate at the end of the reporting period.

March 31, 2025

	Less than 1 Year	1-2 Years	2-5 Years	5-10 Years	10-15 Years
Non-interest bearing					
Accounts payable	\$ 298,056	\$ -	\$ -	\$ -	\$ -
Payables on equipment	160,601	-	-	-	-
Long-term accounts payable	-	32,932	29,484	-	-
Guarantee deposits	584	-	-	-	-
Lease liabilities	194,403	166,572	345,422	268,807	23,347
Fixed interest rate liabilities					
Short-term borrowings	43,054	-	-	-	-
	<u>\$ 696,698</u>	<u>\$ 199,504</u>	<u>\$ 374,906</u>	<u>\$ 268,807</u>	<u>\$ 23,347</u>

December 31, 2024

	Less than 1 Year	1-2 Years	2-5 Years	5-10 Years	10-15 Years
Non-interest bearing					
Accounts payable	\$ 268,070	\$ -	\$ -	\$ -	\$ -
Payables on equipment	91,080	-	-	-	-
Long-term accounts payable	-	32,757	38,151	-	-
Guarantee deposits	584	-	-	-	-
Lease liabilities	195,229	178,044	350,533	278,816	30,143
Fixed interest rate liabilities					
Short-term borrowings	92,857	-	-	-	-
	<u>\$ 647,820</u>	<u>\$ 210,801</u>	<u>\$ 388,684</u>	<u>\$ 278,816</u>	<u>\$ 30,143</u>

March 31, 2024

	Less than 1 Year	1-2 Years	2-5 Years	5-10 Years	10-15 Years
Non-interest bearing					
Accounts payable	\$ 263,495	\$ -	\$ -	\$ -	\$ -
Payables on equipment	68,368	-	-	-	-
Other current liabilities	527	-	-	-	-
Long-term accounts payable	-	35,052	51,249	-	-
Guarantee deposits	544	-	-	-	-
Lease liabilities	170,130	156,151	293,109	163,168	-
Fixed interest rate liabilities					
Short-term borrowings	42,819	-	-	-	-
Long-term borrowings	870	-	-	-	-
	<u>\$ 546,753</u>	<u>\$ 191,203</u>	<u>\$ 344,358</u>	<u>\$ 163,168</u>	<u>\$ -</u>

b) Financing facilities

	March 31, 2025	December 31, 2024	March 31, 2024
Unsecured bank overdraft facilities:			
Amount used	\$ 42,611	\$ 92,012	\$ 6,254
Amount unused	<u>1,012,421</u>	<u>914,812</u>	<u>908,848</u>
	<u>\$ 1,055,032</u>	<u>\$ 1,006,824</u>	<u>\$ 915,102</u>
Secured bank overdraft facilities:			
Amount used	\$ -	\$ -	\$ 36,082
Amount unused	<u>400,000</u>	<u>400,000</u>	<u>409,020</u>
	<u>\$ 400,000</u>	<u>\$ 400,000</u>	<u>\$ 445,102</u>

31. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated upon consolidation and are not disclosed in this note. Besides information disclosed elsewhere in the other notes, details of transactions between the Group and other related parties are disclosed below.

Remuneration of key management personnel

	For the Three Months Ended March 31	
	2025	2024
Short-term employee benefits	\$ 11,943	\$ 10,692
Post-employment benefits	<u>89</u>	<u>84</u>
	<u>\$ 12,032</u>	<u>\$ 10,776</u>

The remuneration of directors and key executives, as determined by the remuneration committee, is based on the performance of individuals and market trends.

32. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collaterals for quota application and for bank borrowings or other restricted use:

	March 31, 2025	December 31, 2024	March 31, 2024
Property, plant and equipment	\$ 223,175	\$ 223,499	\$ 242,167
Other financial assets - non-current (presented in other non-current assets)	139	136	135
Refundable deposits	<u>-</u>	<u>-</u>	<u>2,481</u>
	<u>\$ 223,314</u>	<u>\$ 223,635</u>	<u>\$ 244,783</u>

33. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group were as follows:

- a. As of March 31, 2025, December 31, 2024 and March 31, 2024, the contracts signed by the Group for the purchase of equipment and application software systems were \$270,115 thousand, \$199,397 thousand and \$293,907 thousand, respectively, and the outstanding amounts were \$139,655 thousand, \$103,383 thousand and \$169,026 thousand, respectively.
- b. The Company, in response to Civil Judgment of Zhi-Zi No. 2, Year 2023 issued by the Taipei District Court, has retained legal counsel to file an appeal. On October 23, 2024, the Company received Judgment of Chongshang-Zi No. 000615, Year 2023 from the Taiwan High Court. The Company sought punitive damages of \$2,000 thousand from Li-Ju Lai due to breach of contract by opening another clinic during the contract period of Chiayi Universal Eye Center. This claim was dismissed by the Taiwan High Court. Li-Ju Lai subsequently filed a countersuit against the Company for unjust enrichment in the amount of \$21,924 thousand, which was also dismissed by the Taiwan High Court. It has been assessed that there is no material impact on the Company's finance and business. Upon receiving the court judgment, the Company has appointed legal counsel to handle the relevant legal proceedings.

34. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies of the entities in the Group and the related exchange rates between the foreign currencies and the respective functional currencies were as follows:

Currency Unit: In Thousands of New Taiwan Dollars and Foreign Currencies

March 31, 2025

	<u>Foreign Currency</u>	<u>Exchange Rate</u>	<u>Carrying Amount</u>
<u>Financial assets</u>			
Monetary items			
USD	\$ 4,057	33.2050 (USD:NTD)	\$ 134,701
USD	117	7.1782 (USD:RMB)	<u>3,901</u>
			<u>\$ 138,602</u>

December 31, 2024

	<u>Foreign Currency</u>	<u>Exchange Rate</u>	<u>Carrying Amount</u>
<u>Financial assets</u>			
Monetary items			
USD	\$ 3,961	32.7850 (USD:NTD)	\$ 129,846
USD	118	7.1884 (USD:RMB)	<u>3,853</u>
			<u>\$ 133,699</u>

March 31, 2024

	<u>Foreign Currency</u>	<u>Exchange Rate</u>	<u>Carrying Amount</u>
<u>Financial assets</u>			
Monetary items			
USD	\$ 3,639	32.0000 (USD:NTD)	\$ 116,440
USD	167	7.0950 (USD:RMB)	5,358
RMB	2	4.4080 (RMB:NTD)	<u>9</u>
			<u>\$ 121,807</u>

The Group is mainly exposed to the USD and the RMB. The following information was aggregated by the functional currency of the Group, and the exchange rates between the functional currency and the presentation currency were disclosed. The significant realized and unrealized foreign exchange gains (losses) were as follows:

<u>Foreign Currency</u>	<u>For the Three Months Ended March 31</u>			
	<u>2025</u>		<u>2024</u>	
	<u>Exchange Rate (Foreign Currency: Functional Currency)</u>	<u>Net Foreign Exchange Gains (Losses)</u>	<u>Exchange Rate (Foreign Currency: Functional Currency)</u>	<u>Net Foreign Exchange Gains (Losses)</u>
NTD	1.0000 (NTD:NTD)	\$ 1,741	1.0000 (NTD:NTD)	\$ 4,710
RMB	4.5730 (RMB:NTD)	<u>(5)</u>	4.4080 (RMB:NTD)	<u>9</u>
		<u>\$ 1,736</u>		<u>\$ 4,719</u>

35. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions:

- 1) Financing provided to others. (None)
- 2) Endorsements/guarantees provided. (Table 1)
- 3) Significant marketable securities held (excluding investment in subsidiaries, associates and joint ventures). (Table 2)
- 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (None)
- 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (None)
- 6) Intercompany relationships and significant intercompany transactions. (Table 3)

b. Information on investees (Table 4)

c. Information on investments in mainland China

- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area. (Table 5)
- 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: (None)
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
 - c) The amount of property transactions and the amount of the resultant gains or losses.
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.
 - e) The highest balance, the end of period balance, the interest rate range, and total current year interest with respect to financing of funds.
 - f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services.

36. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. Specifically, the Group's reportable segments were as follows:

Ophthalmology Business segment - this department is responsible for providing ophthalmic clinics and hospital technical services and consultancy services and leasing services.

Optometry Business segment - this department is responsible for the sales of glasses and peripheral equipment.

Segment Revenues and Results

The following was an analysis of the Group's revenue and results from continuing operations by reportable segments:

	Ophthalmology Business Division	Optometry Business Division	Reportable Segment Income	Adjustment and Elimination	Total
For the three months ended <u>March 31, 2025</u>					
Revenue					
Revenue from external customers	\$ 872,387	\$ 250,833	\$ 1,123,220	\$ -	\$ 1,123,220
Inter-segment revenue	<u>39,682</u>	<u>331</u>	<u>40,013</u>	<u>(40,013)</u>	<u>-</u>
Consolidated revenue	<u>\$ 912,069</u>	<u>\$ 251,164</u>	<u>\$ 1,163,233</u>	<u>\$ (40,013)</u>	<u>\$ 1,123,220</u>
Profit before tax (continuing operations)	<u>\$ 334,315</u>	<u>\$ 53,887</u>	<u>\$ 388,202</u>	<u>\$ -</u>	<u>\$ 388,202</u>
For the three months ended <u>March 31, 2024</u>					
Revenue					
Revenue from external customers	\$ 844,723	\$ 226,457	\$ 1,071,180	\$ -	\$ 1,071,180
Inter-segment revenue	<u>51,448</u>	<u>272</u>	<u>51,720</u>	<u>(51,720)</u>	<u>-</u>
Consolidated revenue	<u>\$ 896,171</u>	<u>\$ 226,729</u>	<u>\$ 1,122,900</u>	<u>\$ (51,720)</u>	<u>\$ 1,071,180</u>
Profit before tax (continuing operations)	<u>\$ 312,277</u>	<u>\$ 52,420</u>	<u>\$ 364,697</u>	<u>\$ -</u>	<u>\$ 364,697</u>

Segment profit represents the profit before tax earned by each segment without interest income, other income, other gains and losses, finance costs and income tax expense, however, interest income and expenses arising from IFRS 16 are related to operating activities and are therefore not excluded. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

TABLE 1

UNIVERSAL VISION BIOTECHNOLOGY CO., LTD. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE THREE MONTHS ENDED MARCH 31, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No. (Note 1)	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Given on Behalf of Each Party (Note 3)	Maximum Amount Endorsed/ Guaranteed During the Period (Note 4)	Outstanding Endorsement/ Guarantee at the End of the Period (Note 5)	Actual Amount Borrowed (Note 6)	Amount Endorsed/ Guaranteed by Collaterals	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 3)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries (Note 7)	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent (Note 7)	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China (Note 7)	Note
		Name	Relationship (Note 2)											
0	Universal Vision Biotechnology Co., Ltd.	Kunshan Universal Trading Co., Ltd.	b.	\$ 1,006,891	\$ 99,615 US\$ 3,000,000	\$ 99,615 US\$ 3,000,000	\$ - -	\$ -	2.97	\$ 1,678,151	Y	N	Y	-
1	Kunshan Universal Trading Co., Ltd.	Hangzhou Taixue Ophthalmic Outpatient Department Ltd	d.	135,655	46,258 RMB 10,000,000	46,258 RMB 10,000,000	23,129 RMB 5,000,000	-	1.38	135,655	N	N	Y	-

Note 1: Numbering sequence is as follows:

 a. The issuer is numbered 0.

 b. Investees are numbered sequentially starting from 1.

Note 2: The 7 types of relationships between the endorser/guarantor and endorsees/guarantees are as follows:

 a. Company with business transactions.

 b. Company where Universal Vision Biotechnology Co., Ltd. directly or indirectly holds over 50% of its voting shares.

 c. Company that directly or indirectly holds more 50% of the shares in Universal Vision Biotechnology Co., Ltd.

 d. Company where Kunshan Universal Trading Co., Ltd. directly or indirectly holds more than 90% of the voting shares.

 e. Companies fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project.

 f. For investment purposes, where it is necessary that all investors endorse/guarantee for the Company according to the proportion of shares held.

 g. Joint guarantees for performance of presale housing sales contracts conducted between industry peers in accordance with the Consumer Protection Act.

Note 3: According to Universal Vision Biotechnology Co., Ltd. Endorsement/Guarantee Provided Enforcement Rules, the amount of the guarantee provided by Universal Vision Biotechnology Co., Ltd. shall not exceed 50% of its net worth; to single associated company overseas shall not exceed 30% of its net worth. The limited amount Universal Vision Biotechnology Co., Ltd. provided to individual entity is net worth of \$3,356,302 thousand × 30% = \$1,006,891 thousand; the total amount Universal Vision Biotechnology Co., Ltd. provided is limited to \$3,356,302 thousand × 50% = \$1,678,151 thousand. Kunshan Universal Trading Co., Ltd. provided to individual entity is net worth of \$271,309 thousand × 50% = \$135,655 thousand.

Note 4: The maximum balance of endorsement guarantees for others in the current period.

Note 5: As of the end of the period, when the amount of the endorsement guarantee contract or bill signed by the Company to the bank is approved, it shall assume the responsibility of endorsement or guarantee; other relevant endorsement guarantees should be included in the balance of the endorsement guarantee.

Note 6: Actual expenditure amount of the endorsed company within the range of the balance of the endorsement guarantee.

Note 7: “Y” must be filled in if endorsement guarantor for parent company is subsidiary company, endorsement guarantor for subsidiary company is parent company, and endorsement certificate is for mainland China company.

TABLE 2

UNIVERSAL VISION BIOTECHNOLOGY CO., LTD. AND SUBSIDIARIES

SIGNIFICANT MARKETABLE SECURITIES HELD
MARCH 31, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities (Note)	Relationship with the Holding Company	Financial Statement Account	March 31, 2025				Note
				Number of Shares/Face Value (USD)	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Universal Vision Biotechnology Co., Ltd.	<u>Funds and beneficiary certificates</u>							
	CTBC U.S. Treasury 20+ Year Bond ETF	None	Financial assets at fair value through profit and loss - current	5,100,000	\$ 153,408	-	\$ 153,408	
	Yuanta U.S. Treasury 20+ Year Bond ETF	None	Financial assets at fair value through profit and loss - current	5,000,000	148,450	-	148,450	
	Cathay U.S. Treasury 20+ Year Bond ETF	None	Financial assets at fair value through profit and loss - current	5,000,000	154,150	-	154,150	
	Yuanta US 20+ Year AAA-A Corporate Bond ETF	None	Financial assets at fair value through profit and loss - current	800,000	27,312	-	27,312	
	Cathay US Corporate A- and Above 10+ Years Liquid ETF	None	Financial assets at fair value through profit and loss - current	250,000	9,265	-	9,265	
	CTBC USD Corporate 10+ Year High Grade Capped Bond ETF	None	Financial assets at fair value through profit and loss - current	500,000	17,985	-	17,985	
	CTBC Banking Senior 10+ Year Bond ETF	None	Financial assets at fair value through profit and loss - current	800,000	30,104	-	30,104	
	Yuanta US 20+ Year BBB Corporate Bond ETF	None	Financial assets at fair value through profit and loss - current	750,000	26,722	-	26,722	
	CAPITAL BofA MERRILL LYNCH 10+ YEAR US BANKING INDEX EXCHANGE TRADED FUND	None	Financial assets at fair value through profit and loss - current	750,000	26,783	-	26,783	
	Cathay US Corporate 10+ Years Banking ETF	None	Financial assets at fair value through profit and loss - current	500,000	8,480	-	8,480	
	Fubon 20+ Years US Treasury Bond ETF	None	Financial assets at fair value through profit and loss - current	4,800,000	154,512	-	154,512	
	CAPITAL ICE 25+ YEAR US TREASURY EXCHANGE TRADED FUND	None	Financial assets at fair value through profit and loss - current	4,900,000	151,508	-	151,508	
	Sinopac ICE 20+ Year US Treasury ETF	None	Financial assets at fair value through profit and loss - current	6,000,000	153,840	-	153,840	
	KGI 25+ Years US Treasury Bond ETF	None	Financial assets at fair value through profit and loss - current	4,500,000	140,625	-	140,625	
	UPAMC US Treasury 20 Plus Year ETF	None	Financial assets at fair value through profit and loss - current	9,000,000	134,550	-	134,550	
					<u>\$ 1,337,694</u>		<u>\$ 1,337,694</u>	
	<u>Foreign bonds</u>							
	U.S. Treasury bonds	None	Financial assets at fair value through other comprehensive income - non-current	US\$ 3,400,000	<u>\$ 115,320</u>	-	<u>\$ 115,320</u>	

Note: For information on investments in subsidiaries, affiliated companies and joint venture, refer to Tables 4 and 5.

TABLE 3

UNIVERSAL VISION BIOTECHNOLOGY CO., LTD. AND SUBSIDIARIES

**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Transactions Details			
				Financial Statement Account	Amount	Payment Terms	% to Total Sales or Assets (Note 3)
0	Universal Vision Biotechnology Co., Ltd.	Taixue Jhongke Co., Ltd.	a	Receivables	\$ 2,166	No significant difference from general transaction	0.03
		Taixue Jhongke Co., Ltd.	a	Sales revenue	2,481	No significant difference from general transaction	0.22
1	Taixue Medical Investment Management (Zhejiang) Co., Ltd.	Kunshan Universal Trading Co., Ltd.	c	Sales revenue	1,168	No significant difference from general transaction	0.10
		Ningbo Haishu Taixue Ophthalmic Outpatient Department Ltd.	c	Sales revenue	7,556	No significant difference from general transaction	0.67
		Hangzhou Taixue Ophthalmic Outpatient Department Ltd.	c	Receivables	40,639	No significant difference from general transaction	0.65
		Hangzhou Taixue Ophthalmic Outpatient Department Ltd.	c	Sales revenue	12,407	No significant difference from general transaction	1.10
		Suzhou Haiweishi Ophthalmic Clinic (LP)	c	Receivables	729	No significant difference from general transaction	0.01
		Suzhou Haiweishi Ophthalmic Clinic (LP)	c	Sales revenue	639	No significant difference from general transaction	0.06
2	Kunshan Universal Trading Co., Ltd.	Taixue Medical Investment Management (Zhejiang) Co., Ltd.	c	Receivables	317	No significant difference from general transaction	0.01
		Taixue Medical Investment Management (Zhejiang) Co., Ltd.	c	Sales revenue	242	No significant difference from general transaction	0.02
		Ningbo Haishu Taixue Ophthalmic Outpatient Department Ltd.	c	Receivables	1,825	No significant difference from general transaction	0.03
		Ningbo Haishu Taixue Ophthalmic Outpatient Department Ltd.	c	Sales revenue	5,033	No significant difference from general transaction	0.45
		Taixue (Jiangsu) Medical Investment Management Co., Ltd.	c	Receivables	6,721	No significant difference from general transaction	0.11
		Taixue (Jiangsu) Medical Investment Management Co., Ltd.	c	Sales revenue	927	No significant difference from general transaction	0.08
		Hangzhou Taixue Ophthalmic Outpatient Department Ltd.	c	Receivables	39,384	No significant difference from general transaction	0.63
		Hangzhou Taixue Ophthalmic Outpatient Department Ltd.	c	Sales revenue	9,332	No significant difference from general transaction	0.83
		Suzhou Haiweishi Ophthalmic Clinic (LP)	c	Receivables	79	No significant difference from general transaction	-
		Suzhou Haiweishi Ophthalmic Clinic (LP)	c	Sales revenue	164	No significant difference from general transaction	0.01
		Taixue (Hangzhou) Glasses Co., Ltd.	c	Receivables	19	No significant difference from general transaction	-
		Taixue (Hangzhou) Glasses Co., Ltd.	c	Sales revenue	9	No significant difference from general transaction	-
		Hangzhou Taixue (II) Ophthalmic Outpatient Department Ltd.	c	Receivables	70	No significant difference from general transaction	-
		Hangzhou Taixue (II) Ophthalmic Outpatient Department Ltd.	c	Sales revenue	55	No significant difference from general transaction	-

Note 1: The Company and its subsidiaries are numbered as follows:

- a. The parent company is numbered 0.
- b. Subsidiaries are numbered sequentially starting from 1.

(Continued)

Note 2: The three types of relationships between transacting parties are as follows, the same transaction between the parent company and its subsidiary or between subsidiaries is listed only once:

- a. Represents the transactions from parent company to subsidiary.
- b. Represents the transactions from subsidiary to parent company.
- c. Represents the transactions between subsidiaries.

Note 3: The rate of the intercompany transactions to total sales or assets is calculated by the balance at the end of the period if it belongs to assets or liabilities or the accumulated amount in the interim period if it belongs to sales.

(Concluded)

TABLE 4

UNIVERSAL VISION BIOTECHNOLOGY CO., LTD. AND SUBSIDIARIES

INFORMATION OF INVESTEEES
FOR THE THREE MONTHS ENDED MARCH 31, 2025
(In Thousands of New Taiwan Dollars, Shares in Thousands of Shares)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of March 31, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				March 31, 2025	December 31, 2024	Number of Shares	%	Carrying Amount			
Universal Vision Biotechnology Co., Ltd.	Universal Group (BVI) Inc.	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	Investment	\$ 706,098	\$ 706,098	23,159	100.00	\$ 432,640	\$ 6,178	\$ 6,178	
	Taixue Investment Holdings Co., Ltd.	4F., No. 3-1, Yuanqu St., Nangang Dist., Taipei City 115603, Taiwan R.O.C.	Investment	150,000	150,000	15,000	100.00	105,947	(1,486)	(1,486)	
Taixue Investment Holdings Co., Ltd.	Taixue Jinghua Co., Ltd.	4F., No. 3-1, Yuanqu St., Nangang Dist., Taipei City 115603, Taiwan R.O.C.	Wholesale and retail of medical equipment, western medicine	71,000	71,000	600	100.00	8,836	(342)	(342)	
	Taixue Zhongdou Co., Ltd.	4F., No. 3-1, Yuanqu St., Nangang Dist., Taipei City 115603, Taiwan R.O.C.	Wholesale and retail of medical equipment, western medicine	65,200	65,200	6,000	100.00	11,510	(369)	(369)	
	Eyeseer Medical Inc.	4F., No. 3-1, Yuanqu St., Nangang Dist., Taipei City 115603, Taiwan R.O.C.	Wholesale and retail of medical equipment	15,000	15,000	1,500	100.00	5,802	(1,823)	(1,823)	
	Taixue Zhongke Co., Ltd.	4F., No. 3-1, Yuanqu St., Nangang Dist., Taipei City 115603, Taiwan R.O.C.	Wholesale and retail of medical equipment, western medicine	1,000	1,000	1,000	16.67	4,969	5,907	984	
Universal Group (BVI) Inc.	Universal Group Holding Co., Ltd.	Vistra (Cayman) Limited, P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman KY1-1205, Cayman Islands	Investment	704,333	704,333	23,209	100.00	432,226	6,178	6,178	
Universal Group Holding Co., Ltd.	Universal International (Samoa) Co., Ltd.	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	Investment	697,966	697,966	23,000	100.00	432,062	6,178	6,178	

TABLE 5

UNIVERSAL VISION BIOTECHNOLOGY CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTMENT IN MAINLAND CHINA
FOR THE THREE MONTHS ENDED MARCH 31, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2025	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of March 31, 2025	Accumulated Repatriation of Investment Income as of March 31, 2025
					Outward	Inward						
Universal Vision Biotechnology (Shanghai) Co., Ltd.	Purchase and sale of ophthalmic surgical instruments, medical optical instruments, etc.	US\$ 23,000,000	(b) Universal International (Samoa) Co., Ltd.	\$ 697,966	\$ -	\$ -	\$ 697,966	\$ 6,178 RMB 1,347,878	100.00	\$ 6,178 RMB 1,347,878	\$ 432,062 RMB 93,402,435	\$ -
Taixue (Jiangsu) Investment Co., Ltd.	Investment	RMB 143,000,000	(b) Universal Vision Biotechnology (Shanghai) Co., Ltd.	-	-	-	-	6,644 RMB 1,449,455	100.00	6,644 RMB 1,449,455	415,956 RMB 89,920,585	-
Taixue Medical Investment Management (Zhejiang) Co., Ltd.	Enterprise and medical project investment	RMB 150,000,000	(b) Taixue (Jiangsu) Investment Co., Ltd.	-	-	-	-	8,659 RMB 1,889,041	70.00	6,061 RMB 1,322,329	275,416 RMB 59,539,085	-
Kunshan Universal Trading Co., Ltd.	Import and export of medical devices and related services	RMB 59,140,000	(b) Taixue Medical Investment Management (Zhejiang) Co., Ltd.	6,367	-	-	6,367	792 RMB 172,779	70.00	556 RMB 121,258	189,873 RMB 41,046,379	-
Taixue (Jiangsu) Glasses Co., Ltd.	Wholesale and retail of glasses	RMB 9,800,000	(b) Taixue Medical Investment Management (Zhejiang) Co., Ltd.	-	-	-	-	525 RMB 114,556	70.00	368 RMB 80,189	16,050 RMB 3,469,585	-
Ningbo Haishu Taixue Ophthalmic Outpatient Department Ltd.	Ophthalmology diagnosis and eyeglasses wholesale and retail	RMB 12,000,000	(b) Taixue Medical Investment Management (Zhejiang) Co., Ltd.	-	-	-	-	1,017 RMB 221,948	70.00	788 RMB 171,849	38,067 RMB 8,229,313	-
Taixue (Jiangsu) Medical Investment Management Co., Ltd.	Enterprise and medical project investment, management and consulting services	RMB 28,000,000	(b) Taixue Medical Investment Management (Zhejiang) Co., Ltd.	-	-	-	-	(4,609) RMB (1,005,416)	70.00	(3,177) RMB (693,025)	13,693 RMB 2,960,074	-
Taixue Dixin Medical Investment Management (Hangzhou) Co., Ltd.	Healthcare investment management	RMB 22,500,000	(b) Taixue Medical Investment Management (Zhejiang) Co., Ltd.	-	-	-	-	8,185 RMB 1,785,542	70.00	6,627 RMB 1,445,684	(33,424) RMB (7,225,468)	-
Hangzhou Taixue Ophthalmic Outpatient Department Ltd.	Ophthalmology diagnosis and eyeglasses wholesale and retail	RMB 19,500,000	(b) Taixue Dixin Medical Investment Management (Hangzhou) Co., Ltd.	-	-	-	-	8,319 RMB 1,814,739	70.00	5,823 RMB 1,270,317	(35,093) RMB (7,586,317)	-
Suzhou Haiweishi Ophthalmic Clinic (LP)	The scope of ophthalmology and surgery is limited to outpatient surgery, and it also engages in spectacles and retail	RMB 12,300,000	(b) Taixue (Jiangsu) Medical Investment Management Co., Ltd. and Taixue Dixin Medical Investment Management (Hangzhou) Co., Ltd.	-	-	-	-	(667) RMB (145,436)	70.00	(467) RMB (101,805)	13,041 RMB 2,819,214	-
Hangzhou Lingping Taixue Ophthalmic Hospital Ltd.	Retail, medical device sales and medical services	RMB 27,000,000	(b) Hangzhou Taixue Ophthalmic Outpatient Department Ltd.	-	-	-	-	83 RMB 18,214	70.00	58 RMB 12,750	(2,515) RMB (543,767)	-
Taixue (Hangzhou) Glasses Co., Ltd.	Wholesale and retail of glasses and sale of medical devices	RMB 4,000,000	(b) Hangzhou Taixue Ophthalmic Outpatient Department Ltd.	-	-	-	-	(740) RMB (161,398)	70.00	(518) RMB (112,979)	9,952 RMB 2,151,344	-
Hangzhou Taixue (II) Ophthalmic Outpatient Department Ltd.	Ophthalmic medical services and sale of medical devices	RMB 1,500,000	(b) Hangzhou Taixue Ophthalmic Outpatient Department Ltd.	-	-	-	-	595 RMB 129,714	70.00	416 RMB 90,800	1,962 RMB 424,046	-

(Continued)

Company	Accumulated Outward Remittance for Investment in Mainland China as of March 31, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by the Investment Commission, MOEA
Universal Vision Biotechnology Co., Ltd.	\$ 706,098 (US\$ 23,159,000)	\$ 870,248 (US\$ 26,209,000) Exchange rate: 33.2050	\$ 2,013,781

- Note 1: Three methods of investment are the following:
- a. Direct investment.
 - b. Reinvestment in China through a company located in a third region (specify the investment company registered in the third jurisdiction).
 - c. Other methods.
- Note 2: The column of investment profit and loss recognized in the current period:
- a. If it is under preparation and there is no investment profit and loss, it should be indicated.
 - b. The basis for recognition of investment gains and losses is divided into the following three types, which should be indicated.
 - 1) Financial statements certified by an international accounting firm that has a cooperative relationship with an accounting firm in the ROC.
 - 2) The financial statements have been reviewed by the accountant of the parent company of Taiwan.
 - 3) Other.

Note 3: According to the “Regulations Governing the Examination of Investment of Technical Cooperation in Mainland China” updated on August 29, 2008, the upper limit of the investment amount is “60% of the net value”.

(Concluded)