SBC MEDICAL GROUP HOLDINGS INCORPORATED
UNAUDITED CONSOLIDATED BALANCE SHEETS

	March 31, 2025	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 132,055,823	$ 125,044,092
Accounts receivable	1,633,456	1,413,433
Accounts receivable – related parties	30,557,912	28,846,680
Inventories	1,694,765	1,494,891
Finance lease receivables, current – related parties	7,281,088	5,992,585
Customer loans receivable, current	8,903,724	10,382,537
Prepaid expenses and other current assets	32,970,169	11,276,802
Total current assets	**215,096,937**	**184,451,020**
Non-current assets:		
Property and equipment, net	8,523,351	8,771,902
Intangible assets, net	1,543,779	1,590,052
Long-term investments, net	3,703,699	3,049,972
Goodwill, net	4,780,616	4,613,784
Finance lease receivables, non-current – related parties	10,648,402	8,397,582
Operating lease right-of-use assets	5,152,104	5,267,056
Finance lease right-of-use assets	522,055	—
Deferred tax assets	2,513,653	9,798,071
Customer loans receivable, non-current	4,525,883	5,023,551
Long-term prepayments	1,922,709	1,745,801
Long-term investments in MCs – related parties	18,691,785	17,820,910
Other assets	6,980,816	15,553,453
Total non-current assets	**69,508,852**	**81,632,134**
Total assets	**$ 284,605,789**	**$ 266,083,154**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 17,854,422	$ 13,875,179
Accounts payable – related parties	1,141,762	659,044
Current portion of long-term loans	66,950	96,824
Notes and other payables, current – related parties	1,422,976	26,255
Advances from customers	525,497	820,898
Advances from customers – related parties	10,155,134	11,739,533
Income tax payable	1,624,002	18,705,851
Operating lease liabilities, current	4,131,154	4,341,522
Finance lease liabilities, current	157,532	—
Accrued liabilities and other current liabilities	8,564,250	8,103,194
Due to related party	2,822,537	2,823,590
Total current liabilities	**48,466,216**	**61,191,890**

SBC MEDICAL GROUP HOLDINGS INCORPORATED
UNAUDITED CONSOLIDATED BALANCE SHEETS — (Continued)

	March 31, 2025	December 31, 2024
Non-current liabilities:		
Long-term loans	6,798,045	6,502,682
Notes and other payables, non-current – related parties	12,413	5,334
Deferred tax liabilities	346,432	926,023
Operating lease liabilities, non-current	1,312,819	1,241,526
Finance lease liabilities, non-current	195,572	—
Other liabilities	1,151,857	1,193,541
Total non-current liabilities	**9,817,138**	**9,869,106**
Total liabilities	**58,283,354**	**71,060,996**
Stockholders' equity:		
Preferred stock ($0.0001 par value, 20,000,000 shares authorized; no shares issued and outstanding as of March 31, 2025 and December 31, 2024)	—	—
Common stock ($0.0001 par value, 400,000,000 shares authorized, 103,881,251 and 103,020,816 shares issued, 103,611,251 and 102,750,816 shares outstanding as of March 31, 2025 and December 31, 2024, respectively)	10,388	10,302
Additional paid-in capital	62,513,837	62,513,923
Treasury stock (at cost, 270,000 shares as of March 31, 2025 and December 31, 2024)	(2,700,000)	(2,700,000)
Retained earnings	210,965,453	189,463,007
Accumulated other comprehensive loss	(44,343,412)	(54,178,075)
Total SBC Medical Group Holdings Incorporated stockholders' equity	**226,446,266**	**195,109,157**
Non-controlling interests	(123,831)	(86,999)
Total stockholders' equity	**226,322,435**	**195,022,158**
Total liabilities and stockholders' equity	**$ 284,605,789**	**$ 266,083,154**

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

SBC MEDICAL GROUP HOLDINGS INCORPORATED
UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

	For the Three Months Ended March 31, 2025	For the Three Months Ended March 31, 2024
Revenues, net – related parties	$ 45,257,145	$ 50,470,207
Revenues, net	2,071,556	4,337,835
Total revenues, net	**47,328,701**	**54,808,042**
Cost of revenues (including cost of revenues from related parties of $3,456,928 and $1,797,359 for the three months ended March 31, 2025 and 2024, respectively)	9,595,617	15,288,667
Gross profit	**37,733,084**	**39,519,375**
Operating expenses:		
Selling, general and administrative expenses	13,531,010	15,058,490
Total operating expenses	**13,531,010**	**15,058,490**
Income from operations	**24,202,074**	**24,460,885**
Other income (expenses):		
Interest income	55,333	17,689
Interest expense	(6,207)	(3,008)
Other income	151,328	349,681
Other expenses	(1,697,259)	(1,436,656)
Gain on redemption of life insurance policies	8,746,138	—
Gain on disposal of subsidiary	—	3,813,609
Total other income	**7,249,333**	**2,741,315**
Income before income taxes	**31,451,407**	**27,202,200**
Income tax expense	9,959,457	8,451,984
Net income	**21,491,950**	**18,750,216**
Less: net loss attributable to non-controlling interests	(10,496)	(7,536)
Net income attributable to SBC Medical Group Holdings Incorporated	**$ 21,502,446**	**$ 18,757,752**
Other comprehensive income (loss):		
Foreign currency translation adjustment	$ 9,808,327	$ (10,193,852)
Total comprehensive income	**31,300,277**	**8,556,364**
Less: comprehensive loss attributable to non-controlling interests	(36,832)	(92,000)
Comprehensive income attributable to SBC Medical Group Holdings Incorporated	**$ 31,337,109**	**$ 8,648,364**
Net income per share attributable to SBC Medical Group Holdings Incorporated*		
Basic and diluted	$ 0.21	$ 0.20
Weighted average shares outstanding*		
Basic and diluted	103,276,637	94,192,433

* Retrospectively restated for effect of reverse recapitalization on September 17, 2024.

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

SBC MEDICAL GROUP HOLDINGS INCORPORATED
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Three Months Ended March 31,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 21,491,950	$ 18,750,216
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization expense	628,304	1,018,477
Non-cash lease expense	985,184	1,052,123
Provision for credit losses	25,102	152,579
Fair value change of long-term investments	140,581	938,511
Gain on disposal of subsidiary	—	(3,813,609)
Gain on redemption of life insurance policies	(8,746,138)	—
Gain on disposal of property and equipment	(12,375)	—
Deferred income taxes	7,016,227	(360,582)
Changes in operating assets and liabilities:		
Accounts receivable	(147,925)	(383,254)
Accounts receivable – related parties	(295,505)	4,775,935
Inventories	(124,279)	(34,802)
Finance lease receivables – related parties	(2,779,253)	(814,608)
Customer loans receivable	4,501,760	2,858,633
Prepaid expenses and other current assets	(3,150,243)	610,059
Long-term prepayments	98,164	138,212
Other assets	318,351	(328,818)
Accounts payable	3,235,017	(8,937,435)
Accounts payable – related parties	441,481	—
Notes and other payables – related parties	(548,077)	(1,104,968)
Advances from customers	(328,791)	(1,451,008)
Advances from customers – related parties	(2,114,829)	(161,936)
Income tax payable	(17,635,239)	(6,552,783)
Operating lease liabilities	(1,036,605)	(1,067,196)
Accrued liabilities and other current liabilities	63,764	(1,604,603)
Other liabilities	(98,005)	3,032
NET CASH PROVIDED BY OPERATING ACTIVITIES	**1,928,621**	**3,682,175**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(253,725)	(702,281)
Purchase of convertible note	—	(1,700,000)
Prepayments for property and equipment	(501,253)	—
Advances to related parties	—	(367,579)
Purchase of long-term investments	(635,145)	—
Long-term loans to others	(12,783)	(44,865)
Repayments from related parties	70,000	215,000
Repayments from others	30,680	21,422
Disposal of subsidiary, net of cash disposed of	—	(815,819)
Proceeds from disposal of property and equipment	323,419	—
NET CASH USED IN INVESTING ACTIVITIES	**(978,807)**	**(3,394,122)**

SBC MEDICAL GROUP HOLDINGS INCORPORATED
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS — (Continued)

	For the Three Months Ended March 31, 2025	For the Three Months Ended March 31, 2024
CASH FLOWS FROM FINANCING ACTIVITIES		
Borrowings from related parties	15,000	—
Repayments of long-term loans	(55,873)	(30,354)
Repayments of finance lease liabilities	(223,454)	—
Repayments to related parties	(16,053)	(9,873)
NET CASH USED IN FINANCING ACTIVITIES	**(280,380)**	**(40,227)**
Effect of exchange rate changes	6,342,297	(7,089,208)
NET CHANGE IN CASH AND CASH EQUIVALENTS	**7,011,731**	**(6,841,382)**
CASH AND CASH EQUIVALENTS AS OF THE BEGINNING OF THE PERIOD	**125,044,092**	**103,022,932**
CASH AND CASH EQUIVALENTS AS OF THE END OF THE PERIOD	**$ 132,055,823**	**$ 96,181,550**
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for interest expense	$ 6,207	$ 3,008
Cash paid for income taxes	$ 20,577,290	$ 16,172,526
NON-CASH INVESTING AND FINANCING ACTIVITIES		
Property and equipment transferred from long-term prepayments	$ 125,287	$ —
Operating lease right-of-use assets obtained in exchange for operating lease liabilities	$ 102,599	$ —
Finance lease right-of-use assets obtained in exchange for finance lease liabilities	$ 581,129	$ —
Remeasurement of operating lease liabilities and right-of-use assets due to lease modifications	$ 358,358	$ 1,078,611
Payables to related parties in connection with loan services provided	$ 1,922,224	$ 10,951,451
Issuance of common stock as incentive shares	$ 86	$ —
Redemption proceeds receivable on life insurance policies	$ 17,735,717	$ —

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

RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES

SBC MEDICAL GROUP HOLDINGS INCORPORATED
Unaudited Reconciliations of GAAP and Non-GAAP Results

	For the Three Months Ended March 31,	
	2025	**2024**
Total revenues, net	$ 47,328,701	$ 54,808,042
Income from operations	24,202,074	24,460,885
Depreciation and amortization expense	628,304	1,018,477
EBITDA	24,830,378	25,479,362
EBITDA margin	52%	46%

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