Sofiva Genomics Co., Ltd. And Its Subsidiaries
Consolidated Financial Report and CPA Review Report
The 2nd Quarter of 2022 and 2021
(Stock Code: 6615)

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Notice to Reader:

For the convenience of readers, this report has been translated into English from the original Chinese version, prepared and used in the Republic of China. The English version has not been audited or reviewed by independent auditors. If there are any discrepancies between the English version and the original Chinese version, or any difference in the interpretation of the two versions, the Chinese-language report shall prevail

Sofiva Genomics Co., Ltd. And Its Subsidiaries

Consolidated Financial Report and CPA Review Report for the 2nd Quarter of 2022 and 2021

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CPA Review Report

(2022)Financial Review Report No. 22001317

Sofiva Genomics Co., Ltd.:

Introduction

We have reviewed the accompanying consolidated balance sheets of Sofiva Genomics Co., Ltd. and its subsidiariesas of June 30, 2022 and 2021, the consolidated statements of comprehensive income from April 1 to June 30, 2022 and 2021 and from January 1 to June 30, 2022 and 2021, Consolidated Statements of Changes in Equity and Consolidated Statements of Cash Flows from January 1 to June 30, 2022 and 2021, and Notes to Consolidated Financial Statements (including a summary of significant accounting policies), hereafter refered to as the consolidated financial statements.. It is the responsibility of management to prepare and fairly presentat these 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

Except as stated in the Basis for the Reserved Conclusions paragraph below, we conducted our reviews in accordance with the Statement of Auditing Standards No. 65 "Review of 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 procedures and other review procedures. A review is substantially smaller 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.

Basis for the Reserved Conclusions

As stated in Notes 4 (3) and 6 (4) to the consolidated financial statements, we have not reviewed the financial statements for the same period of the immaterial subsidiaries and investments using the equity method included in the aforementioned consolidated financial statements. Their total assets (including investments using the equity method) as of June 30, 2022 and 2021 were NT$388,682 thousand and NT$315,377 thousand respectively, accounting for 46.11% and 40.47% of the total consolidated assets respectively; respective total liabilities were NT$11,018 thousand and NT$10,796 thousand, accounting for 4.59% and 4.76% of the consolidated total liabilities, respectively; total consolidated profit (loss) (including the share of consolidated profit (loss) accounted for using the equity method) for the periods April 1 to June 30, 2022 and 2021 and January 1 to June 30, 2022 and 2021 were NT$7,557 thousand, NT$7,858 thousand, NT$15,355 thousand, and NT$12,259 thousand, respectively, accounting for 132.07%, 40.45%, 76.91%, and 43.42% of the total consolidated profit (loss), respectively.

Reserved Conclusions

Based on the results of our reviews, we not aware of any material modifications which may have been made to the consolidated financial statements had we reviewed the financial statements of the immaterial subsidiaries and investments accounted for using the equity method as described in the preceding Basis for the Reserved Conclusions paragraph, except for the effect of the adjustments which may have been made to the consolidated financial statements had we reviewed them. Nothing has come to our attention that has caused us to believe that the consolidated financial statements do not fairly present the consolidated financial position of Sofiva Genomics Co., Ltd. and its subsidiaries as of June 30, 2022 and 2021, the consolidated financial results from April 1 to June 30, 2022 and 2021 and January 1 to June 30, 2022 and 2021, and the consolidated cash flows from January 1 to June 30, 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" commissioned and issued into effect by the Financial Supervisory Commission of the Republic of China.

PricewaterhouseCoopers Taiwan

Yu Chih-Fan

CPA

Huang Shih-Chun

Financial Supervisory Commission
Approveal NO：Jin-Guan-Jheng-Liou-Zih NO.1110349013
Jin-Guan-Jheng-Liou-Zih NO.1050029449
Auguest 3, 2022

Sofiva Genomics Co., Ltd. And Its Subsidiaries
Consolidated Balance Sheet
June 30, 2022 and December 31, 2021, June 30, 2022
(Consolidated Balance Sheet as of June 30, 2022 and 2021 were reviewed only and have not been audited in accordance with generally accepted auditing standards)

Unit: NTD thousand

	Asset	Notes	June 30, 2022 Amount	%	December 31, 2021 Amount	%	June 30, 2021 Amount	%
	Current Assets							
1100	Cash and Cash Equivalents	6 (1)	$ 214,549	25	$ 214,992	26	$ 209,806	27
1136	Financial Assets at Amortised Cost - Current	6 (1)	42,150	5	30,200	4	30,200	4
1140	Contract Assets - Current	6 (14) and 7 (2)	7,746	1	9,818	1	7,550	1
1150	Notes Receivable (Net)	6 (2)	4,061	1	6,780	1	9,143	1
1170	Net Amount of Accounts Receivable	6 (2)	62,481	7	54,111	7	62,932	8
1180	Accounts Receivable - Related Party, Net Value	6 (2) and 7 (2)	2,915	-	3,333	-	4,630	1
1200	Other Receivables	7 (2)	6,067	1	44	-	10	-
1220	Income Tax Assets in the Current Period	6 (19)	7,115	1	4,716	-	2,758	-
130X	Inventories	6 (3)	39,275	5	41,562	5	34,317	5
1410	Advance Payment		7,794	1	6,578	1	10,369	1
1470	Other Current Assets		1,713	-	1,392	-	852	-
11XX	**Total Current Assets**		395,866	47	373,526	45	372,567	48
	Non-current Assets							
1550	Investment Accounted for Using Equity Method	6 (4)	305,426	36	297,346	36	242,384	31
1600	Property, Plant, and Equipment	6 (5)	43,547	5	44,391	6	53,884	7
1755	Right-of-use Assets	6 (6)	75,853	9	84,176	10	92,658	12
1780	Intangible Assets		6,035	1	6,234	1	3,061	-
1840	Deferred Income Tax Assets		6,914	1	8,912	1	8,552	1
1920	Refundable Deposits		6,614	1	6,206	1	6,125	1
1990	Other Non-Current Assets - Others		2,671	-	1,510	-	-	-
15XX	**Total Non-current Assets**		447,060	53	448,775	55	406,664	52
1XXX	**Total Assets**		$ 842,926	100	$ 822,301	100	$ 779,231	100

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Sofiva Genomics Co., Ltd. And Its Subsidiaries
Consolidated Balance Sheet
June 30, 2022 and December 31, 2021, June 30, 2022
(Consolidated Balance Sheet as of June 30, 2022 and 2021 were reviewed only and have not been audited in accordance with generally accepted auditing standards)

Unit: NTD thousand

			June 30, 2022		December 31, 2021		June 30, 2021	
	Liabilities and Equities	Notes	Amount	%	Amount	%	Amount	%
	Liabilities							
	Current Liabilities							
2130	Contract Liabilities - Current	6 (14)	$ 2,371	-	$ 2,691	-	$ 3,057	-
2150	Notes Payable		37	-	1,618	-	1,114	-
2160	Notes Payable - Related Party	7 (2)	2,898	-	2,586	-	3,206	-
2170	Accounts Payable		64,864	8	51,245	6	43,652	6
2180	Accounts Payable - Related Party	7 (2)	3,024	-	2,995	1	3,455	1
2200	Other Payables	6 (7)	78,885	9	40,378	5	68,610	9
2230	Income Tax Liabilities for the Current Period	6 (19)	3,220	1	4,215	1	3,580	1
2250	Liability Reserve - Current	6 (8)	1,976	-	1,290	-	1,361	-
2280	Lease Liabilities - Current		12,532	2	14,481	2	15,670	2
2300	Other Current Liabilities		1,753	-	1,848	-	1,828	-
21XX	**Total Current Liabilities**		171,560	20	123,347	15	145,533	19
	Non-current Liabilities							
2550	Liability Reserve - Non-current	6 (8)	3,085	-	3,060	-	3,044	-
2580	Lease Liabilities - Non-current		65,590	8	71,454	9	78,150	10
25XX	**Total Non-current Liabilities**		68,675	8	74,514	9	81,194	10
2XXX	**Total Liabilities**		240,235	28	197,861	24	226,727	29
	Equities Attributable to Owners of Parent Company							
	Share Capital	6 (11)						
3110	Capital stock - common shares		213,624	25	213,624	26	212,616	27
	Capital Surplus	6 (12)						
3200	Capital surplus		329,496	40	328,309	40	285,546	37
	Retained Earnings	6 (13)						
3310	Legal reserve		30,207	4	24,509	3	24,509	3
3350	Undistributed earnings		29,590	3	57,779	7	29,403	4
	Other equity							
3400	Other equity		28	-	10	-	73	-
31XX	**Total Equities Attributable to Owners of the Company**		602,945	72	624,231	76	552,147	71
36XX	**Non-controlling Interests**		(254)	-	209	-	357	-
3XXX	**Total Equities**		602,691	72	624,440	76	552,504	71
	Significant Contingent Liabilities and Unrecognised Contractual Commitments	9						
	Significant Subsequent Events	11						
3X2X	**Total Liabilities and Equities**			10				
			$ 842,926	0	$ 822,301	100	$ 779,231	100

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

Chairman: Yi-Ning Su Manager: Chia-Cheng Hung Accounting Supervisor: Fu-Chien Chang

Sofiva Genomics Co., Ltd. And Its Subsidiaries
Consolidated Statements of Comprehensive Income
January 1 to June 30, 2022 and 2021
(Reviewed only and not audited in accordance with generally accepted auditing standards)

Unit: NTD thousand
(except earnings per share, which are listed in NTD)

	Item	Notes	April 1 to June 30, 2022 Amount	%	April 1 to June 30, 2021 Amount	%	January 1 to June 30, 2022 Amount	%	January 1 to June 30, 2021 Amount	%
4000	Operating Revenue	6 (14) and 7 (2)	$ 129,644	100	$ 133,249	100	$ 255,346	100	$ 257,837	100
5000	Operating Costs	6 (3) (17) and 7 (2)	(91,345)	(70)	(84,303)	(63)	(172,906)	(68)	(166,272)	(65)
5900	Operating Gross Profit		38,299	30	48,946	37	82,440	32	91,565	35
	Operating Expenses	6 (17)								
6100	Sales expenses		(12,046)	(9)	(11,917)	(9)	(23,727)	(9)	(24,568)	(9)
6200	Administrative expenses		(19,845)	(16)	(19,868)	(15)	(41,505)	(16)	(39,222)	(15)
6300	Research and development expenses		(1,524)	(1)	(2,251)	(2)	(3,454)	(2)	(6,800)	(3)
6450	Expected credit impairment gains (losses)	12 (2)	(2,741)	(2)	140	-	(3,066)	(1)	54	-
6000	Total Operating Expenses		(36,156)	(28)	(33,896)	(26)	(71,752)	(28)	(70,536)	(27)
6900	Operating Profit		2,143	2	15,050	11	10,688	4	21,029	8
	Non-operating Income and Expenses									
7100	Interest income	6 (15)	147	-	92	-	243	-	188	-
7010	Other incomes		520	-	127	-	863	-	335	-
7020	Other gains and losses		(673)	(1)	(663)	-	144	-	(1,115)	(1)
7050	Financial costs	6 (16)	(371)	-	(444)	-	(760)	-	(907)	-
7060	Share of profit or loss of associated enterprises and joint ventures recognised by the equity method	6 (4)	6,214	5	8,258	6	14,012	6	12,717	5
7000	Total Non-operating Income and Expenses		5,837	4	7,370	6	14,502	6	11,218	4
7900	**Net Profit Before Tax**		7,980	6	22,420	17	25,190	10	32,247	12
7950	Income tax expenses	6 (19)	(2,273)	(2)	(2,708)	(2)	(5,244)	(2)	(3,714)	(1)
8200	**Net Profit of Current Period**		$ 5,707	4	$ 19,712	15	$ 19,946	8	$ 28,533	11

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Sofiva Genomics Co., Ltd. And Its Subsidiaries
Consolidated Statements of Comprehensive Income
January 1 to June 30, 2022 and 2021
(Reviewed only and not audited in accordance with generally accepted auditing standards)

Unit: NTD thousand
(except earnings per share, which are listed in NTD)

	Item	Notes	April 1 to June 30, 2022 Amount	%	April 1 to June 30, 2021 Amount	%	January 1 to June 30, 2022 Amount	%	January 1 to June 30, 2021 Amount	%
	Other Comprehensive Income (Loss)									
	Items that May be Subsequently Reclassified to Profit or Loss									
8361	Exchange Differences in Conversion of Financial Statements of Foreign Operations		$ 19	-	($ 121)	-	$ 24	-	($ 289)	-
8399	Income Tax Expenses (Gains) Related to Items that May be Subsequently Reclassified to Profit or Loss:	6 (19)	(4)	-	29	-	(4)	-	(9)	-
8360	Total items that may be subsequently reclassified to profit or loss		15	-	(92)	-	20	-	(298)	-
8300	**Other Comprehensive Income (net)**		$ 15	-	($ 92)	-	$ 20	-	($ 298)	-
8500	**Total Comprehensive Income of Current Period**		$ 5,722	4	$ 19,620	15	$ 19,966	8	$ 28,235	11
	Net Income Attributable to:									
8610	Owners of the parent company		$ 5,920	4	$ 19,692	15	$ 20,234	8	$ 28,600	11
8620	Non-controlling interests		(213)	-	20	-	(288)	-	(67)	-
			$ 5,707	4	$ 19,712	15	$ 19,946	8	$ 28,533	11
	Total Comprehensive Profit or Loss Attributable to:									
8710	Owners of the parent company		$ 5,934	4	$ 19,613	15	$ 20,252	8	$ 28,332	11
8720	Non-controlling interests		(212)	-	7	-	(286)	-	(97)	-
			$ 5,722	4	$ 19,620	15	$ 19,966	8	$ 28,235	11
	Basic Earnings per Share									
9750	Net profit of current period	6 (20)	$ 0.28		$ 0.93		$ 0.95		$ 1.35	
	Diluted Earnings per Share									
9850	Net profit of current period	6 (20)	$ 0.28		$ 0.92		$ 0.95		$ 1.34	

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

Chairman: Yi-Ning Su　　Manager: Chia-Cheng Hung　　Accounting Supervisor: Fu-Chien Chang

Sofiva Genomics Co., Ltd. And Its Subsidiaries
Consolidated Statements of Changes in Equity
January 1 to June 30, 2022 and 2021
(Reviewed only and not audited in accordance with generally accepted auditing standards)

Unit: NTD thousand

		Equities Attributable to Owners of Parent Company										
			Capital surplus				Retained earnings		Other equity			
	Notes	Capital stock—common shares	Issue premium	Changes in net equity value of associated enterprises recognised by equity method	Employee Share Options	Others	Legal Reserve	Undistributed Earnings	Exchange differences in Conversion of the Financial Statements of Foreign Operations	Total	Non-controlling interests	Total
January 1 to June 30, 2021												
Balance as at January 1, 2021		$ 212,616	$ 224,468	$ 57,447	$ 2,379	$ 30	$ 21,124	$ 33,954	$ 341	$ 552,359	$ 454	$ 552,813
Net profit of current period		-	-	-	-	-	-	28,600	-	28,600	(67)	28,533
Other Comprehensive Profit (Loss) for the Current Period		-	-	-	-	-	-	-	(268)	(268)	(30)	(298)
Total Comprehensive Profit (Loss) for the Current Period		-	-	-	-	-	-	28,600	(268)	28,332	(97)	28,235
2020 Surplus Appropriation and Distribution	6 (13)											
Provision of legal reserve		-	-	-	-	-	3,385	(3,385)	-	-	-	-
Cash dividend of common stock		-	-	-	-	-	-	(29,766)	-	(29,766)	-	(29,766)
Employee Share Option Compensation Cost	6 (10)	-	-	-	1,291	-	-	-	-	1,291	-	1,291
Changes in Net Equity of Associated Enterprises Accounted for Using the Equity Method recognised in Proportion to the Percentage of Shareholding		-	-	(69)	-	-	-	-	-	(69)	-	(69)
Balance as at June 30, 2021		$ 212,616	$ 224,468	$ 57,378	$ 3,670	$ 30	$ 24,509	$ 29,403	$ 73	$ 552,147	$ 357	$ 552,504
January 1 to June 30, 2022												
Balance as at January 1, 2022		$ 213,624	$ 225,173	$ 98,456	$ 4,650	$ 30	$ 24,509	$ 57,779	$ 10	$ 624,231	$ 209	$ 624,440
Net profit of current period		-	-	-	-	-	-	20,234	-	20,234	(288)	19,946

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

Chairman: Yi-Ning Su　　Manager: Chia-Cheng Hung　　Accounting Supervisor: Fu-Chien Chang

Sofiva Genomics Co., Ltd. And Its Subsidiaries
Consolidated Statements of Changes in Equity
January 1 to June 30, 2022 and 2021
(Reviewed only and not audited in accordance with generally accepted auditing standards)

Unit: NTD thousand

		Equities Attributable to Owners of Parent Company										
			Capital surplus				Retained earnings		Other equity			
	Notes	Capital stock—common shares	Issue premium	Changes in net equity value of associated enterprises recognised by equity method	Employee Share Options	Others	Legal Reserve	Undistributed Earnings	Exchange differences in Conversion of the Financial Statements of Foreign Operations	Total	Non-controlling interests	Total
Other Comprehensive Profit (Loss) for the Current Period		-	-	-	-	-	-	-	18	18	2	20
Total Comprehensive Profit (Loss) for the Current Period		-	-	-	-	-	-	20,234	18	20,252	(286)	19,966
2021 Surplus Appropriation and Distribution	6 (13)											
Provision of legal reserve		-	-	-	-	-	5,698	(5,698)	-	-	-	-
Cash dividend of common stock		-	-	-	-	-	-	(42,725)	-	(42,725)	-	(42,725)
Employee Share Option Compensation Cost	6 (10)	-	-	-	1,187	-	-	-	-	1,187	-	1,187
Increase/decrease in Non-controlling Interests	4 (3)	-	-	-	-	-	-	-	-	-	(177)	(177)
Balance as at June 30, 2022		$ 213,624	$ 225,173	$ 98,456	$ 5,837	$ 30	$ 30,207	$ 29,590	$ 28	$ 602,945	($ 254)	$ 602,691

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

Chairman: Yi-Ning Su　　Manager: Chia-Cheng Hung　　Accounting Supervisor: Fu-Chien Chang

Sofiva Genomics Co., Ltd. And Its Subsidiaries
Consolidated Statements of Cash Flows
January 1 to June 30, 2022 and 2021
(Reviewed only and not audited in accordance with generally accepted auditing standards)

Unit: NTD thousand

	Notes	January 1 to June 30, 2022	January 1 to June 30, 2021
Cash Flows from Operating Activities			
Current Net Income before Tax		$ 25,190	$ 32,247
Adjusted Items:			
Revenue and Expense Items			
Depreciation of property, plant, and equipment and right-of-use assets	6 (17)	18,928	20,993
Amortisation of intangible assets	6 (17)	1,656	981
Expected credit impairment loss (gain)	12 (2)	3,066	(54)
Interest expenses	6 (16)	760	907
Interest income	6 (15)	(243)	(188)
Employee share option compensation cost	6 (10)	1,187	1,291
Share of loss (gain) of associated enterprise recognised by the equity method	6 (4)	(14,012)	(12,717)
Changes in Assets/Liabilities Related to Operating Activities			
Net Change in Assets Related to Operating Activities			
Contract assets- current		2,072	(1,094)
Notes receivable (net)		2,719	(1,563)
Net amount of accounts receivable		(11,436)	(17,830)
Accounts receivable - related party, net value		418	(1,395)
Other receivables		(91)	33
Inventories		2,287	15,791
Advance payment		(1,216)	(2,347)
Other current assets		(321)	325
Net Change in Liabilities Related to Operating Activities			
Contract liabilities - current		(320)	(190)
Notes payable		(1,581)	(295)
Notes payable- related party		312	694
Accounts payable		13,619	541
Accounts payable - related party		29	44
Other payables		(4,323)	(2,668)
Liability reserve - current		686	(25)
Other current liabilities		(95)	281
Cash Inflow from Operations		39,291	33,762
Interest received		243	157
Interest paid		(736)	(884)
Income tax paid		(6,580)	(168)
Net Cash Inflow from Operating Activities		32,218	32,867
Cash Flows from Investment Activities			
Financial Assets Measured at Amortised Cost- Current Increase		(11,950)	-
Acquisition of Property, Plant, and Equipment	6 (21)	(9,586)	(3,786)
Acquisition of Intangible Assets		(1,457)	(261)
Increase of Other Non-current Assets		(1,161)	-
Increase in Refundable Deposits		(508)	(399)
Decrease in Refundable Deposits		100	166
Net Cash Outflow from Investing Activities		(24,562)	(4,280)
Cash Flows from Financing Activities			
Decrease in Deposits Received		-	(2)
Repayment of the Principal Portion of Lease Liabilities	6 (22)	(7,853)	(7,778)
Changes in Non-controlling Interests	4 (3)	(177)	-
Net Cash Outflow from Financing Activities		(8,030)	(7,780)
Effect of Exchange Rate Changes		(69)	150
Increase (Decrease) in Cash and Cash Equivalents in the Current Period		(443)	20,957
Cash and Cash Equivalents at Beginning of the Period		214,992	188,849
Cash and Cash Equivalents at End of the Period		$ 214,549	$ 209,806

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

Chairman: Yi-Ning Su Manager: Chia-Cheng Hung Accounting Supervisor: Fu-Chien Chang

Sofiva Genomics Co., Ltd. and Its Subsidiaries

Notes to Consolidated Financial Statements

2nd Quarter of 2022 and 2021

(Reviewed only and not audited in accordance with generally accepted auditing standards)

Unit: NTD thousand

(Unless otherwise specified)

I. Company History

(I) Sofiva Genomics Co., Ltd. (hereinafter referred to as "the Company") was established on June 15, 2012, in accordance with the Company Act of the Republic of China and began to operate. The main business items of the Company and its subsidiaries (hereinafter collectively referred to as "the Group") are pre-pregnancy, prenatal, and newborn genetic testing and medical testing services.

(II) In January 2017, the Company applied for the registration of common shares with the Taipei Exchange (TPEx) of the Republic of China, trading on the TPEx since January 22, 2018.

II. Date and Procedure for Approval of Financial Statements

These consolidated financial statements were approved and issued by the Board of Directors on August 3, 2022.

III. Application of Newly Issued and Revised Standards and Interpretations

(I) Impact of new and amended IFRS/IAS approved by the Financial Supervisory Commission (FSC)

The following table summarizes the standards and interpretations for the new issuance, amendment, and revision of the IFRS/IAS applicable as of the year of 2022, as endorsed by the Financial Supervisory Commission:

New, Revised and Amended Standards or Interpretations	Effective Date Announced by IASB
Reference to the Conceptual Framework (Amendments to IFRS 3)	January 1, 2022
Property, Plant and Equipment—Proceeds before Intended Use (Amendments to IAS 16)	January 1, 2022
Onerous Contracts - Cost of Fulfilling a Contracts (Amendments to IAS 37)	January 1, 2022
Annual Improvements to 2018-2020 Cycle	January 1, 2022

The Group has assessed that the above criteria and interpretations have no material impact on its consolidated financial position and consolidated financial performance.

(II) Impact of new and revised IFRS/IAS not yet approved by the FSC

The following table summarizes the standards and interpretations for the new issuance, amendment and revision of the IFRS/IAS applicable as of the year of 2023, as as endorsed by the Financial Supervisory Commission:

New, Revised and Amended Standards or Interpretations	Effective Date Announced by IASB
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	January 1, 2023
Definition of Accounting Estimates (Amendments to IAS 8)	January 1, 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)	January 1, 2023

The Group has assessed that the above criteria and interpretations have no material impact on its consolidated financial position and consolidated financial performance.

(III) Impact of IFRS/IAS issued by the IASB but not yet endorsed by the FSC

The following table summarizes the newly issued, amended, and revised standards and interpretations that have been issued by the IASB but have not yet been incorporated into the IFRS recognised by the FSC:

New, Revised and Amended Standards or Interpretations	Effective Date Announced by IASB
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	To be decided by the IASB
Insurance Contracts (IFRS 17)	January 1, 2023
Insurance Contracts (Amendments to IFRS 17)	January 1, 2023
Initial Application of IFRS 17 and IFRS 9—Comparative Information (Amendment to IFRS 17)	January 1, 2023
Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)	January 1, 2023

The Group has assessed that the above criteria and interpretations have no material impact on its consolidated financial position and consolidated financial performance.

IV. Summary Statement of Significant Accounting Policies

The principal accounting policies used in the preparation of these consolidated financial statements are described below. Unless otherwise stated, these policies apply consistently throughout all reporting periods.

(I) Compliance Declaration

This consolidated financial report has been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 Interim Financial Reporting, which has been endorsed and issued into effect by the FSC.

(II) Basis of Preparation

1. This consolidated financial report is prepared in accordance with the historical cost principle.
2. The preparation of financial reports in compliance with the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC) and SIC Interpretations (SIC) (collectively, the "IFRSs") endorsed and issued into effect by the FSC requires the use of some significant accounting estimates, and management also requires the use of its judgement in the process of applying the Group's accounting policies, items involving a high degree of judgement or complexity, or items involving significant assumptions and estimates in the

consolidated financial report; please refer to Note 5 for details.

(III) Basis for Consolidation

1. Principles for the preparation of consolidated financial statements
   (1) The Group incorporates all its subsidiaries into the entity that prepares the consolidated financial statements. "Subsidiary" means an entity (including a structured entity) controlled by the Group which is controlled by the Group when it is exposed to or has a right to variable remuneration from its participation in such entity and has the ability to influence such remuneration through its power over the entity. Subsidiaries are included in the consolidated financial statements from the date the Group gains control, and the consolidation is terminated from the date of loss of control.
   (2) Intra-group transactions, balances, and unrealised gains and losses have been eliminated. The accounting policies of subsidiaries have been adjusted as necessary to be consistent with the policies approved by the Group.
   (3) Profit or loss and each component of other comprehensive profit or loss are attributed to the owners of the parent company and to the non-controlling interests; the total comprehensive profit or loss is also attributed to the owners of the parent company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.
2. Subsidiaries included in the consolidated financial statements:

Name of Investing Company	Name of Subsidiary	Nature of Business	Shareholding Percentage			Remarks
			June 30, 2022	December 31, 2021	June 30, 2021	
The Company	Phoebus Genetics Co., Ltd.	Testing Services	100%	100%	100%	Note 1
The Company	Sofiva Genomics Bangkok Co., Ltd.	Testing Services	90%	90%	90%	Note 1
The Company	Sofiva Genomics Medical Laboratory	Testing Services	-	-	-	Note 1/ Note 2
The Company	Sofiva Genomics Clinician's Laboratory	Testing Services	-	-	-	Note 1/ Note 3

Note 1: Non-significant subsidiaries; the financial statements as of June 30, 2022 and 2021 have not been audited by CPA. The financial statements as of December 31, 2021 have been audited by the Company's CPA.

Note 2: This laboratory was established in June 2021. Although the

Company has not invested in holding shares, it has control over the financial, operational, and personnel policies of the laboratory and it is therefore included in the consolidated entity.
The laboratory distributed NT$177 of earnings in March 2022, and the impact on non-controlling interests was (NT$177).

Note 3: This laboratory was established in February 2022. Although the Company has not invested in holding shares, it has control over the financial, operational, and personnel policies of the laboratory and it is therefore included in the consolidated entity.

3. Subsidiaries not included in the consolidated financial statements: None.
4. Adjustments and treatment methods for different accounting periods of subsidiaries: None.
5. Significant limitations: None.
6. Subsidiaries with non-controlling interests in the Group: None.

(IV) Foreign Currency Conversion

The items included in the financial statements of each entity within the Group are measured in the currency of the primary economic environment in which the entity operates (i.e., their functional currency). The consolidated financial statements are presented in New Taiwan Dollars, the Company's functional currency.

1. Payments in foreign currencies and balances
   (1) Foreign currency transactions are translated into the functional currency using the spot exchange rate on the transaction date or measurement date, and differences arising from the translation of these transactions are recognised in profit or loss for the current period.
   (2) The balance of monetary assets and liabilities denominated in foreign currencies shall be evaluated and adjusted according to the spot exchange rate on the balance sheet date, and the translation difference arising from the adjustment shall be recognised as the current profit and loss.
   (3) All exchange gains and losses are reported under "Other gains and losses" in the Consolidated Statements of Comprehensive Income.
2. Conversion of foreign operating institutions
   The results of operations and the financial position of all group entities, associated enterprises and associated agreements whose functional currencies differ from the expressed currencies are translated into the expressed currencies in the following manner:

(1) the assets and liabilities expressed on each balance sheet are translated at the closing exchange rate on that balance sheet date;

(2) The gains and losses expressed in each consolidated statement of profit or loss are translated at the average exchange rate for the period; and

(3) all translation differences arising from translation are recognised in other comprehensive profit or loss.

(V) Classification Criteria for Distinguishing between Current and Non-current Assets and Liabilities

1. Assets that meet one of the following conditions are classified as current assets:

   (1) The asset is expected to be realized in the normal operating cycle, or intended to be sold or consumed.

   (2) Holders primarily for trading purposes.

   (3) Those expected to be realized within 12 months after the balance sheet date.

   (4) Cash or cash equivalents, unless exchanged at least 12 months after the balance sheet date or restricted from being used to settle liabilities.

   The Group classifies all assets that do not meet the above criteria as non-current.

2. Liabilities that meet one of the following conditions are classified as current liabilities:

   (1) Those expected to be settled in the normal business cycle.

   (2) Those held primarily for trading purposes.

   (3) Those expected to be repaid within 12 months after the balance sheet date.

   (4) Those with repayment periods that cannot be unconditionally deferred to at least 12 months after the balance sheet date. The terms of liabilities may depend on the counterparty's choice, and the issue of equity instruments will result in repayment, which do not affect their classification.

   The Group classifies all liabilities that do not meet the above criteria as non-current.

(VI) Cash Equivalents

Cash equivalents are short-term, highly liquid investments that can be converted into fixed amounts of cash at any time with minimal risk of changes in value. Time deposits meet the above definition. They are held for the purpose of meeting short-term operating cash commitments and classified as cash equivalents.

(VII) Financial Assets Measured at Amortised Cost

1. Refers to assets which meet the following conditions simultaneously:
   (1) The financial asset is held under an operating model whose purpose is to collect contractual cash flows.
   (2) The contractual terms of the financial asset generate cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding.
2. The Group uses trade date accounting for financial assets measured at amortised cost in accordance with trading conventions.
3. The Group measures fair value plus transaction costs at the time of initial recognition, and subsequently recognises interest income and impairment losses during the circulation period using the effective interest method of amortisation, and when delisting, the profit or loss is recognised.
4. The Group holds time deposits that do not qualify as cash equivalents. Due to the short holding period, the impact of discounting is not significant and is measured by the investment amount.

(VIII) Accounts Receivable and Notes Receivable

1. Refers to the accounts and notes that have the right to unconditionally receive the consideration amount in exchange for the transfer of goods or services according to the contract.
2. For short-term accounts and notes receivable with unpaid interest, since the impact of discounting is not significant, the Group measures them by the original invoice amount.

(IX) Impairment of Financial Assets

At each balance sheet date, the Group, after considering all reasonable and corroborative information (including forward-looking information) for financial assets measured at amortised cost, has no significant increase in credit risk since the original recognition. The allowance loss shall be measured by the amount of 12-month expected credit loss; for those whose credit risk has increased significantly since the original recognition, the allowance loss shall be measured by the amount of expected credit loss during the duration; for accounts receivable and contract assets which do not include significant financial components, allowance losses are measured at the lifetime expected credit loss amount.

(X) De-recognition of Financial Assets

Financial assets are de-recognised when the Group's contractual rights to receive cash flows from the financial assets lapse.

(XI) Inventories

Inventories are measured at the lower of cost and net realisable value, with cost determined by the weighted average method. When the comparison of cost and net realizable value is low, the comparison is made on a case-by-case basis and the net realizable value is the estimated selling price in the ordinary course of business less the estimated cost to complete and the estimated cost to complete the sale.

(XII) Investments Accounted for Using Equity Method—Associated Enterprises

1. "Associated enterprises" refers to all individuals over which the Group has significant influence but no control, generally directly or indirectly holding more than 20% of the voting shares. The Group's investments in associated enterprises are treated using the equity method and are recognised at cost when acquired.
2. The Group recognises the share of profit or loss obtained by the associated enterprise as the current profit and loss, and recognises the share of other comprehensive profit and loss after it is obtained as other comprehensive profit and loss. If the Group's share of the loss to any associated enterprise equals or exceeds its interest in that enterprise (including any other unsecured receivables), the Group shall not recognise further losses unless the Group incurs that associated enterprise statutory obligations, constructive obligations, or paid on its behalf.
3. When non-profit or loss and other comprehensive profit and loss equity changes in associated enterprises do not affect the shareholding ratio of the said enterprises, the Group will recognise the changes in equity in said enterprises attributable to the Group as "capital reserve" according to the shareholding ratio.
4. Unrealized gains and losses arising from transactions between the Group and its affiliates have been eliminated in proportion to its equity in the associated enterprises; unless evidence shows that the assets transferred by the transaction have been impaired, unrealized losses are also eliminated. The accounting policies of the associated enterprise have been adjusted as necessary to conform to the policies approved by the Group.

5. When an associated enterprise issues new shares, if the Group does not subscribe or acquire them proportionally, resulting in a change in the investment ratio but still having a significant impact on it, the increase or decrease in the net change in equity is an adjustment to the "capital surplus" and "investments accounted for using equity method". In the event of a decrease in the proportion of investments, in addition to the adjustments mentioned above, gains or losses previously recognised in other comprehensive income or loss related to the decrease in such ownership interest that need to be reclassified to profit or loss at the time of disposal of the underlying asset or liability are reclassified to profit or loss in proportion to the decrease.
6. When the Group disposes of an associated enterprise, if it loses significant influence on said enterprise, the accounting treatment for all amounts previously recognised in other comprehensive profit and loss related to the associated enterprise shall be the same as if the Group had directly disposed of the relevant assets or liabilities. That is, if the profit or loss previously recognised as other comprehensive profit or loss will be reclassified as profit or loss when the relevant assets or liabilities are disposed of, when the significant impact on the associated enterprise is lost, the profit or loss is reclassified from equity for profit and loss. If there is still significant influence on the associated enterprise, only the amount previously recognised in other comprehensive profit and loss shall be transferred out in the manner outlined above.

(XIII) Property, Plant, and Equipment

1. Property, plant and equipment are recorded on the basis of acquisition cost, and the relevant interest during the period of acquisition and construction is capitalized.
2. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset only when it is probable that the future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the portion to be replaced shall be excluded. All other maintenance costs are recognised as profit or loss for the period when incurred.
3. Subsequent measurement of property, plant, and equipment adopts the cost model and is depreciated on a straight-line basis over its estimated useful lives. Each component of property, plant, and equipment is depreciated separately if it is significant.

4. The Group reviews the residual value, useful life, and depreciation method of each asset at the end of each financial year. If the expected value of residual value and useful life is different from the previous estimate, or if there has been a significant change in the expected consumption pattern of the future economic benefits contained in the asset,, from the date of the change, it will be handled in accordance with the provisions on changes in accounting estimates in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. The useful life of each asset is as follows:

Machinery and equipment	2 to 8 years
Transportation equipment	5 years
Office equipment	3 to 5 years
Leasehold improvements	3 to 10 years
Others	3 to 5 years

(XIV) Lease Transactions of Lessee—Right-of-use Assets/Lease Liabilities

1. Lease assets are recognised as right-of-use assets and lease liabilities when they become available for use by the Group. When the lease contract is for a short-term lease or lease of a low-value underlying asset, lease payments are recognised as an expense on a straight-line basis over the lease term.
2. The lease liability is recognised at the inception date of the lease at the present value of the outstanding lease payments discounted at the Group's incremental borrowing rate. The lease payments consist of fixed payments less any lease inducements that may be received.
   Subsequent use of the interest method is measured by the amortised cost method, and the interest expense is provided during the lease period. When non-contractual amendments result in changes in the lease term or lease payments, the lease liability is revalued and the right-of-use asset is adjusted by re-measurement.
3. Right-of-use assets are recognised at cost on the commencement date of the lease, which includes:
   (1) The original measurement of the lease liability;
   (2) Any lease payments made on or before the Commencement Date;
   (3) The estimated cost of dismantling, removing, and restoring the targeted asset to its location, or restoring the targeted asset to the condition required by the terms and conditions of the lease.
   The subsequent cost model is used for measurement, and the depreciation expense is charged when the useful life of the right-of-

use asset expires or the lease term expires, whichever is earlier. When the lease liability is reassessed, the right-of-use asset will be adjusted for any remeasurement of the lease liability.

4. For lease modifications that reduce the scope of the lease, the lessee will reduce the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease and will recognise in profit or loss the difference between this and the remeasured amount of the lease liability.

(XV) Intangible Assets

1. Exclusively acquired patent rights are recognised at cost of acquisition. Patent rights are assets with finite useful lives and are amortised on a straight-line basis over an estimated useful life of 15 years.
2. Computer software and website costs are recognised at cost of acquisition and amortised on a straight-line basis over an estimated useful life of one to five years.

(XVI) Impairment of Non-financial Assets

On the balance sheet date, the Group estimates the recoverable amount of assets with signs of impairment and recognises impairment losses when the recoverable amount is lower than the asset's book value. The recoverable amount is the fair value of an asset less the cost of disposal or its value in use, whichever is higher. When previously recognised impairment no longer exists or has been reduced, the impairment loss shall be reversed, but the increase in the carrying amount of the asset due to reversal of impairment loss shall not exceed the depreciation or amortisation of the asset.

(XVII) Accounts Payable and Notes Payable

1. This refers to debts arising from the purchase of raw materials, commodities, or services on credit, and the accounts and notes payable arising from business and non-business purposes.
2. The Group measures short-term accounts payable and bills with no interest paid by the original invoice amount as the impact of discounting is not significant.

(XVIII) De-recognition of Financial Liabilities

The Group's financial liabilities are de-recognised when the obligations set out in the contract are terminated, are canceled, or expire.

(XIX) Liability Reserve

Provision for indemnity and decommissioning liabilities for the provision of inspection services are current statutory or constructive obligations arising from past events. It is probable that an outflow of economical resources will be required to settle the obligation, and the amount of the obligation can be estimated reliably. Liability reserve is measured at the best estimated present value of expenses required to meet the obligation at the balance sheet date. The discount rate uses a pre-tax discount rate that reflects the current market assessment of the time value of money and the specific risk of the liability. The amortisation of the discount is recognised as an interest expense. Future operating losses shall not be recognised as liability reserve.

(XX) Employee Benefits

1. Short-term Employee Benefits
   Short-term employee benefits are measured at the undiscounted amount expected to be paid and are recognised as an expense when the related services are rendered.
2. Pension—Defined Contribution Plan
   For a defined contribution plan, the amount to be allocated to the pension fund is recognised as the current pension cost on an accrual basis. Advance contributions are recognised as assets to the extent of refundable cash or reductions in future payments.
3. Employee Remuneration and Remuneration of Directors and Supervisors
   Remunerations of employees, directors, and supervisors are recognised as expenses and liabilities when there are legal or constructive obligations and the amount can be reasonably estimated. If there is a discrepancy between the actual amount distributed and the estimated amount in subsequent resolutions, it shall be treated as a change in accounting estimate. In addition, if employees are paid in shares, the basis for calculating the number of shares is the closing price on the day before the resolution of the Board of Directors.

(XXI) Employee Share-based Payment

The equity-delivered share-based payment agreement refers to the employee labour services obtained by measuring the fair value of the equity instruments given on the grant date, which are recognised as remuneration costs during the vested period, with equity adjusted accordingly. The fair value of equity instruments should reflect the effect of the market-price vesting and non-vesting conditions. Recognised remuneration costs are adjusted according to the number of awards expected to meet the conditions of service and non-market price vesting conditions until the final recognition amount is recognised in the vested amount on the vesting date.

(XXII) Income Tax

1. Income tax expenses include current and deferred income tax. Income tax is recognised in profit or loss, except for income tax relating to items included in other comprehensive profit or loss or directly included in equity.
2. The current income tax is calculated based on the tax rates enacted or substantively enacted at the balance sheet date in the countries in which the Group operates and generates taxable income. Management regularly assesses the status of income tax returns with respect to applicable income tax-related regulations and, where applicable, assesses income tax liabilities based on expected tax payments to tax authorities. Undistributed earnings are subject to additional income tax in accordance with the Income Tax Act, and the undistributed earnings income tax expense shall be recognised only after the shareholders' meeting approves the earnings distribution proposal in the year following the year in which the earnings are generated.
3. Deferred income tax is recognised on the basis of temporary differences between the tax bases of assets and liabilities and their carrying amounts on the balance sheet using the balance sheet method. For temporary differences arising from investments in subsidiaries, the Group can control the timing of the reversal of such differences, and these differences will not be recognised if it is probable that they will not reverse in the foreseeable future. Deferred income tax is determined using the tax rates (and tax laws) that are enacted or substantively enacted at the balance sheet date and that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.
4. Deferred tax assets are recognised to the extent that it is probable that temporary differences will be available against which future taxable income can be utilised, and both unrecognised and recognised deferred tax assets are reassessed at each balance sheet date.
5. When there is a statutory enforcement right to offset the recognised amount of current income tax assets and liabilities and it is intended to pay off the assets and liabilities on a net basis, the current income tax assets and

current income tax liabilities shall only be offset; when there is a statutory enforcement right to offset current income tax assets and current income tax liabilities, and the deferred income tax assets and liabilities are generated by the same taxpayer subject to taxation by the same tax authority, or by different taxpayers but each subject intends to pay the net amount, deferred income tax assets and liabilities will only be offset upon the underlying settlement or the simultaneous realization of the asset and settlement of the liability.

6. The estimated annual average effective tax rate of income tax expense for the interim period is applied to the pre-tax profit and loss for the interim period, and relevant information is disclosed in accordance with the aforementioned policy.

(XXIII) Share Capital

Common stock is classified as equity. Incremental costs directly attributable to the issue of new shares or stock options, net of income tax, are shown as a deduction in equity.

(XXIV) Dividend Distribution

According to Article 240 of the Company Act and the Articles of Association of the Company, the cash dividends distributed to the shareholders of the company shall be recognised as liabilities in the financial statements after the resolution of the Board of Directors of the company is adopted; after the resolution of the Company's shareholders' meeting is approved, the distribution of stock dividends shall have their distribution recognised in the financial statements and be transferred to ordinary shares on the base date of issuance of new shares.

(XXV) Revenue Recognition

1. Labour revenue is recognised as revenue during the financial reporting period when services are provided to clients. Revenue from fixed price contracts is recognised as revenue based on the degree of completion of transactions on the balance sheet date; the degree of completion is estimated as the proportion of the number of days of labour invested to the total number of days of labour estimated.
2. The payment conditions of labour service income are usually 90 days from advance receipt to monthly settlement. Since the time interval between the transfer of the promised goods or services to the customer and the payment

by the customer is less than one year, the Group has not adjusted the transaction price to reflect the time value of money.

3. The customer pays the contract price in accordance with the agreed payment schedule. When the service provided by the Group exceeds the customer's payment, it is recognised as a contract asset, and if the customer's payment exceeds the service provided by the Group, it is recognised as a contract liability.

(XXVI) Operations Department

The information of the Group's operating divisions is reported in a consistent manner with the internal management reports provided to key operational decision-makers. These decision-makers are responsible for allocating resources to the operating divisions and evaluating their performance, and the key operational decision-makers of the Group have been identified as the Board of Directors.

V. Major Sources of Uncertainty in Significant Accounting Judgements, Estimates, and Assumptions

At the time of the Group's preparation of these consolidated financial statements, management has used its judgement to determine the accounting policies to be approved and to make accounting estimates and assumptions based on the circumstances as at the balance sheet date and reasonable expectations of future events. Significant accounting estimates and assumptions may differ from the actual results, and historical experience and other factors will be taken into account for the ongoing evaluation and adjustment. These estimates and assumptions carry the risk that the carrying amount of the assets and liabilities will be adjusted in the next financial year. Please find below a description of uncertainty regarding significant accounting judgements, estimates, and assumptions:

(I) Significant Judgements on the Adoption of Accounting Policies

There is no significant uncertainty in the assessment of the significant judgements made in the application of the Group's accounting policies.

(II) Significant Accounting Estimates and Assumptions

1. Estimation of Labour Revenue Completion Degree

   The main business items of the Group are pre-pregnancy, pre-natal and neonatal genetic testing and medical testing and other service income, which is recognised by the degree of completion. The income is recognised based on the ratio of the actual labor days performed to the estimated total labor days multiplied by the contract price. The estimated total number of labour days is determined based on past experience. When there are changes in the estimated total number of labour days due to changes in R&D technical capabilities or equipment upgrades, appropriate corrections will be made.

2. Estimation of Loss of Allowance for Accounts Receivable

   The Group manages the collection and collection of accounts from customers and assumes the associated credit risk. The management authority regularly evaluates the credit quality and collection status of customers, and adjusts the credit extension policy to customers in a timely manner. In addition, the assessment of impairment of accounts receivable is based on the relevant provisions of IFRS 9 Financial Instruments, adopting a simplified method for assessment. For expected credit losses, the management authority establishes the expected loss rate based on a number of factors that may affect the customer's ability to pay, such as the overdue period of the customer on the balance sheet date and historical past, the customer's financial condition and economic condition, and incorporates forward-looking information into the future.

VI. Explanation of Significant Accounts

(I) Cash and Cash Equivalents

	June 30, 2022	December 31, 2021	June 30, 2021
Cash on hand	$ 313	$ 217	$ 305
Checks and demand deposits	166,836	178,375	173,101
Time deposits	47,400	36,400	36,400
	$ 214,549	$ 214,992	$ 209,806

1. The credit quality of the financial institutions with which the Group has contacts is good, and the Group has contacts with a number of financial institutions to diversify credit risks, so the probability of default is expected to be low.
2. The Group has pledged neither cash nor cash equivalents as collateral.
3. The Group has reclassified the time deposits of more than three months into financial assets measured by amortised cost - current; the amounts as of

June 30, 2022, December 31, 2021, and June 30, 2021 were respectively $42,150, $30,200, and $30,200. For the recognised interest income from time deposits of April 1 to June 30, 2022 and 2021 and January 1 to June 30, 2022 and 2021, please refer to Note 6 (15) for details. The Group has not pledged financial assets - liquidity measured at amortised cost as collateral.

(II) Notes and Accounts Receivable

	June 30, 2022	December 31, 2021	June 30, 2021
Notes receivable	$ 4,061	$ 6,780	$ 9,143
Accounts receivable	$ 66,050	$ 54,614	$ 63,519
Accounts receivable - Related party	2,915	3,333	4,630
	68,965	57,947	68,149
Less: Allowance loss	(3,569)	(503)	(587)
	$ 5,396	$ 57,444	$ 67,562

1. For the aging analysis of notes receivable and accounts (including related parties) and related credit risk information, please refer to Note 12 (2) for details.
2. The notes receivable and account balances on June 30, 2022, December 31, 2021, and June 30, 2021 were all generated by customer contracts. In addition, the balance of bills receivable and accounts of the customer contract on January 1, 2021 is $56,595.
3. The Group does not hold any collateral for the above notes receivable and accounts.

(III) Inventories

	June 30, 2022		
	Cost	Allowance for depreciation losses	Book value
Raw material	$ 43,071	($ 3,796)	$ 39,275

	December 31, 2021		
	Cost	Allowance for depreciation losses	Book value
Raw material	$44,699	($ 3,137)	$ 41,562

	June 30, 2021		
	Cost	Allowance for depreciation losses	Book value
Raw material	$38,089	($ 3,772)	$ 34,317

1. The inventories listed above are not provided with pledge guarantees.
2. Inventory-related expenses and losses recognised in the current period:

	April 1 to June 30, 2022	April 1 to June 30, 2021
Raw material consumption	$ 44,952	$ 37,118
Raw material transfer cost	1,582	2,136
Loss from inventory price decrease (Gain from inventory price recovery)	328	(534)
	$ 46,862	$ 38,720

	January 1 to June 30, 2022	January 1 to June 30, 2021
Raw material consumption	$ 85,913	$ 66,378
Raw material transfer cost	3,327	5,949
Loss from inventory price decrease (Gain from inventory price recovery)	659	371
	$ 89,899	$ 72,698

The Group recorded a gain from inventory price recovery due to a decrease in the allowance for depreciation losses on depletion of inventories for which an allowance for loss had been recognised.

(IV) Investment Accounted for Using Equity Method

Associated Enterprises:	June 30, 2022 Carrying Amount	June 30, 2022 Shareholding Ratio	December 31, 2021 Carrying Amount	December 31, 2021 Shareholding Ratio	June 30, 2021 Carrying Amount	June 30, 2021 Shareholding Ratio
Dianthus Co., Ltd. (former name: Hoyo Co., Ltd.)	$ 305,426	16.56%	$ 297,346	16.56%	$ 242,384	18.42%

For the periods of April 1 to June 30, 2022 and 2021 and January 1 to June 30, 2022 and 2021, the Group's shares of the profit (loss) of associated enterprises recognised by equity method were $6,214, $8,258, $14,012, and $12,717, respectively. The profit (loss) is evaluated and recognised based on the financial statements compiled by investees themselves and which have not been reviewed by our CPA.

1. Associated Enterprises

(1) The basic information of associated enterprises' significant related parties is as follows:

Associated Enterprises:	Main place of business	Shareholding Ratio June 30, 2022	Shareholding Ratio December 31, 2021	Shareholding Ratio June 30, 2021	Nature of the relationship	Measurement method
Dianthus Co., Ltd. (former name: Hoyo Co., Ltd.)	Taiwan	16.56%	16.56%	18.42%	Associated Enterprises	Equity method

(2) The summary of the financial information of the Group's significant associated enterprises is as follows:

A. Balance Sheet

	Dianthus Co., Ltd. June 30, 2022	Dianthus Co., Ltd. December 31, 2021	Dianthus Co., Ltd. June 30, 2021
Current Assets	$ 1,330,451	$ 1,063,200	$ 1,115,279
Non-current Assets	1,452,171	1,639,181	1,001,903
Current Liabilities	(353,685)	(193,516)	(335,869)
Non-current Liabilities	(584,566)	(713,309)	(465,437)
Total net assets	$ 1,844,371	$ 1,795,556	$ 1,315,876
Share in the net assets of associated enterprise	$ 305,426	$ 297,346	$ 242,384
Book value of associated enterprise	$ 305,426	$ 297,346	$ 242,384

	Dianthus Co., Ltd.	
	April 1 to June 30, 2022	April 1 to June 30, 2021
Revenue	$ 167,167	$ 143,932
Net profit (loss) of continuing business units for this period	$ 37,514	$ 44,837
Total Comprehensive Profit (Loss) for the Current Period	$ 37,514	$ 44,837
Dividends distributed from associated enterprises	$ 5,932	$ -

	Dianthus Co., Ltd.	
	January 1 to June 30, 2022	January 1 to June 30, 2021
Revenue	$ 321,953	$ 253,765
Net profit (loss) of continuing business units for this period	$ 84,615	$ 69,045
Total Comprehensive Profit (Loss) for the Current Period	$ 84,615	$ 69,045
Dividends distributed from associated enterprises	$ 5,932	$ -

B. Statements of Comprehensive Income

2. The Group's associated enterprises have no open market quotations and therefore have no fair value information.

(V) Property, Plant, and Equipment

	2022					
	Machinery and equipment for own use	Transportation equipment for own use	Office equipment for own use	Leasehold improvements for own use	Others for own use	Total
January 1						
Cost	$ 88,251	$ 8,508	$ 18,970	$ 29,332	$ 21,497	$ 166,558
Accumulated depreciation	(79,952)	(5,164)	(10,372)	(10,912)	(15,767)	(122,167)
	$ 8,299	$ 3,344	$ 8,598	$ 18,420	$ 5,730	$ 44,391
January 1	$ 8,299	$ 3,344	$ 8,598	$ 18,420	$ 5,730	$ 44,391
Additions	8,550	-	627	-	514	9,691
Depreciation expenses	(2,924)	(851)	(2,337)	(1,731)	(2,720)	(10,563)
Net exchange differences	14	-	2	11	1	28
June 30	$ 13,939	$ 2,493	$ 6,890	$ 16,700	$ 3,525	$ 43,547
June 30						
Cost	$ 96,831	$ 8,508	$ 19,601	$ 29,353	$ 22,015	$ 176,308
Accumulated depreciation	(82,892)	(6,015)	(12,711)	(12,653)	(18,490)	(132,761)
	$ 13,939	$ 2,493	$ 6,890	$ 16,700	$ 3,525	$ 43,547

2021						
	Machinery and equipment for own use	Transportation equipment for own use	Office equipment for own use	Leasehold improvements for own use	Others for own use	Total
January 1						
Cost	$ 87,771	$ 8,508	$ 11,413	$ 29,546	$ 21,418	$ 158,656
Accumulated depreciation	(72,060)	(3,462)	(6,307)	(7,528)	(9,962)	(99,319)
	$ 15,711	$ 5,046	$ 5,106	$ 22,018	$ 11,456	$ 59,337
January 1	$ 15,711	$ 5,046	$ 5,106	$ 22,018	$ 11,456	$ 59,337
Additions	-	-	7,310	-	-	7,310
Depreciation expenses	(5,156)	(850)	(1,805)	(1,749)	(2,991)	(2,551)
Net exchange differences	(106)	-	(10)	(88)	(8)	(212)
June 30	$ 10,449	$ 4,196	$ 10,601	$ 20,181	$ 8,457	$ 53,884
June 30						
Cost	$ 87,575	$ 8,508	$ 18,702	$ 29,402	$ 21,395	$ 165,582
Accumulated depreciation	(77,126)	(4,312)	(8,101)	(9,221)	(12,938)	(111,698)
	$ 10,449	$ 4,196	$ 10,601	$ 20,181	$ 8,457	$ 53,884

The Group has not provided any real property, plant, or equipment as a pledge and capitalized interest.

(VI) Lease Transaction - Lessee

1. The subject asset leased by the Group is an office, and the lease contract period ranges from two to ten years. Lease contracts are negotiated individually and contain various terms and conditions without any other restrictions.

2. The book value of the right-of-use assets and the depreciated expense information recognised are as follows:

	2022	2021
	Office	Office
January 1	$ 84,176	$ 100,622
Additions in the current period	-	817
Depreciation expenses	(8,365)	(8,442)
Net exchange differences	42	(339)
June 30	$ 75,853	$ 2,658

3. Information on the items of profit and loss related to the lease contract is as follows:

Items affecting current profit and loss	April 1 to June 30, 2022	April 1 to June 30, 2021
Interest expense on lease liability	$ 359	$ 433
Expenses under short-term lease	112	103

contracts

	$ 471	$ 536

Items affecting current profit and loss	January 1 to June 30, 2022	January 1 to June 30, 2021
Interest expense on lease liability	$ 736	$ 884
Expenses under short-term lease contracts	225	205
	$ 961	$ 1,089

4. In addition to the cash outflow of lease-related expenses as described in Note 6 (6) 3. above, the Group's principal repayments of lease liabilities from January 1 to June 30, 2022 and 2021 are described in Note 6 (22).

5. Option to extend lease and option to terminate lease

(1) The lease subject of the Group's lease contract, which is categorized as an office lease, includes an extension option that the Group can exercise. The signing of this clause in the lease contract is to improve the management of the Group's operational flexibility.

(2) When determining the lease term, the Group shall take into account all facts and circumstances that would give rise to economic incentives to exercise the option to extend or not to exercise the option to terminate. The term of the lease will be revalued when a significant event occurs in the assessment of the exercise of the extended option or the non-exercise of the termination option.

(VII) Other payables

	June 30, 2022	December 31, 2021	June 30, 2021
Dividends payable	$ 42,725	$ -	$ 29,766
Personnel expenses payable	21,698	25,321	19,625
Royalties payable	3,456	3,060	3,897
Service payable	2,463	2,143	2,402
Others	8,543	9,854	12,920
	$ 78,885	$ 40,378	$ 68,610

(VIII) Liability Reserve

	2022		
	Decommissioning Liabilities	Compensation Provision	Total
January 1	$ 3,060	$ 1,290	$ 4,350
Liability reserve set aside in the current period	-	686	686
Interest amortisation	24	-	24
Net exchange differences	1	-	1
June 30	$ 3,085	$ 1,976	$ 5,061

	2021		
	Decommissioning Liabilities	Compensation Provision	Total
January 1	$ 3,037	$ 1,386	$ 4,423
Liability reserve for reversal in the current period	-	(25)	(25)
Interest amortisation	23	-	23
Net exchange differences	(16)	-	(16)
June 30	$ 3,044	$ 1,361	$ 4,405

Liability reserve is analyzed as follows:

	June 30, 2022	December 31, 2021	June 30, 2021
Current	$ 1,976	$ 1,290	$ 1,361
Non-current	3,085	3,060	3,044
	$ 5,061	$ 4,350	$ 4,405

1. Compensation Provision

   The Group's liability reserve related to the provision of testing services is estimated with reference to the historical experience and relevant statistical information of the testing services.

2. Decommissioning Liabilities

   In accordance with the applicable contractual requirements, the Group has an obligation to dismantle, remove or restore the location of the leased office buildings. Therefore, a provision for the liability is recognised based on the current value of the costs expected to be incurred in dismantling, removing, or restoring the location, which the Group expects to incur at the end of the lease term.

(IX) Pension

In accordance with the Labor Pension Act, the Company has established a retirement method with certain contributions, which is applicable to employees with Taiwanese citizenship. The Company shall choose the part of the labour pension system stipulated in the Labor Pension Act that is applicable to the employee and pay into the labor pension at 6% of salary to the employee's personal account with the Bureau of Labor Insurance each month. The payment of the employee pension is based on the amount of the employee's personal pension account and their accumulated income. Pensions can be granted as monthly stipends or in one-off payments. For the periods of April 1 to June 30, 2022 and 2021 and January 1 to June 30, 2022 and 2021, the Company recognised pension costs of $1,076, $1,118, $2,148, and $2,262, respectively, under the aforementioned pension method.

(X) Share-based Payments

1. The Company's share-based payment agreement is as follows:

Type of agreement	Grant date	Grant quantity (shares)	Contract period	Vesting conditions	Delivery method
1st Employee Share Option Plan	30/09/2015	500,000	6.08 years	20% may be exercised after two years; 40% may be exercised after three years; 60% may be exercised after four years; 80% may be exercised after five years; and 100% may be exercised after six years.	Delivery of Equity
2nd Employee Share Option Plan	13/05/2020	770,000	5 years	20% may be exercised after two years; 50% may be exercised after three years; and 100% may be exercised after four years.	Delivery of Equity
2nd Employee Share Option Plan	24/03/2021	230,000	5 years	20% may be exercised after two years; 50% may be exercised after three years; and 100% may be exercised after four years.	Delivery of Equity

2. The details of the above share-based payment agreement are as follows:

(1) 1st Employee Share Option Plan

	2022		2021	
	Number of stock options (shares)	Weighted average Strike price (NTD) (Note)	Number of stock options (shares)	Weighted average Strike price (NTD)
Outstanding options at the beginning of January 1	-	-	106,400	11.7
Granted stock options in the current period	-	-	-	-
Loss of stock options in the current period	-	-	(5,600)	11.7
Execution of stock options in the current period	-	-	-	-
Outstanding options at the end of June 30	-	-	100,800	11.7
Executable options at the end of June 30	-	-	50,000	11.7

Note: The Company adjusted the strike price of the employee share option in accordance with the provisions of the employee share option method.

(2) 2nd Employee Share Option Plan (Delivery Date: May 13, 2020)

	2022		2021	
	Number of stock options (shares)	Weighted average strike price (NTD) (Note)	Number of stock options (shares)	Weighted average strike price (NTD)
Outstanding options at the beginning of January 1	675,000	56.6	735,000	58.2
Granted stock options in the current period	-	-	-	-
Loss of stock options in the current period	(40,000)	56.6	(50,000)	58.2
Execution of stock options in the current period	-	-	-	-
Outstanding options at the end of June 30	635,000	56.6	685,000	58.2
Executable options at the end of June 30	127,000	56.6	-	-

Note: The Company adjusted the strike price of the employee share option in accordance with the provisions of the employee share option method.

(3) 2nd Employee Share Option plan (Delivery Date: March 24, 2021)

	2022		2021	
	Number of stock options (shares)	Weighted average strike price (NTD) (Note)	Number of stock options (shares)	Weighted average strike price (NTD)
Outstanding options at the beginning of January 1	230,000	48.4	-	-
Granted stock options in the current period	-	-	230,000	49.8
Loss of stock options in the current period	(25,000)	48.4	-	-
Execution of stock options in the current period	-	-	-	-
Outstanding options at the end of June 30	205,000	48.4	230,000	49.8
Executable options at the end of June 30	-	-	-	-

Note: The Company adjusted the strike price of the employee share option in accordance with the provisions of the employee share option method.

3. The maturity date and Strike Price of the outstanding options on the balance sheet date are as follows:

			June 30, 2022		December 31, 2021		June 30, 2021	
Type of agreement	Grant date	Expiration date	Number of shares (thousands)	Strike price (NTD)	Number of shares (thousands)	Strike price (NTD)	Number of shares (thousands)	Strike price (NTD)
1st Employee Share Option Plan	September 30, 2015	October 31, 2021	-	-	-	-	100.8	11.7
2nd Employee Share Option Plan	May 13, 2020	May 12, 2025	635.0	56.6	675.0	56.6	685.0	58.2
2nd Employee Share Option Plan	March 24, 2021	March 23, 2026	205.0	48.4	230.0	48.4	230.0	49.8

4. The fair value of the stock option is estimated using the Black-Scholes Model for the share-based payment transactions given by the Company, as follows:

Type of agreement	Grant date	Share price (NTD)	Strike price (NTD)	Expected volatility (Note)	Expected duration	Expected dividends	Risk-free interest rate	Fair value per unit (NTD)
1st Employee Share Option Plan	30/09/2015	15.09	20.00	49.76%	5.04 years	-	0.93%	5.38
2nd Employee Share Option Plan	13/05/2020	60.50	60.50	30.51%	3.5 years–4.5 years	2.71%	0.35%-0.36%	10.66 after two years 11.14 after three years 11.56 after four years
2nd Employee Share Option Plan	24/03/2021	49.80	49.80	33.64%	3.5 years–4.5 years	2.68%	0.25%-0.28%	9.7 after two years 10.2 after three years 10.6 after four years

Note: The expected volatility is estimated by using the most recent period that is equivalent to the expected duration of the stock option as the stock price in the sample range, and estimated by the standard deviation of the stock return rate during this period.

5. During the period of April 1 to June 30, 2022 and 2021 and January 1 to June 30, 2022 and 2021, the expenses incurred due to the aforementioned share-based payment transactions were $789, $823, $1,187, and $1,291, respectively.

(XI) Share Capital

As of June 30, 2022, the Company had a nominal capital of $300 thousand, divided into 30,000 thousand shares (including 2,000 thousand shares subscribed for by Employee Share Option certificates), with paid-up capital of $213,624 and a nominal value of NT$10 per share. All fees for issued shares have been received. In addition, the numbers of outstanding shares and the actual number of shares outstanding as of June 30, 2022 and 2021 are as follows:

	2022	2021
January 1 (i.e., June 30)	21,362,400	21,261,600

(XII) Capital Surplus

1. According to the provisions of the Company Act, the surplus from the issuance of shares in excess of the par value and the capital reserve from the receipt of gifts can be used to make up for losses. When the Company

has no accumulated losses, new shares or cash will be issued in proportion to the shareholders' existing shares. In addition, in accordance with the relevant regulations of the Securities and Exchange Act, when the above-mentioned capital reserve is allocated to capital, the total amount shall not exceed 10% of the paid-in capital each year. The Company may not use the capital reserve to replenish the capital loss not covered by the surplus reserve if it is still insufficient.

2. For changes in the capital reserve of the Company, please refer to the explanation of the consolidated statement of changes in equity.

(XIII) Retained Earnings

1. According to the provisions of the Company’s Articles of Association, dividends and bonuses may not be distributed when there is no surplus in the annual accounts of the Company. If there is a surplus, tax shall be paid first, then after accumulated losses are made up, a further 10% shall be allocated as the statutory surplus reserve. However, the statutory surplus reserve shall not be limited to the total capital of the Company; after reaching this, in accordance to legislation and the competent authority, a special surplus reserve shall be set aside or reversed as an annual distributable surplus. The annual distributable surplus and accumulated undistributed surplus of the previous year shall be formulated by the Board of Directors and submitted to the Shareholders' Meeting for a resolution regarding distribution. However, the annual shareholder dividend distribution shall not be less than 30% of the annual distributable surplus, and when the surplus is less than 1% of the paid-in share capital, it may not be distributed. The distribution of earnings may be made in the form of cash dividends or stock dividends. As the Company currently operates in a stable manner, the distribution of earnings may be made in the form of cash dividends and stock dividends, provided that the proportion of cash dividends distributed is not less than 30% of the total amount of dividends. In accordance with the provisions of Paragraph 5, Article 240 of the Company Act, the Company authorizes the Board of Directors to distribute dividends and bonuses, or all or part of the statutory surplus reserve and capital reserve prescribed in Paragraph 1, Article 241 of the Company Act, by the presence of more than two-thirds of the Directors and by a resolution of the majority of the Directors, in cash and to report to the Board of Shareholders.

2. The statutory surplus reserve shall not be used except to make up for the Company's losses and to issue new shares or cash in proportion to the shareholders' existing shares. The portion of the reserve exceeding 25% of the paid-in capital shall be the limit for the issuing of new shares or cash

3. When the Company distributes earnings, it is required by law to allocate the special earnings reserve to the debit balance of other equity items on the balance sheet date of the current year. When the debit balance of other equity items is subsequently reversed, the reversed amount may be included in the distributable earnings.

4. Distribution of Earnings of the Company

   On June 15, 2022 and August 18, 2021, the Company approved the resolutions on the distribution of earnings at the Shareholders' Meetings. The distribution of earnings for the years of 2021 and 2020 are as follows:

	2021		2020	
	Amount	Dividends per share (NTD)	Amount	Dividends per share (NTD)
Provision of legal reserve	$ 5,698		$ 3,385	
Cash	42,725	2.0	29,766	1.4
	$ 48,423		$ 33,151	

(XIV) Operating Revenue

1. Breakdown of Revenue from Contracts with Customers

   The income of the Group is derived from the provision of services that are gradually transferred over time and can be broken down into the following main product lines and geographical areas:

	Testing Services		Other Services	
April 1 to June 30, 2022	Taiwan	Others	Others	Total
Income from Contracts with Customers	$ 126,532	$ 3,112	$ -	$ 129,644

	Testing Services		Other Services	
April 1 to June 30, 2021	Taiwan	Others	Others	Total
Income from Contracts with Customers	$ 130,309	$ 2,940	$ -	$ 133,249

January 1 to June 30, 2022	Testing Services Taiwan	Testing Services Others	Other Services Others	Total
Income from Contracts with Customers	$ 249,140	$ 6,205	$ 1	$ 255,346

January 1 to June 30, 2021	Testing Services Taiwan	Testing Services Others	Other Services Others	Total
Income from Contracts with Customers	$ 251,088	$ 6,749	$ -	$ 257,837

2. Contract Assets and Contract Liabilities

(1) The Group recognises the contractual assets and contractual liabilities related to the contractual income of customers as follows:

	June 30, 2022	December 31, 2021	June 30, 2021	January 1, 2021
Contract assets - current:				
Contract assets - testing-related services	$ 7,746	$ 9,818	$ 7,550	$ 6,456
Contract liabilities - current:				
Contract liabilities - testing-related services	$ 2,371	$ 2,691	$ 3,057	$ 3,247

(2) Contract liabilities at the beginning of the period recognised as revenue in the current period

	April 1 to June 30, 2022	April 1 to June 30, 2021
Testing-related services	$ 310	$ -

	January 1 to June 30, 2022	January 1 to June 30, 2021
Testing-related services	$ 2,618	$ 2,569

(XV) Interest income

	April 1 to June 30, 2022	April 1 to June 30, 2021
Interest on bank deposits	$ 147	$ 92
Interest income from rental calculation	-	-
	$ 147	$ 92

	January 1 to June 30, 2022		January 1 to June 30, 2021	
Interest on bank deposits	$	212	$	157
Interest income from rental calculation		31		31
	$	243	$	188

(XVI) Financial costs

	April 1 to June 30, 2022		April 1 to June 30, 2021	
Lease liability interest expense	$	359	$	433
Interest expense on decommissioning liabilities		12		11
	$	371	$	444

	January 1 to June 30, 2022		January 1 to June 30, 2021	
Lease liability interest expense	$	736	$	884
Interest expense on decommissioning liabilities		24		23
	$	760	$	907

(XVII) Additional information about the nature of the expense

	April 1 to June 30, 2022		April 1 to June 30, 2021	
Employee benefits	$	31,577	$	31,347
Depreciation of property, plant, and equipment and right-of-use assets	$	9,550	$	9,636
Amortisation of intangible assets	$	846	$	342

	January 1 to June 30, 2022		January 1 to June 30, 2021	
Employee benefits	$	61,894	$	61,804
Depreciation of property, plant, and equipment and right-of-use assets	$	18,928	$	20,993
Amortisation of intangible assets	$	1,656	$	981

(XVIII) Employee benefits

	April 1 to June 30, 2022		April 1 to June 30, 2021	
Salary expenses	$	25,588	$	25,038
Share-based payments		789		823
Labour and health insurance costs		2,322		2,356
Retirement benefit expenses		1,076		1,118
Director compensation		584		732
Others		1,218		1,280
	$	31,577	$	31,347

	January 1 to June 30, 2022	January 1 to June 30, 2021
Salary expenses	$ 50,105	$ 49,463
Share-based payments	1,187	1,291
Labour and health insurance costs	4,823	4,957
Retirement benefit expenses	2,148	2,262
Director compensation	1,258	1,313
Others	2,373	2,518
	$ 61,894	$ 61,804

1. In accordance with the Company's Articles of Association, should the Company run a profit for the year, it shall allocate from 1% to 10% of that profit to employee remuneration and not more than 2% of it to director remuneration. However, in case of accumulated losses, the Company shall reserve profits to offset said losses.
   When employee remuneration is distributed in the form of shares or cash, it shall be implemented by the Board of Directors with a quorum of at least 2/3 of the directors and a resolution approved by more than half of the directors present, and reported to the Shareholders' Meeting. The recipients of employee compensation in stock or cash may include subordinate employees who meet certain conditions.
   All matters related to the issuance of employee and director remuneration shall be handled in accordance with the relevant laws and regulations, and shall be decided by the Board of Directors and reported to the Shareholders' Meeting.
2. The estimated amount of Company employee remuneration for April 1 to June 30, 2022 and 2021 and January 1 to June 30, 2022 and 2021 is $80, $476, $260, and $662, respectively; the estimated amount of directors' remuneration is $80, $238, $260, and $331, respectively, and the aforementioned amounts are recorded in the salary expense account.
   The remuneration of employees and directors of January 1 to June 30, 2022 shall be estimated at 1% and 1% respectively based on the profit situation of the year.
   The Company's annual employee remuneration and directors' remuneration for 2021 were $647 and $336, respectively, approved by the Board of Directors' resolution, are consistent with the amounts recognised in the Consolidated Financial Statements of the Company for 2021. As of June

30, 2022, no remuneration has been distributed.

3. Information on the remuneration of employees and directors passed by the Board of Directors of the Company may be consulted at the Public Information Observatory.

(XIX) Income Tax

1. Income Tax (Profit) Expense

(1) Income Tax (Profit) Expense Component

	April 1 to June 30, 2022	April 1 to June 30, 2021
Current Income Tax:		
Income Tax Liabilities for the Current Period	($ 3,282)	$ 2,159
Income Tax Assets in the Current Period	(1,047)	272
Income Tax Payable in the Previous Year	4,215	(348)
Temporary Payment and Withholding Tax	720	82
Surtax on Unappropriated Earnings	(28)	(40)
Income Tax (Overestimation) Underestimation in the Previous Year	-	348
Total Income Tax in the Current Period	178	2,473
Deferred Income Tax:		
Original Generation and Reversal of Temporary Differences	1,419	306
Total of Deferred Income Tax	1,419	306
Others:		
Surtax on Unappropriated Earnings	428	40
Net exchange differences	248	(111)
Income Tax (Profit) Expense	$ 2,273	$ 2,708

	January 1to June 30, 2022	January 1to June 30, 2022
Current Income Tax:		
Income Tax Liabilities for the Current Period	$ 3,220	$ 3,580
Income Tax Assets in the Current Period	(7,115)	(2,758)
Income Tax Payable in the Previous Year	4,716	2,602
Temporary Payment and Withholding Tax	2,365	168
Surtax on Unappropriated Earnings	(428)	(40)
Income Tax (Overestimation) Underestimation in the Previous Year	-	348
Total Income Tax in the Current Period	2,758	3,900
Deferred Income Tax:		
Original Generation and Reversal of Temporary Differences	1,998	(3)
Total of Deferred Income Tax	1,998	(3)
Others:		
Surtax on Unappropriated Earnings	428	40
Net exchange differences	60	(223)
Income Tax (Profit) Expense	$ 5,244	$ 3,714

(2) For the period of April 1 to June 30, 2022 and January 1 to June 30, 2022 and 2021, the Group did not have any income tax related to direct debits or credit equity.

(3) Income Tax Related to Other Comprehensive Loss (Profit):

	April 1 to June 30, 2022	April 1 to June 30, 2021
Foreign Operating Agency Conversion Difference	$ 4	($ 29)
	January 1 to June 30, 2022	January 1 to June 30, 2022
Foreign Operating Agency Conversion Difference	$ 4	$ 9

2. The Company's profit-seeking business income tax was approved by the tax collection authority to 2019. In addition, the profit-seeking enterprise income tax of subsidiary Phoebus Genetics Co., Ltd. was approved by the tax collection authority to 2020.

(XX) Earnings per Share

	April 1 to June 30, 2022		
	After-tax amount	Weighted average number of outstanding shares (thousands)	Earnings per Share (NTD)
Basic Earnings per Share			
Net Profit for the Current Period Attributable to Common Shareholders			
Net profit of current period	$ 5,920	21,362	0.28
Diluted Earnings per Share			
Net Profit for the Current Period Attributable to Common Shareholders			
Net profit of current period	$ 5,920	21,362	
—Employee Compensation	-	2	
Net Profit for the Current Period Attributable to Common Shareholders of the Parent Company			
Plus Influence on Potential Common Stock	$ 5,920	21,364	0.28

	April 1 to June 30, 2021		
	After-tax amount	Weighted average number of outstanding shares (thousands)	Earnings per Share (NTD)
Basic Earnings per Share			
Net Profit for the Current Period Attributable to Common Shareholders			
Net profit of current period	$ 19,692	21,262	0.93
Diluted Earnings per Share			
Net Profit for the Current Period Attributable to Common Shareholders			
Net profit of current period	$ 19,692	21,262	
—Employee Share Options	-	77	
—Employee Compensation	-	10	
Net Profit for the Current Period Attributable to Common Shareholders of the Parent Company			
Plus Influence on Potential Common Stock	$ 19,692	21,349	0.92

	January 1 to June 30, 2022		
	After-tax Amount	Weighted Average Number of Outstanding Shares (thousands)	Earnings per Share (NTD)
Basic Earnings per Share			
Net Profit for the Current Period Attributable to Common Shareholders			
Net profit of current period	$ 20,234	21,362	0.95
Diluted Earnings per Share			
Net Profit for the Current Period Attributable to Common Shareholders			
Net profit of current period	$ 20,234	21,362	

—Employee Compensation	-	12	
Net Profit for the Current Period Attributable to Common Shareholders of the Parent Company Plus Influence on Potential Common Stock	$ 20,234	21,374	0.95

	January 1 to June 30, 2021		
	After-tax Amount	Weighted Average Number of Outstanding Shares (thousands)	Earnings per Share (NTD)
Basic Earnings per Share			
Net Profit for the Current Period Attributable to Common Shareholders			
Net profit of current period	$ 28,600	21,262	1.35
Diluted Earnings per Share			
Net Profit for the Current Period Attributable to Common Shareholders			
Net profit of current period	$ 28,600	21,262	
—Employee Share Options	-	79	
—Employee Compensation	-	21	
Net Profit for the Current Period Attributable to Common Shareholders of the Parent Company Plus Influence on Potential Common Stock	$ 28,600	21,362	1.34

(XXI) Cash Flow Supplementary Information

1. Investment Activities with only Partial Cash Payment:

	January 1 to June 30, 2022	January 1 to June 30, 2021
Acquisition of Right-of-use Assets	$ -	$ 817
Less: Lease Liabilities Added in the Current Period	-	(817)
Cash Paid in the Current Period	$ -	$ -

	January 1 to June 30, 2022	January 1 to June 30, 2021
Acquisition of Property, Plant, and Equipment	$ 9,691	$,310
Add: Equipment Payable at the Beginning of the Period	314	-
Less: Equipment Payable at the End of the Period	(419)	(3,524)
Cash Paid in the Current Period	$ 9,586	$ 3,786

2. Financing Activities that do not Affect Cash Flow

	January 1 to June 30, 2022	January 1 to June 30, 2021
Cash Dividends Declared but not yet Distributed	$ 42,725	$ 29,766

(XXII) Changes in Liabilities from Financing Activities

	2022	
	Dividends Payable	Lease Liabilities (Current/Non-current)
January 1	$ -	$ 85,935
Announcement of Dividend Distribution	42,725	-
Repayment of the Principal Portion of Lease Liabilities	-	(7,853)
Net exchange differences	-	40
June 30	$ 42,725	$ 78,122

	2021	
	Dividends Payable	Lease Liabilities (Current/Non-current)
January 1	$ -	$ 101,100
Announcement of Dividend Distribution	29,766	-
Lease Liabilities Added in the Current Period	-	817
Repayment of the Principal Portion of Lease Liabilities	-	(7,778)
Net exchange differences	-	(319)
June 30	$ 29,766	$ 93,820

VII. Related Party Transactions

(I) Names and Relationships of the Related Parties

Name of the Related Party	Relationship with the Group
Dianthus Co., Ltd. (former name: Hoyo Co., Ltd.)	Company over which the Group has significant influence
Dianthus MFM Center (Dianthus Huaining)	The Company's chairman in charge of the clinic
Sofiva Clinical Laboratory (Sofiva Laboratory)	Substantive related party
Dianthus Clinical Laboratory (Dianthus Laboratory)	Substantive related party
All directors, general manager and key management, etc.	Major management and governance units of the Group

(II) Major Transactions with Related Parties

1. Provide testing service transactions

(1) Service revenue

The details of labour income generated by the Group's provision of related party testing services are as follows:

	April 1 to June 30, 2022	April 1 to June 30, 2021
Other Related Parties	$ 5,126	$ 7,536

	January 1 to June 30, 2022	January 1 to June 30, 2021
Other Related Parties	$ 11,054	$ 14,338

The testing services provided by the Group to related parties are no different from those of ordinary customers. Transaction prices are handled in accordance with the agreements between the parties. There is no major difference in the terms of payment from those of non-related parties. The collection period for the above-mentioned related parties is approximately 60 days from the end of the month.

(2) Accounts Receivable

The balance of accounts receivable arising from the above related party transactions is as follows:

	June 30, 2022	December 31, 2021	June 30, 2021
Other related parties - Dianthus Huaining Co., Ltd.	$ 2,915	$ 3,333	$ 4,630

(3) Contract Assets

The balance of contractual assets arising from the above related party transactions is as follows:

	June 30, 2022	December 31, 2021	June 30, 2021
Other Related Parties	$ 292	$ 583	$ 438

2. Outsourced testing transactions

(1) Labour Costs

The details of labour costs incurred by the related parties in providing testing services to the Group are as follows:

	April 1 to June 30, 2022	April 1 to June 30, 2021
Other Related Parties - Sofiva Laboratory	$ 9,039	$ 9,779
Other Related Parties - Others	588	447
	$ 9,627	$ 10,226

	January 1 to June 30, 2022	January 1 to June 30, 2021
Other Related Parties - Sofiva Laboratory	$ 17,930	$ 19,041
Other Related Parties - Others	1,108	914
	$ 19,038	$ 19,955

The transaction prices of the related parties for providing the Group's testing services are handled in accordance with the agreements between the parties. There is no material difference between the terms of payment from those of non-related parties. The payment period for the general supplier is 60 days from the end of the month, and the payment period for the above-mentioned related parties is 60 days from the end of the month.

(2) Notes Payable/Accounts Payable

The balances of notes payable and accounts payable arising from the above-mentioned related-party transactions are as follows:

A. Notes Payable

	June 30, 2022	December 31, 2021	June 30, 2021
Other Related Parties - Sofiva Laboratory	$ 2,761	$ 2,420	$ 3,091
Other Related Parties - Others	137	166	115

	$ 2,898	$ 2,586	$ 3,206

B. Accounts Payable

	June 30, 2022	December 31, 2021	June 30, 2021
Other Related Parties - Sofiva Laboratory	$ 2,774	$ 2,856	$ 3,279
Other Related Parties - Others	250	139	176
	$ 3,024	$ 2,995	$ 3,455

3. Investment Transactions

(1) Dividend Income (Listed as a Deduction from Investments Accounted for Using the Equity Method)

Please refer to Note 6 (4) for a detailed description of dividend income from the Company's investment in associated enterprises (listed as a deduction from investments accounted for using the equity method).

(2) Other receivables

The balance of other accounts receivable arising from the above-mentioned related party transactions is as follows:

	June 30, 2022	December 31, 2021	June 30, 2021
Associated Enterprises - Dianthus Co., Ltd.	$ 5,932	$ -	$ -

(III) Key Management Compensation Information

	April 1 to June 30, 2022	April 1 to June 30, 2021
Short-term Employee Benefits	$ 3,632	$ 4,131
Post-employment Benefits	47	45
Share-based payments	323	329
	$ 4,002	$ 4,505

	January 1 to June 30, 2022	January 1 to June 30, 2021
Short-term Employee Benefits	$ 8,003	$ 8,009
Post-employment Benefits	94	78
Share-based payments	647	534
	$ 8,744	$ 8,621

VIII. Pledged Assets

None.

IX. Significant Contingent Liabilities and Unrecognised Contractual Commitments

(I) Significant Contingent Liabilities

On April 28, 2018, the plaintiff went for a prenatal examination to a clinic with which the Company had a testing service partnership. The clinic issued a test report stating that no abnormalities relating to Williams syndrome were detected, but on February 18, 2019, the plaintiff's son was diagnosed with the disorder. The plaintiff, having deemed the Company to be a party to the contract and having had defective testing services provided by the Company, sued the Company for damages of $5,640 and statutory deferred interest.

The case was decided by the Taiwan Taipei District Court on December 10, 2020. However, the plaintiff refused to accept the judgement and filed an appeal. As of August 3, 2022, the case was pending before the Taiwan High Court, which had yet to make a judgement. In the opinion of the Company, if the court finds that the result is unfavourable to the Company and the plaintiff does not expand the claim before the end of the argumentation, the maximum loss that the Company may suffer in this action shall be the amount of $5,640 and statutory delay interest claimed by the plaintiff. Furthermore, as of August 3, 2022, the plaintiff did not put forward more evidence than the first-instance evidence, making it difficult to shake the basis of the first-instance judgement. Moreover, the court of second instance questioned the legal basis of the plaintiff's claim that the Company had infringed the law. Therefore, according to the current litigation progress and the situation of both parties, the second-instance trial can be expected with a high probability to uphold the first-instance judgement.

(II) Significant Unrecognised Contractual Commitments

The Group is authorised to use detection technology and pays royalties on a quarterly basis based on the number of test reports.

X. Significant Catastrophic Losses

None.

XI. Significant Subsequent Events

None.

XII. Others

(I) Capital Management

The Group's capital management objective is to ensure that the Company can continue to operate, maintain an optimal capital structure to reduce capital costs, and provide compensation to shareholders. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt. The Group uses the debt/asset ratio, which is found by dividing the Company’s total liabilities by its total assets, to monitor its capital.

The strategy of the Group in 2022 is the same as in 2021. The debt/asset ratio of the Group as of June 30, 2022, December 31, 2021, and June 30, 3031, is detailed in the consolidated balance sheet.

(II) Financial Instruments

1. Types of Financial Instruments

   Information on the Group's financial assets (cash and cash equivalents, financial assets measured at amortised cost, contractual assets - current, notes receivable, accounts receivable (including related parties), other receivables, and deposits) and financial liabilities (notes payable (including related parties), accounts payable (including related parties), and other payables) is detailed in Note 6 and the notes to the consolidated balance sheet.

2. Risk Management Policy

   The day-to-day operations of the Group are affected by a number of financial risks, including market risk (e.g., exchange rate risk, price risk, and interest rate risk), credit risk, and liquidity risk. The work of managing these risks is carried out by the Group's Finance Department in accordance with policies approved by management and which are mainly responsible for identifying, assessing, and avoiding financial risks.

3. Nature and Extent of Significant Financial Risks

(1) Market Risk

A. Exchange Rate Risks

(A) The Group engages in business involving a number of nonfunctional currencies (the functional currency of the Group is the New Taiwan Dollar). Therefore, the Group is affected by exchange rate fluctuations, and the foreign currency assets and liabilities that are affected by significant exchange rate fluctuations are as follows:

	June 30, 2022		
	Foreign Currency (in thousands)	Currency Exchange Rate	Book Value (NTD)
(Foreign Currency: Functional Currency)			
Financial Assets			
Monetary Items			
HKD: NTD	323	3.788	$ 1,224
RMB: NTD	244	4.439	1,083
THB: NTD	26,987	0.847	22,858
USD: NTD	59	29.72	1,753
Financial Liabilities			
Monetary Items			
USD: NTD	116	29.72	3,448

	December 31, 2021		
	Foreign Currency (in thousands)	Currency Exchange Rate	Book Value (NTD)
(Foreign Currency: Functional Currency)			
Financial Assets			
Monetary Items			
HKD: NTD	323	3.549	$ 1,146
RMB: NTD	244	4.344	1,060
THB: NTD	24,345	0.835	20,328
USD: NTD	111	27.68	3,072
Financial Liabilities			
Monetary Items			
USD: NTD	111	27.68	3,072

	June 30, 2021		
	Foreign Currency (in thousands)	Currency Exchange Rate	Book Value (NTD)
(Foreign Currency: Functional Currency)			
Financial Assets			
Monetary Items			
HKD: NTD	425	3.587	$ 1,524
RMB: NTD	244	4.309	1,051
THB: NTD	9,109	0.874	7,961
USD: NTD	184	27.86	5,126
Financial Liabilities			
Monetary Items			
USD: NTD	125	27.86	3,483

(B) The Group's recognised exchange gains (losses) on monetary items impacted by significant exchange rate fluctuations for the periods of April 1 to June 30, 2022 and 2021 and January 1 to June 30, 2022 and 2021 (both realized and unrealized) totaled ($673), ($663), $144, and ($1,115), respectively.

(C) The Group's analysis of foreign currency market risk due to significant exchange rate fluctuations is as follows:

	January 1 to June 30, 2022		
	Sensitivity Analysis		
	Range of Change	Impact (Loss) Gain	Effect of Other Comprehensive (Loss) Gain
(Foreign Currency: Functional Currency)			
Financial Assets			
Monetary Items			
HKD: NTD	1%	$ 12	$ -
RMB: NTD	1%	11	-
THB: NTD	1%	229	-
USD: NTD	1%	18	-
Financial Liabilities			
Monetary Items			
USD: NTD	1%	(34)	-

	January 1 to June 30, 2021		
	Sensitivity Analysis		
	Range of Change	Impact (Loss) Gain	Effect of Other Comprehensive (Loss) Gain
(Foreign Currency: Functional Currency)			
Financial Assets			
Monetary Items			
HKD: NTD	1%	$ 15	$ -
RMB: NTD	1%	11	-
THB: NTD	1%	80	-
USD: NTD	1%	51	-
Financial Liabilities			
Monetary Items			
USD: NTD	1%	(35)	-

B. Price Risk

There are no significant price risks associated with the Group's transactions.

C. Cash Flow and Fair Value Interest Rate Risk

There are no significant interest rate risks associated with the Group's transactions.

(2) Credit Risk

A. Credit risk is the risk that the Group will incur financial losses due to the client's inability to perform its contractual obligations. The Group's internal credit policy requires management and credit risk analysis of each of its new customers before conditions for service provision can be determined. Internal risk control is the assessment of customers' credit quality by taking into account their financial status, past experience, and other factors. Individual risk limits are established by the Finance Department based on internal or external ratings, and the use of credit lines is regularly monitored. The primary sources of credit risk are deposits with banks/financial institutions and uncollected contractual assets, notes receivable, and accounts receivable from customers.

B. The Group manages the establishment of credit risk from the Group perspective. In accordance with the internally defined credit policy, each operating entity of the Group and each new customer is subject to management and credit risk analysis before agreeing on the terms and conditions of payment and delivery. Internal risk control is the assessment of customers' credit quality by taking into account their financial status, past experience, and other factors. Individual risk limits are established by management based on internal or external ratings, and the use of credit lines is regularly monitored.

C. After considering past historical experience, the Group adopts as the basis for considering the credit risk of a financial asset to have increased significantly since its original recognition contract payment being overdue for more than 90 days according to the agreed payment terms. A breach of contract is deemed to have occurred when contractually agreed upon payment is overdue for more than 360 days.

D. The Group employs a simplified approach using a provision matrix to estimate expected credit losses for accounts receivable and contract assets of customers.

E. The Group exercises it's right to preserve its claims by pursuing ongoing legal proceedings against financial assets that have been defaulted on. Amounts of financial assets that cannot reasonably be expected to be recovered are written off following recourse procedures.

F. The Group incorporates forward-looking consideration into the future and adjusts the loss rate established based on historical and current information for a specific period to estimate the allowance losses for notes and accounts receivable (including related parties) and contract assets. The provision matrix is as follows:

	Not overdue	Overdue for 1–30 days	Overdue for 31–90 days	Overdue for 91–180 days	Overdue for 181–360 days	Overdue for 361 days or more	Individual evaluation	Total
June 30, 2022								
Expected loss rate	0.27%	19.89%	24.90% ~37.67%	53.02% ~100%	100%	100%	100%	
Contract assets—current	$ 7,746	$ -	$ -	$ -	$ -	$ -	$ -	$ 7,746
Notes receivable	4,061	-	-	-	-	-	-	4,061
Accounts receivable	60,064	5,123	1,493	1,021	-	-	1,264	68,965
Total book value	$ 71,871	$ 5,123	$ 1,493	$ 1,021	$ -	$ -	$ 1,264	$ 80,772
Allowance loss	$ 183	$ 1,019	$ 562	$ 541	$ -	$ -	$ 1,264	$ 3,569

	Not overdue	Overdue for 1–30 days	Overdue for 31–90 days	Overdue for 91–180 days	Overdue for 181–360 days	Overdue for 361 days or more	Individual evaluation	Total
December 31, 2021								
Expected loss rate	0.03%	8.32%	13.06% ~13.41%	28.74% ~84.09%	97.61% ~100%	100.00%	-	
Contract assets—current	$ 9,818	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,818
Notes receivable	6,780	-	-	-	-	-	-	6,780
Accounts receivable	54,056	209	2,953	729	-	-	-	57,947
Total book value	$ 70,654	$ 209	$ 2,953	$ 729	$ -	$ -	$ -	$ 74,545
Allowance loss	$ 11	$ 17	$ 316	$ 159	$ -	$ -	$ -	$ 503

	Not overdue	Overdue for 1–30 days	Overdue for 31–90 days	Overdue for 91–180 days	Overdue for 181–360 days	Overdue for 361 days or more	Individual evaluation	Total
June 30, 2021								
Expected loss rate	0.03% ~0.16%	7.92%	20.64% ~21.19%	35.35% ~84.09%	100.00%	100.00%	-	
Contract assets—current	$ 7,550	$ -	$ -	$ -	$ -	$ -	$ -	$ 7,550
Notes receivable	9,143	-	-	-	-	-	-	9,143
Accounts receivable	64,330	2,832	677	310	-	-	-	68,149
Total book value	$ 81,023	$ 2,832	$ 677	$ 310	$ -	$ -	$ -	$84,842
Allowance loss	$ 111	$ 224	$ 142	$ 110	$ -	$ -	$ -	$ 587

The above is an aging analysis based on days overdue.

G. The simplified table of changes in notes and accounts receivable (including related parties) and allowance for loss of contract assets approved by the Group is as follows:

	2022			
	Contract assets	Notes receivable	Accounts receivable	Total
January 1	$ -	$ -	$ 503	$ 503
Expected credit impairment loss (gain)	-	-	3,066	3,066
June 30	$ -	$ -	$ 3,569	$ 3,569

	2021			
	Contract assets	Notes receivable	Accounts receivable	Total
January 1	$ -	$ -	$ 732	$ 732
Expected credit impairment loss (gain)	-	-	(54)	(54)
Write-off of unrecoverable accounts	-	-	(91)	(91)
June 30	$ -	$ -	$ 587	$ 587

(3) Liquidity Risk

A. Cash flow forecasting is carried out by the Group's Finance Department, which is responsible for monitoring the demand for working capital, ensuring that there are sufficient funds to meet the operational needs, and maintaining sufficient unspent borrowing commitments at any time, so that the Company will not violate the relevant borrowing limits or terms. These projections take into account the Company's debt financing plans, compliance with debt terms, and compliance with internal balance sheet financial ratio targets.

B. When the remaining cash held exceeds the management requirements of working capital, the Finance Department will invest the remaining funds in interest-bearing demand deposits, and the selected instruments have sufficient liquidity to meet the above forecast and provide a sufficiently adjustable level.

C. The details of the Group's unused loan line are as follows:

	June 30, 2022	December 31, 2021	June 30, 2021
Floating Interest Rate			
Due within one year	$ 65,000	$ 10,000	$ 65,000

Note: The amount due within one year is an annual amount which will be negotiated separately in 2022.

D. The Group has no derivative financial liabilities; the non-derivative amounts of liabilities are grouped according to the relevant maturity dates and are analyzed according to the remaining period from the balance sheet date to the contract maturity date. Except for those listed in the following table, they are all due within one year. The undiscounted contractual cash flow amount is equivalent to the amount listed in the balance sheet. The undiscounted contractual cash flow of the remaining non-derivative financial liabilities is as follows:

June 30, 2022	Within one year	More than one year	Total
Non-derivative financial liabilities:			
Lease liabilities (current and non-current)	$ 13,983	$ 68,638	$82,621

December 31, 2021	Within one year	More than one year	Total
Non-derivative financial liabilities:			
Lease liabilities (current and non-current)	$ 16,053	$ 75,114	$91,167

June 30, 2021	Within one year	More than one year	Total
Non-derivative financial liabilities:			
Lease liabilities (current and non-current)	$ 17,216	$ 82,654	$99,870

(III) Fair Value Information

The Group does not have significant financial instruments measured at fair value, and the techniques of fair value estimation have no significant impact on the Group. In addition, for financial instruments not measured at fair value, including cash and cash equivalents, financial assets-current measured at amortised cost, contract assets—current, net notes receivable, net accounts receivable (including related parties), other receivables, refundable deposits, bills payable (including related parties), accounts payable (including related parties), other payables, and the carrying amount of other payables, reasonable approximations of their fair value are adopted.

(IV) Other Matters

Due to the COVID-19 pandemic and the Government's promotion of a number of epidemic prevention measures, the Group approved personnel rotation to work in the office, working from home and the use of digital tools in line with the various policies of the Government. As of June 30, 2022, the consolidated financial situation and consolidated operating results of the Group were not significantly affected by the pandemic.

XIII. Notes to Disclosures

(I) Information on Significant Transactions

1. Fund loaned to others: Please refer to Table 1 for details.
2. Endorsement guarantees for others: None.
3. Status of marketable securities held at the end of the period (excluding investment subsidiaries, associated enterprises, and joint venture control): None.
4. Cumulative purchase or sale of the same marketable securities amounting to NT$300 million or more than 20% of paid-up capital: None.
5. Acquisition of real estate amounting to NT$300 million or more than 20% of paid-in capital: None.
6. Disposal of real estate amounting to NT$300 million or more than 20% of paid-in capital: None.
7. Amount of goods purchased and sold with related parties amounting to NT$100 million or more than 20% of the paid-in capital: None.
8. Receivables from related parties amounting to NT$100 million or more than 20% of paid-in capital: None.
9. Derivatives transactions engaged in: None.
10. Business relationships and significant transactions between parent company and subsidiaries and between subsidiaries, as well as their amounts: Please refer to Table 2 for details.

(II) Information on Investees

Relevant information, such as the name and location of the invested company (excluding invested companies in mainland China): Please refer to Table 3 for details.

(III) Information on Investments in Mainland China

None.

(IV) Information on Major Shareholders

Principal Shareholder Information: Please refer to Table 4 for details.

XIV. Division Information

(I) General Information

The Group operates only in a single industry and the its management is responsible for overall Group performance assessment and resource allocation. The Group has been identified as a single reporting unit.

(II) Measurement of Departmental Information

The profit or loss of the Group's operating divisions is measured in profit (loss) before tax and is used as the basis for performance evaluation.

(III) Information on Departmental Profit and Loss, Assets and Liabilities

The Group has only a single reporting unit, and the information on departmental profit and loss, assets and liabilities, and the amounts in the consolidated statements of comprehensive income and the consolidated balance sheet are measured in a consistent manner. The accounting policies and accounting estimates of the reporting unit are the same as the summaries of significant accounting policies and significant accounting estimates and assumptions set out in Notes 4 and 5.

(IV) Departmental Profit and Loss, Assets, and Related Reconciliation Information

1. The Group has only a single reporting unit that provides external revenue and profit and loss information to the key operational decision-makers, which is measured in a consistent manner with the amounts in the consolidated statements of comprehensive income, and the Group's reportable department profit (loss) is pre-tax profit (loss), so no adjustment is required.
2. The Group has only a single reporting unit that provides the total assets and liabilities to the key operational decision-makers, and the assets and liabilities of the consolidated balance sheet, using a consistent measurement method. The Group's reportable departmental assets and liabilities are equal to total assets and total liabilities, so no adjustment is required.

Sofiva Genomics Co., Ltd. and its subsidiaries Funds Loaned to Others
January 1 to June 30, 2022

Table 1

Unit: NTD thousand

(Unless otherwise specified)

No. (Note 1)	Company Lending Funds	Borrower	Item	Related party?	Maximum amount in the current period	Ending balance	Actual moving cost	Interest rate range	Funds loaned and nature of loan	Amount of business transactions	Reason for necessity of short-term financing	Amount of provision for loss	Collateral Name	Collateral Value	Capital lending limit to individual counterparties (Note 2)	Total capital loans (Note 2)	Remark
0	Sofiva Genomics Co., Ltd.	SOFIVA GENOMICS BANGKOK CO., LTD.	Receivables from related parties	Yes	$ 10,396	$ 10,163	$ 7,622	1.55%	Short-Term Financing	$ -	Loan repayment and business turnover	$ -	-	$ -	$ 241,178	$ 241,178	Note 3

Note 1: The description of the column number is as follows:
(1) For the parent company, fill in 0.
(2) Subsidiaries are numbered sequentially starting from 1 according to the company.
Note 2: If the Company is required to lend funds to other companies or banks for business purposes, the total amount of the loan and the loan limit to a single counterparty shall not exceed 40% of the net value of the Company.
Note 3: On November 10, 2021, the Board of Directors approved a capital loan with Sofiva Genomics Bangkok Co., Ltd. of THB12 million. The duration is one year from the actual active loan period, presented in THB: NTD = 1: 0.8469. Note 1: The description of the column number is as follows:

Sofiva Genomics Co., Ltd. and its subsidiaries

Business Relationships and Significant Transactions Between Parent Company and ubsidiaries and between subsidiaries, as well as their amounts:

January 1 to June 30, 2022

Table 2

Unit: NTD thousand

(Unless otherwise specified)

No. (Note 1)	Name of transacting party	Transacting counterparty	Relationship with counterparty (Note 2)	Transaction Status: Accounts	Transaction Status: Amount	Transaction Status: Transaction terms	Transaction Status: Percentage of total consolidated operating income or total assets (Note 2) (Note 2)
1	Phoebus Genetics Co., Ltd.	Sofiva Genomics Co., Ltd.	Parent company	Testing service revenue	$ 11,314	Note 3	4.43%
1	Phoebus Genetics Co., Ltd.	Sofiva Genomics Co., Ltd.	Parent company	Accounts receivable	3,309	Settlement 60 days after end of month	0.39%
2	Sofiva Genomics Medical Laboratory	Sofiva Genomics Co., Ltd.	Parent company	Service revenue	20,489	Note 3	8.02%
2	Sofiva Genomics Medical Laboratory	Sofiva Genomics Co., Ltd.	Parent company	Accounts receivable	7,057	Settlement 60 days after end of month	0.84%

Note 1: Information on business operations between parent company and subsidiary shall be indicated in column number, filled in as follows:

(1) For the parent company, fill in 0.

(2) Subsidiaries are numbered sequentially starting from 1 according to the company.

Note 2: Transaction amounts account for the total combined revenue or the equity to total assets ratio, in the case of the balance sheet account, so as to account for the final balance by way of total combined assets and, in the case of the profit and loss account, the cumulative amount by way of total combined revenue.

Individual transactions do not reach 1% of the consolidated total operating revenue or total assets and thus will not be disclosed. In addition, while the revenue and assets of each company are disclosed, their relative transactions are no longer disclosed.

Note 3: The prices offered to related parties for the provision of testing services show no significant irregularities in comparison with those offered to general customers.

Sofiva Genomics Co., Ltd. and its Subsidiaries
Invested Company Name, Location, and Other Related Information (Excluding Invested Companies in Mainland China)
January 1 to June 30, 2022

Table 3

Unit: NTD thousand

(Unless otherwise specified)

Name of Investing Company	Name of Investee	Location	Main Business Activities	Original Investment Amount (Note)		Holdings at the End of Period			Profit (loss) of investee company in the current period	Recognised profit (loss) on investment in the current period	Remark
				End of the Current Period	End of the Previous Year	Number of Shares	Ratio	Carrying Amount			
The Company	Phoebus Genetics Co., Ltd.	Taiwan	Pre-pregnancy and prenatal medical testing services	$ 52,000	$ 52,000	5,200,000	100.00	$ 55,426	$ 2,507	$ 2,507	
The Company	Sofiva Genomics Bangkok Co.,Ltd.	Thailand	Pre-pregnancy and prenatal medical testing services	12,677	12,677	13,500	90.00	(880)	(1,316)	(1,184)	
The Company	Dianthus Co., Ltd.	Taiwan	Medical services management	148,250	148,250	14,825,000	16.56	305,426	84,615	14,012	

Note: Disclosed at historical exchange rate.

Sofiva Genomics Co., Ltd. and its subsidiaries
Information on Major Shareholders
June 30, 2022

Table 4

Name of Major Shareholders	Shares			Remark
	Number of shares held (common shares)	Number of shares held (special shares)	Shareholding Ratio	
Phoebus Genetech Co., Ltd.	2,428,500	-	11.36%	
Yala Investment Co., Ltd.	1,598,000	-	7.48%	
Shiwei Investment Co., Ltd.	1,348,200	-	6.31%	
Huarui Investment Co., Ltd.	1,312,000	-	6.14%	

Note 1: The information on major shareholders in this table is calculated by TDCC (Taiwan Depository & Clearing Corporation) on the last business day at the end of each quarter, and the shareholders hold more than 5% of the common shares and preferred shares that have been delivered (including treasury shares) without physical registration.
As for the share capital recorded in the Company's financial report and the actual number of shares delivered by the company, there may be differences due to different calculation bases.

Note 2: If a shareholder delivers its shareholding information to the trust, the aforesaid information shall be disclosed by the individual trustee who opened the trust account. With respect to the shareholders' declaration of insider rights in excess of 10% of the shares held in accordance with the Securities Trading Act,
its shareholding includes the shares held by myself plus the shares that are delivered to the trust and have the right to exercise decision-making power over the trust property, etc. Please refer to the Market Observation Post System (MOPS) for insider equity declaration.