

**BIOTEQUE CORPORATION AND SUBSIDIARIES****Consolidated Financial Statements****With Independent Auditors' Review Report  
For the Three Months Ended March 31, 2022 and 2021**

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

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## Independent Auditors' Review Report

To the Board of Directors of Bioteque Corporation:

### Introduction

We have reviewed the accompanying consolidated balance sheets of Bioteque Corporation (the “Company”) and its subsidiaries (together referred to as the “Group”) as of March 31, 2022 and 2021, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 2022 and 2021, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

### Scope of Review

We conducted our reviews in accordance with Statement of Auditing Standard 65, “Review of Financial Information Performed by the Independent Auditor of the Entity”. A review of the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the generally accepted auditing standards 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 causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Bioteque Corporation and its subsidiaries as of March 31, 2022 and 2021, and of its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2022 and 2021 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 Ya-Ling Chen and Yen-Ta Su.

KPMG

Taipei, Taiwan (Republic of China)

May 5, 2022

#### **Notes to Readers**

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

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



(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
Reviewed only, not audited in accordance with generally accepted auditing standards

**BIOTEQUE CORPORATION AND SUBSIDIARIES**

**Consolidated Statements of Comprehensive Income**

**For the three months ended March 31, 2022 and 2021**

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)

		<u>For the three months ended March 31</u>			
		<u>2022</u>		<u>2021</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4000	<b>Operating revenue (note 6(n))</b>	\$ 467,053	100	456,996	100
5000	<b>Operating costs (notes 6(e), (f), (g), (j) and 12)</b>	<u>265,721</u>	<u>57</u>	<u>237,262</u>	<u>52</u>
	<b>Gross profit from operations</b>	<u>201,332</u>	<u>43</u>	<u>219,734</u>	<u>48</u>
6000	<b>Operating expenses (notes 6(f), (g), (j), (o), 7 and 12):</b>				
6100	Selling expenses	33,593	7	26,968	6
6200	Administrative expenses	21,578	5	22,365	5
6300	Research and development expenses	<u>15,198</u>	<u>3</u>	<u>17,938</u>	<u>4</u>
	<b>Total operating expenses</b>	<u>70,369</u>	<u>15</u>	<u>67,271</u>	<u>15</u>
6900	<b>Net operating income</b>	<u>130,963</u>	<u>28</u>	<u>152,463</u>	<u>33</u>
7000	<b>Non-operating income and expenses (notes 6(i) and (p)):</b>				
7100	Interest income	204	-	185	-
7010	Other income	1,059	-	3,089	1
7020	Other gains and losses	19,601	4	(3,083)	(1)
7050	Finance costs	<u>(644)</u>	<u>-</u>	<u>(248)</u>	<u>-</u>
	<b>Total non-operating income and expenses</b>	<u>20,220</u>	<u>4</u>	<u>(57)</u>	<u>-</u>
7900	<b>Profit before tax</b>	151,183	32	152,406	33
7951	<b>Less: Tax expenses (note 6(k))</b>	<u>29,097</u>	<u>6</u>	<u>31,900</u>	<u>7</u>
	<b>Profit</b>	<u>122,086</u>	<u>26</u>	<u>120,506</u>	<u>26</u>
8300	<b>Other comprehensive income (loss) (notes 6(l)):</b>				
8360	<b>Components of other comprehensive income (loss) that will be reclassified to profit or loss:</b>				
8361	Exchange differences on translation	15,855	3	821	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<b>Total components of other comprehensive income (loss) that will be reclassified to profit or loss</b>	<u>15,855</u>	<u>3</u>	<u>821</u>	<u>-</u>
8300	<b>Other comprehensive income (loss), net</b>	<u>15,855</u>	<u>3</u>	<u>821</u>	<u>-</u>
	<b>Comprehensive income</b>	<u>\$ 137,941</u>	<u>29</u>	<u>121,327</u>	<u>26</u>
9750	<b>Basic earnings per share (note 6(m)) (Expressed in New Taiwan Dollars)</b>	<u>\$ 1.76</u>		<u>1.74</u>	
9850	<b>Diluted earnings per share (note 6(m)) (Expressed in New Taiwan Dollars)</b>	<u>\$ 1.75</u>		<u>1.73</u>	

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**BIOTEQUE CORPORATION AND SUBSIDIARIES**

**Consolidated Statements of Changes in Equity**

**For the three months ended March 31, 2022 and 2021**

**(Expressed in Thousands of New Taiwan Dollars)**

	Attributable to owners of parent					Other equity interest Exchange differences on translation of foreign financial statements	Total equity
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings		
<b>Balance at January 1, 2021</b>	\$ 692,983	315,168	370,321	1,714	1,317,997	(33,975)	2,664,208
Net income for the three months ended March 31, 2021	-	-	-	-	120,506	-	120,506
Other comprehensive income for the three months ended March 31, 2021	-	-	-	-	-	821	821
Total comprehensive income for the three months ended March 31, 2021	-	-	-	-	120,506	821	121,327
<b>Balance at March 31, 2021</b>	<b>\$ 692,983</b>	<b>315,168</b>	<b>370,321</b>	<b>1,714</b>	<b>1,438,503</b>	<b>(33,154)</b>	<b>2,785,535</b>
<b>Balance at January 1, 2022</b>	\$ 692,983	315,168	419,501	33,975	1,392,170	(50,620)	2,803,177
Net income for the three months ended March 31, 2022	-	-	-	-	122,086	-	122,086
Other comprehensive income for the three months ended March 31, 2022	-	-	-	-	-	15,855	15,855
Total comprehensive income for the three months ended March 31, 2022	-	-	-	-	122,086	15,855	137,941
Appropriation and distribution of retained earnings:							
Cash dividends	-	-	-	-	(311,843)	-	(311,843)
<b>Balance at March 31, 2022</b>	<b>\$ 692,983</b>	<b>315,168</b>	<b>419,501</b>	<b>33,975</b>	<b>1,202,413</b>	<b>(34,765)</b>	<b>2,629,275</b>

See accompanying notes to consolidated financial statements.

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**BIOTEQUE CORPORATION AND SUBSIDIARIES**

**Consolidated Statements of Cash Flows**

**For the three months ended March 31, 2022 and 2021**

(Expressed in Thousands of New Taiwan Dollars)

	For the three months ended March 31	
	2022	2021
<b>Cash flows generated from (used in) operating activities:</b>		
Profit before tax	\$ 151,183	152,406
<b>Adjustments:</b>		
<b>Adjustments to reconcile profit (loss):</b>		
Depreciation expenses	27,965	30,214
Amortization expenses	820	1,083
Net gain on financial assets at fair value through profit or loss	(1,880)	(218)
Interest expenses	644	248
Net gain on financial assets at amortized cost	(4,220)	(212)
Interest income	(204)	(185)
<b>Total adjustments to reconcile profit</b>	<u>23,125</u>	<u>30,930</u>
<b>Changes in operating assets:</b>		
Notes receivable	(15,180)	2,127
Accounts receivable	(28,407)	4,086
Inventories	(23,607)	(30,505)
Other current assets	(6,038)	7,757
<b>Total changes in operating assets</b>	<u>(73,232)</u>	<u>(16,535)</u>
<b>Changes in operating liabilities:</b>		
Current contract liabilities	9,971	(31,904)
Notes payable	(990)	(20,602)
Accounts payable	(19,969)	3,669
Other payable	5,336	(4,848)
Other current liabilities	2,729	762
<b>Total changes in operating liabilities</b>	<u>(2,923)</u>	<u>(52,923)</u>
<b>Total changes in operating assets and liabilities</b>	<u>(76,155)</u>	<u>(69,458)</u>
<b>Total adjustments</b>	<u>(53,030)</u>	<u>(38,528)</u>
Cash inflow generated from operations	98,153	113,878
Interest received	118	143
Income taxes received (paid)	2,181	(117)
<b>Net cash flows generated from operating activities</b>	<u>100,452</u>	<u>113,904</u>
<b>Cash flows generated from (used in) investing activities:</b>		
Acquisition of financial assets at amortized cost	(87,633)	-
Proceeds from disposal of financial assets at amortized cost	259,960	-
Acquisition of financial assets at fair value through profit or loss	(34,291)	(56,230)
Proceeds from disposal of financial assets at fair value through profit or loss	28,470	56,230
Acquisition of property, plant and equipment	(120,995)	(5,814)
Proceeds from disposal of property, plant and equipment	290	-
Increase in other financial assets	(23)	-
Increase in other non-current assets	(1,001)	(1,374)
Increase in prepayments for business facilities	(87,054)	(5,557)
Increase in payables on machinery and equipment	(21,970)	(16,619)
<b>Net cash flows used in investing activities</b>	<u>(64,247)</u>	<u>(29,364)</u>
<b>Cash flows generated from (used in) financing activities:</b>		
Increase in short-term loans	-	56,735
Decrease in short-term loans	(28,560)	-
Payment of lease liabilities	(3,514)	(3,464)
Interest paid	(1,119)	(713)
<b>Net cash flows generated from (used in) financing activities</b>	<u>(33,193)</u>	<u>52,558</u>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<u>4,333</u>	<u>358</u>
<b>Net increase in cash and cash equivalents</b>	7,345	137,456
<b>Cash and cash equivalents at beginning of period</b>	872,610	1,193,574
<b>Cash and cash equivalents at end of period</b>	<u>\$ 879,955</u>	<u>1,331,030</u>

See accompanying notes to consolidated financial statements.



(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
Reviewed only, not audited in accordance with generally accepted auditing standards as of March 31, 2022 and 2021

## **BIOTEQUE CORPORATION AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements**

**March 31, 2022 and 2021**

**(Expressed in Thousands of New Taiwan Dollars Except for Earnings Per Share Information and Unless Otherwise Specified)**

#### **(1) Company history**

Bioteque Corporation (“the Company”) was incorporation in November, 1991 in accordance with The Company Act and the other related laws and regulations.

The Company’s stock was listed on Taipei Exchange on March 4, 2002.

The business operation of the Company and its subsidiaries (together referred to as “the Group”) are as follows:

- (a) Manufacturing, trading and selling of the medical equipment and instruments.
- (b) Reinvestment and monopoly investment in securities business.

Please refer to note 14 for the related information.

#### **(2) Approval date and procedures of the consolidated financial statements:**

The consolidated financial statements were authorized for issuance by the board of directors on May 5, 2022.

#### **(3) New standards and interpretations not yet adopted:**

- (a) The impact of the International Financial Reporting Standards (“IFRSs”) endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2022:

- Amendments to IAS 16 “Property, Plant and Equipment—Proceeds before Intended Use”
- Amendments to IAS 37 “Onerous Contracts—Cost of Fulfilling a Contract”
- Annual Improvements to IFRS Standards 2018–2020
- Amendments to IFRS 3 “Reference to the Conceptual Framework”

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**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

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

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

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “ Insurance Contracts” and amendments to IFRS 17 “ Insurance Contracts”
- Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”
- Amendments to IAS 1 “Disclosure of Accounting Policies”
- Amendments to IAS 8 “Definition of Accounting Estimates”
- Amendments to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”

**(4) Summary of significant accounting policies:**

- (a) Statement of compliance

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

Except the following accounting policies mentioned below, the significant accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2021. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2021.

- (b) Basis of consolidation

- (i) List of subsidiaries in the consolidated financial statements:

Name of investor	Name of subsidiary	Principal activity	Shareholding		
			March 31, 2022	December 31, 2021	March 31, 2021
The Company	BIOTEQUE MEDICAL CO., LTD.	Investment activities	100.00 %	100.00 %	100.00 %
The Company	CHUNGTEX INVESTMENT CO., LTD.	Investment activities	100.00 %	100.00 %	100.00 %
The Company	BIOTEQUE MEDICAL PHIL. INC.	Manufacturing and Trading of Medical equipment	100.00 %	100.00 %	100.00 %
BIOTEQUE MEDICAL PHIL. INC.	BONTEQ MEDICAL DISTRIBUTION PHIL. INC.	Trading of Medical equipment	100.00 %	100.00 %	100.00 %

- (ii) List of subsidiaries which are not included in the consolidated financial statements: None.

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**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(c) Income taxes

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

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period using the effective annual tax rate as forecasted by the management. This should be recognized fully as tax expense for the current period (and allocated to current and deferred taxes based on its proportionate size).

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

(d) Employee benefits

The pension cost in the interim period was calculated and disclosed on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year.

**(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty:**

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

The preparation of the consolidated financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2021. For related information, please refer to note 5 of the consolidated financial statements for the year ended December 31, 2021.

**(6) Explanation of significant accounts:**

Except for the following disclosures, there is no significant difference as compared with those disclosed in the consolidated financial statements for the year ended December 31, 2021. Please refer to Note 6 of the 2021 annual consolidated financial statements.

(Continued)

**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

## (a) Cash and cash equivalents

	<u>March 31,</u> <u>2022</u>	<u>December 31,</u> <u>2021</u>	<u>March 31,</u> <u>2021</u>
Cash on hand	\$ 604	806	580
Cash in bank	879,351	871,804	1,330,450
Cash and cash equivalents in the consolidated statement of cash flows	<u>\$ 879,955</u>	<u>872,610</u>	<u>1,331,030</u>

## (b) Current financial assets at fair value through profit or loss

	<u>March 31,</u> <u>2022</u>	<u>December 31,</u> <u>2021</u>	<u>March 31,</u> <u>2021</u>
<b>Financial assets designated as at fair value through profit or loss:</b>			
RP bills	\$ 28,620	27,670	28,530
<b>Mandatorily measured at fair value through profit or loss:</b>			
Non-derivative financial assets			
Money market funds and bond funds	139,607	139,526	139,338
Stock listed on domestic markets	14,116	7,446	3,818
Total	<u>\$ 182,343</u>	<u>174,642</u>	<u>171,686</u>

(i) For credit risk and market risk, please refer to note 6(q).

(ii) The financial assets of the Group were not collateralized.

## (c) Current financial assets measured at amortized cost

	<u>March 31,</u> <u>2022</u>	<u>December 31,</u> <u>2021</u>	<u>March 31,</u> <u>2021</u>
Time deposits	<u>\$ 96,153</u>	<u>264,260</u>	<u>120,739</u>

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

(i) During the three months ended March 31, 2022 and 2021, the Group held domestic time deposits, with the weighted-average interest rates of 0.12%~0.82% and 0.2%, respectively, which mature on May of 2022 to January of 2023 and June of 2021, respectively.

(ii) For credit risk, please refer to note 6(q).

(iii) The financial assets of the Group were not collateralized.

(Continued)

**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

## (d) Notes and accounts receivables

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Notes receivable	\$ 81,565	66,385	66,477
Trade receivables	249,604	221,197	220,621
Less: loss allowance	<u>(165)</u>	<u>(165)</u>	<u>(165)</u>
	<u><u>\$ 331,004</u></u>	<u><u>287,417</u></u>	<u><u>286,933</u></u>

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

	<u>March 31, 2022</u>		
	<u>Gross carrying amount</u>	<u>Weighted- average loss rate</u>	<u>Loss allowance</u>
Current	\$ 308,738	-	-
1 to 30 days past due	22,266	-	-
31 to 60 days past due	-	-	-
61 to 90 days past due	-	-	-
91 to 120 days past due	-	-	-
121 to 150 days past due	-	4.65 %	-
151 to 180 days past due	-	12.93%	-
More than 181 days past due	<u>165</u>	100 %	<u>165</u>
	<u><u>\$ 331,169</u></u>		<u><u>165</u></u>
	<u>December 31, 2021</u>		
	<u>Gross carrying amount</u>	<u>Weighted- average loss rate</u>	<u>Loss allowance</u>
Current	\$ 281,636	-	-
1 to 30 days past due	5,260	-	-
31 to 60 days past due	-	-	-
61 to 90 days past due	-	-	-
91 to 120 days past due	521	-	-
121 to 150 days past due	-	4.68 %	-
151 to 180 days past due	-	13.13 %	-
More than 181 days past due	<u>165</u>	100 %	<u>165</u>
	<u><u>\$ 287,582</u></u>		<u><u>165</u></u>

(Continued)

**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	<b>March 31, 2021</b>		
	<b>Gross carrying amount</b>	<b>Weighted- average loss rate</b>	<b>Loss allowance provision</b>
Current	\$ 268,082	-	-
1 to 30 days past due	13,637	-	-
31 to 60 days past due	5,214	-	-
61 to 90 days past due	-	-	-
91 to 120 days past due	-	-	-
121 to 150 days past due	-	4.99 %	-
151 to 180 days past due	-	14.31%	-
More than 181 days past due	165	100 %	165
	<u>\$ 287,098</u>		<u>165</u>

The movement in the allowance for note, and accounts receivable were as follows:

	<b>Accounts receivable</b>
Balance at January 1, 2022	\$ 165
Impairment loss recognized	-
Balance at March 31, 2022	<u>\$ 165</u>
Balance at January 1, 2021	\$ 165
Impairment loss recognized	-
Balance at December 31, 2021	<u>\$ 165</u>

The notes and accounts receivables of the Group were not collateralized.

For further credit risk information, please refer to note 6(q).

(e) Inventories

	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Raw materials	\$ 188,874	168,317	155,961
Work in progress	61,532	66,412	64,514
Finished goods	64,113	61,303	59,159
Merchandise	10,981	11,904	5,418
Raw materials in transit	13,021	6,978	10,600
	<u>\$ 338,521</u>	<u>314,914</u>	<u>295,652</u>

(Continued)

**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Except for cost of goods sold and inventories recognized as operating cost, the remaining gains or losses which were recognized as operating cost or deduction of operating cost were as follows:

	<b>Three months ended March 31, 2022</b>	<b>Three months ended March 31, 2021</b>
Gains on physical inventory	\$ (245)	(776)
Losses on valuation of inventories	1,142	-
	<b>\$ 897</b>	<b>(776)</b>

The inventories of the Group were not collateralized.

(f) Property, plant and equipment

The cost and accumulated depreciation of the property, plant and equipment of the Group for the three months ended March 31, 2022 and 2021 were as follows:

	Land	Building and structures	Machinery and equipment	Transportation equipment	Office equipment	Other equipment	Construction in progress	Total
Cost:								
Balance at January 1, 2022	\$ 91,834	738,161	854,119	9,987	20,911	202,442	592,483	2,509,937
Additions	-	-	423	-	-	3,768	116,804	120,995
Disposals	-	-	-	-	-	(316)	-	(316)
Reclassification (Note 1) (Note 2)	-	-	605	-	-	1,811	2,486	4,902
Effect of changes in foreign exchange rates	-	11,030	4,707	50	59	2,190	348	18,384
Balance at March 31, 2022	<b>\$ 91,834</b>	<b>749,191</b>	<b>859,854</b>	<b>10,037</b>	<b>20,970</b>	<b>209,895</b>	<b>712,121</b>	<b>2,653,902</b>
Balance at January 1, 2021	\$ 91,834	740,895	838,917	10,030	20,965	193,181	121,148	2,016,970
Additions	-	30	1,453	-	-	3,131	1,200	5,814
Disposals	-	-	(10,855)	-	-	(3,370)	-	(14,225)
Reclassification (Note 1) (Note 2)	-	790	12,847	-	-	1,784	2,455	17,876
Effect of changes in foreign exchange rates	-	581	239	3	3	114	18	958
Balance at March 31, 2021	<b>\$ 91,834</b>	<b>742,296</b>	<b>842,601</b>	<b>10,033</b>	<b>20,968</b>	<b>194,840</b>	<b>124,821</b>	<b>2,027,393</b>
Accumulated depreciation and impairment loss:								
Balance at January 1, 2022	\$ -	243,014	597,591	7,286	18,634	165,064	-	1,031,589
Depreciation	-	4,487	14,496	142	306	6,656	-	26,087
Disposals	-	-	-	-	-	(26)	-	(26)
Effect of changes in foreign exchange rates	-	1,400	1,976	46	56	1,617	-	5,095
Balance at March 31, 2022	<b>\$ -</b>	<b>248,901</b>	<b>614,063</b>	<b>7,474</b>	<b>18,996</b>	<b>173,311</b>	<b>-</b>	<b>1,062,745</b>
Balance at January 1, 2021	\$ -	226,374	551,862	6,558	16,953	146,651	-	948,398
Depreciation	-	4,397	16,079	196	475	7,193	-	28,340
Disposals	-	-	(10,855)	-	-	(3,370)	-	(14,225)
Effect of changes in foreign exchange rates	-	69	95	2	2	80	-	248
Balance at March 31, 2021	<b>\$ -</b>	<b>230,840</b>	<b>557,181</b>	<b>6,756</b>	<b>17,430</b>	<b>150,554</b>	<b>-</b>	<b>962,761</b>
Carrying amounts:								
Balance at January 1, 2022	\$ 91,834	495,147	256,528	2,701	2,277	37,378	592,483	1,478,348
Balance at March 31, 2022	<b>\$ 91,834</b>	<b>500,290</b>	<b>245,791</b>	<b>2,563</b>	<b>1,974</b>	<b>36,584</b>	<b>712,121</b>	<b>1,591,157</b>
Balance at January 1, 2021	\$ 91,834	514,521	287,055	3,472	4,012	46,530	121,148	1,068,572
Balance at March 31, 2021	<b>\$ 91,834</b>	<b>511,456</b>	<b>285,420</b>	<b>3,277</b>	<b>3,538</b>	<b>44,286</b>	<b>124,821</b>	<b>1,064,632</b>

(Note 1) Prepayments for business facilities were reclassified as property, plant and equipment.

(Note 2) The capitalized depreciation expenses of right-of-use assets and interest expense of lease liabilities were reclassified as construction in progress.

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**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
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As of March 31, 2022, December 31 and March 31, 2021, the property, plant and equipment of the Group had been pledged as collateral for borrowings; please refer to note 8.

(g) Right-of-use assets

The Group leases many assets including land and buildings. Information about leases for which the Group has been a lessee is presented below:

	<u>Land</u>	<u>Buildings and structures</u>	<u>Total</u>
Cost:			
Balance at January 1, 2022	\$ 359,435	37,908	397,343
Additions	5,115	-	5,115
Effect of changes in foreign exchange rates	<u>1,570</u>	<u>25</u>	<u>1,595</u>
Balance at March 31, 2022	<u><b>\$ 366,120</b></u>	<u><b>37,933</b></u>	<u><b>404,053</b></u>
Balance at January 1, 2021	\$ 360,772	37,004	397,776
Additions	-	1,043	1,043
Effect of changes in foreign exchange rates	<u>84</u>	<u>(5)</u>	<u>79</u>
Balance at March 31, 2021	<u><b>\$ 360,856</b></u>	<u><b>38,042</b></u>	<u><b>398,898</b></u>
Accumulated depreciation:			
Balance at January 1, 2022	\$ 13,247	18,499	31,746
Depreciation	2,190	1,712	3,902
Effect of changes in foreign exchange rates	<u>71</u>	<u>16</u>	<u>87</u>
Balance at March 31, 2022	<u><b>\$ 15,508</b></u>	<u><b>20,227</b></u>	<u><b>35,735</b></u>
Balance at January 1, 2021	\$ 4,669	11,709	16,378
Depreciation	2,157	1,707	3,864
Effect of changes in foreign exchange rates	<u>5</u>	<u>(3)</u>	<u>2</u>
Balance at March 31, 2021	<u><b>\$ 6,831</b></u>	<u><b>13,413</b></u>	<u><b>20,244</b></u>
Carrying amount:			
Balance at January 1, 2022	<u><b>\$ 346,188</b></u>	<u><b>19,409</b></u>	<u><b>365,597</b></u>
Balance at March 31, 2022	<u><b>\$ 350,612</b></u>	<u><b>17,706</b></u>	<u><b>368,318</b></u>
Balance at January 1, 2021	<u><b>\$ 356,103</b></u>	<u><b>25,295</b></u>	<u><b>381,398</b></u>
Balance at March 31, 2021	<u><b>\$ 354,025</b></u>	<u><b>24,629</b></u>	<u><b>378,654</b></u>

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**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
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(h) Short-term and long-term borrowings

(i) Short-term borrowings

	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Unsecured bank loans	\$ -	27,670	57,060
Unused credit lines	\$ 806,744	698,554	635,590
Range of interest rate	-	2.15%	2.25%

Parts of the Group's short-term borrowings will be settled in foreign currency. The details of foreign short-term liabilities were as follows:

	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
USD (thousand dollars)	\$ -	1,000	-
Convert to NTD	\$ -	27,670	-

(ii) Long-term borrowings

	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Unsecured bank loans	\$ 123,050	120,675	-
Less: Current portion	23,850	15,372	-
Total	\$ 99,200	105,303	-
Unused credit lines	\$ 1,108,500	1,136,170	1,190,000
Range of interest rate	0.5%~2.6%	0.5%~2.6%	-

Parts of the Group's long-term borrowings (included current portion) will be settled in foreign currency. The details of foreign long-term liabilities were as follows:

	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
USD (thousand dollars)	\$ 2,500	2,500	-
Convert to NTD	\$ 71,550	69,175	-

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**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
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As of March 31, 2022, the remaining balance of the borrowing due were as follows:

<u>Period</u>	<u>Amount</u>
2022.04.01~2023.3.31	\$ 23,850
2023.04.01~2024.3.31	32,862
2024.04.01~2025.3.31	28,900
2025.04.01~2026.3.31	13,000
2026.04.01~2027.3.31	12,750
2027.04.01~2028.3.31	11,688
	<u>\$ 123,050</u>

For the collateral for borrowing, please refer to note 8.

(i) Lease liabilities

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Current	<u>\$ 14,081</u>	<u>13,986</u>	<u>13,924</u>
Non-current	<u>\$ 310,736</u>	<u>309,220</u>	<u>319,777</u>

For the maturity analysis, please refer to note 6(q).

The amounts recognized in profit or loss were as follows:

	<u>For the three months ended March 31, 2022</u>	<u>For the three months ended March 31, 2021</u>
Interest on lease liabilities	<u>\$ 46</u>	<u>57</u>

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

	<u>For the three months ended March 31, 2022</u>	<u>For the three months ended March 31, 2021</u>
Total cash outflow for leases	<u>\$ 4,022</u>	<u>3,986</u>

Leases of land, buildings and structures

As of March 31, 2022 and 2021, the Group leases land, buildings and structures for its factory, office space, warehouse and parking lot. The leases run for a period of 2 to 20 years. Some leases include an option to renew the lease for an additional period of 2 to 20 years after the end of the contract term.

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**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
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Some leases of equipment contain extension options exercisable. These leases are negotiated and monitored by local management, and accordingly, contain a wide range of different terms and conditions. The extension options held are exercisable only by the Group and not by the lessors. In which leasee is not reasonably certain to use an optional extended lease term, payments associated with the optional period are not included within lease liabilities.

(j) Employee benefits

(i) Defined benefit plans

Management believes that there was no material volatility of the market, no material reimbursement and settlement or other material one time events since prior fiscal year. As a result, the pension cost in the accompanying interim period was measured and disclosed according to the actuarial report as of December 31, 2021 and 2020.

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

	<b>Three months ended March 31, 2022</b>	<b>Three months ended March 31, 2021</b>
Operating costs	\$ 78	76
Operating expenses	144	146
	<b>\$ 222</b>	<b>222</b>

(ii) Defined contribution plans

The pension costs incurred from the contributions to the Bureau of the Labor Insurance were as follow:

	<b>Three months ended March 31, 2022</b>	<b>Three months ended March 31, 2021</b>
Operating costs	\$ 1,226	1,365
Operating expenses	719	751
	<b>\$ 1,945</b>	<b>2,116</b>

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**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
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- (iii) The Group's subsidiaries incorporated in the Philippine have a defined contribution plan, wherein a monthly contribution to an independent fund, administered by the government in accordance with the pension regulations in the Republic of the Philippines, are based on certain percentage of employees' monthly salaries and wages. The Group recognized the pension costs were as follows:

	<b>Three months ended March 31, 2022</b>	<b>Three months ended March 31, 2021</b>
Operating costs	\$ 32	47
Operating expenses	11	26
	<b><u>\$ 43</u></b>	<b><u>73</u></b>

- (k) Income taxes

The amounts of income tax were as follows:

	<b>Three months ended March 31, 2022</b>	<b>Three months ended March 31, 2021</b>
Current tax expenses	\$ 31,245	31,900
Adjustment for prior periods	(2,148)	-
Income tax expenses	<b><u>\$ 29,097</u></b>	<b><u>31,900</u></b>

The Company's income tax returns for the years through 2020 were examined by the Taipei National Tax Administration.

- (l) Capital and other equity

Except for the following disclosure, there was no significant change for capital and other equity for the periods from January 1 to March 31, 2022 and 2021. For the related information, please refer to note 6(l) of the consolidated financial statements for the year ended December 31, 2021.

As of March 31, 2022 and 2021, the Company's authorized share capital consisted of \$1,200,000 thousand shares of ordinary share, with a par value of \$10 per share, of which \$69,298 thousand shares, was issued and outstanding. All issued shares were paid up upon issuance.

- (i) Capital surplus

Balance of capital surplus at the reporting date were as follows:

	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Share capital	<b><u>\$ 315,168</u></b>	<b><u>315,168</u></b>	<b><u>315,168</u></b>

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## **BIOTEQUE CORPORATION AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements**

According to the R.O.C. Company Act, capital surplus can only be used to offset a deficit, and only the realized capital surplus can be used to increase the common stock or be distributed as cash dividends. The aforementioned realized capital surplus includes capital surplus resulting from premium on issuance of capital stock and earnings from donated assets received. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, capital increases by transferring capital surplus in excess of par value should not exceed 10% of the total common stock outstanding.

(ii) Retained earnings

The Company's Articles of Incorporation stipulate that 10% of the annual income or earnings, after deducting any accumulated deficit, shall be set aside as a legal reserve. When the balance of such legal reserve reaches an amount equal to the paid-in capital, the appropriation to legal reserves is discontinued. If there are surplus profits remaining, at least 20% shall be allocated for distribution of shareholder dividends. The Board of Directors drafts a dividend distribution proposal and submits it to the shareholders meeting for resolution, in which cash dividends should make up at least 20% or more.

The Company should distribute dividends, bonuses, and capital reserves with cash. Distribution of dividends shall be undertaken by a resolution adopted by a majority vote at a Board meeting attended by at least two-thirds of the total number of directors, and a report of such distribution shall be submitted to the shareholders' meeting.

Because the industry the Company is involved in is undergoing a steady period of growth, the conditions, amount, and type of dividends mentioned in the preceding articles can be adjusted in response to the shifting market conditions and industry changes. In the mean time, the Company should consider the sustainable development and capital needs.

1) Legal reserve

When a company incurs no loss, it may, pursuant to a resolution by a shareholders' meeting, distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of capital may be distributed.

2) Special reserve

In accordance with Ruling No. 1010012865 issued by the FSC on April 6, 2012, a portion of current-period earnings and undistributed prior-period earnings shall be reclassified as special earnings reserve during earnings distribution. The amount to be reclassified should equal the current-period total net reduction of other shareholders' equity. Similarly, a portion of undistributed prior-period earnings shall be reclassified as special earnings reserve (which does not qualify for earnings distribution) to account for cumulative changes to other shareholders' equity pertaining to prior periods. The amounts of subsequent reversals pertaining to the net reduction of other shareholders' equity shall qualify for additional distributions.

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**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

3) Earnings distribution

On March 10, 2022, the board of directors' meeting resolved to distribute the 2021 earnings. On July 30, 2021, the shareholders' meeting resolved to distribute the 2020 earnings. These earnings were appropriated as follows:

	2021		2020	
	Amount per share	Amount	Amount per share	Amount
Dividends distributed to ordinary shareholders:				
Cash	\$ 4.50	\$ <u>311,843</u>	4.00	<u>277,193</u>

(iii) OCI accumulated in reserves, net of tax

	<b>Exchange differences on translation of foreign financial statements</b>
Balance at January 1, 2022	\$ (50,620)
Exchange differences on foreign operations	<u>15,855</u>
Balance at March 31, 2022	<u>\$ (34,765)</u>

	<b>Exchange differences on translation of foreign financial statements</b>
Balance at January 1, 2021	\$ (33,975)
Exchange differences on foreign operations	<u>821</u>
Balance at March 31, 2021	<u>\$ (33,154)</u>

(m) Earnings per share

The Company's earnings per share were calculated as follows:

(i) Basic earnings per share

	<b>Three months ended March 31, 2022</b>	<b>Three months ended March 31, 2021</b>
Profit attributable to ordinary shareholders of the Company	\$ <u>122,086</u>	<u>120,506</u>
Weighted-average number of ordinary shares	<u>69,298</u>	<u>69,298</u>
Basic earnings per share (express in New Taiwan Dollars)	\$ <u>1.76</u>	<u>1.74</u>

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**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
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## (ii) Diluted earnings per share

	<b>Three months ended March 31, 2022</b>	<b>Three months ended March 31, 2021</b>
Profit attributable to ordinary shareholders of the Company	\$ <u>122,086</u>	<u>120,506</u>
Weighted-average number of ordinary shares (basic)	69,298	69,298
Effect of employee remuneration (in thousands)	288	276
Weighted-average number of ordinary shares (diluted)	<u>69,586</u>	<u>69,574</u>
Diluted earnings per share (express in New Taiwan Dollars)	<u>\$ 1.75</u>	<u>1.73</u>

## (n) Revenue from contracts with customers

## (i) Disaggregation of revenue

	<b>Three months ended March 31, 2022</b>	<b>Three months ended March 31, 2021</b>
Primary geographical markets:		
Asia	\$ 224,365	217,848
South America	59,511	47,291
North America	62,445	38,650
Others	<u>120,732</u>	<u>153,207</u>
Total	<u>\$ 467,053</u>	<u>456,996</u>
Major products service lines:		
Manufacturing, trading and selling of medical equipment	<u>\$ 467,053</u>	<u>456,996</u>

## (ii) Contract balances

	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Notes and accounts receivable	\$ 331,169	287,582	287,098
Less: allowance for impairment	<u>(165)</u>	<u>(165)</u>	<u>(165)</u>
Total	<u>\$ 331,004</u>	<u>287,417</u>	<u>286,933</u>
	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>December 31, 2021</b>
Current contract liabilities	<u>\$ 38,099</u>	<u>28,128</u>	<u>25,028</u>

For details on accounts receivable and allowance for impairment, please refer to note 6(d).

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**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
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The amount of revenue recognized for the three months ended March 31, 2022 and 2021 that was included in the contract liability balance at the beginning of the period were \$27,689 thousand and \$55,050 thousand, respectively.

The major change in the balance of contract assets and liabilities is the difference between the time frame in the performance obligation to be satisfied and the payment to be received.

(o) Remuneration to employees, directors and supervisors

According to the Article of Association, once the Company has annual profit, it should appropriate no less than 5% of the profit to its employees and 1.6% or less to its directors and supervisors.

The Company's estimated remuneration is as follows:

	<b>Three months ended March 31, 2022</b>	<b>Three months ended March 31, 2021</b>
Employee remuneration	\$ 8,026	8,064
Directors' and supervisors' remuneration	2,568	2,580
	<b><u>\$ 10,594</u></b>	<b><u>10,644</u></b>

The amount of employee remuneration, and directors' and supervisors' remuneration were estimated based on profit before tax, net of the amount of the remuneration, and multiplied by the rule of Company's Article of Association. The above remuneration were included in the operating expenses of the three months ended March 31, 2022 and 2021. The differences between the actual distributed amounts as determined by the Board of Directors and those recognized in the financial statements, if any, shall be accounted for as changes in accounting estimates and recognized in profit or loss in the following year.

The related information mentioned above can be found on websites such as the Market Observation Post System.

(p) Non-operating income and expenses

(i) Interest income

	<b>Three months ended March 31, 2022</b>	<b>Three months ended March 31, 2021</b>
Interest income:		
Interest income from RP bills	\$ 19	27
Interest income from funds	-	-
Interest income from deposit	3	3
Interest income from bank deposit	182	155
	<b><u>\$ 204</u></b>	<b><u>185</u></b>

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**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
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## (ii) Other income

	<b>Three months ended March 31, 2022</b>	<b>Three months ended March 31, 2021</b>
Subsidy revenue	\$ 201	327
Compensation income	-	2,284
Others	858	478
	<b><u>\$ 1,059</u></b>	<b><u>3,089</u></b>

## (iii) Other gains and losses

	<b>Three months ended March 31, 2022</b>	<b>Three months ended March 31, 2021</b>
Foreign exchange gains (losses)	\$ 13,531	(3,479)
Gains on financial assets at fair value through profit or loss	1,880	218
Gains on financial assets at amortized cost	4,220	212
Others	(30)	(34)
	<b><u>\$ 19,601</u></b>	<b><u>(3,083)</u></b>

## (iv) Finance costs

	<b>Three months ended March 31, 2022</b>	<b>Three months ended March 31, 2021</b>
Interest expense on bank borrowings	\$ 598	191
Interest expense on lease liabilities	508	522
Capitalized interest expense	(462)	(465)
	<b><u>\$ 644</u></b>	<b><u>248</u></b>

## (q) Financial instruments

Except for the contention mentioned below, there was no significant change in the fair value of the Group's financial instruments and degree of exposure to credit risk, liquidity risk and market risk arising from financial instruments. For the related information please refer to note 6(q) of the consolidated financial statements for the year ended December 31, 2021. Regarding how the financial instruments are considered to have low credit risk, please refer to note 4(g) of the consolidated financial statements for the year ended December 31, 2021.

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**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
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(i) Credit risk

1) Credit risk exposure

The carrying amount of financial assets represents the maximum amount exposed to credit risk.

2) Concentration of credit risk

As of March 31, 2022, December 31 and March 31, 2021, 39%, 33% and 34%, of the Group's notes and accounts receivable were concentrated on two specific customers, respectively.

3) Receivables securities

For credit risk exposure of notes and trade receivables, please refer to note 6(d).

Other financial assets at amortized costs includes other receivables.

As of these financial assets are considered to have low risk, and thus, the impairment provision recognized during the period was limited to 12 months expected losses.

The movement in the allowance for impairment for the three months ended March 31, 2022 and 2021, please refer to note 6(d).

(ii) Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>within 1 year</u>	<u>1-2 years</u>	<u>2-5 years</u>	<u>Over 5 years</u>
<b>March 31, 2022</b>						
Non-derivative financial liabilities						
Notes payable	\$ 1,285	1,285	1,285	-	-	-
Accounts payable	136,769	136,769	136,769	-	-	-
Other payables	121,027	121,027	121,027	-	-	-
Payables on machinery and equipment	150,771	150,771	150,771	-	-	-
Dividends payable	311,843	311,843	311,843	-	-	-
Long-term borrowings (including current portion)	123,050	125,574	24,967	33,679	55,211	11,717
Lease liabilities (current and non-current)	324,817	361,203	16,044	15,473	32,072	297,614
	<u>\$ 1,169,562</u>	<u>1,208,472</u>	<u>762,706</u>	<u>49,152</u>	<u>87,283</u>	<u>309,331</u>

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**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
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	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>within 1 year</u>	<u>1-2 years</u>	<u>2-5 years</u>	<u>Over 5 years</u>
<b>December 31, 2021</b>						
Non-derivative financial liabilities						
Short-term borrowing	\$ 27,670	29,455	29,455	-	-	-
Notes payable	2,275	2,275	2,275	-	-	-
Accounts payable	156,738	156,738	156,738	-	-	-
Other payables	115,704	115,704	115,704	-	-	-
Payables on machinery and equipment	172,741	172,741	172,741	-	-	-
Long-term borrowings (including current portion)	120,675	123,133	16,157	31,693	60,362	14,921
Lease liabilities (current and non-current)	<u>323,206</u>	<u>359,493</u>	<u>15,946</u>	<u>15,721</u>	<u>32,910</u>	<u>294,916</u>
	<u><b>\$ 919,009</b></u>	<u><b>959,539</b></u>	<u><b>509,016</b></u>	<u><b>47,414</b></u>	<u><b>93,272</b></u>	<u><b>309,837</b></u>
<b>March 31, 2021</b>						
Non-derivative financial liabilities						
Short-term borrowings	\$ 57,060	57,099	57,099	-	-	-
Notes payable	38,517	38,517	38,517	-	-	-
Accounts payable	88,395	88,395	88,395	-	-	-
Other payables	118,826	118,826	118,826	-	-	-
Payables on machinery and equipment	4,798	4,798	4,798	-	-	-
Lease liabilities (current and non-current)	<u>333,701</u>	<u>371,530</u>	<u>15,965</u>	<u>15,916</u>	<u>38,030</u>	<u>301,619</u>
	<u><b>\$ 641,297</b></u>	<u><b>679,165</b></u>	<u><b>323,600</b></u>	<u><b>15,916</b></u>	<u><b>38,030</b></u>	<u><b>301,619</b></u>

The Group does not expect the cash flows included in the maturity analysis to occur significantly earlier or at significantly different amount.

(iii) Market risk

1) Currency risk

The Group's significant exposure to foreign currency risk was as follows:

	<u>March 31, 2022</u>			<u>December 31, 2021</u>			<u>March 31, 2021</u>		
	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>NTD</u>	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>NTD</u>	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>NTD</u>
<u>Financial assets</u>									
<u>Monetary items</u>									
USD	\$ 21,955	28.62	628,366	21,767	27.67	605,269	9,512	28.53	271,377
EUR	1,033	31.92	32,974	776	31.33	24,316	933	33.48	31,228
JPY	44,133	0.2354	10,387	64,451	0.2406	15,504	30,544	0.2578	7,873
PHP	138,053	0.5535	76,412	147,112	0.5422	79,767	104,282	0.5880	61,318
CNY	22,440	4.506	101,115	17,019	4.345	73,950	15,481	4.342	67,219
<u>Investments accounted for using equity method</u>									
USD	15,358	28.62	439,537	15,142	27.67	418,989	18,108	28.53	516,633
PHP	54,782	0.5535	30,322	51,600	0.5422	28,019	40,551	0.5880	23,844
<u>Financial liabilities</u>									
<u>Monetary items</u>									
USD	3,306	28.62	94,630	2,709	27.67	74,965	2,794	28.53	79,723
EUR	428	31.92	13,659	395	31.33	12,386	418	33.48	13,984
JPY	30,660	0.2354	7,216	51,550	0.2406	12,400	38,503	0.2578	9,924
PHP	25,563	0.5535	14,149	17,808	0.5422	9,656	17,060	0.5880	10,031

(Continued)

**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The Group's exposure to foreign currency risk arise from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, trade receivables and trade payables that are denominated in foreign currency.

A strengthening (weakening) of 1% of the NTD against the foreign currency for the three months ended March 31, 2022 and 2021 would have increased (decreased), the net profit before tax by \$7,196 thousand and \$3,254 thousand, respectively. The analysis is performed on the same basis for 2021.

Since the Group has many kinds of functional currency, the information on foreign exchange gain (loss) on monetary items is disclosed by total amount. For the three months ended March 31, 2022 and 2021, foreign exchange gains (losses) (including realized and unrealized portions) amounted to \$13,531 thousand and \$(3,479) thousand, respectively.

2) Interest rate analysis

Please refer to the notes on liquidity risk management and interest rate exposure of the Group's financial assets and liabilities.

The following sensitivity analysis is based on the exposure to the interest rate risk of non-derivative financial instruments on the reporting date. Regarding assets with variable interest rates, the analysis is based on the assumption that the amount of assets outstanding at the reporting date was outstanding throughout the year. The rate of change is expressed as the interest rate increases or decreases by 1% when reporting to management internally, which also represents the Group management's assessment of the reasonably possible interest rate change.

If the interest rate had increased / decreased by 1% basic points the Group's net profit before tax would have decreased / increased by \$303 thousand and \$349 thousand for the three months ended March 31, 2022 and 2021 with all other variable factors remain constant. This is mainly due to the Group's borrowing at floating rates.

3) Other market price risk

For the three months ended March 31, 2022 and 2021, the sensitivity analyzes for the changes in the securities price at the reporting date were performed using the same basis for the profit and loss as illustrated below:

	Three months ended March 31			
	2022		2021	
	Other comprehensive income before tax	Net profit before tax	Other comprehensive income before tax	Net profit before tax
Prices of securities at the reporting date				
Increasing 1%	\$ -	141	-	38
Decreasing 1%	\$ -	(141)	-	(38)

(Continued)



**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	December 31, 2021				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial liabilities measured at amortized cost					
Short-term borrowings	\$ 27,670	-	-	-	-
Notes and accounts payables	159,013	-	-	-	-
Other payables	115,704	-	-	-	-
Payables on machinery and equipment	172,741	-	-	-	-
Long-term borrowings (including current portion)	120,675	-	-	-	-
Lease liabilities (current and non-current)	323,206	-	-	-	-
Total	<u>\$ 919,009</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	March 31, 2021				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss					
Non-derivative financial assets mandatorily measured at fair value through profit or loss	\$ 143,156	143,156	-	-	143,156
Designated at fair value through profit or loss	28,530	28,530	-	-	28,530
Subtotal	<u>171,686</u>	<u>171,686</u>	<u>-</u>	<u>-</u>	<u>171,686</u>
Financial assets measured at amortized cost					
Cash and cash equivalents	1,331,030	-	-	-	-
Financial assets measured at amortized cost	120,739	-	-	-	-
Notes and accounts receivables	286,933	-	-	-	-
Other financial assets	4,007	-	-	-	-
Subtotal	<u>1,742,709</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 1,914,395</u>	<u>171,686</u>	<u>-</u>	<u>-</u>	<u>171,686</u>
Financial liabilities measured at amortized cost					
Short-term borrowings	\$ 57,060	-	-	-	-
Notes and accounts payables	126,912	-	-	-	-
Other payables	118,826	-	-	-	-
Payables on machinery and equipment	4,798	-	-	-	-
Lease liabilities (current and non-current)	333,701	-	-	-	-
Total	<u>\$ 641,297</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

2) Valuation techniques for financial instruments measured at fair value

A financial instrument is regarded as being quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's-length basis. Whether transactions are taking place 'regularly' is a matter of judgment and depends on the facts and circumstances of the market for the instrument.

(Continued)

## **BIOTEQUE CORPORATION AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements**

Quoted market prices may not be indicative of the fair value of an instrument if the activity in the market is infrequent, the market is not well-established, only small volumes are traded, or bid-ask spreads are very wide. Determining whether a market is active involves judgment.

When the financial instruments of the Group are traded in an active market, its fair value is illustrated by the category and nature as follows:

The fair value of listed stocks and funds traded in an active market is based on the market quoted price.

Measurements of fair value of financial instruments without an active market are based on valuation technique or quoted price from a competitor. Fair value, measured by using valuation technique that can be extrapolated from either similar financial instruments or discounted cash flow method or other valuation techniques, including models, is calculated based on available market data at the reporting date.

#### 3) Categories and fair values of financial instruments

The Company strives to use market observable inputs when measuring assets and liabilities. Different levels of the fair value hierarchy to be used in determining the fair value of financial instruments are as follows:

- a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- c) Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

For the three months ended March 31, 2022 and 2021, there were no change on the fair value hierarchy of financial asset.

#### (r) Financial risk management

There were no significant changes in the Group's financial risk management and policies as disclosed in note 6(r) of the consolidated financial statements for the year ended December 31, 2021.

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**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(s) Capital management

Management believes that the objectives, policies and processes of capital management of the Group has been applied consistently with those described in the consolidated financial statements for the year ended December 31, 2021. Also, management believes that there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2021. Please refer to Note 6(s) of the consolidated financial statements for the year ended December 31, 2021 for further details.

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

The Group's financial activities which did not affect the current cash flow for the three months ended March 31, 2022 and 2021 were as follows:

(i) For right-of-use assets under leases, please refer to note 6(g).

(ii) Reconciliation of liabilities arising from financial activities was as follows:

	January 1, 2022	Cash flows	Non-cash changes		March 31, 2022
			Foreign exchange movement	Other	
Short-term borrowings	\$ 27,670	(28,560)	890	-	-
Long-term borrowings (including current portion)	120,675	-	2,375	-	123,050
Lease liabilities (current and non-current)	323,206	(3,514)	10	5,115	324,817
Total liabilities from financial activities	<u>\$ 471,551</u>	<u>(32,074)</u>	<u>3,275</u>	<u>5,115</u>	<u>447,867</u>

  

	January 1, 2021	Cash flows	Non-cash changes		March 31, 2021
			Foreign exchange movement	Other	
Short-term borrowings	\$ -	56,735	325	-	57,060
Lease liabilities (current and non-current)	336,122	(3,464)	-	1,043	333,701
Total liabilities from financial activities	<u>\$ 336,122</u>	<u>53,271</u>	<u>325</u>	<u>1,043</u>	<u>390,761</u>

**(7) Related-party transactions:**

(a) Names and relationship with the Group

Due to the absence of any transaction with related parties during the periods covered in the consolidated financial statements, the name and relationships of related parties have not been disclosed.

(b) Significant transactions with related parties: None.

(Continued)



**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(c) Key management personnel compensation

Key management personnel compensation was comprised as below:

	<b>Three months ended March 31, 2022</b>	<b>Three months ended March 31, 2021</b>
Short-term employee benefits	\$ 6,687	6,628
Post-employment benefits	127	127
	<b><u>\$ 6,814</u></b>	<b><u>6,755</u></b>

(8) Assets pledged as security:

<b>Pledged assets</b>	<b>Pledged to secure</b>	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Other current financial assets:				
Restricted bank deposit	Purchase guarantee	\$ 601	601	601
Property, plant and equipment:				
Land	Credit of short-term borrowings	91,834	91,834	91,834
Buildings and structures	Credit of short-term borrowings	171,653	173,721	173,926
Machinery and equipment	Credit of short-term borrowings	50	88	1,385
		<b><u>\$ 264,138</u></b>	<b><u>266,244</u></b>	<b><u>267,746</u></b>

(9) Commitments and contingencies:

(a) Notes issued as guarantee

	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Long-and short-term borrowings	<b><u>\$ 2,047,410</u></b>	<b><u>1,936,845</u></b>	<b><u>1,882,650</u></b>

(Continued)

**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(b) The agreements for expansion of the factory and purchases of machinery and equipment

	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Total contract price	<u>\$ 1,254,516</u>	<u>1,062,207</u>	<u>1,080,446</u>
Paid amount	<u>\$ 717,776</u>	<u>600,040</u>	<u>145,618</u>

**(10) Losses due to major disasters: None**

**(11) Subsequent events: None**

**(12) Other:**

A summary of current-period employee benefits, depreciation, and amortization, by function, is as follows:

By function	Three months ended March 31, 2022			Three months ended March 31, 2021		
	Cost of sales	Operating expenses	Total	Cost of sales	Operating expenses	Total
Employee benefits						
Salary	47,781	26,073	73,854	47,397	26,656	74,053
Labor and health insurance	3,578	2,388	5,966	4,057	1,809	5,866
Pension	1,336	874	2,210	1,488	923	2,411
Remuneration of directors	-	2,009	2,009	-	2,018	2,018
Others	2,193	847	3,040	2,251	896	3,147
Depreciation (Note)	25,661	2,304	27,965	27,876	2,338	30,214
Amortization	238	582	820	390	693	1,083

(Note) The capitalized depreciation expenses of right-of-use assets amounting to \$2,024 and \$1,990 thousand were recognized as construction in progress for the three months ended March 31, 2022 and March 31, 2021, respectively.

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## BIOTEQUE CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

#### (13) Other disclosures:

##### (a) Information on significant transactions:

The followings is the information on the Group's significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers":

##### (i) Loans to other parties:

(In thousands of dollars)

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period (Note 3)	Ending balance (Note 3)	Actual usage amount during the period (Note 4)	Range of interest rates during the period	Purposes of fund financing for the borrower (Note 1)	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Individual funding loan limits	Maximum limit of fund financing
													Item	Value		
1	BIOTEQUE MEDICAL CO., LTD.	BIOTEQUE MEDICAL PHIL. INC.	Accounts receivable from related parties	Yes	14,310 (USD 500 )	14,310 (USD 500 )	14,310 (USD 500 )	2.00 %	2	-	Working Capital	-	None	-	17,130 (Note 2)	17,130 (Note 2)

Note 1: Purposes of lending were as follows:

1. Business relationship
2. Short-term financing

Note 2: For entities in which the Company, directly or indirectly, owned 100% of their shares, the amount available for financing shall not exceed the net worth of the borrower.

Note 3: The maximum balance for the period and ending balance represent the amounts approved by the Board of Directors.

Note 4: The amounts of the transaction and the ending balance had been offset in the consolidated financial statements.

##### (ii) Guarantees and endorsements for other parties:

(In thousands of dollars)

Number	Name of guarantor	Counterparty of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise (Note 2)	Highest balance of guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements (Note 1)	Parent company endorsements/ guarantees to third parties on behalf of subsidiary	Subsidiary endorsements/ guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company (Note 3)										
1	The Company	BIOTEQUE MEDICAL PHIL. INC.	2	207,894	157,410 (USD5,500)	157,410 (USD5,500)	71,550 (USD2,500)	-	5.99 %	339,561	Y	N	N

Note 1: The total amount for the guarantees and endorsements provided by the Company to external entities shall not exceed 49% of the Company's shares. The total amount for the guarantees and endorsements provided by the Company and its subsidiaries to external entities shall not exceed 49% of the Company's net worth.

Note 2: The total amount for the guarantees and endorsements provided by the Company to any individual entity shall not exceed 30% of the Company's shares. The total amount for the guarantees and endorsements provided by the Company and its subsidiaries to any individual entity shall not exceed 30% of the Company's net worth.

Note 3: Relationship with the Company

1. Ordinary business relationship.
2. An entity, directly and indirectly, owned more than 50% voting shares of a guarantor.
3. A guarantor, directly and indirectly, owned more than 50% voting shares of an entity.
4. An entity, directly and indirectly, owned more than 90% voting shares of a guarantor.
5. Fulfillment of contractual obligations by providing mutual endorsements and guarantees for peer or joint builders in order to undertake a construction project.
6. An entity that is guaranteed and endorsed by all capital contributing shareholders in proportion to their shareholding percentages.
7. Peer engaged in the escrow of the sales contract on pre-sale house under the Consumer Protection Act.

(Continued)

**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(iii) Information regarding securities held at the reporting date (subsidiaries, associates and joint ventures not included):

(In thousands of New Taiwan Dollars)

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance				Remark
				Shares/Units (in thousands)	Carrying value	Percentage of ownership (%)	Fair value	
The Company	Capital Money Market Fund	None	Current financial assets at fair value through profit or loss	641	10,450	-	10,450	
"	Yuanta Wan Tai Money Market Fund	"	"	2,497	38,177	-	38,177	
"	Franklin Templeton Sinoam Money Market Fund	"	"	2,992	31,302	-	31,302	
"	Mega Diamond Money Market Fund	"	"	2,894	36,704	-	36,704	
"	JKO Pion Money Market Fund (Original name: Paradigm Pion Money Market Fund)	"	"	1,970	22,974	-	22,974	
"	Bonds with a rating of BBB- or better by the standard & poor's	"	"	-	28,620	-	28,620	
CHUNGTEX INVESTMENT CO., LTD.	E.SUN FINANCIAL HOLDING COMPANY, LTD.	"	"	39	1,291	-	1,291	
"	China Steel Corporation	"	"	11	428	-	428	
"	UNITED MICROELECTRONICS CORP.	"	"	10	540	-	540	
"	EVERGREEN MARINE CORP. (TAIWAN) LTD.	"	"	-	28	-	28	
"	CHANG HWA COMMERCIAL BANK., LTD.	"	"	33	640	-	640	
"	TAISHIN FINANCIAL HOLDING CO., LTD.	"	"	70	1,427	-	1,427	
"	EXCELSIOR MEDICAL CO., LTD	"	"	10	662	-	662	
"	CTBC FINANCIAL HOLDING CO., LTD.	"	"	30	882	-	882	
"	First Financial Holding Co. Ltd.	"	"	30	862	-	862	
"	TAIWAN COOPERATIVE FINANCIAL HOLDING CO., LTD	"	"	51	1,507	-	1,507	
"	HUA NAN FINANCIAL HOLDINGS CO., LTD	"	"	40	974	-	974	
"	FUBON FINANCIAL HOLDINGS CO., LTD	"	"	30	2,295	-	2,295	
"	CATHAY FINANCIAL HOLDINGS CO., LTD	"	"	40	2,580	-	2,580	

Note: If there are public markets prices, the fair value shall be evaluated by the last operating date of the accounting duration.

(iv) Information regarding purchase or sale of securities for the period exceeding 300 million or 20% of the Company's paid-in capital: None.

(Continued)

**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- (v) Information on acquisition of real estate with purchase amount exceeding 300 million or 20% of the Company's paid-in capital:

(In Thousands of New Taiwan Dollars)

Name of company	Name of property	Transaction date	Transaction amount	Status of payment	Counterparty	Relationship with the Company	If the Counterparty is a related party, disclose the previous transfer information				References for determining price	Purpose of acquisition and current condition	Others
							Owner	Relationship with the Company	Date of transfer	Amount			
The Company	Factory construction and Engineering (Yilan Science Park)	2020/11/19	877,000	As of March 31, 2022, the price paid \$545,933 thousand.	FENG YU UNITED ENGINEERING CO., LTD.	-	N/A	N/A	N/A	N/A	Price negotiation	Operating purpose	None
The Company	Hydropower Fire Engineering Contract (Yilan Science Park)	2020/11/27	163,000	As of March 31, 2022, the price paid \$59,269 thousand.	YUNG LONG ELECTRIC EQUIPMENT ENTERPRISE CO., LTD.	-	N/A	N/A	N/A	N/A	Price negotiation	Operating purpose	None
The Company	Contract of clean room construction and procurement of clean room equipment (Yilan Science Park)	2021/10/7	192,150	As of March 31, 2022, the price paid \$57,645 thousand.	MARKETECH INTERNATIONAL CORP.	-	N/A	N/A	N/A	N/A	Price negotiation	Operating purpose	None

- (vi) Information regarding receivables from disposal of real estate exceeding 300 million or 20% of the Company's paid-in capital: None.

- (vii) Information regarding related-parties purchases and/or sales exceeding 100 million or 20% of the Company's paid-in capital: None.

- (viii) Information regarding receivables from related-parties exceeding 100 million or 20% of the Company's paid-in capital:

(In thousands of New Taiwan Dollars)

Name of company	Related party	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period	Allowance for bad debts	Remark
					Amount	Action taken			
The Company	BIOTEQUE MEDICAL PHIL. INC.	Subsidiary	211,003	1.46 %	-	-	14,117	-	(Note)

Note: The amounts of the transaction and the ending balance had been offset in the consolidated financial statements.

- (ix) Information regarding trading in derivative financial instruments: None.

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## BIOTEQUE CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

- (x) Significant transactions and business relationship between the parent company and its subsidiaries for the three months ended March 31, 2022:

(In thousands of New Taiwan Dollars)

No. (Note 1)	Name of company	Name of counter-party	Nature of relationship (Note 2)	Intercompany transactions			Percentage of the consolidated net revenue or total assets
				Account name	Amount	Trading terms	
0	The Company	BIOTEQUE MEDICAL PHIL. INC.	1	Accounts receivable	201,057	OA 270	5.05%
0	The Company	BIOTEQUE MEDICAL PHIL. INC.	1	Processing costs	12,684	There is no significant difference from translation terms with non-related parties.	2.72%
0	The Company	BIOTEQUE MEDICAL PHIL. INC.	1	Other receivables	9,946	OA 270	0.25%
0	The Company	BIOTEQUE MEDICAL PHIL. INC.	1	Accounts payable	59,791	OA 60	1.50%
0	The Company	BONTEQ MEDICAL DISTRIBUTION PHIL. INC.	1	Operating revenue	2,360	There is no significant difference from translation terms with non-related parties.	0.51%
0	The Company	BONTEQ MEDICAL DISTRIBUTION PHIL. INC.	1	Accounts receivable	4,424	OA 180	0.11%
1	BIOTEQUE MEDICAL CO., LTD.	BIOTEQUE MEDICAL PHIL. INC.	3	Other receivables	14,310	2%	0.36%
2	BIOTEQUE MEDICAL PHIL. INC.	BONTEQ MEDICAL DISTRIBUTION PHIL. INC.	3	Operating revenue	11,395	There is no significant difference from translation terms with non-related parties.	2.44%
2	BIOTEQUE MEDICAL PHIL. INC.	BONTEQ MEDICAL DISTRIBUTION PHIL. INC.	3	Accounts receivable	24,924	OA 120	0.63%

Note 1: Company numbering as follows:

Parent company – 0

Subsidiary starts from 1

Note 2: The numbering of the relationship between transaction parties as follows:

Parent company to subsidiary – 1

Subsidiary to parent company – 2

Subsidiary to subsidiary – 3

Note 3: The amounts of the transaction and the ending balance had been offset in the consolidated financial statements.

- (b) Information on investees:

The following are the information on investees for the three months ended March 31, 2022 (excluding information on investees in Mainland China):

(In thousands of New Taiwan Dollars)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of March 31, 2022			Net income (losses) of investee	Share of profits (losses) of investee	Remark
				March 31, 2022	December 31, 2021	Shares (in thousands)	Percentage of ownership	Carrying value			
The Company	BIOTEQUE MEDICAL CO., LTD.	Samoa	Investment activities	16,349	16,349	500	100.00 %	17,130	(469)	(469)	Subsidiary
The Company	CHUNGTEX INVESTMENT CO., LTD.	Taipei	Investment activities	28,800	28,800	2,880	100.00 %	32,320	854	854	"
The Company	BIOTEQUE MEDICAL PHIL. INC.	Philippines	Manufacturing and Trading of Medical equipment	299,315	299,315	4,881	100.00 %	422,407	4,260	4,260	"
BIOTEQUE MEDICAL PHIL. INC.	BONTEQ MEDICAL DISTRIBUTION PHIL. INC.	Philippines	Trading of Medical equipment	6,801	6,801	100	100.00 %	30,322	1,839	1,839	Investment through subsidiary

Note: The amount of the transaction and the ending balance had been offset in the consolidated financial statements.

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**BIOTEQUE CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- (c) Information on investment in Mainland China: None.
- (d) Major shareholders:

Shareholder's Name	Shareholding	Shares	Percentage
JP Morgan Chase Bank, N. A., Taipei Branch in Custody for Stichting Depository APG Emerging Markets Equity Pool		6,131,000	8.84 %
Ke Yue Co., Ltd.		5,410,000	7.80 %

**(14) Segment information:**

There were no significant changes in the Group's division, as well as the profit and loss measurement basis, as disclosed in the consolidated financial statements for the year December 31, 2021.

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

	<b>Three months ended March 31, 2022</b>					
	<b>Segment A</b>	<b>Segment B</b>	<b>Segment C</b>	<b>Other Segment</b>	<b>Reconciliation and elimination</b>	<b>Total</b>
Revenue:						
Revenue from external customers	\$ 168,647	88,447	206,533	3,426	-	467,053
Intersegment revenue	-	5,680	-	-	(5,680)	-
Total revenue	<u>\$ 168,647</u>	<u>94,127</u>	<u>206,533</u>	<u>3,426</u>	<u>(5,680)</u>	<u>467,053</u>
Reporting segment profit or loss	<u>\$ 14,595</u>	<u>7,686</u>	<u>109,243</u>	<u>19,659</u>	<u>-</u>	<u>151,183</u>
	<b>Three months ended March 31, 2021</b>					
	<b>Segment A</b>	<b>Segment B</b>	<b>Segment C</b>	<b>Other Segment</b>	<b>Reconciliation and elimination</b>	<b>Total</b>
Revenue:						
Revenue from external customers	\$ 172,183	46,515	235,893	2,405	-	456,996
Intersegment revenue	-	3,421	-	-	(3,421)	-
Total revenue	<u>\$ 172,183</u>	<u>49,936</u>	<u>235,893</u>	<u>2,405</u>	<u>(3,421)</u>	<u>456,996</u>
Reporting segment profit or loss	<u>\$ 26,524</u>	<u>4,908</u>	<u>121,369</u>	<u>(395)</u>	<u>-</u>	<u>152,406</u>

The material reconciling items of the above reportable segment as below:

Total reportable segment revenue after deducting the intersegment revenue was \$5,680 and \$3,241 thousand dollars in the three months ended March 31, 2022 and 2021, respectively.