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APEX BIOTECHNOLOGY CORP

# ANNUAL REPORT 2024

Printed on March 31,2025

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**Offshore secondary exchange and disclosure information available at: NA**

**Company website: www.apexbio.com**

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# I. Letter to Shareholders

## 1. 2024 Business Results:

(1) 2024 Business Results：

Unit: NT$ thousands

| Year | 2024 | 2023 | Difference | % |
|---|---|---|---|---|
| Operating Revenue | 1,852,211 | 1,676,537 | 175,674 | 10.48% |
| Gross Profit | 521,342 | 531,116 | -9,774 | -1.84% |
| Operating Expenses | 392,878 | 389,400 | 3,478 | 0.89% |
| Income from Operation | 128,464 | 141,716 | -13,252 | -9.35% |
| Net Income for the Year | 128,104 | 115,714 | 12,390 | 10.71% |

(2) Budget implementation: The Company did not publish the 2024 financial forecast; therefore, there is no need to disclose the budget implementation status.

(3) Financial Structure Analysis and Profitability Analysis：

| Items analyzed | | 2023 | 2024 |
|---|---|---|---|
| Financial Structure | Debt ratio (%) | 21.77 | 24.62 |
| | Long-term capital to property, plant and equipment ratio (%) | 265.57 | 279.12 |
| Profitability | Return on total assets (%) | 4.96 | 5.56 |
| | Return on equity (%) | 6.40 | 7.08 |
| | Net income ratio (%) | 6.90 | 6.92 |
| | Basic earnings per share (NT$) | 1.16 | 1.28 |

(4) Overview of Research & Development：

(A) Research & Development costs incurred over the past three years

| Year | 2022 | 2023 | 2024 |
|---|---|---|---|
| R&D expenses (NT$ thousands) | 165,448 | 163,325 | 161,519 |
| % of R&D expenses to Operating Revenue | 7.37% | 9.74% | 8.72% |

(B) 2025 New Product Developments：

A. All-in-one Multi-Function Remote Transmission Instrument Set

B. Multifunctional Bood Lipid Testing Kit

C. Continuous Blood Glucose Monitoring Kit for Home Use

D. Rapid Screening Test Reagents (RSV, Dengue Fever, Drug Testing)

E. Inflammation Index Test Kit

F. Liver Function Test Kit

G. Creatine Liver and Kidney Function Test Kit

## 2. The Outline of Business Plan 2025

(1) Operating principle

In 2024, the Company achieved a 10% growth in performance, primarily due to the improvement in customer inventory clearance and the gradual increase in orders, resulting in higher revenue compared to the previous year. The decrease in gross profit margin was mainly due to changes in the product mix and a reduction in project income and exchange rate subsidies recognized this year compared to last year. In 2025, the Company will continue to pursue a diversified development strategy aligned with newly implemented regulatory standards, reinforcing the core competitiveness of its products. The main focus for its own brand will be on the 4-in-1 multifunctional biochemical testing system and blood glucose meters with data transmission capabilities. A new product, the Influenza Type A/B Rapid Test, will also be introduced into the product line this year, expected to bring new momentum to business growth.

(2) Expected sales and references

2025 Expected Production and Marketing Plan

| Main Products | Production | Sales |
|---|---|---|
| Strip | 1.2 billion(pcs) | 1.1 billion(pcs) |
| Meter | 1.5 million (EA) | 1.4 million (EA) |

(3) Production and Marketing Policy

1. Sales will be conducted through the company's own brand in collaboration with subsidiaries and parent companies in the United States and China. Additionally, cooperation with strategic partners will be considered for brand marketing.
2. Flexible production arrangements will be made in accordance with marketing strategies, ensuring responsible production from raw materials to final product inspection based on the latest specifications.
3. Supplier management will be strengthened to enhance quality, production efficiency, and cost reduction, thereby increasing the company's competitiveness.
4. Continuous development of automated production equipment to increase production capacity and efficiency, aiming to reduce production costs and meet the increasing demand from customers.

## 3. Future Development Strategies

(1) Short Term Enhancement Plan

The Company will continue to strengthen customer satisfaction and uphold its core value of quality first, further deepening partnership with existing customers, and adjusting the existing product and service portfolio. By improving operational efficiency, increasing capacity utilization, and striving for a reasonable level of profitability, we hope to achieve short-term business development goals.

(2) Mid- to Long-Term Strengthening Plan

In view of future developments, the Company has outlined the following strategic plans:

(A) Marketing strategies such as continuing to strengthen the core capabilities in professional design and technical services, maintaining high product quality, and providing comprehensive after-sales service, etc.

(B) Optimize the manufacturing chain by enhancing automation and gradually introducing smart digital manufacturing to improve efficiency and reduce costs.

(C) Cultivate outstanding R&D talents and strengthen research and development capabilities to launch innovative, high value-added products and technical services.

(D) Promote green R&D and technological innovation, increase R&D investment in green technologies and sustainable development, and integrate environmental standards into the product design and manufacturing processes, in line with global trends in energy conservation and emission reduction.

(E) The Company will actively fulfill its corporate responsibilities, strengthen corporate governance, enhance the core technical competitiveness of its products, and build a sustainable supply chain. It will also deepen trust with customers and strengthen partnerships, growing together and continuously enhancing shareholder value.

**4. The influence of external competitive environment, legal environment and overall management environment**

(1) External competitive environment

In 2024, improved inventory levels among overseas customers contributed to a rebound in demand. At the same time, the extension of EU regulatory deadlines—from May 26, 2025, to December 31, 2027—has allowed more time for accelerating innovation and product development, while alleviating the pressure of regulatory submissions.

Meanwhile, both domestic and international companies are actively entering the development of continuous glucose monitoring (CGM) systems, a market with significant growth potential. To remain competitive, companies must seek differentiation through product technology, pricing, or service offerings.

(2) Legal environment

With the implementation of the new EU Medical Device Regulations (MDR/IVDR), regulatory requirements for new product development and cybersecurity compliance have become increasingly stringent. This trend is expected to accelerate industry consolidation, favoring stronger players in the global medical device sector. Taiwanese manufacturers that actively commit to meeting these regulatory challenges will be well-positioned to secure a place in the international market.

(3) Overall management environment

Taiwan's overall business environment remains highly competitive, particularly demonstrating strong capabilities in key sectors such as technology and manufacturing. However, it also faces challenges including demographic transitions, global geopolitical shifts, and climate change. Looking ahead, enterprises that can leverage policy support, seize opportunities in emerging markets, and continuously enhance their capabilities in technological innovation and sustainable development will be better positioned to expand steadily and maintain a competitive edge in the global market.

The Company has been maintaining cautiousness and steadiness to strengthen our competitiveness, increasing the profit and improving our sales performance. Much obliged to all the shareholder for your continuous support. Hope you are all doing well.

Best regards,

Chairman & President: Thomas Shen

2025/03/31

# II. Corporate Governance

## 1. Information on Directors and Supervisors

### (1) Information on Directors

Date: 2025/03/31

| Job title | Nationality or place of registration | Name | Gender / age | Date of election / appointment to current term | Term of office | Commencement date of first term | No. of shares held at time of election | | No. of shares currently held | | Shares currently held by spouse and minor children | | Shares held through nominees | | Principal work experience and academic qualifications | Positions held concurrently in the company and/or in any other company | Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree | | | (Note ) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | No. of shares | Shareholding ratio | No. of shares | Shareholding ratio | No. of shares | Shareholding ratio | No. of shares | Shareholding ratio | | | Job title | Name | Relationship | |
| Chairman | Taiwan R.O.C. | Thomas Shen | Male / 81~90 | 113.04.30 | 3 | 89.05.16 | 9,744,579 | 9.75% | 9,744,579 | 9.75% | 629,648 | 0.63% | - | - | -Ph.D. in Biochemistry and Molecular Biology, University of Massachusetts, USA<br>-Professor of National Tsing Hua University | -Chairman and President of APEX Biotechnology Corp.<br>-Supervisor of Shengda Venture Investment Co., Ltd.<br>-Representative of legal director of Lytone Enterprise, Inc. | Vice President | Ben Shen | paternity | More than half of the directors are non-concurrent employees or managers |
| Director | Taiwan R.O.C. | Mark Yang | Male / 61~70 | 113.04.30 | 3 | 89.05.16 | 281,920 | 0.27% | 279,920 | 0.28% | 0 | 0% | - | - | -The executive Master of Business Adminstration, National Chiao Tung University<br>-Assistant Vice President of Metertech Inc. | -Vice President of APEX Biotechnology Corp. | | | | |
| Director | Taiwan R.O.C. | Sanyang Motor Co., Ltd. | ---- | 113.04.30 | 3 | 113.04.30 | 5,806,000 | 5.81% | 7,356,000 | 7.36% | --- | --- | - | - | ----- | ----- | | | | |
| | Taiwan R.O.C. | Sanyang Motor Co., Ltd. Representative: R.H.Tian | Male / 31~40 | 113.04.30 | 3 | 113.04.30 | 0 | 0% | 0 | 0% | 0 | 0% | - | - | -Master of Investment Management, Cass Business School, City University<br>- Assistant Vice President of Sanyang Motor Co., Ltd. | -Director &spokesman of Sanyang Motor Co., Ltd.<br>- Chairman of Three Brothers Machinery IND Co., Ltd. | | | | |
| Independent Director | Taiwan R.O.C. | Chen-I, Wu | Female / 51~60 | 113.04.30 | 3 | 113.04.30 | 0 | 0% | 0 | 0% | 0 | 0% | - | - | -Master of Business Administration, University of Leicester<br>-Senior Assistant Vice President of Deloitte & Touche | - CPA & Director of T&T CPA Form<br>- Independent director of PenPower Technology Ltd. | | | | |
| Independent Director | Taiwan R.O.C. | Jeng-Ming, Pai | Male / 61~70 | 113.04.30 | 3 | 107.05.25 | 0 | 0% | 0 | 0% | 0 | 0% | - | - | -Master of Business Administration, National Chengchi University<br>-Chairman of Hwa-Tek Material Co., Ltd | -Chairman of Bi-Sonic Technology Corp.<br>-Chairman of Bi-Sonic Thermal Module Technology Corp. | | | | |

| Job title | Nationality or place of registration | Name | Gender / age | Date of election / appointment to current term | Term of office | Commencement date of first term | No. of shares held at time of election | | No. of shares currently held | | Shares currently held by spouse and minor children | | Shares held through nominees | | Principal work experience and academic qualifications | Positions held concurrently in the company and/or in any other company | Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree | | | (Note ) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | No. of shares | Shareholding ratio | No. of shares | Shareholding ratio | No. of shares | Shareholding ratio | No. of shares | Shareholding ratio | | | Job title | Name | Relationship | |
| Independent Director | Taiwan R.O.C. | Jin-Chang, Bou | Male / 51~60 | 113.04.30 | 3 | 107.05.25 | 0 | 0% | 0 | 0% | 0 | 0% | - | - | -Master of Business Administration,The City University of New York<br>-Supervisor of Syncmold Enterprise Co., Ltd. | -Supervisor of Loyal Fidelity Aerospace Corp.<br>-Director of Hwua Yiang Investment Corp.<br>-Director of Bi-sonic Technology Corp<br>-Chairman of SpeedLead Co.,Ltd<br>-Chairman of Tai-Lai Enterprise | | | | |
| Independent Director | Taiwan R.O.C. | Yung-Luh, Tsaih | Male / 61~70 | 113.04.30 | 3 | 110.07.30 | 0 | 0% | 0 | 0% | 0 | 0% | - | - | -Master of Business Administration, University of Missouri<br>-Vice President of Underwriting Department at Fubon Securities Co., Ltd. | -Independent director of Syncmold Enterprise Co., Ltd. | | | | |

Note : Where the chairperson of the board of directors and the general manager or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto: Due to the need to have professional knowledge and technology related to the medical device industry, Chairman Thomas Shen concurrently serves as the general manager, and more than half of independent directors are appointed as a response.

(A) Major Shareholders of Corporate Shareholders

Date:2025/03/31

| Name of corporate shareholder (Note 1) | Major shareholders of the corporate shareholder (Note 2) |
|---|---|
| Sanyang Motor Co., Ltd. | Da Yang Investment Ltd. (6.88%)、Chuan Yuan Investment Ltd. (5.94%)、<br>Bai ke Investment Ltd. (5.73%)、Guancheng Investment Co., Ltd. (3.76%)、<br>Chien-Jin Investment Co., Ltd. (3.66%)、Ting-Chueh Investment Co., Ltd. (2.53%)、<br>Ching-Yuan Wu (2.52%)、Hongbai Investment Co., Ltd. (2.25%)、<br>Chuangfu Development Consulting Co., Ltd. (2.14%)、Li-Chu Wu (2.14%) |

Note 1: If a director or supervisor is a representative of a corporate shareholder, fill in the name of that corporate shareholder.

Note 2: Fill in the names of the corporate shareholder's major shareholders (those with a shareholding ratio ranking among the top 10) and their shareholding ratios. If any of the major shareholders is a corporate/juristic person, also complete Form (B) below.

Note 3: If a corporate/juristic person shareholder is not organized as a company, the shareholder names and shareholding ratios required to be disclosed as mentioned above shall be the names of the capital contributors or donors (for further information, please refer to the announcements of the Judicial Yuan) and their capital contribution or donation rates, respectively. If a donor has died, please further note "deceased."

(B) If any Major Shareholder Listed in Form (A) is a Corporate/Juristic Person, List its Major Shareholders in this Form

Date:2025/03/31

| Name of corporate/juristic person (Note 1) | Major shareholders of the corporate/juristic person (Note 2) |
|---|---|
| Da Yang Investment Ltd. | Xu Diaomou (100%) |
| Chuan Yuan Investment Ltd. | Wang Guoyi (100%) |
| Bai ke Investment Ltd. | Zhang Wenlong (20%)、Lin Junyi (5%) |
| Guancheng Investment Co., Ltd. | Xiao Tingyu (50%) |
| Chien-Jin Investment Co., Ltd. | Wu Lizhu (30%) |
| Ting-Chueh Investment Co., Ltd. | Gu Zhenmei (100%) |
| Hongbai Investment Co., Ltd. | Gu Zhenmei (86.5%) |
| Chuangfu Development Consulting Co., Ltd. | Wu Limei (10.7%)、Wu Yuting (0.19%)、Lin Pinyi (0.19%)、Wu Ruijin (0.34%) |

Note 1: If any major shareholder in Form (A) above is a corporate/juristic person, fill in the name of that corporate/juristic person.

Note 2: Fill in the names of the corporate/juristic person's major shareholders (those with a shareholding ratio ranking among the top 10) and their shareholding ratios.

Note 3: If a corporate/juristic person shareholder is not organized as a company, the shareholder names and shareholding ratios required to be disclosed as mentioned above shall be the names of the capital contributors or donors (for further information, please refer to the announcements of the Judicial Yuan) and their capital contribution or donation rates, respectively. If a donor has died, please further note "deceased."

(2) Disclosure of Information Regarding the Professional Qualifications and Experience of Directors and Supervisors and the Independence of Independent Directors:

| Qualification / Name | Professional qualifications and experience (Note 1) | Independence analysis (Note 2) | No. of other public companies at which the person concurrently serves as an independent director |
|---|---|---|---|
| Thomas Shen | Mr. Thomas Shen served as a postdoctoral researcher at Cornell University in the United States from 1972 to 1973. He was as a professor at Tsinghua University from 1973 to 1981.<br>Since 1981, he has been the General Manager of Metertech Inc. Since 1997, he has also been the Chairman and General Manager of the Company.<br>Mr. Shen has been focusing on management of the Company and has expertise in analysis and biochemistry that professionally support the development and manufacturing of medical equipment. Under his leadership, Company has achieved constant growth and good business performance. Furthermore, he has not been involved in any situations listed in Article 30 of the Company Act. | ----- | 0 |
| Mark Yang | Mr. Mark Yang served as the Plant Manager at Metertech INC. from April 1981 to 1993, and as associates from 1993 to 1998. Then since February 1998, he has been serving as Deputy General Manager and a director at ApexBio.<br>Mr. Yang graduated from National Chin-Yi University of Technology with a degree in Mechanical Engineering and a master's degree in Degree Program of Master of Business Administration for Executive (EMBA) from National Chiao Tung University (Now as NYCU). He specializes in research and development of mechanics and instrument, manufacturing and administrative management. He possesses the expertise and experiences necessary for the development of Company's business. Also, he has not been involved in any situations listed in Article 30 of the Company Act. | ----- | 0 |

| Qualification / Name | Professional qualifications and experience (Note 1) | Independence analysis (Note 2) | No. of other public companies at which the person concurrently serves as an independent director |
|---|---|---|---|
| Sanyang Motor Co., Ltd. Representative: R.H.Tian | 1. Mr. R.H.Tian joined Sanyang Motor Co., Ltd. in October 2014. Served as Sanyang director, spokesperson, and assistant manager since 2016, He has served as a director of Apex Biotechnology Corporation since April 2024.<br>2. Mr. R.H.Tian graduated from Master of I nvestment Management, Cass Business School, City University. Specializes in financial management, corporate mergers and acquisitions, and investment management. Prior to joining Sanyang Motor Co., Ltd., he also worked as a product manager for a technology company. In general, the applicant possesses the expertise and experience required for the company's business development and does not fall under any of the circumstances set out in Article 30 of the Company Act. | ----- | |
| Chen-I, Wu | 1. Ms. Chen I, Wu is a member and convener of the Audit Committee of the Company<br>2. Ms. Chen I, Wu worked for Deloitte & Touche for many years as a senior assistant in the audit department. Established T&T CPA in October 2020 and has served as the lead accountant ever since. He holds an accountant certificate and has expertise in business and accounting. Currently, he is also a member of his company's Audit Committee and Remuneration Committee, and is very familiar with corporate and securities laws. Furthermore, none of the circumstances specified in Article 30 of the Company Law have occurred. | 1. Every of the Independent satisfy the requirements of Article 14-2 of “Securities and Exchange Act” and “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies” issued by Taiwan’s Securities and Futures Bureau.<br>2. Every of the Independent Directors (or nominee arrangement) as well as his/her spouse and minor children do not hold any Apexbio common shares.<br>3. Every of the Independent Directors received no compensation or benefits | 0 |

| Qualification / Name | Professional qualifications and experience (Note 1) | Independence analysis (Note 2) | No. of other public companies at which the person concurrently serves as an independent director |
|---|---|---|---|
| Jeng-Ming, Pai | 1. Mr. Pai Jeng Ming is a member of the audit committee of the Company.<br>2. Mr. Pai has a professional background in finance and accounting, previously serving as a lecturer of finance and management in Chung Yuan Christian University for 2 years. Later, he worked as a manager in the underwriting department of Taiwan Securities Co., Ltd. for 3 years, hence very much familiar with securities-related laws. He has also worked as a supervisor, director, and chairman in private companies, possessing the required professional expertise and experiences for business development and management of the Company. Furthermore, he has not been involved in any situations listed in Article 30 of the Company Act. | for providing commercial, legal, financial, accounting services or other services to the Company or to any its affiliates within the preceding two years, and the service provided is either an "audit service" or a "non-audit service". | 0 |
| Jin-Chang, Bou | 1. Mr. Bou, Jin-Chang is a member of the Audit Committee of the Company.<br>2. Mr. Bou has previously served as the lead of the Listing Examination Department at the competent authority of securities, familiar with securities-related laws. He has also been devoted in positions of the finance, accounting department, and administration supervisor of listed and over-the-counter private companies, as well as an executive director of an emerging stock company. He has also worked for companies in Europe and Singapore, specializing in handling corporate mergers and acquisitions. Overall, Mr. Bou possesses both theoretical and practical knowledge, along with a global perspective. Also, he has not been involved in any of the situations listed in Article 30 of the Company Act. | | 0 |

| Qualification / Name | Professional qualifications and experience (Note 1) | Independence analysis (Note 2) | No. of other public companies at which the person concurrently serves as an independent director |
|---|---|---|---|
| Yung-Luh, Tsaih | 1.Mr. Yung-Luh, Tsaih is a member of the audit committee of the Company.<br>2.Mr. Tsaih served as a underwriting manager at Taiwan Securities Co., Ltd. and the deputy general manager of the underwriting department at Fubon Securities Co., Ltd. from 1988 to 2002, engaged in securities underwriting business.<br>He specializes in the financial accounting and management system regulations, as well as related internal control and audit system processes. Currently He also served as an independent director of Syncmold Co., Ltd. Also, he has not been involved in any of the situations listed in Article 30 of the Company Act. | | 1 |

Note 1: Professional qualifications and experience: Specify the professional qualifications and experience of each director and supervisor. If a member of the Audit Committee, specify their accounting or finance background and P. 4 of 93 work experience. Additionally, specify whether any circumstance under any subparagraph of Article 30 of the Company Act exists with respect to a director or supervisor.

Note 2: Describe the status of independence of each independent director, including but not limited to the following: did they or their spouse or any relative within the second degree serve as a director, supervisor, or employee of the Company or any of its affiliates? ; specify the number and ratio of shares of the Company held by the independent director and their spouse and relatives within the second degree (or through nominees); do they serve as a director, supervisor, or employee of any company having a specified relationship with the Company (see Article 3, paragraph 1, subparagraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies)?; specify the amount(s) of any pay received by the independent director for any services such as business, legal, financial, or accounting services provided to the Company or any affiliate thereof within the past 2 years. Note 3: Regarding the method for disclosure, please refer to the “SAMPLE ANNUAL REPORT” page on the website of the Taiwan Stock Exchange Corporate Governance Center

(3) Boarding diversity and independence

(A)Boarding diversity:

In Article 20 of “the Corporate Governance Best-Practice Principles”, the Company stipulates that member diversity of the Board should be considered. First of all, number of seats occupied by directors also serving as managers in the Company is not supposed to reach one-third of all the seats. Also, appropriate policies of diversity ought to be formulated according to business operations, working patterns and needs for development.

The standards will be including but not limited to:

a) Fundamental conditions and values: gender, age, nationality, culture, etc. The percentage of female should reach one-third of the toal number od directors.

b) Expertise and skills: professional background (e.g. law, accounting, industry, finance, marketing or technology), professional skills and industry experience.

Board members should generally possess the knowledge, skills, and values necessary to perform their duties. To achieve the goal of ideal corporate governance, the abilities that the Board as a whole should possess are as follows:

a) Business judgment ability
b) Accounting and financial analysis ability
c) Operations and management ability
d) Crisis management ability
e) Industry knowledge
f) Global market perspective
g) Leadership
h) Decision-making skills

The members of the Company’s Board of Directors possess professional expertise in areas such as finance and accounting, industry knowledge, and business management. They are also equipped with capabilities in crisis management, risk analysis, leadership, and decision-making. In addition, the Company values gender equality within the Board, as reflected in the appointment of one female independent director among the four independent directors. As there was no suitable female candidate prior to the 10th Board election, the current Board consists of 14% female members (1 member) and 86% male members (6 members). In order to achieve the Company’s target of having at least 30% female representation on the Board, one to two additional female directors are expected to be nominated in the next Board term.

To attain the goal of ideal corporate governance, the Board has implemented member diversity as follows:

| Diversity Items / Name | Baic Information | | | | | | | | | | Background | | | Professional knowledge | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Nationality | Gender | Employee Position | Age | | | | Seniority of Independent Director | | | Biological | Mechatronics | Financial business | Business Judgment | Financial Accounting | Management | Crisis management | Domain Knowledge | International market | Leadership & Decision |
| | | | | Under 50 | 50 ~ 59 | 60 ~ 65 | Exceed 70 | Under 3 years | 3~6 years | 6~9 years | | | | | | | | | | |
| Thomas Shen | Taiwan R.O.C | Male | V | | | | V | | | | V | | | V | V | V | V | V | V | V |
| Mark Yang | Taiwan R.O.C | Male | V | | | V | | | | | | V | | V | | V | V | V | V | V |
| Sanyang Motor Co., Ltd. Representative: R.H.Tian | Taiwan R.O.C | Male | | V | | | | | | | | | | V | V | | V | V | | V |
| Chen-I, Wu | Taiwan R.O.C | Female | | | V | | | V | | | | | V | V | V | V | V | | V | V |
| Jeng-Ming, Pai | Taiwan R.O.C | Male | | | | V | | | V | | | V | V | V | V | V | V | V | V | V |
| Jin-Chang, Bou | Taiwan R.O.C | Male | | | V | | | | V | | | | V | V | V | V | V | | V | V |
| Yung-Luh, Tsaih | Taiwan R.O.C | Male | | | | V | | V | | | | | V | V | V | V | V | | V | V |

(B)Board independence:

Currently there are seven board members in the Company, among whom 4 are independent accounting for 57% of all seats. These independent directors have not served for more than 3 terms in a row, nor have them been involved in any of the situations mentioned in Article 26-3, Paragraph 3 and 4 of the Securities and Exchange Act. Additionally, there are no spouses or relationship within second degree between directors, between supervisors, or between directors and supervisors.

## (4) Information on Managements

Date: 2025/03/31

| Job title | Nationality or place of registration | Name | Gender | Date of election / appointment to current term | No. of shares held at time of election | | Shares currently held by spouse and minor children | | Shares held through nominees | | Principal work experience and academic qualifications | Positions held concurrently in the company and/or in any other company | Other officer(s), with which the person has a relationship of spouse or relative within the second degree | | | (Note 1) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | No. of shares | Share holding ratio | No. of shares | Share holding ratio | No. of shares | Share holding ratio | | | Job title | Name | Relation -ship | |
| President | Taiwan R.O.C. | Thomas Shen | Male | 86.12.02 | 9,744,579 | 9.75% | 629,648 | 0.63% | — | — | -Ph.D. in Biochemistry and Molecular Biology, University of Massachusetts, USA<br>-Professor of Biochemistry and Molecular Biology, National Tsing Hua University | -Supervisor of Shengda Venture Investment Co., Ltd.<br>-Representative of legal director of Lytone Enterprise, Inc. | Vice President | Ben Shen | Paternity | More than half of the directors are non-concurrent employees or managers |
| Vice President | Taiwan R.O.C. | Mark Yang | Male | 87.02.01 | 281,920 | 0.28% | 0 | 0% | — | — | -The executive Master of Business Adminstration, National Chiao Tung University<br>-Assistant Vice President of Metertech Inc. | — | — | — | — | |
| Vice President | Taiwan R.O.C. | Tammy Wu | Female | 86.12.02 | 30,545 | 0.03% | 0 | 0% | — | — | -National Taipei University, MBA | — | — | — | — | |
| Vice President | Taiwan R.O.C. | Ben Shen | Male | 105.02.16 | 132,000 | 0.13% | 0 | 0% | — | — | -Boston University,BS;<br>-Northeastern University, Molecular biology and Biochemistry, MS | -President of Omnis Health LLC | President | Thomas Shen | Paternity | |
| Chief Financial Officer | Taiwan R.O.C. | James Chu | Male | 88.06.21 | 2,382 | 0.00% | 0 | 0% | — | — | Soochow University, Accounting, MS | -Chief Financial Officer of Omnis Health LLC<br>-Director of VGEM Technology Inc. | — | — | — | |
| Assistant Vice President | Taiwan R.O.C. | Chen-Yu Yang | Male | 114.01.01 | 10,000 | 0.01% | 5,000 | 0.00% | — | — | -Ph.D in Biomedical Engineering, National Yang-Ming University. | — | — | — | — | |
| Assistant Vice President | Taiwan R.O.C. | strellson Lin | Male | 114.01.01 | 0 | 0% | 0 | 0% | — | — | -Chung Shan Medical University, Department of Nutrition | — | — | — | — | |
| Assistant Vice President | Taiwan R.O.C. | Eric Shen | Male | 114.01.01 | 0 | 0% | 0 | 0% | — | — | -Ming Chuan University Department of Insurance | — | — | — | — | |
| Assistant Vice President | Taiwan R.O.C. | Lisa Liu | Female | 114.01.01 | 0 | 0% | 0 | 0% | — | — | -National Chiao Tung University, Biological Science and Technology,MS | — | — | — | — | |
| Assistant Vice President | Taiwan R.O.C. | Ariel Huang | Female | 114.01.01 | 0 | 0% | 0 | 0% | — | — | -National Chin-Yi University of Technology Department of Chemical engineering | — | — | — | — | |

Note 1: Due to the need to have professional knowledge and technology related to the medical device industry, Chairman Thomas Shen concurrently serves as the general manager, and more than half of independent directors are appointed as a response.

## 2. Remuneration to Ordinary Directors, Independent Directors, Supervisors, General Manager, and Assistant General Managers

### (1) Remuneration to Ordinary Directors and Independent Directors (Individual Disclosure of Names and Remuneration Items)

Date:2025/03/31；Unit: NT$ Thousands

| Job title | Name | Remuneration to directors | | | | | | | | Ratio of sum of items A, B, C and D to net income (Note 10) | | Remuneration received by directors for concurrent service as an employee | | | | | | | | Ratio of sum of items A, B, C, D, E, F and G to net income (Note 10) | | Remuneration received from investee enterprises other than subsidiaries or from the parent company (Note 11) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Base compensation (A) (Note 2) | | Retirement pay and pension (B) | | Director profitsharing compensation (C) (Note 3) | | Expenses and perquisites (D) (Note 4) | | | | Salary, rewards, and special disbursements (E) (Note 5) | | Retirement pay and pension (F) | | Employee profit-sharing compensation (G) (Note 6) | | | | | | |
| | | | | | | | | | | | | | | | | The Company | | All consolidated entities (Note 7) | | | | |
| | | The Company | All consolidated entities (Note 7) | The Company | All consolidated entities (Note 7) | The Company | All consolidated entities (Note 7) | The Company | All consolidated entities (Note 7) | The Company | All consolidated entities (Note 7) | The Company | All consolidated entities (Note 7) | The Company | All consolidated entities (Note 7) | Amount in cash | Amount in stock | Amount in cash | Amount in stock | The Company | All consolidated entities | |
| Chairman | Thomas Shen | 0 | 0 | 0 | 0 | 713 | 713 | 25 | 25 | 738 (0.58%) | 738 (0.58%) | 9,740 | 9,740 | 546 | 546 | 1,020 | 0 | 1,020 | 0 | 12,044 (9.41%) | 12,044 (9.41%) | NA |
| Director | Mark Yang | | | | | | | | | | | | | | | | | | | | | |
| Director | Sanyang Motor Co., Ltd. Representative: R.H.Tian | | | | | | | | | | | | | | | | | | | | | |
| Independent director | I-Tan, Chih | 0 | 0 | 0 | 0 | 951 | 951 | 280 | 280 | 1,231 (0.96%) | 1,231 (0.96%) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,231 (0.96%) | 1,231 (0.96%) | NA |
| Independent director | Chen-I, Wu | | | | | | | | | | | | | | | | | | | | | |
| Independent director | Jeng-Ming, Pai | | | | | | | | | | | | | | | | | | | | | |
| Independent director | Jin-Chang, Bou | | | | | | | | | | | | | | | | | | | | | |
| Independent director | Yung-Luh, Tsaih | | | | | | | | | | | | | | | | | | | | | |

1. Please describe the policy, system, standards and structure in place for paying remuneration to directors and describe the relationship of factors such as the duties and risks undertaken and time invested by the directors to the amount of remuneration paid: According to Article 27-1 of Articles of Incorporation, our Company should contribute at least 3% for Employee Bonus Stock (in thousand shares) and at most 1% for directors'emoluments from the income from continuing operations before income tax, prior to the deduction of employee bonus stock and directors 'emoluments from the net income. So just like the other directors, besides being paid with remuneration based on the results of performance evaluation, the independent directors only receive subsidies for travel expenses when attending board meetings.
2. In addition to what is disclosed in the above table, please specify the amount of remuneration received by directors in the most recent fiscal year for providing services (e.g., for serving as a non-employee consultant to the parent company /any consolidated entities / invested enterprises): NA
3. Independent director I-Tan, Chih was resigned as of April 30, 2024.

Remuneration Range Table

| Ranges of remuneration paid to each of the Company's directors | Names of Directors | | | |
|---|---|---|---|---|
| | Sum of A+B+C+D | | Sum of A+B+C+D+E+F+G | |
| | The Company (Note 8) | All consolidated entities (Note 9) H | The Company (Note 8) | All consolidated entities (Note 9) I |
| Less than NT$1,000,000 | Thomas Shen / Mark Yang / Sanyang Motor Co., Ltd. Representative: R.H.Tian/I-Tan, Chih/Chen I, Wu /Jeng Ming, Pai / Jin-Chang, Bou / Yung-Luh, Tsaih | Thomas Shen / Mark Yang / Sanyang Motor Co., Ltd. Representative: R.H.Tian/I-Tan, Chih/Chen I, Wu /Jeng Ming, Pai / Jin-Chang, Bou / Yung-Luh, Tsaih | Sanyang Motor Co., Ltd. Representative: R.H.Tian/I-Tan, Chih/Chen I, Wu /Jeng Ming, Pai / Jin-Chang, Bou / Yung-Luh, Tsaih | Sanyang Motor Co., Ltd. Representative: .H.Tian/I-Tan, Chih/Chen I, Wu /Jeng Ming, Pai / Jin-Chang, Bou / Yung-Luh, Tsaih |
| NT$1,000,000 (incl.)～NT$2,000,000 (excl.) | | | | |
| NT$2,000,000 (incl.)～NT$3,500,000 (excl.) | | | Mark Yang | Mark Yang |
| NT$3,500,000 (incl.)～NT$5,000,000 (excl.) | | | | |
| NT$5,000,000 (incl.)～NT$10,000,000 (excl.) | | | Thomas Shen | Thomas Shen |
| NT$10,000,000 (incl.)～NT$15,000,000 (excl.) | | | | |
| NT$15,000,000 (incl.)～NT$30,000,000 (excl.) | | | | |
| NT$30,000,000 (incl.)～NT$50,000,000 (excl.) | | | | |
| NT$50,000,000 (incl.)～NT$100,000,000 (excl.) | | | | |
| NT$100,000,000 or above | | | | |
| Total | 8 | 8 | 8 | 8 |

## (2) Remuneration to Supervisors (Individual Disclosure of Names and Remuneration Items)

Date:2025/03/31；Unit: NT$ Thousands

| Job title | Name | Base compensation (A) | | Profit-sharing compensation (B) | | Expenses and perquisites (C) | | Sum of A+B+C and ratio to net income | | | | Sum of A+B+C and ratio to net income | | Remuneration received from investee enterprises other than subsidiaries or from the parent company |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | The Company | All consolidated entities | The Company | All consolidated entities | The Company | All consolidated entities | The Company | | All consolidatied entities | | The Company | All consolidated entities | |
| | | | | | | | | Amount in cash | Amount in stock | Amount in cash | Amount in stock | | | |
| President | Thomas Shen | 12,553 | 13,902 | 685 | 685 | 3,845 | 3,845 | 1,760 | 0 | 1,760 | 0 | 18,843 (14.72%) | 20,192 (15.76%) | NA |
| Vice President | Mark Yang | | | | | | | | | | | | | |
| Vice President | Tammy Wu | | | | | | | | | | | | | |
| Vice President | Ben Shen | | | | | | | | | | | | | |
| Chief Financial Office | James Chu | | | | | | | | | | | | | |

Remuneration Range Table

| Ranges of remuneration paid to each of the Company's supervisors | Names of Supervisors | |
|---|---|---|
| | The Company | All consolidated entities |
| Less than NT$1,000,000 | | |
| NT$1,000,000 (incl.)～NT$2,000,000 (excl.) | | |
| NT$2,000,000 (incl.)～NT$3,500,000 (excl.) | Mark Yang / Tammy Wu / James Chu / Ben Shen | Mark Yang / Tammy Wu / James Chu / Ben Shen |
| NT$3,500,000 (incl.)～NT$5,000,000 (excl.) | | |
| NT$5,000,000 (incl.)～NT$10,000,000 (excl.) | Thomas Shen | Thomas Shen |
| NT$10,000,000 (incl.)～NT$15,000,000 (excl.) | | |
| NT$15,000,000 (incl.)～NT$30,000,000 (excl.) | | |
| NT$30,000,000 (incl.)～NT$50,000,000 (excl.) | | |
| NT$50,000,000 (incl.)～NT$100,000,000 (excl.) | | |
| NT$100,000,000 or above | | |
| Total | 5 | 5 |

(3) Names and Distributions of Employee Profit-Sharing Compensation to Managerial Officers

2025/03/31; Unit: NT$ Thousands

| Job title | | Name | Amount in stock | Amount in cash | Total | As a % of net profit |
|---|---|---|---|---|---|---|
| Managerial officers | President | Thomas Shen | 0 | 2,370 | 2,370 | 1.85% |
| | Vice President | Mark Yang | | | | |
| | Vice President | Tammy Wu | | | | |
| | Vice President | Ben Shen | | | | |
| | Chief Financial Officer | James Chu | | | | |
| | Assistant Vice President | Chen-Yu Yang | | | | |
| | Assistant Vice President | strellson Lin | | | | |
| | Assistant Vice President | Eric Shen | | | | |
| | Assistant Vice President | Lisa Liu | | | | |
| | Assistant Vice President | Ariel Huang | | | | |

Note 1: Names and job titles should be disclosed individually, but profit distributions received may be disclosed in aggregate.

Note 2: Fill in the amount of employee profit-sharing compensation (including stocks and cash) received by the managerial officers as approved or expected to be approved by the board of directors for the most recent fiscal year. If the amount cannot be forecasted, disclose the amount expected to be distributed by calculating pro-rata to the amount that was actually distributed in the preceding fiscal year. If the Company has already adopted the IFRS, net income means the net income after tax on the parent company only or individual financial report for the most recent fiscal year.

Note 3: The applicable scope of "managerial officers" is defined under the 27 March 2003 FSC Order No. Tai-Cai-Zheng-III-0920001301 as persons in the following positions: (1) General manager(s) and equivalent level positions (2) Assistant general manager(s) and equivalent level positions (3) Deputy assistant general manager(s) and equivalent level positions (4) Chief officer of the finance division (5) Chief officer of the accounting division (6) Other persons who have the power to manage affairs and sign for the Company

Note 4: If any director, general manager, or assistant general manager receives profit-sharing compensation (including stocks or cash), complete this table in addition to Table 1-2.

(4) Separately compare and describe total remuneration, as a percentage of net income stated in the parent company only financial reports or individual financial reports, as paid by this company and by each other company included in the consolidated financial statements during the past 2 fiscal years to directors, supervisors, general managers, and assistant general managers, and analyze and describe remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure.

(A) Analyze the total remuneration, as a percentage of net income stated in the parent company only financial reports or individual financial reports, as paid by this company and by each other company included in the consolidated financial statements during the past 2 fiscal years to directors, supervisors, general managers, and assistant general managers：

| Job title | As a % of net profit | | | |
|---|---|---|---|---|
| | 2023 | | 2024 | |
| | The Company | All consolidated entities | The Company | All consolidated entities |
| Directors | 11.42% | 11.43% | 10.37% | 10.37% |
| President & Vice Presidents | 16.08% | 17.21% | 14.72% | 15.76% |

(B) Policies, standards and combinations, and stipulation process of emoluments payment to directors, general manager and deputy general manager; the relevance between operating performance and the factors mentioned above.

a) According to Article 27-1 of Articles of Incorporation, the Company should contribute at least 3% for Employee Bonus Stock (in thousand shares) and at most 1% for Directors' Emoluments from the income from continuing operations before income tax, prior to the deduction of employee bonus stock and directors'emoluments from the net income. Since the Company has not paid any other aperiodical bonus except the traffic acquisition cost and the at most 1% directors'remuneration contributed according to the Company's Articles of Incorporation.

b) The remunerations for the General and Deputy General Manager include salaries, bonus and special disbursement, based on the position and the responsibility taken according to the "Form of Employees' Classification and Salary Structure" and de facto standards as Reference. The process of stipulating remuneration is based on "Goal Achievement Evaluation Administrative Measures". The Company determines managerial remuneration based on overall business performance, future industry risks and trends, as well as individual performance and contribution. Evaluation criteria include leadership, planning and organizational skills, talent development, innovation, and ESG execution. In 2024, revenue increased by 10%, and unaudited net income after tax reached NT$123,527 thousand, resulting in a slight increase in managerial performance bonuses compared to the previous year. As both revenue and profitability outperformed the budget, the average salary adjustment for managerial officers in 2025 is approximately 2.0%. All performance evaluations and compensation adjustments have been reviewed and approved by the Compensation Committee and the Board of Directors.

3.The state of the company's implementation of corporate governance

(1) The state of operations of the board of directors

The number of board meetings held in the most recent fiscal year was: 7 (A)

The attendance by the directors and supervisors was as follows:

| Title | Name | No. of meetings attended in person (B) | No. of meetings attended by proxy | In-person attendance rate (%) 【B/A】 | Remarks |
|---|---|---|---|---|---|
| Chairman | Thomas Shen | 7 | 0 | 100% | 2024.4.30 re-elected |
| Director | Mark Yang | 7 | 1 | 86% | 2024.4.30 re-elected |
| Director | Sanyang Motor Co., Ltd. Representative: R.H.Tian | 5 | 0 | 100% | 2024.4.30 newly elected |
| Independent director | I-Tan, Chih | 2 | 0 | 100% | 2024.4.30 Resignation |
| Independent director | Chen-I, Wu | 5 | 0 | 100% | 2024.4.30 newly elected |
| Independent director | Jeng-Ming, Pai | 7 | 0 | 100% | 2024.4.30 re-elected |
| Independent director | Jin-Chang, Bou | 7 | 0 | 100% | 2024.4.30 re-elected |
| Independent director | Yung-Luh, Tsaih | 7 | 0 | 100% | 2024.4.30 re-elected |

Other information required to be disclosed:

1. If any of the following circumstances exists, specify the board meeting date, meeting session number, content of the motion(s), the opinions of all the independent directors, and the measures taken by the Company based on the opinions of the independent directors:
   (1) Any matter under Article 14-3 of the Securities and Exchange ActThe Company has its own audit committee, thus inapplicable to Article 14-3 of the Securities and Exchange Act. For the explanation of Acticle 14-5 of the Securities and Exchange Act, please refer to the actual practice of the audit committee (Please refer to Page 23)。
   (2) In addition to the matters referred to above, any dissenting or qualified opinion of an independent directory that is on record or stated in writing with respect to any board resolution: NA.

2. The status of implementation of recusals of directors with respect to any motions with which they may have a conflict of interest: specify the director's name, the content of the motion, the cause for recusal, and whether and how the director voted.

   Jan. 23st 2024 Board of Directors Meeting:
   (1) 2023 Performance bonus approval rules and the amount of the bonuses, and 2024 annual salary adjustment guidelines. Because Chairman Mr. Shen was also serving as the General Manager, and Director Mr. Yang was serving as the Deputy General Manager, they left the table to not participate in discussion and the execution of voting rights according to the recusal principle due to conflicts of interest. Chairman of the meeting was designated, and he or she consulted all the other directors, after which the guidelines passed with no objection.

   Mar. 13th 2024 Board of Directors Meeting:
   (1) The Company was drafting a lending fund plan for subsidiary Omnis. Because Chairman Mr. Shen was also serving as the General Manager, and Director Mr. Yang was serving as the Deputy General Manager, they left the table to not participate in discussion and the execution of voting rights according to the recusal principle due to conflicts of interest. Chairman of the meeting was designated, and he or she consulted all the other directors, after which the vote passed with no objection.

(2) The Company was drafting the statement of providing pledge secured loans for subsidiary Omnis. Because Chairman Mr. Shen was also serving as the General Manager, and Director Mr. Yang was serving as the Deputy General Manager, they left the table to not participate in discussion and the execution of voting rights according to the recusal principle due to conflicts of interest. Chairman of the meeting was designated, and he or she consulted all the other directors, after which the vote passed with no objection.

Aug. 9th 2024 Board Meeting:

(1) The Company's 2023 Manager remuneration plan. Because Chairman Mr. Shen was also serving as the General Manager, and Director Mr. Yang was serving as the Deputy General Manager, they left the table to not participate in discussion and the execution of voting rights according to the recusal principle due to conflicts of interest. Chairman of the meeting was designated, and he or she consulted all the other directors, after which the vote passed with no objection.

3. For a TWSE or TPEx listed company, disclose information including the evaluation cycle and period(s) of the board of directors' self-evaluations (or peer evaluations) and the evaluation method and content. Additionally, complete Table 1 Assessments of the Board of Directors.

4. Give an evaluation of the targets that were adopted for strengthening of the functions of the board during the current and immediately preceding fiscal years.

(1) The Company has appointed a total of seven directors, including four independent directors. To enhance the functions of the Board of Directors and strengthen corporate governance, an Audit Committee has been established to exercise the powers stipulated under the Securities and Exchange Act, the Company Act, and other relevant regulations. The Audit Committee convenes at least once every quarter and engages in regular discussions with external auditors to review the Company's financial statements and address newly issued government regulations. For details regarding the operation of the Audit Committee, please refer to page 23 of this annual report.

(2) On March 13, 2024, the Board of Directors approved the amendment to the "Procedures for Pre-Approval of Non-Assurance Services Provided by Certified Public Accountants."

(3) On May 10, 2024, the Board of Directors approved the revision of the internal management procedures for the "Regulations Governing the Proceedings of the Board of Directors (Executive Directors)."

(4) On August 9, 2024, the Board of Directors approved amendments to certain provisions of the "Procedures for Handling Reports of Illegal, Unethical, or Dishonest Conduct" and the "Regulations Governing Financial and Business Transactions Between Related Parties," in order to strengthen corporate governance oversight and execution.

(5) On November 13, 2024, the Board of Directors approved the establishment of the internal management procedures for the preparation and verification of the Sustainability Report, as well as amendments to certain provisions of the "Audit Committee Charter," the "Corporate Governance Best Practice Principles," the "Subsidiary Supervision Guidelines," the "Internal Control System," and the "Internal Audit System."

(6) The Compensation Committee of the Company regularly evaluates and determines the remuneration of directors and managerial officers, and periodically reviews the policies, systems, standards, and structures related to their performance evaluation and compensation. For details regarding the operation of the Compensation Committee, please refer to page 40 of this annual report.

Table1: Assessments of the Board of Directors

After collecting the performance evaluation questionnaires from the whole Board of Directors, functional committees, independent directors, audit committee members and remuneration committee members from Jan. 1 to Dec. 31, 2024, the parliamentary unit of the Board of Directors analyzed the results based on the evaluation content listed above. The results were then presented to the Board of Directors, along with suggestions for improvement on certain sections that need strengthening. The method and the results of the Board of Directors' performance evaluation were also disclosed on the Company's official website. The latest (2024) performance evaluation results of the Board and functional committees were presented to and approved by the Board of Directors on Feb. 25, 2025.

| | | | | |
|---|---|---|---|---|
| Once a year | From Jan. 1 to Dec. 31, 2024 | 1.The Board as a whole<br>2.Functional committees<br>3.Independent directors<br>4.Members of the audit committee<br>5.Members of the remuneration committee | 1. Self-evaluation of the Board of Directors<br>2. Self-evaluation of functional committees<br>3. Self-evaluation of independent directors<br>4. Self-evaluation of members of cthe audit committee<br>5. Self-evaluation of members of the remuneration committee | Performance evaluation subjects for the Board of Directors:<br>1. Level of participation in operations of the Company<br>2. Improving the quality of decisions from the Board<br>3. Composition and structure of the Board<br>4. Election and continuing advanced studies of Directors<br>5. Internal control<br><br>Performance evaluation of functional committees:<br>1. Level of participation in operations of the Company<br>2. Duty consciousness of functional committees<br>3. Improving the quality of decisions from functional committees<br>4. Composition and election of functional committees<br>5. Internal control<br><br>Performance evaluation subjects for independent directors:<br>1. the understanding of the Company's goals and tasks<br>2. Duty consciousness of each Director<br>3. Level of participation in operations of the Company<br>4. Internal relationship management and communication<br>5. Expertise and continuing advanced studies of Directors<br>6. Internal control<br><br>Performance evaluation subjects for members of the audit committee:<br>1. Participation level in company operations<br>2. Duty consciousness of the audit committee.<br>3. Improving the quality of decisions of the audit committee<br>4. Composition and elections of the audit committee<br>5. Internal control<br><br>Performance evaluation subjects for the remuneration committee:<br>1. Participation level in company operations<br>2. Duty consciousness of the remuneration committee.<br>3. Improving the quality of decisions of the remuneration committee<br>4. Composition and elections of the remuneration committee<br>5. Internal control |

(2) Operation of the Audit Committee

The number of audit committee meetings held in the most recent fiscal year was: 4 (A)
The attendance by the independent directors was as follows:

| Title | Name | No. of meetings attended in person (B) | No. of meetings attended by proxy | In-person attendance rate (%) [B/A] | In-person attendance rate (%)[B/A] |
|---|---|---|---|---|---|
| Convenor | I-Tan, Chih | 1 | 0 | 100% | 2024.4.30 Resignation |
| Convenor | Chen-I, Wu | 3 | 0 | 100% | 2024.4.30 newly elected |
| Member | Jeng-Ming, Pai | 4 | 0 | 100% | 2024.4.30 re-elected |
| Member | Jin-Chang, Bou | 4 | 0 | 100% | 2024.4.30 re-elected |
| Member | Yung-Luh, Tsaih | 4 | 0 | 100% | 2024.4.30 re-elected |

Other information required to be disclosed

1. If any of the following circumstances exists, specify the audit committee meeting date, meeting session number, content of the motion(s), the content of any dissenting or qualified opinion or significant recommendation of the independent directors, the outcomes of audit committee resolutions, and the measures taken by the Company based on the opinions of the audit committee:
   (1)Any matter under Article 14-5 of the Securities and Exchange Act: The requirement for passing a resolution is, at least half of the members of the audit committee approve first, and then submit the proposal to the Board of Directors for approval from at least two-thirds of the total number of directors. Please refer to Page 24 table 1.
   (2)In addition to the matters referred to above, any matter that was not approved by the audit committee but was approved by a two-thirds or greater majority resolution of the board of directors:NA
2. Implementation of recusals of independent directors with respect to any motions with which they may have a conflict of interest: specify the independent director’s name, the content of the motion, the cause for recusal, and whether and how the independent director voted:NA
3. Communication between the independent directors and the chief internal audit officer and the CPAs that serve as external auditor (including any significant matters communicated about with respect to the state of the company’s finances and business and the method(s) and outcomes of the communication.)
   (1)The Company convenes regular meetings of the audit committee and invites accountants, audit officers, and managers concerned to attend if necessary.
   (2)The internal audit officers of the Company ought to attend the audit committee meeting and submits the audit summary report to the committee regularly based on the annual audit plan. The audit committee evaluates the Company's internal control system, internal auditors and their work on a regular basis.
   (3)Concerning the financial report review and the audit results from the 1st to the 3rd quarter, along with other relevant legal requirements, the audit committee communicates regularly with the Company's certified public accountants. Also, the committee conducts independent audits for the appointment of the accountants, and for the auditing or non-auditing services they provide.
   (4)Independent directors may contact the audit supervisor or the accountants at any time if it is necessary for better communication.
   (5)In 2024, the internal audit officer held one-on-one meetings with each director prior to the audit committee meetings on Mar. 13 and Nov. 13. The communication process was good, with no objections from the independent directors.
   (6)In 2024, the internal audit officer held one-on-one meetings with each director prior to the audit committee meetings on Nov. 13. The communication process was good, with no objections from the independent directors.
4. Annual key emphasis tasks of the audit committee:
   The Audit Committee aims to assist the Board of Directors with the supervision of the quality and integrity of the Company's accounting, auditing, financial reporting processes and financial controls.
   (1)Main auditing subjects of the audit committee include:

●Stipulation or improvement of internal control system
●Evaluation of overall efficacy of internal control systems
●Significant assets or transaction of derivatives
●Significant lending funds, endorsements or guarantees
●Appointment, removal, or pay of certified public accountants.
●Appointment or removal of financial, accounting, or internal audit officers.
●Annual and semi-annual financial reports.
●Stipulation or revision of regulations for acquisition or disposal of assets
●Stipulation or revision of regulations for engagement in derivative transactions
●Stipulation or revision of procedures for loaning funds to others
●Stipulation or revision of regulations for significant business conducts such as endorsement or guarantee for other people
●Raising, issuing, or privately raising equity securities

(2)Review of Financial Reports

The Board of Directors has produced the 2024 annual business report, financial statements (including consolidated financial statements), and profit distribution proposal. The financial statements (including consolidated financial statements) have been audited by the two accountants Ms. Ya-yun Chang and Mr. Yu-feng Huang, from Deloitte & Touche, with the audit report offered. The business report, financial statements (including consolidated financial statements) and profit distribution proposal listed above have been reviewed by the Audit Committee and found as in compliance.

(3)Evaluation of the Efficacy of Internal Control Systems

The audit committee is in charge of reviewing audit reports, internal control practices and tracking the efficacy of the results monthly. The committee also reviews regular reports from the finance department, Audit Department, and business department.

＊Table1: Resolutions of Items Listed in Article 14-5 of the Securities and Exchange Act

| The Board of Directors | Content of Proposal | Items Listed in Article 14-5 of the Securities and Exchange Act | Subsequent Handling |
|---|---|---|---|
| 9th Term 18th Meeting 03.13.2024 | 2023 annual business report and financial statement of the Company | V | Approved and passed by attending members of the audit committee |
| | 2023 profit distribution proposal of the Company | V | |
| | Assessment of independence and competency of the company's CPA | V | |
| | 2023 annual audit operation review plan | V | |
| | 2023 annual"internal control system statement" of the Company | V | |
| | Release the prohibition on the newly elected directors and their representatives from participation in competitive business | V | |
| | Proposal to provide fund loans to a subsidiary, Omnis Health, LLC, which need short-term financing | V | |
| | Proposal to lend funds to a subsidiary, Omnis Health, LLC | V | |
| 10th Term 2th Meeting 05.10.2024 | Report on the financial statements of the first quarter in 2024 of the Company | V | |
| | | V | |
| 10th Term 3th Meeting | Report on the financial statements of the second quarter in 2024 of the Company | V | |

| | | | |
|---|---|---|---|
| 08.09.2024 | Amendments to the "Regulations Governing Financial and Business Transactions Between Related Parties" | V | |
| 10th Term 4th Meeting 11.13.2024 | Report on the financial statements of the third quarter in 2024 of the Company | V | |
| | Amendments to the "Internal Control System" Internal Management Procedures | V | |
| | Amendments to the "Internal Audit System" Internal Management Procedures | V | |

(3) Corporate Governance – Implementation Status and Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and the Reasons

| Evaluation item | Implementation status (Note ) | | | Deviations from the Corporate Governance BestPractice Principles for TWSE/TPEx Listed Companies and the reasons |
|---|---|---|---|---|
| | Yes | No | Summary description | |
| 1. Has the Company established and disclosed its Corporate Governance Best-Practice Principles based on the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies? | V | | The Company has established the "Corporate Governance Best Practice Principles" to protect the rights of shareholders, strengthen the functions of the Board of Directors, respect the rights and interests of stakeholders, and enhance information transparency. The principles are available for reference on the Company's website.<br>The Company updates the content of the “Corporate Governance Best Practice Principles” as required by the government regulations, with the latest update approved by the Board of Directors on Nov. 13, 2024. | No major difference |
| 2. Shareholding Structure and Shareholders’ Rights | | | | |
| (1) Does the Company have Internal Operation Procedures for handling shareholders’ suggestions, concerns, disputes and litigation matters. If yes, have these procedures been implemented accordingly? | V | | (1) The Company has established a stakeholder’s area on the website, on which contact information, including phone numbers and email addresses, for handling stakeholders’s suggestions or disputes are provided. | |
| (2) Does the Company know the identity of its major shareholders and the parties with ultimate control of the major shareholders? | V | | (2) The Company has established a Stock Agency Department, in charge of maintaining good relationships with our major shareholders. Monthly reports on changes in shareholdings by insiders (directors, managers, and shareholders holding more than 10% of the share) are declared to "Market Observation Post system(MOPS)" in accordance with the law. | No major difference |
| (3) Has the Company built and implemented a risk management system and a firewall between the Company and its affiliates? | V | | (3) The Company has established a "Subsidiary Monitoring Operation Procedure", and assisted our subsidiaries in establishing the written version of internal control systems. | |

| Evaluation item | Implementation status (Note ) | | | Deviations from the Corporate Governance BestPractice Principles for TWSE/TPEx Listed Companies and the reasons |
|---|---|---|---|---|
| | Yes | No | Summary description | |
| (4) Has the Company established internal rules prohibiting insider trading of securities based on undisclosed information? | V | | (4) The Company has established a "Procedures for the Prevention of Insider Trading" to regulate the major internal information for confidentiality.<br>On October 18 and December 5, 2024, the Company hold a 3-hour training course on "Insider Trading Regulations" for 33 current directors, managers, and senior executives. The course covered topics such as the analysis of insider trading regulations, monitoring of insider trading and common practical issues, internal controls and prevention of insider trading, as well as common deficiencies. Additionally, the presentation materials from the Taiwan Stock Exchange's "Insider Trading Quick Guide" were shared. Relevant materials were also uploaded to the internal website, allowing employees to access and reference them at any time. | |
| 3. Composition and responsibilities of the board of directors<br>(1) Have a diversity policy and specific management objectives been adopted for the board and have they been fully implemented? | V | | (1)<br>a) When setting the composition of the Board mentioned by the "Corporate Governance Best Practice Principles," the Company considers the diversity of the Board members from various aspects, including (but not limited to) gender, age, cultural and educational background, professional experience, skills and knowledge. All appointments to the Board are based on the principle of meritocracy, and objective criteria are considered to benefit the diversity of the Board members. (Please refer to pages 8-13 of this annual report for more information.)<br><br>b) Currently the Board of the Company consists of 7 members. They include Chairman Yan-Shi Shen, who possesses extensive knowledge of biotechnology and the industry, as well as leadership in business operations and a global market | No major difference |

| Evaluation item | Implementation status (Note ) | | | Deviations from the Corporate Governance BestPractice Principles for TWSE/TPEx Listed Companies and the reasons |
|---|---|---|---|---|
| | Yes | No | Summary description | |
| | | | perspective. Director Meng-Wen Yang, who is familiar with industry knowledge of electronics, process management, and has strong management skills. The newly joined director , R.H.Tian, specializes in financial management, corporate mergers and acquisitions, and investment management. There are four other independent directors, including Director Chen-I, Wu, a qualified accountant providing professional guidance on financial and accounting matters. Director Jin-Chang Bao and Director Yong-Lu Tsai, both of whom are experienced in operations judgment and financial affairs. And Director Cheng-Ming Bai, who has industry and financial management knowledge. These directors has brought along their abundant business experiences, which provides guidance in diverse aspects to the Company. In future elections, the Company aims to include candidates with legal expertise on the Board of Directors.<br><br>c) The Company has 29% of directors who are also employees, 14% who are corporate directors, and 57% who are independent directors. The overall proportion of female directors is 14%, while male directors account for 86%. It is planned to add one more female director in the next board election. There is two independent directors with 7-9 years of service, one with 4-6 years, and the other one with 1-3 years. There is one director aged over 70, four aged 60-69, one aged 50-59 and the other one aged under 50. | |
| (2) Has the Company voluntarily established other functional committees in addition to the remuneration committee and the audit committee? | V | | (2) The Company has established the "remuneration committee" and the "audit committee" based on the rules. The "remuneration committee" is required according to the law to hold at least two meetings per year, while three meetings had | |

| Evaluation item | Implementation status (Note ) | | | Deviations from the Corporate Governance BestPractice Principles for TWSE/TPEx Listed Companies and the reasons |
|---|---|---|---|---|
| | Yes | No | Summary description | |
| (3) Has the Company established rules and methodology for evaluating the performance of its Board of Directors, implemented the performance evaluations on an annual basis, and submitted the results of performance evaluations to the board of directors and used them as reference in determining salary/compensation for individual directors and their nomination and additional office terms? | V | | been held in 2024. The "audit committee" is required to hold at least one meeting per quarter, and there are four meetings held in 2024.<br><br>(3) The Company continues to update the "Board Performance Evaluation Guidelines" and the self-assessment questionnaire in accordance with the corporate governance blueprint and relevant regulations. In January 2025, the Company issued the 2024 performance self-assessment questionnaire to all board members. In addition to evaluating the overall operation of the Board and its functional committees, it also includes a self-assessment for each director.<br>• Performance evaluation items for the Board of Directors:<br>1. Participation level in operations of the Company<br>2. Improving the quality of decisions from the Board<br>3. Composition and structure of the Board<br>4. Election and continuing advanced studies of Directors<br>5. Internal control<br>• Performance evaluation of functional committees:<br>1. Participation level in operations of the Company<br>2. Duty consciousness of functional committees<br>3. Improving the quality of decisions from functional committees<br>4. Composition and election of functional committees<br>5. Internal control<br>• Performance evaluation items for independent directors:<br>1. Understanding of the Company’s goals and tasks<br>2. Duty consciousness of each Director<br>3. Participation level in operations of the Company<br>4. Internal relationship management and communication<br>5. Expertise and continuing advanced studiesof Directors | |

| Evaluation item | Implementation status (Note ) | | | Deviations from the Corporate Governance BestPractice Principles for TWSE/TPEx Listed Companies and the reasons |
|---|---|---|---|---|
| | Yes | No | Summary description | |
| | | | 6. Internal control<br>• Performance evaluation items for the remuneration committee:<br>1. Participation level in company operations<br>2. Duty consciousness of the remuneration committee.<br>3. Improving the quality of decisions of the remuneration committee<br>4. Composition and elections of the remuneration committee<br>5. Internal control<br>• Performance evaluation items for members of the audit committee:<br>1. Participation level in company operations<br>2. Duty consciousness of the audit committee.<br>3. Improving the quality of decisions of the audit committee<br>4. Composition and elections of the audit committee<br>5. Internal control<br>After collecting all 2024 performance evaluation questionnaires in mid-January 2025, the Board Secretary of the Company analyzed the results based on the previous method, expecting to present the results along with suggestions for sections that can be strengthened to the Board on Feb. 25 2025. The aforementioned method and evaluation results were disclosed on the Company's official website. The 2024 performance evaluation results of the Board members, the Board itself, and functional committees were reported to and approved by the Board on Feb. 25 2025. The Company referred to Article 27-1 of the Company's articles of incorporation and the results of independent directors' performance evaluations for the distribution of directors' emoluments. | |
| (4) Does the Company regularly evaluate its external auditors' independence? | V | | (4) The company's audit committee evaluates the independence and competency of its CPA every year. In addition to requiring | |

| Evaluation item | Implementation status (Note ) | | | Deviations from the Corporate Governance BestPractice Principles for TWSE/TPEx Listed Companies and the reasons |
|---|---|---|---|---|
| | Yes | No | Summary description | |
| | | | the CPAs to provide a "declaration of independence" and "Audit Quality Indicators (AQIs)", it also relies on 13 AQI indicators (audit experience, training hours, turnover rate, professional support, accountant load, audit investment, case quality Control review, quality control support capabilities, non-audit services, customer familiarity, external inspection deficiencies and penalties, improvement letters from competent authorities, innovative planning or initiatives) are evaluated.The company's CFO also evaluates the independence of the CPA in accordance with "Article 47 of the Accountants Act" and " The Norm of Professional Ethics No. 10", both of which are consistent with the principle of independence. (refer to page 38 Table1) It is confirmed that the accountant has no other financial interests and business relationships with the company except for fees for visas and financial and tax cases. The accountant's family members do not violate the independence requirements. With reference to the AQI indicator information, it is confirmed that the accountant and the firm are in the audit experience and the number of training hours is better than the industry average.The evaluation results of the most recent year have been reviewed and approved by the Audit Committee on Feb. 25, 2025, and reported to the Board of Directors on Feb. 25, 2025, to pass the assessment of the independence and competency of accountants Ya Yun Chang and Ming Hui Chen. | |
| 4. Does the TWSE/TPEx listed company have in place an adequate number of qualified corporate governance officers and has it appointed a chief corporate governance officer with responsibility corporate governance practices (including but not limited to providing information necessary for directors and supervisors to perform their duties, aiding directors and supervisors in complying with laws and regulations, | V | | The vice president, Miss Wu, from the management department as the Company's governance supervisor. Miss Wu has more than 20 years of experiences as a supervisor for stock-related affairs in public companies, and has been presenting the execution of her duties at each third-quarter board meeting. The main responsibilities of the governance supervisor are as follows:<br>a) To formulate and plan for appropriate corporate systems and | No major difference |

| Evaluation item | Implementation status (Note ) | | | Deviations from the Corporate Governance BestPractice Principles for TWSE/TPEx Listed Companies and the reasons |
|---|---|---|---|---|
| | Yes | No | Summary description | |
| organizing board meetings and annual general meetings of shareholders as required by law, and compiling minutes of board meetings and annual general meetings)? | | | organizational structures to promote the independence of the Board, transparency of corporate governance, implementation of internal audit and control and compliance with relevant laws and regulations.<br>b) To consult the directors regarding the agenda and date of meeting beforehand, and to notify all directors at least 7 days in advance. Also, he / she ought to provide the agenda and relevant information for directors to do research on the related issues first. When there are conflicts of interest involving certain stakeholders, the opposite parties will be given prior notice for recusal. After the meeting, the minutes of the Board meeting will be organized and sent to all directors immediately.<br>c) To present the results showing whether qualifications of independent directors during the nomination, election, and tenure periods are in compliance with relevant laws and regulations to the Board.<br>d) To register the date of the shareholders' meeting in accordance with the laws every year, and to prepare and declare the notice of meeting, meeting handbooks, annual report, and minutes of the meeting before the deadline. To handle matters related to board elections and company change registration after the amendment of the articles of incorporation or election of directors or the approval of capital raises.<br>e) To provide information necessary for the directors to perform their duties, and to keep them updated on relevant legal and regulatory developments related to operations of the Company for the compliance.<br>f) To conduct an annual performance evaluation of the Board and an internal performance evaluation of the overall | |

| Evaluation item | Implementation status (Note ) | | | Deviations from the Corporate Governance BestPractice Principles for TWSE/TPEx Listed Companies and the reasons |
|---|---|---|---|---|
| | Yes | No | Summary description | |
| | | | operations.<br>g) To check the dissemination of significant messages after each board meeting, ensuring the legality and accuracy of the messages, further securing investors' equal access to information on trading.<br>h) To arrange courses for independent directors and general directors according to the industry characteristics of the Company and the directors' educational and professional backgrounds.<br>i) To arrange communication meetings between independent directors and the internal audit managers or the certified public accountants.<br>j) To provide necessary information of the Company to directors, in order to maintain smooth communication and idea exchange with business supervisors.<br>k) Report to the Board on the compliance of independent directors' qualifications with relevant laws and regulations during nomination, election, and tenure. | |
| 5. Has the Company established channels for communicating with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) and created a stakeholders section on its company website? Does the Company appropriately respond to stakeholders' questions and concerns on important corporate social responsibility issues? | V | | The Company has established a stakeholder's area on the website and disclosed phone numbers and email addresses of related personnel, to handle stakeholders' suggestions or disputes.<br>The Company updates the communication status and reports of stakeholders of all categories on a yearly basis. Aside from the disclosure on the Company's website, the report is presented regularly at board meetings. The communication status with stakeholders for 2024 was presented at the Board meeting on Dec. 20, 2024, and the report was also disclosed on the Company's website. | No major difference |
| 6. Has the Company appointed a professional shareholder services agent to handle matters related to its shareholder meetings? | V | | The Company has appointed the Stock Agency Department of Taishin Securities Co., Ltd. to handle shareholder meeting affairs. | No major difference |

| Evaluation item | Implementation status (Note ) | | | Deviations from the Corporate Governance BestPractice Principles for TWSE/TPEx Listed Companies and the reasons |
|---|---|---|---|---|
| | Yes | No | Summary description | |
| 7. Information Disclosure<br>(1) Has the Company established a corporate website to disclose information regarding its financials, business, and corporate governance status? | V | | (1) The Company's website provides an "Investor Relations" corner, in which regular financial information, annual reports, corporate governance, and shareholder section and other information are disclosed. The website is maintained by a specialist and is kept in real-time update for shareholders' and stakeholders' reference. | No major difference |
| (2) Does the Company use other information disclosure channels (e.g., maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors conference etc.)? | V | | (2) The Company has appointed one spokesperson and one deputy spokesperson, whose contact information is disclosed on the Company's website. The IT personnel relay information to sales representatives or spokespersons on a daily basis, further responded by related personnel on the same day. Major announcements and information about earnings calls are posted on the Company's website for investors' reference. | |
| (3) Does the company publish and report its annual financial report within two months after the end of the fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its operating statements for each month before the specified deadlines? | V | | (3) The Company currently files financial reports and monthly operating results in accordance with the prescribed deadlines under the "Regulations Governing the Filing of Reports by Issuers of Listed Securities." The financial report for fiscal year 2024 was publicly announced on February 26, 2025, meeting the requirement to announce and file annual financial reports within two months after the fiscal year-end. Additionally, the Company announced and filed the first, second, and third quarter financial reports and monthly operating results ahead of the required deadlines. | |
| 8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' continuing education, | V | | a) The Company has established the "Ethical Corporate Management Best Practice Principles," "Codes of Ethical Conduct," "Corporate Governance Best Practice Principles," "Procedures of the Prevention from Insider Trading," and "Sustainable Development Best Practice Principles." Also, | No major difference |

| Evaluation item | Implementation status (Note ) | | | Deviations from the Corporate Governance BestPractice Principles for TWSE/TPEx Listed Companies and the reasons |
|---|---|---|---|---|
| | Yes | No | Summary description | |
| the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing liability insurance for directors and supervisors)? | | | the Company revised and officially disclosed the information of "Rules of Procedure for Shareholders Meetings" and "Rules for Director and Supervisor Elections" based on the corporate governance guidelines for listed and over-the-counter companies. These guidelines and procedures are available in the investor relations corner on the Company website. On Nov. 13, 2024, the Board of Directors approved the revisions of certain parts of the "Corporate Governance Best Practice Principles" and "Corporate Social Responsibility Best Practice Principles", and renamed the latter as "Sustainable Development Best Practice Principles." The updated version was disclosed on the Company website after acquiring approval from the Board.<br>b) The Company has established a subsidy policy for employees' weddings, funerals, and celebrations, providing congratulatory or condolence payments according to the guidelines, and assigning representatives to express regards. In addition to enrolling employees in labor and health insurance as required by law, the Company also provides group insurance and occupational accident insurance to enhance medical and accident coverage. Annual employee trips are organized to promote team bonding and strengthen parent-child relationships. Stress-relief workshops and health seminars are also held from time to time to raise awareness of leisure and wellness. Furthermore, parent-child workplace experience activities are organized to help employees' children better understand their parents' work environment and responsibilities. In 2024, a film festival was held, inviting employees and their families to enjoy free movie screenings together.<br>c) The Company established the stakeholders' area, on which the | |

| Evaluation item | Implementation status (Note ) | | | Deviations from the Corporate Governance BestPractice Principles for TWSE/TPEx Listed Companies and the reasons |
|---|---|---|---|---|
| | Yes | No | Summary description | |
| | | | contact numbers and email addresses of related personnel are disclosed to promote the handling of suggestions or disputes from stakeholders.<br>d) The Company established a supplier evaluation system to find the most suitable raw materials and to maintain reasonable costs.<br>e) In 2024, the Company provided courses for advanced studies based on the “Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies” issued by the Taiwan Stock Exchange. The information of courses related to corporate governance was provided to all directors, so that each director may choose to attend the courses that best suit their needs. Please refer to Table. 2 on page 39of this annual report for the status of directors’ advanced studies in 2024.<br>f) The Company’s "Risk Management Policy and Procedures" serve as the highest guiding principles for risk management. A "Risk Management Team" is established, consisting of the top executives from each department and functional unit. The team meets quarterly to identify potential risk factors. Each functional unit addresses risks related to economic, financial, operational, environmental, social, and corporate governance issues. These risks are categorized into preventable risks, strategic risks, and external risks, including strategic, operational, financial, hazard, cybersecurity, regulatory compliance, and climate change risks. The identified risks are evaluated based on their significance, and the relevant risk management scope is determined. Appropriate risk management strategies and preventive measures are then formulated accordingly.<br>After multiple discussions in 2024, the Company summarized | |

| Evaluation item | Implementation status (Note ) | | | Deviations from the Corporate Governance BestPractice Principles for TWSE/TPEx Listed Companies and the reasons |
|---|---|---|---|---|
| | Yes | No | Summary description | |
| | | | and formulated the "2024 Corporate Governance Risk Analysis and Identification Table." This table includes the impact degree of risk events, inherent risks, contingency plans, etc., and is quantified into a matrix diagram. The risk management team reviews and discusses these aspects in quarterly meetings, proposing corresponding strategies to address operational risks. These strategies are gradually implemented into the management system to effectively reduce operational risks.<br>g) The Company has stipulated procedures to handle derivative product transactions and to regularly conduct internal audits. We have obtained the Authorized Economic Operator (AEO) certification from Customs Administration. In addition to prioritizing product quality, corporate responsibility, safety and health, environmental protection and waste management, we also actively participate in the "Authorized Economic Operator Security Vetting Items and Validation Criteria" program promoted by Customs Administration. This is to ensure that our operation procedures and transportation processes can meet security standards. Through the AEO program, we can guarantee the safety and quality of logistics for our customers or suppliers, thereby providing security for the global supply chain.<br>h) The attendance of directors at board meetings in the Company is good.<br>i) In cases where there is a conflict of interest between a director and a proposal, relevant parties will be asked for temporary recusal before starting the discussion.<br>j) The Company has purchased liability insurance for directors and managers. The important details such as the amount of insurance, coverage and insurance rates were presented to the | |

| Evaluation item | Implementation status (Note ) | | | Deviations from the Corporate Governance BestPractice Principles for TWSE/TPEx Listed Companies and the reasons |
|---|---|---|---|---|
| | Yes | No | Summary description | |
| | | | Board of Directors on Feb. 25, 2025. The coverage period for this insurance lasted from Dec. 24, 2024 to Dec. 24, 2025, and the information has been disclosed on the Market Observation Post System (MOPS). | |

Please describe improvements that have already been made based on the Corporate Governance Evaluation results released for the most recent fiscal year by the Corporate Governance Center, Taiwan Stock Exchange, and specify the priority enhancement objectives and measures planned for any matters still awaiting improvement.

1. The Company ranked in the top 36%~50% in the 9th (2022) and 10th (2023) corporate governance evaluations.
2. The Company has made the following improvements: (a) Establishing relevant operating standards for financial transactions between related parties. (b)Added information disclosure on social participation, employee diversity and equality, and conflict mineral procurement management policies to the company website.
3. Priority items and measures to be strengthened:
   (a) In 2014, the continuous audio and video recordings of the shareholders' meetings have been made available on the company's website. (b) Establish a sustainable business operation section on the company website. (c) Revise the reporting system for illegal (including corruption) and unethical behavior by internal and external personnel of the company and make it public on the company website.

＊Table 1:

The Company’s 2024 independence principles and examples of evaluation for accountants are as follows:

| Subjects to be reviewed | Yes | No |
|---|---|---|
| 1. No significant financial involvement with our Company or any companies under control of our Company. | V | |
| 2. Avoid any inappropriate involvement with our Company. | V | |
| 3. The financial statements of the organization within first two years of practice cannot be naudited or attested. | V | |
| 4. The accountant him / herself, his / her spouse or underage children must not have debtor-creditor relationships with our Company. | V | |
| 5. Must not have relationships of co-investor or having shared benefits with our Company. | V | |
| 6. Must not serve as a permanent employee with a fixed salary. | V | |
| 7. Must not be involved in any management functions of decision-making in our Company. | V | |
| 8. Have no relationships as spouses, lineal relatives by blood, lineal relatives by marriage or collateral relatives by blood within second-degree with the Sponsors or Managers of the Company. | V | |
| 9. The accountant him / herself, his / her spouse or underage children must not have any relationships of investment or shared financial benefits with our Company. | V | |
| 10. Our two current accountants have so far conducted attestation service for less than 7 years. | V | |

Notes: Reference from “Article 47 of Accounting Act”and “The Norm of Professional Ethics for Certified Public Accountant No.10”

∗Table 2:

2024 advanced study records of the Directors

| Job title | Name | Training Date | Title of lecture | Training Hours |
|---|---|---|---|---|
| Chairman | Thomas Shen | 2024/07/03 | 2024 Cathay Sustainable Finance and Climate Change Summit | 6 |
| Director | Mark Yang | 2024/04/18 | Corporate Governance Trends and Sustainable Development | 3 |
| | | 2024/04/26 | Understanding Financial Statements: A Course for Board Directors and Supervisors Without a Financial Background. | 3 |
| Director | R.H.Tian | 2024/07/29 | Emerging Payment Trends and Regulatory Compliance Risks | 3 |
| | | 2024/08/15 | Latest Developments and Impacts of CFC Regulations | 3 |
| | | 2024/08/20 | Identifying Corporate Weaknesses and Operational Risks Through Financial Statements | 3 |
| | | 2024/09/09 | Prevention of Tax Money Laundering Risks | 3 |
| | | 2024/10/25 | Workplace Labor Disputes, Resolution Mechanisms, and Case Studies | 3 |
| | | 2024/10/28 | Trends in the Development of the Generative AI Industry | 3 |
| Independent director | Chen-I, Wu | 2024/07/03 | 2024 Cathay Sustainable Finance and Climate Change Summit | 3 |
| | | 2024/10/4 | 2024 Dissemination of Prevention of Insider Trading | 3 |
| | | 2024/10/7 | 2024 Taishin Net Zero Electricity Peak Forum | 3 |
| | | 2024/11/22 | 2024 Insider Equity Trading Legal Compliance Seminar | 3 |
| Independent director | Jeng-Ming, Pai | 2024/07/03 | 2024 Cathay Sustainable Finance and Climate Change Summit | 6 |
| Independent director | Jin-Chang, Bou | 2024/03/22 | Empowering the New Carbon Era with Sustainability Knowledge — CDP Taiwan Launch Event | 3 |
| | | 2024/07/03 | 2024 Cathay Sustainable Finance and Climate Change Summit | 3 |
| Independent director | Yung-Luh, Tsaih | 2024/11/08 | Understanding and Preventing Unlawful Workplace Harassment: Focusing on the Guidelines for the Prevention of Sexual Harassment in the Workplace | 3 |
| | | 2024/11/08 | Corporate Control Disputes and an Introduction to the Business Case Adjudication Act | 3 |

(4)If the company has a remuneration committee or nomination committee in place, the composition and operation of such committee shall be disclosed.

(A)Information on Remuneration Committee Members

| Qualifications / Name | | Professional qualifications and experience | Independence analysis | Number of other public companies at which the person concurrently serves as remuneration committee member |
|---|---|---|---|---|
| Independent director (Convenor) | Jeng-Ming, Pai | Please refer to Page 8 ~ page 13「Directors' professions and qualifications / Information disclosure of independent directors」and「Boarding diversity and independence」 | Please refer to Page 8 ~ page 13「Directors' professions and qualifications / Information disclosure of independent directors」and「Boarding diversity and independence」 | 0 |
| Independent director | Chen-I, Wu | | | 1 |
| Independent director | Jin-Chang, Bou | | | 0 |
| Independent director | Yung-Luh, Tsaih | | | 1 |

(B)Duty

Remuneration committee should perform duties listed below based on duty of care, and submit the proposal to the Board for discussion.

a) Stipulating and regularly reviewing the performance evaluation of Directors and Managers, and the policies, systems, standards and structures.

b) Regularly evaluating and stipulating the pay or emoluments of Directors and Managers.

(C)Operation of the Remuneration Committee

a) The Company's remuneration committee has a total of 4 members.

b) The term of the current members is from 2024/04/30 to 2027/04/29. The number of remuneration committee meetings held in the most recent fiscal year was: 3 (A).

The attendance by the members was as follows:

| Title | Name | No. of meetings attended in person (B) | No. of meetings attended by proxy | In-person attendance rate (%) (B / A) | Remarks |
|---|---|---|---|---|---|
| Convenor | Jin-Chang, Bou | 3 | 0 | 100% | 2024.4.30 appointed |
| Member | I-Tan, Chih | 2 | 0 | 100% | 2024.4.30 Resignation |
| Member | Chen-I, Wu | 1 | 0 | 100% | 2024.4.30 appointed |
| Member | Jeng-Ming, Pai | 3 | 0 | 100% | 2024.4.30 appointed |
| Member | Yung-Luh, Tsaih | 3 | 0 | 100% | 2024.4.30 appointed |

Other information required to be disclosed:

1. If the board of directors does not accept, or amends, any recommendation of the remuneration committee, specify the board meeting date, meeting session number, content of the recommendation(s), the outcome of the resolution(s) of the board of directors, and the measures taken by the Company with respect to the opinions given by of the remuneration committee (e.g., if the salary/compensation approved by the board is higher than the recommendation of the remuneration committee, specify the difference(s) and the reasons): NA
2. With respect to any matter for resolution by the remuneration committee, if there is any dissenting or qualified opinion of a committee member that is on record or stated in writing, specify the remuneration committee meeting date, meeting session number, content of the motion, the opinions of all members, and the measures taken by the Company with respect to the members' opinion: NA

＊Table1:

| Remuneration Committee | Resolution Content | Resolutions | Subsequent Handling |
|---|---|---|---|
| 5th Term 9rd meeting 2024.01.23 | 1. Approved rules and systems of Directors' emoluments and Managers' performance evaluation and pay of Company<br>2. Annual performance bonus standards and the actual amount in 2023 and annual raise guidelines in 2024 | Unanimous approval from the committee | Submitted to the Board and approved unanimously |
| 5th Term 10th meeting 2024.03.13 | 1. 2023 employees' profit sharing bonus and directors' compensation<br>2. Annual Directors' emolument Distribution case of 2023<br>3. Holiday bonuses approval rules of 2024 | Unanimous approval from the committee | Submitted to the Board and approved unanimously |
| 6th Term 1th meeting 2024.08.09 | 1. 2023 Managers' profit sharing bonus | Unanimous approval from the committee | Submitted to the Board and approved unanimously |

(5) Promotion of Sustainable Development – Implementation Status and Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons

| Item | Implementation status | | | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons |
|---|---|---|---|---|
| | Yes | No | Summary description | |
| 1. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board? | V | | Following the vision and mission of the Company's ESG policy, the "Corporate Social Responsibility (CSR) Promotion Team" was established in 2015 and then renamed as the "Sustainable Development Promotion Team" at the end of 2021.<br>The team was led by the Vice Presedent of Management Department Ms. Wu, who reviewed the Company's core operational capabilities with several senior managers from different domains. In accordance with the strategies advocated by regulatory authorities for promoting corporate governance, the company continuously promotes policies, systems, or relevant management guidelines, as well as specific plans, in the dimensions of sustainable development such as economic value innovation, environmental sustainability, social engagement, friendly workplaces, and corporate governance. Quarterly ESG (Environmental, Social, and Governance) sustainable development promotion meetings are convened to confirm the achievement status of each goal and outline future implementation plans. Through meetings, the team identified that sustainability issues are critical to the Company's operations and also highly concerned by stakeholders, thus starting to develop and execute annual plans and tracking the efficacy of their implementation to ensure the integration of sustainable development strategies into the Company's daily operations.<br>During the board meeting on May. 10, 2024, Vice Presedent, Wu, the Corporate Governance officer, reported on the progress of sustainable development | No major difference |

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| | Yes | No | Summary description | |
| | | | initiatives and sought guidance and suggestions from the board. The Board of Directors recommends that relevant executives participate more frequently in training courses related to sustainability and carbon reduction in the future, in order to successfully achieve ESG sustainability goals and plans. In accordance with the board's advice, the Sustainable Development Promotion Team organized multiple relevant training courses throughout in 2024, and members will gradually draft related procedures by the end of the year. It is anticipated that these procedures will be released and implemented progressively in 2024. The Company is also committed to promoting corporate social responsibility. At the end of 2024, it established a Social Performance Team and plans to complete the SA8000 social responsibility certification in 2025.<br>Each year, the Corporate Governance Officer, Vice Presedent, Wu, compiles the "Corporate Sustainability Report" that summarizes the Company's sustainability efforts in the previous year, and then presents it to the Board of Directors. The presentation of actual practices in 2024 was during the Board meeting on Aug. 9. Upon approval by the Board of Directors, the "Corporate Sustainability Report" will be uploaded to the Market Observation Post System (MOPS) and the Company's official website. (www.apexbio.com.tw) | |
| 2.Does the company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies? | V | | (1)This disclosure covers the Company's sustainability performance at its major locations from January to December 2024. The scope of risk assessment primarily focuses on the Company itself, including its existing sites in Taiwan, Mainland China, and the Americas. In consideration of operational relevance and the level of impact on material topics, subsidiaries Apex Biotechnology (Suzhou) | No major difference |

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| | Yes | No | Summary description | |
| | | | Corporation and Omnis Health, LLC have also been included within the reporting boundary.<br>(2)The Sustainability Development Committee conducts analysis based on the materiality principle outlined in the Sustainability Report, engages in communication with internal and external stakeholders, and integrates assessment data from various departments and subsidiaries. Through this process, the Committee identifies material ESG issues and formulates effective risk management policies, including identification, measurement, evaluation, monitoring, and control measures, along with concrete action plans to mitigate the impact of related risks.<br><br>The following are the risk management policies or strategies formulated based on risk assessment in 2024:<br><br>(A) Environment:<br>a)To develop the "Environmental Impact Identification Management Procedure" in accordance with ISO 14001 regulations, and to conduct risk identification and propose corresponding measures every year to ensure the effective operation of the Environmental, Health and Safety Policy.<br>b)To develop various management measures for waste reduction, emission reduction, pollution prevention and so on, to implement and control, actively avoid environmental pollution risks.<br>c)To properly classify garbage, minimize waste, and to lower waste material and increase recycling rate during product development. | |

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| | Yes | No | Summary description | |
| | | | d)Establish a smoke-free environment in the factory.<br>e)Promote energy-saving projects to reduce energy consumption.<br><br>(B) Society<br>a)To conduct regular information security training every year to enhance employees' awareness of information security, further avoiding risks of leakage of the Company's or customers' information.<br>b)To isolate important internal websites and application systems with a firewall from the external internet, so as to enhance network security and avoid the risk of external malicious intrusion and attacks, and to conduct regular information system disaster prevention drills.<br>c)In 2024, the Company engaged an external cybersecurity firm to conduct a vulnerability scan of the information systems of Apexbio, and has implemented vulnerability management and planned system upgrades based on the findings.<br>d)To hold events like "the Employee Welfare Committee," "Management and Labor Council," and "Occupational Safety Committee" every quarter to promote communication with the employees and provide timely legal advocacy to prevent labor disputes. Employees can provide suggestions through meetings or suggestion boxes, and the Company and employees can work together to create harmonious labor relations.<br>e)To prepare posters about mechanical equipment | |

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| | | | operational safety and workplace health and hygiene in Vietnamese and Chinese to remind employees to pay attention to their own health and safety during their work. In 2024, a total of 308 people participated in the training of “in the Use of Production Machinery or Equipment" course to prevent the occurrence of entrapment in machinery and equipment.<br>f) In order to create a healthy and safe working environment as well as prevent occupational hazards,we enhanced work safety by reducing manual handling of loads and back bending, and by replacing hand trucks with semi-automatic transport vehicles.<br>g)According to the ISO 45001 regulations, various management measures were established, and occupational safety personnel may inspect each department's safety performance and propose methods to improve at any time to achieve a safe and healthy working environment. In 2024, regular fire drills and industrial safety trainings were held to cultivate employees' emergency response capability and self-management skills.<br>h)Take the following measures for disease prevention:<br>i) Employees are encouraged to get vaccinated to reduce the risk of outbreak within the Company.<br>ii) The Company has been putting a lot of stress on employees’ health condition and prevention of occupational diseases. Electronic information for disease control and health education is provided to promote | |

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| | Yes | No | Summary description | |
| | | | getting vaccinated to the employees.<br>iii) Regularly hold health lectures to improve employees' awareness of disease prevention.<br>iv) Provide regular health consultations with in-factory doctors and provide employees with physical and mental health consultation and assistance plans.<br><br>(C) Corporate Governance:<br>a) The Company provided internal training on corporate governance to strengthen employees' awareness of legal compliance.<br>b) Executives and directors in the Company attend external courses related to corporate governance to increase their knowledge.<br>c) Each department should conduct regular self-evaluation to review the implementation of internal controls and legal compliance in the previous year.<br>d) In response to industry (business) changes, including technological innovation, creativity insufficiency and changes in business patterns, the following measures are taken:<br>i) Establishing a product development decision-making team.<br>ii) Holding regular internal market information exchange and discussion meetings.<br>iii) Making regular reports for product development progress<br>iv) Clearly define and give presentations on the new product's specifications, costs, and markets.<br>e) To avoid misunderstandings and potential business or litigation risks arising from | |

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| | | | conflicting positions between stakeholders and the consolidated companies, the parent company annually analyzes key stakeholders and their concerns. The company has also established various communication channels to actively engage in dialogue, reducing conflicts and misunderstandings. An investor email inbox has been set up, which is managed and responded to by the spokesperson.<br><br>(3)On March 26th, 2021, the Company's board of directors approved the establishment of the " Corporate Governance Risk Management Policy and Procedures" and set up a "Risk Management Team." The General Manager served as the supreme commander, and department heads served as responsible persons for each business promotion team, responsible for implementing policies and strategies of risk management. The execution results of 2023 and the actual operations in 2024 were first submitted to the Company's audit committee to be reviewed on Nov. 13, 2024, and after passing the review, they were presented at the Board meeting on Nov. 13, 2024. A new section titled "Risk Assessment of Material Topics and Implementation Status of Action Plans" was added and reported to the Board of Directors on Dec. 20, 2024.<br>The "Risk Management Policy and Procedures" was approved by the Board on Aug. 8, 2023 and can be found on our official website at www.apexbio.com.tw. | |

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| 3. Environmental Issues<br>(1)Has the Company set an environmental management system designed to industry characteristics? | V | | The Company has established environmental management systems in all its factories in accordance with ISO 14001 and has passed third-party verification for a couple of times. In 2024, we passed a factory inspection conducted by SGS and acquired an ISO 14001 certification, valid from Oct. 23, 2024 to Oct. 23, 2027. The Company conducts annual greenhouse gas inventory to track emission reductions. The Company conducts annual greenhouse gas inventories to track emission reduction performance. Wastewater treatment, noise control, and waste recycling are all carried out in compliance with environmental safety management systems and relevant environmental regulations. The effectiveness of these measures is regularly reviewed and continuously improved, with implementation status reported quarterly to the Occupational Safety and Health Committee.<br>Relevant environmental information is disclosed in the Corporate Sustainability Report and on the Company's website at www.apexbio.com.tw. | No major difference |
| (2)Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact? | V | | In compliance with the government's online reporting system for energy audits in the manufacturing sector, the Company has maintained an average annual electricity savings rate of over 1% throughout the reporting period (2015–2024).<br>In 2024, the Company also supported the Hsinchu City Environmental Protection Bureau's waste resource management policy by partnering with a certified SRF (Solid Recovered Fuel) recycling company to handle part of the plant's waste plastics, thereby reducing the volume sent directly for incineration by the Bureau.<br>The Company is continuously committed to improving the efficiency of resource utilization. For example, | No major difference |

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| | Yes | No | Summary description | |
| | | | disposable paper cups are not provided in the Company, meaning employees need to bring their own water bottles. The Company also encourages employees to bring eco-friendly utensils, and in the Company's restaurant, only eco-friendly utensils are being used. Envelopes and kraft paper bags are reused for times, and serve as document delivery bags. Our workers collect the outer boxes originally for transporting raw materials, and encourage suppliers to reuse them. The plastic trays used to hold semi-finished products are recycled by suppliers after having some damage on them.<br>All raw materials used by the Company comply with the RoHS and REACH regulations of the EU. The production department actively handles material recycling and reduces pollution during the manufacturing process to minimize impacts on the environment. | |
| (3)Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted relevant measures to address them? | V | | The Company takes climate change-related issues very seriously and has been encouraging employees to take the first few steps from their daily routines. For example, employees are encouraged to print documents as double-sided, and recycle bins are placed next to printers for paper recycling. In the Company, electronic invoices are being used and employees are encouraged to use paperless methods to transmit documents or letters, which can significantly reduce paper usage. In addition, the office's air temperature is set at 26 degrees Celsius during summer, applying energy-saving lighting, and encourages employees to turn off lights not being used to save energy. These actions are made to mitigate global warming.<br>After evaluating the risk factors of climate change in 2024, the Company proposed the following measures: | No major difference |

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| | Yes | No | Summary description | |
| | | | (A) In response to the risks of water supply disruptions caused by irregular droughts resulting from extreme climate conditions, the Hsinchu Plant has installed an additional water storage tank in the basement. This expansion has increased the plant's water storage capacity to four times the original design volume, enabling the facility to sustain operations for up to three days in the event of a complete water outage.<br>(B) The Hsinchu Plant has designed a rainwater harvesting system that allows stored rainwater to be redirected for air conditioning use during periods of severe drought. This system enables the plant's water reserves to support operations for up to one week, ensuring that company activities are not disrupted.<br>(C) Facility equipment is gradually replaced and upgraded each year to incorporate energy-saving systems.<br>(D) Lighting fixtures are being gradually replaced with energy-efficient LED lights each year. | |
| (4)Did the company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes? | V | | The Occupational Safety Office conducts annual statistics on energy consumption, greenhouse gas emissions, water usage, and total waste volume. The results from the past three years are compiled and reviewed in the annual ESG report.<br>The Company places great importance on environmental reduction policies and has set specific reduction targets in the Corporate Sustainability Report based on the characteristics of each dataset. These targets include an annual 1% reduction in greenhouse gas emissions, energy intensity, water usage, and waste intensity.<br>In 2024, a decrease in production volume affected the | No major difference |

<table>
<tr><th rowspan="2">Item</th><th colspan="2">Implementation status</th><th rowspan="2">Summary description</th><th rowspan="2">Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons</th></tr>
<tr><th>Yes</th><th>No</th></tr>
<tr><td></td><td></td><td></td><td>achievement of these targets. The Company will continue to revise and improve its strategies to meet its energy-saving and waste-reduction goals.<br>For information about the Company's environmental policies, please visit our official website at www.apexbio.com.tw.<br><br>(A)Inventory of Scope 1 and 2 emissions for the year 2024:<br>Greenhouse gas emissions for the past 3 years:<br>Unit: ton(s) CO2e<br><table><tr><th>Year</th><th>Scope 1 and 2 greenhouse gas emissions</th><th>Scope 3~6 greenhouse gas emissions</th></tr><tr><td>2022</td><td>11623.096</td><td>N/A</td></tr><tr><td>2023</td><td>9667.296</td><td>N/A</td></tr><tr><td>2024</td><td>9349.50</td><td>2399.12</td></tr></table>(The information for 2022 and 2023 covers the Hsinchu and Taoyuan plants, while the information for 2024 includes all overseas subsidiaries.)<br><br>Water usage for the past 3 years:<br>(Hsinchu and Taoyuan plant areas)<br>Unit: tons<br><table><tr><th>Year</th><th>Total water usage</th></tr><tr><td>2022</td><td>49,573</td></tr><tr><td>2023</td><td>46,514</td></tr><tr><td>2024</td><td>46,369</td></tr></table><br>Waste production for the past 3 years:<br>(Hsinchu and Taoyuan plant areas)<br>Unit: tons<br><table><tr><th>Year</th><th>Biomedical waste</th><th>General waste</th></tr><tr><td>2021</td><td>1.45</td><td>170.07</td></tr><tr><td>2022</td><td>1.51</td><td>199.27</td></tr><tr><td>2023</td><td>1.50</td><td>173.37</td></tr></table></td><td></td></tr>
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| | Yes | No | Summary description | |
| | | | (B)The Company values environmental protection, and has maintained ISO 14001 certification for environmental management system in 2024. To achieve sustainable resource utilization and promote circular reuse, the Company prioritizes in-plant reuse of waste materials to reduce the consumption of raw materials. Secondary measures include recycling and reuse, along with promoting the conversion of waste into energy resources (SRF). Compared to 2023, the volume of waste converted into energy resources increased by 286% in 2024. Final disposal methods such as incineration and landfill are minimized. Through these efforts, the Company continues to pursue carbon reduction targets and actively fulfills its environmental and social responsibilities. | |
| 4. Social Issues<br>(1)Has the company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions? | V | | Apex Biotechnology Corp. referred to the Universal Declaration of Human Rights, United Nations Guiding Principles on Business and Human Rights, Social Accountability international standards, ILO Convention, international labor organization certification, United Nations Guiding Principles on Business and Human Rights, as well as Taiwan's "Labor Standards Act" and "Act of Gender Equality" in Employment to establish its human rights policy, which is published on the Company's website.<br>Relevant labor laws and human rights conventions, as well as occupational safety and health regulations, have also been the reference to establish the "Recruitment and Selection Procedures," "Personnel Management Rules," "Measures to Prevent and Deal with Sexual Harassment, Complaints, and Disciplinary | No major difference |

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| | Yes | No | Summary description | |
| | | | Actions," "Management Procedures for Preventing Abnormal Workload," "Management Procedures for Preventing Workplace Harassment," and "Maternal Health Protection Management Procedures." These are put in place to safeguard rights of the employees and ensure their health and safety. | |
| (2)Has the Company established and implemented reasonable employee welfare measures (include salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation? | V | | Employee welfare measures and remuneration policies are implemented in accordance with the Company's "Personnel Management Rules," "Employee Welfare Subsidy Measures," and "Performance Appraisal Measures" to maintain employee rights and to protect their health and safety. In 2024, salaries of the employees were adjusted around 3%. In addition, According to Article 27-1 of Articles of Incorporation, the Company should contribute at least 3% of pre-tax net profit for Employee Bonus Stock (in thousand shares), prior to the deduction of employee bonus stock and directors' emoluments, which may include subsidiary company employees who meet the standards set by the Board of Directors. The employees' profit sharing bonus for 2023 has been paid in 2024.<br>The Company has established the staff welfare committee to plan and provide high-quality welfare benefits for employees, including company travel subsidies, birthday & hoildays vouchers, marriage subsidies, childbirth subsidies, funeral subsidies, hospitalization condolence payments, holiday celebrations and so on. The Company also provides group insurance, free physical check-ups, meal subsidies, and other benefits. In terms of vacation policy, the Company provides two days off per week and annual leaves according to the Labor Standards Act. For employees who need to take a longer period | No major difference |

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| | Yes | No | Summary description | |
| | | | of leave due to childbirth, serious illness, major accidents, or other reasons, they can also apply for leave without pay to balance personal and family needs.<br>Workplace diversity and equality are achieved through equal pay and promotion opportunities for both men and women, and promoting sustainable and inclusive economic growth. In 2024, women accounted for an average of 73% of the workforce and an average of 45% of leading positions. The Company continues to maintain an equal and diverse workplace to promote sustainable and inclusive economic growth.<br>The Company values employees' rights and welfare. In hardware facilities, the Company provides free parking, books, newspapers and magazines, nursing rooms, employee restaurants, coffee bars, small welfare stores, and employee dormitories to provide employees with their daily needs. In promoting employees' physical and mental well-being, the Company provides on-site massage services to help relieve stress, arranges annual health examinations and on-site medical consultations, and organizes health seminars such as "Stroke Prevention Strategies" and "Prevention of Cataracts and Glaucoma," thereby strengthening employee health care. | |
| (3)Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees? | V | | Providing a safe and friendly workplace is the Company's commitment and a basic guarantee for our employees. Therefore, creating a good working environment and ensuring employees' workplace safety, physical as well as mental health are the Company's top priorities.<br>The Company provides related training courses for employees, and conducts disaster prevention drills to simulate the situation of emergency, cultivating | No major difference |

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| | Yes | No | Summary description | |
| | | | employees' evacuation consciousness and response capabilities. The Company is well-prepared with sufficient knowledge to reduce the risk of employees getting injured. Furthermore, the Company has established a occupational safety and health committee, and obtained international standards certification a few times in a row by the ISO 14001:2015 Environmental Management Systems and ISO 45001:2018 Occupational Health and Safety Management System.<br>The Company conducts regular monitoring of the workplace environment every six months and provides annual physical check-ups for employees that exceed legal requirements, as part of our efforts to control workplace hazards and prevent occupational diseases. For particularly dangerous operations, such as those involving noise, employees whose test results turn out as abnormal will be tracked and managed with necessary individual health counseling, concern and guidance to help them understand their own health status.<br>In 2024, the Occupational Safety and Health Committee consisted of 15 members, of whom 5 were labor representatives, accounting for 33.3% of the committee.<br>In 2024, there were 2 cases of occupational accidents in the Company, among them one was related to traffic accidents and the other was an accident caused by a natural disaster (earthquake). To prevent such accidents, the Company asked the labor representatives to attend the Occupational Safety and Health Committee and consult the members on the prevention of transportation accidents, further reminding the employees of obeying traffic rules. To prevent | |

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<tr><th rowspan="2">Item</th><th colspan="2">Implementation status</th><th rowspan="2">Summary description</th><th rowspan="2">Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons</th></tr>
<tr><th>Yes</th><th>No</th></tr>
<tr><td></td><td></td><td></td><td>occupational accidents in the workplace, the Company requires all machinery operators and training personnel to strictly follow established safety regulations. Equipment is uniformly fitted with tri-color warning lights for clear identification. In addition, all machinery is equipped with necessary safety guards, and safety instructions are prominently displayed in both Chinese and Vietnamese. Furthermore, airgun operators are required to wear protective glasses, and the Company posts Chinese and Vietnamese safety posters related to machinery and equipment operation in bulletin board, reminding employees of paying attention to occupational safety.<br>The Company has established an inspection plan for occupational safety personnel, and the results of each inspection are presented to and reviewed at the quarterly Occupational Safety and Health Management Committee. Measures to improve any identified deficiencies are kept track of and followed up.<br><br><table><tr><td colspan="2">Occupational Safety Inspection Plan in 2024</td></tr><tr><td>1.Plant Safety Inspections</td><td>at least 4 times per month</td></tr><tr><td>2.Fire Equipment Inspections</td><td>at least once per month</td></tr><tr><td>3.Safety Facilities Inspections</td><td>at least 4 times per month</td></tr><tr><td>4.Environmental Safety Monitoring Results</td><td>once every 6 months</td></tr><tr><td>5.Employee Physical Check-up and Special Operation Inspection</td><td>once a year</td></tr><tr><td>6.Employee Health and Occupational Disease Prevention and Health Promotion</td><td>at least 4 times per month</td></tr></table></td><td></td></tr>
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| | Yes | No | Summary description | |
| | | | The Company's Occupational Safety Personnel periodically inspect the production environment and equipment safety at various plant sites. The inspection content and requirements include:<br>(A)Improving the work environment, strengthening the safety protection of equipment, automation equipment, and personnel wearing appropriate protective equipment, and adopting Vietnamese and Chinese safety signs to reduce the incidence rate of occupational accidents.<br>(B)Specialized operators receiving training as required, and receiving regular refresher training to acquire relevant knowledge and skills.<br>In 2024, a total of 993 people participated in internal safety training courses, with a total of 2,699 hours of training. A total of 17 people participated in external safety training courses, with a total of 137 hours of training.<br>In 2024, there were no fire incidents in our company, and we have maintained records of annual fire inspection and reporting in compliance with fire regulations. Fire safety managers are appointed in each factory area as required by law, and fire protection plans are submitted to the fire department. Annually, fire drills and evacuation exercises are conducted twice according to the plan, ensuring effective fire safety management. | |
| (4)Has the Company established effective career development training programs for employees? | V | | The Company provides comprehensive job function training based on the job description for all levels of supervisors and colleagues, including new employee training, professional training, and supervisor training. The Company helps colleagues continue to learn through various learning methods. Based on the training plan or needs proposed by each supervisor, the | No major difference |

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| | Yes | No | Summary description | |
| | | | Company arranges relevant personnel to attend professional training courses externally to cultivate colleagues' professional key abilities. A total of 112 people participated in training in 2024.<br>Supervisors conduct regular performance reviews every year, and discuss and design individual annual competency development plans with employees. Through regular review and feedback, the Company assists employees in creating the best career competency development plan tailored to their needs.<br>The 2025 training plan and budget were approved by the General Manager, with an allocated budget higher than that of 2024. In addition to enhancing employees' professional competencies, departments have also incorporated training courses related to ESG and corporate sustainability, greenhouse gas reduction, and information security system certifications. These initiatives aim to further strengthen the capabilities of both managers and employees in emerging professional fields. | |
| (5)Does the company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies? | V | | The Company provides an 0800 toll-free customer service hotline to handle customer complaints, disputes and post-service inquiries. The Company has established the “Privacy, Confidentiality, and Personal Data Protection Management Procedure” to strengthen the protection of personal data belonging to employees, suppliers, customers, and consumers. Confidential file management is implemented, and access is restricted to authorized personnel only. The Company's products are in compliance with various medical regulations such as FDA / CE/ISO / GMP / TFDA / CFDA / ANVISA / MDSAP, and the Company has established procedures for "Customer Complaint Management", "Customer Repair Management", and | No major difference |

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| | Yes | No | Summary description | |
| | | | "Customer Satisfaction Survey" to protect consumer rights and meet consumer requirements for product services. In order to comply with regulatory requirements in international certification regions, the Company has also established regulations on "packaging and labeling requirements" to control package labeling. To demonstrate the Company's commitment to product safety, "product notification management procedures" and "product recall management procedures" have been developed to ensure the health and safety of customers. | |
| (6)Has the company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation? | V | | The Company has established "Procurement Operation Management Procedure" and "Supplier Evaluation Management Procedure" in accordance with regulations such as ISO 13485, ISO 14001, ISO 45001, GMP and AEO to manage suppliers. We strictly require our suppliers to comply with safety and labor related regulations and to possess appropriate quality control. If there is any violation to be found, we will request the improvement within a specific timeframe.<br>The company requires suppliers in the supply chain to refrain from using conflict minerals sourced from conflict-affected regions. If minerals originate from such regions, they must be sourced from conflict-free mines verified by third parties. The company diligently conducts due diligence to understand the mineral sourcing of suppliers, utilizing the Responsible Minerals Initiative's Conflict Minerals Reporting Template (CMRT) for investigation. Suppliers are requested to disclose the sources of their minerals and sign declarations of non-use of conflict minerals, adhering to the policy of avoiding conflict minerals. The Company requires all suppliers, contractors, and service providers to sign a “Corporate Social | No major difference |

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| | Yes | No | Summary description | |
| | | | Responsibility (CSR) Commitment Letter" to enhance overall supplier awareness of CSR.<br>The Company has established an audit team and support group to conduct annual assessments of suppliers. In addition to auditing the quality of raw materials and semi-finished products provided by suppliers, evaluation criteria also cover environmental protection, occupational health and safety, information security, and human rights. Identified deficiencies are tracked for improvement, with efforts made to jointly enhance quality and technology, optimize production processes, improve yield rates, strengthen environmental and occupational health and safety performance, ensure compliance with labor regulations, and protect employee rights, aiming to jointly fulfill corporate social responsibility. | |
| 5.Does the company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the company obtain third party assurance or certification for the reports above? | V | | As of the end of 2023, the Company has voluntarily prepared its Corporate Sustainability Report in accordance with internationally recognized reporting standards. The 2024 report is scheduled to be disclosed on the ESG digital platform and the Company's website by the end of August 2025, in compliance with relevant regulations. Currently, the Company is not required to obtain assurance or verification opinions from a third-party organization; however, it will continue to evaluate the appropriate timing for obtaining third-party verification in the future. | No major difference |
| 6. If the Company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, please describe any deviation from the principles in the Company's operations:<br>The Company has established the "Sustainable Development Best Practice Principles" and conducts regular reviews of its implementation in accordance with these principles. To date, no discrepancies have been identified. | | | | |
| 7. Other important information to facilitate better understanding of the company's promotion of sustainable development:<br>(1) The Company and its employees are committed to giving feedback to the society, actively participating in various social welfare activities in 2024, including:<br>a. Actively participating in the fundraising efforts for the "Special Education Student Scholarship" organized by a charitable organization in Hsinchu City, with a | | | | |

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|---|---|---|---|---|
| | Yes | No | Summary description | |
| total donation of NT$168,800.<br>b. The Company organized three blood drives in 2024, receiving enthusiastic responses from employees who totally donated 73 bags of blood.<br>c. Participating in the charity sale organized by the Genesis Social Welfare Foundation, the Company and employees purchased pomelos with a total cost of NT$ 40,300 for the care of patients in a persistent vegetative state.<br>d. On Earth Day, the Company launched the "One-Day Vegetarian Lunchbox" campaign in response to the initiative "Less Plastic is Better than One More Plastic." Simultaneously, a donation of over NT$20,000 was made to World Vision's One Day Food Program.<br>e. The Company initiated a group purchase campaign for agricultural products from Hualien, which received enthusiastic support from both the Company and its employees, resulting in a total purchase amount of NT$84,600. The purchased goods were then donated to three care institutions in Hualien.<br>f. Invited the Garden of Hope Foundation to the facility to conduct two handicraft workshops.<br>g. Invited the Angel Percussion Troupe of Ren'ai Foundation to perform at the facility.<br>h. 80 employees participated in the autumn beach cleaning event organized by the Hsinchu City Government.<br>i. The company hosted a meal for 100 people, including representatives and volunteers from the Hsinchu City Disabled Persons Organizations.<br>j. In collaboration with the Hualien Family Support Center, the company donated 100 Christmas gifts and stationery supplies to children in the center.<br>k. The company employed two visually impaired massage therapists to provide massage services to employees, not only to help them relieve stress but also to encourage employees to seek services from qualified visually impaired massage therapists. | | | | |

(6) Implementation Status for the climate-related information

| Item | Execution Status |
|---|---|
| 1. Description of the Oversight and Governance by the Board of Directors and Management Regarding Climate-Related Risks and Opportunities | 1. An ESG office was established under the leadership of the General Manager to implement corporate social responsibility, ensure regulatory compliance, and build a sound governance framework, with the aim of achieving sustainable business operations. Progress is reported to the Board of Directors annually.<br>2. In accordance with the regulations of the Taiwan Stock Exchange and the Taipei Exchange, starting from May 2022, the scheduling of greenhouse gas inventory and verification activities must be planned and reported to the Board of Directors on a quarterly basis for oversight and control.<br>3. The Company has established a "Risk Management Policy and Procedures," with the Board of Directors serving as the highest decision-making body for risk management. To strengthen climate-related risk management, relevant management systems and regulations have been developed, and climate risk monitoring indicators have been established for oversight purposes. Each year, the Chief Governance Officer reports the implementation status of climate-related risk management to the Audit Committee and the Board of Directors. |
| 2. The Role of Management in Assessing and Managing Climate-Related Risks and Opportunities | 1. The Company has established a Sustainability Development Task Force responsible for identifying climate-related risks and assessing and responding to climate impacts within their respective areas of responsibility.<br>2. The highest-ranking management officer is the General Manager, who leads senior executives in implementing related management tasks and reports directly to the Board of Directors.<br>3. Five dedicated task forces have been established, focusing on Corporate Governance, Sustainable Environment, Friendly Workplace, Social Engagement, and Value Innovation. Each task force is responsible for promoting management performance, risk control, and evaluating related risks and opportunities. They report their response strategies and implementation results to the General Manager on a regular basis.<br>4. Since 2023, the Deputy General Manager of the Administration Department has convened quarterly meetings on Sustainability Development and Risk Management to oversee the implementation of the Company’s sustainability policies and annual objectives. Functional working groups have also been established to promote initiatives across five key areas: Corporate Governance, Sustainable Environment, Friendly Workplace, Social Engagement, and Value Innovation. Each group regularly reports on their work progress and implementation results. Throughout the process, the Audit Committee supervises and provides timely feedback to the Corporate Governance and Risk Management Task Force to enhance the effectiveness of implementation. Additionally, the Chief Governance Officer reports the overall execution status to the Board of Directors on an annual basis. |

<table>
<tr><th>Item</th><th>Execution Status</th></tr>
<tr><td>3. Description of the Short-, Medium-, and Long-Term Climate-Related Risks and Opportunities Identified by the Organization</td><td>Based on the review conducted during the 2024 Risk Management Meeting, the identified climate-related risks are as follows:<br>1. As the targets, strategies, and specific action plans for greenhouse gas (GHG) emissions reduction have not yet been formulated, the short-, medium-, and long-term climate-related risks and opportunities are as follows:<br><br>
<table>
<tr><th></th><th>Risk</th><th>Opportunity</th></tr>
<tr><td>Short Term</td><td>Rising Costs of Energy Consumption</td><td>Engaging in Energy Efficiency Projects to Generate Profits</td></tr>
<tr><td>Medium Term</td><td>The implementation of various environmental protection measures has resulted in increased production costs.</td><td>Investing in design and production process improvements to enhance operational efficiency and achieve cost reductions.</td></tr>
<tr><td>Long Term</td><td>Climate-induced changes in the international market ecosystem may disrupt the organization’s operations and challenge its long-term sustainability.</td><td>Continuous transformation and alignment with emerging markets have enabled the organization to indirectly penetrate new markets and tap into new sources of growth.</td></tr>
</table>
<br>Measures and Implementation Following Risk Review Meetings:<br>1. Carbon emissions are continuously monitored in accordance with the ISO 14064 Greenhouse Gas Inventory Report to identify emission reduction pathways and achieve decarbonization goals.<br>2. The Corporate Sustainability Report sets annual reduction targets for greenhouse gas emissions, water consumption, waste generation, and energy usage.<br>3. Energy-saving LED lighting has been progressively installed to replace traditional fluorescent fixtures, and the replacement has been largely completed.<br>4. As a result of reduced electricity consumption from energy-saving projects, the Company has reviewed and adjusted its contracted electricity capacity with the utility provider to lower electricity expenses.<br>5. The Company continues to invest annually in upgrading and replacing facility infrastructure to improve energy efficiency and reduce energy waste.<br>6. Production equipment has been redesigned to minimize edge trim, thereby reducing overall waste generation.<br>7. The implementation of paperless Device History Records (DHR) contributes to the reduction of paper usage.</td></tr>
</table>

<table>
<tr><th>Item</th><th>Execution Status</th></tr>
<tr><td>4. Describe the impact of climate-related risks and opportunities on the organization’s business operations, strategy, and financial planning, as well as the financial implications of its transition activities."</td><td>
<table>
<tr><th>Climate-related Risks and Opportunities</th><th>Potential Financial Impacts</th><th>Response Measures</th></tr>
<tr><td>Greenhouse Gas Emissions Cap-and-Trade System, Carbon Taxation, and Carbon Fees</td><td>Capacity expansion constraints and increased operating costs</td><td>Conduct annual greenhouse gas (GHG) inventories to continuously monitor and understand the emission trends from our facilities.</td></tr>
<tr><td>Impact of Drought on Internal Operations and Supply Chain"</td><td rowspan="2">Production was affected, resulting in financial losses and a decline in revenue.</td><td rowspan="2">Diversify the supply chain and develop alternative materials.</td></tr>
<tr><td>Flood Impact on Internal Operations and Supply Chain</td></tr>
<tr><td>Temperature Rise Due to Climate Change</td><td>Increased Electricity Consumption, Rising Costs, and Higher Carbon Emissions</td><td>Implementation of Energy-Efficient and Carbon-Reducing Equipment, and Integration of Energy-Saving Practices into Corporate Culture</td></tr>
<tr><td>Corporate Transformation Actions in Response to Climate Risks</td><td>hort-Term Increase in Financial Expenditure and Potential Revenue Decline</td><td>Strengthening Stakeholder Communication to Enhance Corporate Resilience</td></tr>
</table>
</td></tr>
<tr><td>5.Organizational Resilience in Climate Strategies in the Face of Various Climate-Related Scenarios</td><td>In accordance with the organization's established Risk Management Policies and Procedures, the company continuously reviews risks and opportunities across environmental, social, and economic dimensions (including corporate governance). These are managed using the ISO management system’s PDCA (Plan-Do-Check-Act) cycle to effectively control climate-related and other organizational risks.</td></tr>
<tr><td>6.Organizational Process for Climate-Related Risk Identification and Assessment</td><td>1. The company identifies and prioritizes climate-related risks and opportunities through trend analysis and impact assessment, translating key risks into financial terms to develop targeted response strategies.<br>2. Scenario Analysis and Financial Impact Estimation for High-Risk Assessments"</td></tr>
<tr><td>7. Organizational Process for Managing Climate- Related Risks</td><td>1. The Sustainability and Environmental Task Force, under the Risk Management Committee, identifies key risks and collaborates with relevant departments to develop response strategies. The outcomes are submitted to the Risk Management Committee for oversight and evaluation, and are reported regularly to the Audit Committee and the Board of Directors.<br>2. Implementation of Response Measures to Mitigate Identified Risks</td></tr>
<tr><td>8.The Identification, Assessment, and Management of Climate-Related Risks Are Integrated into the Company's Overall Risk Management System</td><td>A "Risk Management Policy and Procedures" has been established, with regular comprehensive reviews of environmental, social, and economic risks and opportunities, including corporate governance.</td></tr>
<tr><td>9. The strategy and risk management processes are followed to assess climate-related risks and opportunities using indicators such as greenhouse gas emissions, energy usage, and climate resilience</td><td>The indicators currently used to continuously monitor climate-related risks and opportunities (with a target of a 1% annual reduction) are as follows:<br>1. Energy Intensity per Unit of Product<br>2. Waste Intensity per Unit of Product<br>3. Water Usage<br>4. Greenhouse Gas Emissions</td></tr>
</table>

<table>
<tr><th>Item</th><th>Execution Status</th></tr>
<tr><td>10. Greenhouse Gas Emissions and Related Risks</td><td>The current carbon emissions amount to 11,750 tons. Based on the current carbon tax threshold of 25,000 tons, there is no immediate financial risk from carbon tax collection.<br>(Unit: tons)
<table>
<tr><th>Annual</th><th>Scope 1 and Scope 2 Greenhouse Gas Emissions</th><th>Scope 3 to Scope 6 Greenhouse Gas Emissions</th><th>Total Emissions</th></tr>
<tr><td>2022</td><td>11623.096</td><td>N/A</td><td>11623.096</td></tr>
<tr><td>2023</td><td>9667.296</td><td>N/A</td><td>9667.296</td></tr>
<tr><td>2024</td><td>9349.5</td><td>2399.12</td><td>11748.62</td></tr>
</table></td></tr>
<tr><td>11. Targets Set by the Organization to Manage Climate-Related Risks and Opportunities, and Performance in Meeting Those Targets</td><td>The current targets used to continuously monitor climate-related risks and opportunities are as follows:<br>1. Energy Intensity per Unit of Product (with an annual reduction target of 1%)<br>2. Waste Intensity per Unit of Product (with an annual reduction target of 1%)<br>3. Water Usage (with an annual reduction target of 1%)<br>4. Greenhouse Gas Emissions (with an annual reduction target of 1%)</td></tr>
<tr><td>12. If there is a transformation plan to manage climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transformation risks.</td><td>Currently, there is no transformation plan in place to manage climate-related risks.</td></tr>
<tr><td>13. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.</td><td>Currently, there is no plan for using carbon pricing tools.</td></tr>
<tr><td>14. If climate-related goals are set, information such as the activities covered, greenhouse gas emission scope, planning schedule, annual achievement progress, etc. should be explained. If carbon offsets or renewable energy certificates (RECs) are used to achieve relevant goals, should explain the source and quantity of carbon reduction credits or the quantity of renewable energy certificates (RECs) being redeemed.</td><td>Currently, there are no climate-related goals and plans set.</td></tr>
<tr><td>15. Greenhouse gas inventory and assurance, and reduction goals, strategies and specific action plans</td><td>Currently, we are undergoing ISO 14064-1 guidance for greenhouse gas inventory, developing personnel training, drafting strategic objectives, establishing control mechanisms, and planning for internal and external verification. The projected schedule plan is as follows:<br>A. The parent company completed the greenhouse gas inventory in December 2026.<br>B. The subsidiary company completed the greenhouse gas inventory in December 2027.<br>C. The parent company completed the external verification in December 2028.<br>D. The subsidiary company completed the external verification in December 2029.</td></tr>
</table>

## 1-1 Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years

### 1-1-1 Greenhouse Gas Inventory Information

Describe the emission volume (metric tons CO2e), intensity (metric tons CO2e/NT$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years.

(Unit: tons CO2e)

| Annual | Scope 1 and Scope 2 Greenhouse Gas Emissions | Scope 3 to Scope 6 Greenhouse Gas Emissions | Total Emissions | Intensity (metric tons $CO_2e$ per million NT$) | Note |
|---|---|---|---|---|---|
| 2022 | 11623.096 | N/A | 11623.096 | 5.18 | Excluding Scope 3 to Scope 6 emissions |
| 2023 | 9667.296 | N/A | 9667.296 | 5.77 | Excluding Scope 3 to Scope 6 emissions |
| 2024 | 9349.5 | 2399.12 | 11748.62 | 6.34 | Including overseas subsidiaries |

### 1-1-2 Greenhouse Gas Assurance Information

Describe the status of assurance for the most recent 2 fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion.

According to the “Sustainability Development Roadmap for TWSE/TPEx Listed Companies” issued by the Financial Supervisory Commission, the Company plans to complete external assurance for the parent company by March 2028, and for subsidiaries by March 2029. The implementation status is reported to the Board of Directors on a quarterly basis。

## 1-2 Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan

Specify the greenhouse gas reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets.

This year is the first to include two overseas subsidiaries within the consolidated financial reporting boundary for greenhouse gas inventory. Reduction targets, strategies, and action plans are yet to be established.

(7) Ethical Corporate Management – Implementation Status and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons

| Evaluation item | Implementation status | | | Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons |
|---|---|---|---|---|
| | Yes | No | Summary description | |
| 1. Establishment of ethical corporate management policies and programs<br>(1) Does the company have an ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team? | V | | (1) The Company stipulated the "Ethical Corporate Management Best Practice Principles" and disclosed on the Market Observation Post system (MOPS) and the Company's official website.<br>The Company's board of directors and senior management have committed to strictly following the integrity management policy. In executing business, they adhere to the principle of integrity, taking responsibility for supervision, and actively implementing the integrity management policy in internal management and business activities.The Company requires its employees to comply with the integrity management policy as part of the employment conditions, and this policy is explicitly stated in the company's regulations and external documents. The Company's corporate sustainable development policy begins with the commitment to "uphold integrity and honesty, and comply with laws and regulations." | No major difference |
| (2) Whether the company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates, within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in Article 7, paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPE Listed Companies? | V | | (2) The Company established a mechanism to assess the risks of unethical behavior, regularly analyzing and evaluating business activities with a higher risk of unethical behavior within its scope of operations. Based on these analyses, the Company established prevention policies and periodically reviewed their adequacy and efficacy. The "Ethical Corporate Management Best Practice Principles" of our Company, specifies that | |

| Evaluation item | Implementation status | | | Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons |
|---|---|---|---|---|
| | Yes | No | Summary description | |
| | | | preventive measures for the following behaviors should be included in the risk assessment and prevention plan, based on the standards or guidelines commonly used domestically and internationally:<br>a) Bribery and acceptance of bribes.<br>b) Offering illegal political contributions.<br>c) Improper charitable donations or sponsorships.<br>d) Offering or accepting unreasonable gifts, hospitality, or other improper benefits.<br>e) Infringement of trade secrets, trademarks, patents, copyrights, and other intellectual property rights.<br>f) Engaging in unfair competition.<br>g) Directly or indirectly harming the interests, health and safety of consumers or other stakeholders in the research and development, procurement, manufacturing, provision or sale of products and services. | |
| (3) Does the company clearly set out the operating procedures, behavior guidelines, and punishment and appeal system for violations in the unethical conduct prevention program, implement it, and regularly review and revise the plan? | V | | (3) The Company has established the "Ethical Corporate Management Best Practice Principles" and the "Procedures for the Prevention of Insider Trading" based on the ethical corporate management principles for listed and over-the-counter companies. The "Ethical Corporate Management Best Practice Principles" specifies the following preventive measures:<br>a) Prohibiting bribery and acceptance of bribes<br>b) Prohibiting offering illegal political contributions<br>c) Prohibiting improper charitable donations or sponsorships<br>d) Prohibiting unreasonable gifts, hospitality, or other improper benefits<br>e) Prohibiting infringement of intellectual property | |

| Evaluation item | Implementation status | | | Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons |
|---|---|---|---|---|
| | Yes | No | Summary description | |
| | | | rights<br>f) Prohibiting engaging in unfair competition<br>g) Preventing products or services from harming stakeholders<br>h) Directors and managers must avoid conflicts of interest<br>The Company has also established a "Whistleblowing Procedure for Illegal, Unethical, or Dishonest Behavior" to prevent unethical behavior and to clearly stipulate the disciplinary and appeal systems for violations. The Corporate governance officer presented the implementation status and review plan to the Board of Directors on May. 10, 2024. | |
| 2. Ethical Management Practice<br>(1) Does the company assess the ethics records of those it has business relationships with and include ethical conduct related clauses in the business contracts? | V | | (1) The Company is committed to compliance with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest, and other related laws and regulations. The Company has also established internal rules and regulations such as Credit Management Measures, related audits, and internal controls, which employees are required to obey. The Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies are also taken into consideration as the basis for implementing ethical management practices. | No major difference |
| (2) Has the company set up a dedicated unit to promote ethical corporate management under the board of directors, and does it regularly (at least once a year) report to the board of directors on | V | | (2) The Company has designated management personnel in the management department to promote ethical management practices, and to assist the Board of | |

| Evaluation item | Implementation status | | | Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons |
|---|---|---|---|---|
| | Yes | No | Summary description | |
| its ethical corporate management policy and program to prevent unethical conduct and monitor their implementation? | | | Directors and management in formulating and supervising the implementation of ethical management policies and preventive measures. The Company ensures the implementation of the Ethical Corporate Management Best Practice Principles by having the corporate governance officer present to the Board of Directors the efficacy of the ethical management policies, and the supervision of actual practices thereof every year. The corporate governance officer made a presentation on the Company's ethical management policies and the supervision of actual practices thereof at the Board meeting on May. 9, 2023. | |
| (3) Has the company established policies to prevent conflict of interests, provided appropriate communication and complaint channels, and properly implemented such policies? | V | | (3) The Company has established the "Authorization Management Measures" and "Credit Management Measures" to limit trading authority and supervisory management. The Company organizes annual employee training and communication in accordance with the aforementioned procedures, and discloses the whistleblowing and complaint channels on the official website. These channels provide stakeholders with the process and handling methods for submitting complaints, ensuring both the prevention of unethical behavior and the protection of employee rights. | |
| (4) Does the company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit compliance with the systems to prevent unethical conduct or hire outside accountants to perform the audits? | V | | (4) In order to implement ethical management, the Company has established comprehensive accounting and internal control systems. In addition to regular audits according to the audit plan, internal auditors also prioritize high-risk operations as annual audit items based on risk assessment to strengthen preventive measures. The execution of audit plan is presented to | |

| Evaluation item | Implementation status | | | Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons |
|---|---|---|---|---|
| | Yes | No | Summary description | |
| | | | the Board of Directors quarterly. Furthermore, through the annual internal control self-evaluation, all departments and subsidiaries of the Company are required to self-examine their internal control systems to ensure the efficacy of their design and implementation. The Company also commissions accountants to conduct assessments of the ERP electronic system and internal control audits in addition to the annual financial statement audit. | |
| (5) Does the company provide internal and external ethical corporate management training programs on a regular basis? | V | | (5) Senior executives receive education and training on external corporate governance, while the Management Department's personnel office provides "Ethical Corporate Management Best Practice Principles" and "Whistleblowing Procedure for Illegal, Unethical, or Dishonest Behavior" internal courses for new and all employees. In 2024, a total of 1,053 people participated in these courses. In addition, in 2024, new employees and R&D staffs received "Trade Secret" education, with a total of 143 people attending. | |
| 3.Implementation of Complaint Procedures<br>(1) Has the company established specific whistle-blowing and reward procedures, set up conveniently accessible whistle-blowing channels, and appointed appropriate personnel specifically responsible for handling complaints received from whistleblowers? | V | | (1) The Company has established the "Whistleblowing Procedure for Illegal, Unethical, or Dishonest Behavior" and provides a channel for stakeholders to express their complaints. The Audit Department, spokesperson, HR and independent directors are responsible for handling different reported matters, and established the rules for providing rewards based on the impact of the reported matter.<br>The company has established the following reporting channels:<br>a. Spokesperson: Responsible for handling complaints | No major difference |

| Evaluation item | Implementation status | | | Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons |
|---|---|---|---|---|
| | Yes | No | Summary description | |
| | | | from shareholders, investors, and other stakeholders.<br>b. Audit Supervisor: Responsible for handling complaints from customers, suppliers, contractors, etc.<br>c. HR: Responsible for handling complaints from internal employees.<br>If the complaint involves directors or senior executives, it should be reported to the independent directors.<br>Reporting channels:<br>a. Telephone reporting: 03-5641952 - Ms. Tammy Wu or Ms. Shania Luo.<br>b. In-person reporting.<br>c. Written reporting: No.7, Li-Hsin 5th Rd., Hsinchu Science Park. Independent Director's mailbox: compliance@apexbio.com | |
| (2) Has the company established standard operation procedures for investigating the complaints received, follow-up measures taken after investigation, and mechanisms ensuring such complaints are handled in a confidential manner? | V | | (2) The Company has established the "Whistleblowing Procedure for Illegal, Unethical, or Dishonest Behavior," which specifies the confidentiality of whistleblowers' identities and reported contents. The principles for accepting complaints are as follows: Cases may not be accepted or investigations may be ceased if any of the following circumstances apply. In such cases, the whistleblower's case may not be accepted, but it should still be recorded in the whistleblowing register for reference.<br>(a) Anonymous complaints: Complaints may not be accepted if they are anonymous. However, if the content is specific and accompanied by verifiable evidence or directions, and the accepting unit deems it necessary to investigate, the complaint may still be accepted. | |

| Evaluation item | Implementation status | | | Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons |
|---|---|---|---|---|
| | Yes | No | Summary description | |
| | | | (b) Complaints outside the scope of the complaint categories listed.<br>(c) Failure to provide evidence proving illegal or negligent acts, or if the investigation finds discrepancies with the facts, or if the complaint is purely fabricated or falsified.<br>(d) Failure to use the company's designated reporting channels.<br>(e) The same issue is under investigation by the company or another organization, or has already been reported by someone else. However, if the subsequent complainant can provide important evidence favorable to the investigation, this restriction does not apply.<br>(f) The same issue has been decided not to be accepted or has been closed after investigation. However, if the complainant can provide specific new evidence demonstrating the necessity of reopening the case, this restriction does not apply.<br>Upon receiving a complaint, the Company assigns a dedicated person to handle the case and forms an investigation committee. The handling process is clearly defined to be completed within 30 days from the date the Company accepts the complaint. If an extension is required, the complainant will be notified by phone or in writing.<br>After the investigation is completed, the complainant will be notified of the handling results via letter, phone or other means. If the reported situation is verified as true, the departments concerned should review the internal control system and operating procedures, and should propose improvement measures to prevent the recurrence of similar behaviors. Moreover, the unit that | |

| Evaluation item | Implementation status | | | Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons |
|---|---|---|---|---|
| | Yes | No | Summary description | |
| (3) Has the company adopted proper measures to protect whistleblowers from retaliation for filing complaints? | V | | is responsible for present the reported situation, its handling method, and subsequent review and improvement measures to the Board of Directors when the reported matter is related to the Directors or senior executives.<br><br>(3) The Company will protect employees and related parties who report illegal activities or participate in the investigation process to prevent unfair retaliation or treatment. During the investigation process, whistleblowers are reminded that if they experience unfair treatment, retaliation, or similar situations due to their whistleblowing or participation in the investigation, they should report it to the original receiving unit. Please note that the company did not receive any complaints by phone or letter in 2024. | |
| 4. Strengthening Information Disclosure<br>Does the company disclose its ethical corporate management policies and the results of their implementation on its website and the Market Observation Post System (MOPS)? | V | | The Company has a corporate governance corner on its website's investor relations page, which discloses the Company's management practices and organizational members. The progress of the Company's efforts is also disclosed on the website. In addition, the Company discloses the content of its Ethical Corporate Management Best Practice Principles on both its website and the Market Observation Post system (MOPS). | No major difference |
| 5. If the company has adopted its own ethical corporate management best practice principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, please describe any deviations between the principles and their implementation: The Company has stipulated the Ethical Corporate Management Best Practice Principles, and has been committed to complying with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest, and other relevant laws and regulations. In addition, the Company has established internal regulations on auditing and internal control to ensure employees' compliance with the | | | | |

| Evaluation item | Implementation status | | | Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons |
|---|---|---|---|---|
| | Yes | No | Summary description | |
| aforementioned laws and regulations. The Company also refers to the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" as a basis for implementing ethical corporate management. Information on these policies is disclosed on the Company's website and the Market Observation Post system (MOPS). | | | | |
| 6. Other important information to facilitate a better understanding of the status of operation of the company's ethical corporate management policies (e.g., the company's reviewing and amending of its ethical corporate management best practice principles): The Company operates in compliance with laws, and regularly conducts courses on Ethical Corporate Management Best Practice Principles and Codes of Ethical Conduct, as well as promotes insider trading prevention. These courses are designed to strengthen the concept of ethical management and morals. The Company is constantly paying attention to the development of integrity-related regulations at home and abroad, reviewing and improving the Company's integrity management policy to enhance the efficacy of the Company's ethical management. | | | | |

(8) Other significant information that will provide a better understanding of the state of the company's implementation of corporate governance：NA

(9) The section on the state of implementation of the company's internal control system shall furnish the following:

1. A Statement on Internal Control. (Please refer to Page79)
2. Where a CPA has been hired to carry out a special audit of the internal control system, furnish the CPA audit report：NA

(10) Material resolutions of a shareholders meeting or a board of directors meeting during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report

Significant resolutions and execution status of shareholder meetings:

The 2024 Annual Shareholders' Meeting of the Company was held on Apr 30, 2024 at No. 7, Lixing 5th Rd., East Dist., Hsinchu City 30078, Taiwan (R.O.C.) in Hsinchu Science Park.

The adopted resolutions and the results of their implementation are summarized as follows:

| Item | Shareholders' Meeting Resolutions | Execution Status |
|---|---|---|
| 1 | Approval of the 2023 business report and financial statements of the Company | ➢ The Company's revenue in 2023 was NT$ 1,676,537,000, and the net profit after tax was NT$115,783,000, with earnings per share of NT$1.1 |
| 2 | Approval of the 2023 profit distribution plan of the Company | ➢ Regarding the 2023 profit distribution, the Company distributed cash dividends to shareholders of NT$109,945,212, with a dividend of NT$1.1 per share.<br>➢ May. 25, 2024 was set as the ex-dividend date, and the cash dividend was distributed on Jun. 14, 2024. |
| 3 | Passed the partial amendments to the "Rules of Procedure for Shareholders' Meetings" | ➢ The resolutions have been implemented and announced on the Company's website. |

Important Resolutions of the Board of Directors:

| Date | Important Resolution |
|---|---|
| 9th term 17th meeting 01. 23. 2024 | 1. Approved the re-election of the directors<br>2. Passed the evaluation report of the 2023 Board and Functional committee's performance<br>3. Passed the rules and the principles of performance bonus approval of the Company's directors and executives<br>4. Passed the Annual performance bonus standards and the actual amount of 2023 and annual raise guidelines of 2024 |
| 9th term 18th meeting 03. 13. 2024 | 1. Approved the 2023 business report and financial statements.<br>2. Approved the proposal for the 2023 distribution of employees' pay and directors' remuneration<br>3. Approved the proposal for the 2023 allocation of directors' remuneration<br>4. Approved the 2023 profit distribution proposal<br>5. Approved the 2024 assessment of independence and competency of the company's CPA<br>6. Approved the nomination of directors and independent director candidates<br>7. Approved the Release of the prohibition on the newly elected directors and their representatives from participation in competitive business<br>8. Approved the proposal to provide secured loans to the subsidiary Omnis Health, LLC.<br>9. Approved the proposal for short-term funding to the subsidiary Omnis |
| 10th term 1th meeting 04. 30. 2024 | 1. Approval of the election of chairman<br>2. Approved the appointment of members of the Remuneration Committee of the Company<br>3. Approved the proposal to elect the convener of the third audit committee |
| 10th term 2th meeting 05. 10. 2024 | 1. Approved the report of the first-quarter 2024 financial statements.<br>2. Approval of amendments to some provisions of the "Rules of Procedure for Directors (Managing Directors) Meetings" |
| 10th term 3th meeting 08. 09. 2024 | 1. Approved the report of the second-quarter 2024 financial statements<br>2. Approved the company's 2023 corporate sustainability report<br>3. Approved the amendment of some provisions of the "Procedures for Reporting Illegal, Immoral or Dishonest Behavior" |

| Date | Important Resolution |
|---|---|
| | 4. Approved the revision of the "Operational Standards for Financial Affairs between Related Parties"<br>5. Approved the proposal of 2024 executive employee bonus stock. |
| 10th term 4th meeting 11. 13. 2024 | 1. Approved the report of the third-quarter 2024 financial statements<br>2. Approved the internal management regulations for the "Operational procedures for the preparation and verification of sustainability reports<br>3. Approved the amendment of some articles of the "Audit Committee Organization Charter"<br>4. Approval of amendments to some provisions of the "Corporate Governance Code of Practice"<br>5. Approved the revision of some provisions of the "Subsidiary Supervision Operation Rules"<br>6. Approval of the 2024 Audit Plan Amendment<br>7. Approved the 2025 audit plan<br>8. Approved the revision of the internal management regulations of the "Internal Control System"<br>9. Approved the revision of the internal management regulations of the "Internal Audit System" |
| 10th term 5th meeting 12. 20. 2024 | 1. Approved the company's participation in the cash capital increase of Shengda Venture Capital Co., Ltd. |
| 10th term 6th meeting 02. 25. 2025 | 1. Passed the rules and the principles of performance bonus approval of the Company's directors and executives<br>2. Passed the Annual performance bonus standards and the actual amount of 2023 and annual raise guidelines of 2024<br>3. Approved the proposal for the 2023 distribution of employees'pay and directors' remuneration<br>4. Approved the proposal for the 2023 allocation of directors' remuneration<br>5. Approved the 2025 operation plan<br>6. Approved the 2024 business report and financial statements<br>7. Approved the 2024 profit distribution proposal<br>8. Approved the appointment of the certified public accountant for the company's 2024 financial report and the public fee audit case<br>9. Approved the proposal for the 2024 distribution of employees'pay and directors' remuneration<br>10. Approved the Amendments to the ‘’Articles of Incorporation”<br>11. Approved the amendment of some provisions of "Organizational Management Procedures”<br>12. Adopted the amendments to some provisions of the "Measures for the Retirement of Directors and Appointed Managers who concurrently serve as employees of the Company"<br>13. Approved the proposal to provide secured loans to the subsidiary Omnis Health, LLC.<br>14. Approved the proposal for short-term funding to the subsidiary Omnis |

(11) Where, during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, a director or supervisor has expressed a dissenting opinion with respect to a material resolution passed by the board of directors, and said dissenting opinion has been recorded or prepared as a written declaration, disclose the principal content thereof：NA

Apex Biotechnology Corp.

Statement on Internal Control System

February 25, 2025

Based on the findings of self-assessment, Apex Biotechnology Corp. (ApexBio) states the following with regard to its internal control system during the year 2024:

1. ApexBio's Board of Directors and management are responsible for establishing, implementing, and maintaining an adequate internal control system. Internal control system is designed to provide reasonable assurance over the effectiveness and efficiency of our operations (including profitability, performance and safeguarding of assets), reliability, timeliness, transparency of our reporting, and compliance with applicable rulings, laws and regulations.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its stated objectives. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond our control. Nevertheless, our internal control system contains self-monitoring mechanisms, and ApexBio takes immediate remedial actions in response to any identified deficiencies.
3. ApexBio evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (herein below, the Regulations). The criteria adopted by the Regulations identify five key components of managerial internal control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring activities. Each component also includes several items which can be found in the Regulations.
4. ApexBio has evaluated the design and operating effectiveness of its internal control system according to the aforesaid Regulations.
5. Based on the findings of such evaluation, ApexBio believes that, on December 31, 2024, it has maintained, in all material respects, an effective internal control system (that includes the supervision and management of our subsidiaries), to provide reasonable assurance over our operational effectiveness and efficiency, reliability, timeliness, transparency of reporting, and compliance with applicable rulings, laws and regulations.
6. This Statement is an integral part of ApexBio's annual report and prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Law.
7. This Statement was passed by the Board of Directors in their meeting held on February 25, 2025, with none of the seven attending directors expressing dissenting opinions, and the remainder all affirming the content of this Statement.

Apex Biotechnology Corp.

Chairman: Thomas Shen
President: Thomas Shen

4.Information on the professional fees of the attesting CPAs

(1) Information on CPA (External Auditor) Professional Fees

Unit: NT$ Thousands

| Name of accounting firm | Names of CPAs | Period covered by the CPA audit | Audit fees | Non-audit fees | Total | Remarks |
|---|---|---|---|---|---|---|
| Deloitte & Touche | Ya Yun Chang | 2024/1/1-2024/12/31 | 3,400 | 0 | 3,400 | - |
| | Yu Feng Huang | 2024/1/1-2024/12/31 | | | | |

Note: If the company changed its CPAs or accounting firm during the fiscal year, list the audit periods before and after the change separately, and specify the reason for the change in the “Remarks” column and disclose sequentially the audit and non-audit fees paid. For non-audit fees,additionally specify the content of the services.

(2) When the company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed：NA

(3) When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10 percent or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) therefor shall be disclosed：NA

5. Information on replacement of CPAs：Not applicable。

6. Where the company's chairperson, general manager, or any managerial officer in charge of finance or accounting matters has in the most recent year held a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm, the name and position of the person, and the period during which the position was held, shall be disclosed：Not applicable。

7. The transfer of equity interests and/or pledge of or change in equity interests by a director, supervisor, managerial officer, or shareholder with a stake of more than 10 percent during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report.

(1) Changes in Shareholding of Directors, Supervisors, Managerial Officers, and Major Shareholders

| Job title | Name | 2024 | | Current fiscal year as of March 25 | |
|---|---|---|---|---|---|
| | | Shareholding increase (or decrease) | Pledged shareholding increase (or decrease) | Shareholding increase (or decrease) | Pledged shareholding increase (or decrease) |
| Chairman & Presidemt | Thomas Shen | 0 | 0 | 0 | 0 |
| Director & Vice President | Mark Yang | -2,000 | 0 | 0 | 0 |
| Director | Sanyang Motor Co., Ltd. | 646,000 | 0 | 0 | 0 |
| Representative: | R.H.Tian | 0 | 0 | 0 | 0 |
| Independent Director | I-Tan, Chih (Dismissal Day：:1130430) | 0 | 0 | NA | NA |
| Independent Director | Chen I, Wu | 0 | 0 | 0 | 0 |
| Independent Director | Pai Jeng Ming | 0 | 0 | 0 | 0 |
| Independent Director | Bou, Jin-Chang | 0 | 0 | 0 | 0 |
| Independent Director | Yung-Luh, Tsaih | 0 | 0 | 0 | 0 |
| Vice President | Tammy Wu | 0 | 0 | 0 | 0 |
| Vice President | Ben Shin | 0 | 0 | 0 | 0 |
| Chief Financial Officer | James Chu | 0 | 0 | 0 | 0 |
| Assistant vice president | Chen-Yu Yang | -- | -- | 0 | 0 |
| Assistant vice president | strellson Lin | -- | -- | 0 | 0 |
| Assistant vice president | Eric Shen | -- | -- | 0 | 0 |
| Assistant vice president | Lisa Liu | -- | -- | 0 | 0 |
| Assistant vice president | Ariel Huang | -- | -- | 0 | 0 |
| Major Shareholders | Thomas Shen | 0 | 0 | 0 | 0 |

Note 1: Any shareholder holding more than 10 percent of the Company’s total share capital shall be noted as a major shareholder, and such shareholders shall be listed individually.

(1) Counterparty of equity transfer is a related party: None.

(2) Counterparty of equity pledge is a related party: None.

8. Information of relationships between TOP 10 shareholders are related parties

2025/03/25；Unit：shares

| Name (Note1) | Shares held | | Shares held by spouse or underage children | | Total shares held in the name of other persons | | Familial relationships between top 10 shareholders who are either related parties, spouses, or relatives within the second degree of kinship, his/her/its title (or name) and relationships | | Remarks |
|---|---|---|---|---|---|---|---|---|---|
| | Number of Shares | Shareholding percentage (%) | Number of Shares | Shareholding percentage (%) | Number of Shares | Shareholding percentage (%) | Title (or name) | Relationships | |
| Shen,Yen-Shih | 9,744,579 | 9.75% | 629,648 | 0.63% | - | - | - | - | |
| Sanyang Motor Co., Ltd. | 7,356,000 | 7.36% | - | - | - | - | - | - | |
| Sanyang Motor Co., Ltd. Representative: Wu, Ching Yuan | 0 | 0% | - | - | - | - | - | - | |
| Yi-De Co., Ltd. | 2,380,000 | 2.38% | - | - | - | - | - | - | |
| Yi-De Co., Ltd. Representative: Lin, Yu-Yan | 0 | 0% | - | - | - | - | - | - | |
| Yi-Cheng Co., Ltd. | 1,285,000 | 1.29% | - | - | - | - | - | - | |
| Yi-Cheng Co., Ltd. Representative: Lin, Yu-Yan | 0 | 0% | - | - | - | - | - | - | |
| Ke-Yao Co., Ltd. | 1,268,000 | 1.27% | - | - | - | - | - | - | |
| Ke-Yao Co., Ltd. Representative: Lin, Yu-Yan | 0 | 0% | - | - | - | - | - | - | |
| Sanxin Development Consultants Co., Ltd. | 1,117,000 | 1.12% | - | - | - | - | - | - | |
| Sanxin Development Consultants Co., Ltd. Representative：Wu Li-Mei | 0 | 0% | | | | | | | |
| Wu,Chao-Hui | 1,114,000 | 1.11% | - | - | - | - | - | - | |
| Su, Po-Sung | 1,014,000 | 1.01% | | | | | | | |
| Chen, Cheng- Chung | 800,000 | 0.08% | - | - | - | - | - | - | |
| Citibank (Taiwan) is entrusted with the custody of the investment account of the ElosRite ACWI Alpha Extended Common Value Trust Fund | 751,000 | 0.75% | - | - | - | - | - | - | |

9. The total number of shares and total equity stake held in any single enterprise by the company, its directors and supervisors, managerial officers, and any companies controlled either directly or indirectly by the company

2024/12/31 Unit: shares; %

| Investee enterprise | Investment by the Company | | Investment by the Directors, Supervisors, Managerial Officers and Directly or Indirectly Controlled Entities of the Company | | Total investment | |
|---|---|---|---|---|---|---|
| | Shares | Shareholding ratio | Shares | Shareholding ratio | Shares | Shareholding ratio |
| Apex Biotechnology (Suzhou) Corporation | (Note) | 96% | (Note) | 4% | (Note) | 100% |
| Omnis Health, LLC | 70,312,094 | 99% | 800,000 | 1% | 71,112,094 | 100% |

Note：There are only capital contributions and no shareholding as Omnis Health is a limited company.

# III. Capital Overview

## 1. Capital and Shares

### (1) Source of Capital

2025/03/25

| Month/ year | Issued price | Authorized capital | | Paid-in capital | | Remarks | | |
|---|---|---|---|---|---|---|---|---|
| | | Shares | Amount (NT$) | Shares | Amount (NT$) | Sources of capita | Capital paid in by assets other than cash | Other |
| 105.09 | 10 | 100,166,800 | 1,001,668,000 | 99,726,704 | 997,267,040 | Domestic corporate bond conversion NT$225,000 | NA | Note1 |
| 108.05 | 10 | 200,000,000 | 2,000,000,000 | 99,986,192 | 999,861,920 | Domestic corporate bond conversion NT$2,595,000 | NA | Note2 |
| 109.07 | 10 | 200,000,000 | 2,000,000,000 | 99,950,192 | 999,501,920 | Decrease in treasury stock NT$360,000 | NA | Note3 |

Note1：Financial Supervisory Commission 2015/05/19 Certificate No.1040016492.
Note2：Financial Supervisory Commission 2018/05/03 Certificate No.1070312670.
Note3：Hsinchu Science Park Bureau 2020/07/17 Certificate No.1090020236.

As of March 25, 2025; Unit: shares

| Type of shares | Authorized Capital | | | Remarks |
|---|---|---|---|---|
| | Outstanding shares | Unissued shares | Total | |
| Common Shares | 99,950,192 | 100,049,808 | 200,000,000 | Listed |

Information Relating to the Shelf Registration System：Not applicable.

### (2) List of Major Shareholders

2025/03/25

| Shares / Names of major shareholders | No. of shares held | Shareholding ratio(%) |
|---|---|---|
| Shen,Yen-Shih | 9,744,579 | 9.75% |
| Sanyang Motor Co., Ltd. | 7,356,000 | 7.36 |
| Yi-De Co., Ltd. | 2,380,000 | 2.38 |
| Yi-Cheng Co., Ltd. | 1,285,000 | 1.29 |
| Ke-Yao Co., Ltd. | 1,268,000 | 1.27 |
| Sanxin Development Consultants Co., Ltd. | 1,117,000 | 1.12 |
| Wu, Chao-Hui | 1,114,000 | 1.11 |
| Su, Po-Sung | 1,014,000 | 1.01 |
| Chen, Cheng- Chung | 800,000 | 0.80 |
| Citibank (Taiwan) is entrusted with the custody of the investment account of the ElosRite ACWI Alpha Extended Common Value Trust Fund | 751,000 | 0.75 |

(3) **Dividend Policy and Implementation Status**

(A) The Company Dividend Policy

If the Company has retained earnings in its annual final accounts, it should first be estimated and reserved for taxes, made up for losses according to the laws, and allocated 10% as the legal reserve. However, if the accumulated legal reserve has reached the Company's paid-in capital, this limit may not be applied. Then, the special reserve shall be allocated or reversed in accordance with laws, or regulations of the authorities concerned. If there is still earnings retained, it shall be added to the unappropriated earnings from the previous year as now the appropriated earnings. The policies for dividends distribution mainly considers future expansion of the Company's operating scale and cash flow needs, as well as interests of shareholders, dividends balance, and the Company's long-term financial planning. The shareholders' dividends should account for more than 50% of the appropriated earnings, while the cash part of should account for at least 20% of the actual ditributed dividend. The Board of Directors shall prepare a profit distribution proposal and submit it to the shareholders' meeting for resolution.

If all or part of the above-mentioned dividends and bonuses are distributed in cash, the Board of Directors may be authorized to put into practice only when two-thirds or more of the directors attend the meeting, approve the proposal, and present the resolution to the shareholders' meeting. This does not apply to the first rule that the proposal must be resolved by the shareholders' meeting.

The Company does not distribute dividends and bonuses if it there is no retained earnings.

If the Company has no loss, it may distribute all or part of the capital reserve, which is the amount of excess of the share issue price over their face value, proportionally based on the shareholders' original shares in the form of new shares or cash.

(B) Proposed Dividend Distribution

The dividend distribution process of the Company in the future will be in accordance with the Company Act. At the end of each fiscal year, the Chairman shall consider the Company's profit situation and future operational needs, formulate a profit distribution proposal and present it to the Board of Directors for resolution. Afterwards, the resolution will be submitted to the shareholders' meeting for approval.

On Feb. 25, 2025, The Board of Directors of the Company resolved to distribute cash dividends from the profits, with an amount of NT$202,449,775 available for

distribution. The proposed shareholder dividend was NT$119,940,231, with a distribution of NT$1.2 per share. The above profit distribution proposal would be submitted to the shareholders' meeting for approval. The Chairman is authorized to set an ex-dividend date and handle the distribution matters.

(4) There is no significant effect by the proposed free stock distribution to Company's operating performance or earnings per share.

(5) Employees' profit sharing bonus and Directors' compensation

(A)The percentage or range of employee bonus and directors' remuneration are stated in the Company's Articles of Incorporation: Please refer to the bonus and remuneration policy for employees and directors as set forth in the Company's Articles of Incorporation.

(B)About the amount of employees and directors' remuneration for the current period. The accounting treatment will be as follows when the calculation basis on employees' bonus stock and the actual distribution amount are different from the estimated amount:

Before deducting employee bonus and directors' remuneration for the year, the Company should allocate no less than 3% of the pre-tax net profit for the year as employee bonus stock and no more than 1% as director remuneration. However, when the Company has accumulated losses, an amount should be reserved to make up for the losses. If there is a significant change in the amount of remuneration to be distributed as resolved by the Board of Directors prior to the publication date of the annual consolidated financial statements, the adjustment shall be made to the original provision for the year. If the amount still changes after the publication date of the annual consolidated financial statements, the change shall be processed according to accounting estimates and adjusted in the next year.

(C)Resolution of the Board of Directors regarding the distribution of remuneration

a)The proposed amount of employee bonus and directors' remuneration to be distributed in cash or stock approved by the Board of Directors. If there is difference between the estimated amount and the amounts recognized for the year, the amount of the difference, reasons, and how it is handled should be disclosed:

On Feb. 25, 2025, the Board of Directors approved the distribution of 2024 bonus and remuneration for employees and directors paid in cash. The payments were NT$11,649,614 and NT$1,664,230, respectively, the same as the amounts recognized and estimated amount in 2024.

b)The percentage of the proposed amount of employees' stock-based bonus to the total amount of after-tax net income of the individual or separate financial statements plus the total amount of employee bonus: No employee stock-based remuneration has been approved for distribution; therefore, this could not be applied.

(D)For the actual distribution of employee bonus and director remuneration for the last year (including number of shares distributed, amount and share price), if there is any difference with the recognized employee bonus stock and directors'remuneration, the amount of the difference, reasons and the way it was dealt should be explained.

a) Actual distribution of employee bonus stock and director remuneration for the previous year 2023:

The Company distributed NT$10,707,769 for employee bonus stock and NT$1,529,681 for directors' remuneration for 2023.

b) Any differences between the above amounts and the recognized employee bonus stock and directors'remuneration should be explained, including the amount of the difference, reasons, and treatment: There was no difference.

(6) Buyback of Treasury Stock: None.

2. Status of Corporate Bonds: None.

3. Status of Preferred Stocks: None.

4. Status of GDR/ADR: None.

5. Status of Employee Stock Option Plan: None.

6. Status of New Employees Restricted Stock Issuance: None.

7. Status of New Shares Issuance in Connection with Mergers and Acquisitions: None.

8. Financing Plans and Implementation: None.

# IV. Operational Highlights

1. Business Activities

(1) Business scope：

(A) The Scope of business of the Company is as follows:

a) CF01011 Medical Devices Manufacturing

b) CE01010 General Instrument Manufacturing

c) C199990 Manufacture of Other Food Products Not Elsewhere Classified

d) C802041 Manufacture of Drug and Medicines

e) C802051 Manufacture of Chinese Medicines

f) F401010 International Trade

g) IG01010 Biotechnology Services

h) J101050 Environmental Testing Services

i) CC01100 Controlled Telecommunications Radio-Frequency Devices and Materials Manufacturing

j) F108031 Wholesale of Medical Devices

k) F208031 Retail Sale of Medical Apparatus

l) F213060 Retail Sale of Telecommunication Apparatus

m) F113070 Wholesale Telecommunication Apparatus

n) F108021 Wholesale of Western Pharmaceutical

o) F208021 Retail Sale of Western Pharmaceutical

《Research, Develop, Produce, Manufacture and Sell the following Products:

i. Biochemical inspection tester and its test piece

ii. In vitro test reagents

iii. Environmental Testing System

iv. Nutrient Food

v. Protein Pharmaceutical Products

vi. Western Medicine Type

vii. Radio Transmitter

viii. Radio Transceiver

ix. Radio Receiver

x. Trading Business of the above related products》

(B) Major Products:

Unit: NT$ Thousands

| Major Products | 2023 | | 2024 | |
|---|---|---|---|---|
| | Amount | Ratio | Amount | Ratio |
| Meter | 233,227 | 13.91% | 311,459 | 16.82% |
| Strip | 1,127,198 | 67.23% | 1,357,474 | 73.29% |
| Electrode | 253,441 | 15.12% | 119,396 | 6.44% |
| Others | 87,257 | 5.20% | 90,516 | 4.89% |
| Sales return and discount | -24,586 | -1.46% | -26,634 | -1.44% |
| Total | 1,676,537 | 100.00% | 1,852,211 | 100.00% |

(C) Current Products：

a) Blood glucose and HbA1c monitoring systems for diabetic patients at homes, doctors or nurses in hospitals, clinics, etc. to monitor changes in blood glucose levels.

b) Uric Acid monitoring systems for hyperuricemia patients at homes, doctors or nurses in hospitals, clinics, etc. to monitor changes in uric acid levels.

c) A pesticide residue rapid test kit.

d) A lactate monitoring system for athletes to measure the efficiency of their muscles.

e) A hemoglobin monitoring system for used at blood banks.

f) Embedded telemedicine application modules on various exiting monitoring systems.

(D) New Product Developments：

a) All-in-one multi-function remote transmission instrument set

b) Multifunctional blood lipid testing kit

c) Continuous blood glucose monitoring kit for home use

d) Rapid screening test reagents (RSV, dengue fever, drug testing)

e) Inflammation Index Test Kit

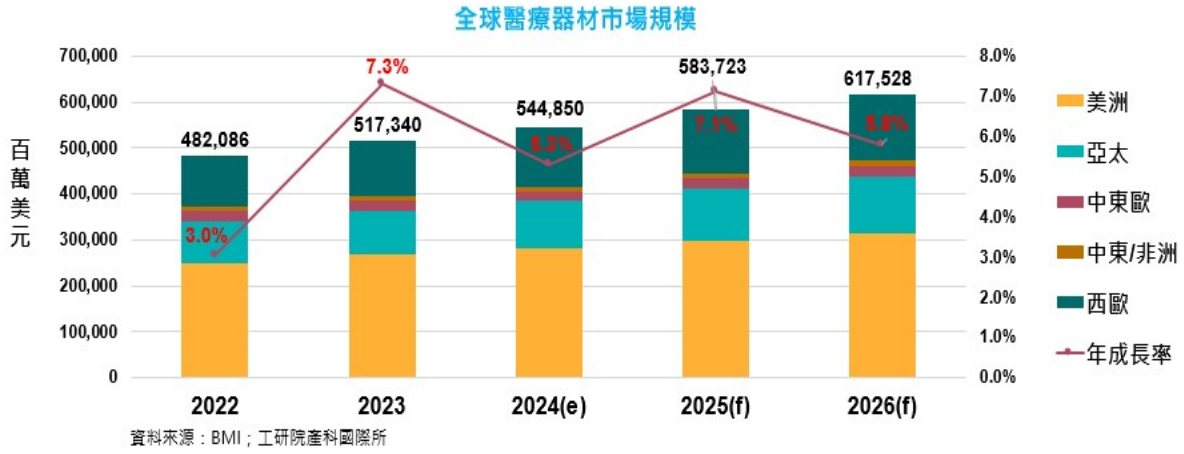
f) Liver function test kit

g) Creatine Liver and Kidney Function Test Kit

(2) Industry Overview:

(A) Current status and development of the industry

Unit: U.S$ million




Global Distribution of the Medical Device Market Size
(Source: BMI, 2024; Industrial Technology Research Institute, Industrial Economics and Knowledge Center (IEK), 2024/5)

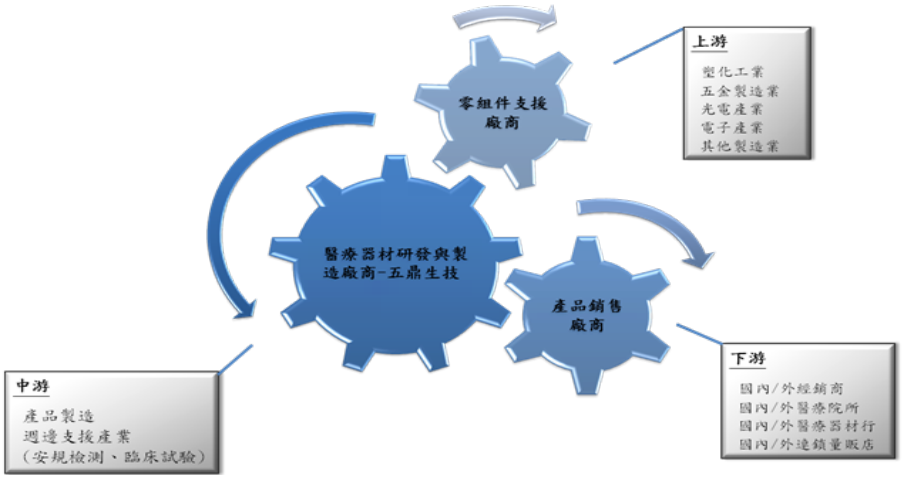
According to a research report by BMI Research, the global medical device market reached USD 514.77 billion in 2023, representing a 6.5% growth compared to 2022. The market is projected to grow to USD 614.15 billion by 2026, with a compound annual growth rate of approximately 6.2% from 2023 to 2026. In 2023, the Americas remained the largest regional market, accounting for 52.4% of the global market, followed by Western Europe at 23.7%, Asia-Pacific at 18.3%, Eastern Europe at 3.7%, and the Middle East and Africa at 1.9%. (Source: 2024 Biotechnology White Paper)

(B) The relationship between the upstream, midstream, and downstream

The upstream, midstream, and downstream segments of the medical device industry are interconnected as illustrated below. Given the broad scope of the medical device sector, the upstream supply of raw materials involves a wide variety of suppliers. In general, upstream materials are categorized into reagents, consumables, and components. Downstream channels include both domestic and international medical device importers and exporters, medical equipment distributors, healthcare institutions, dealers, pharmacy chains, and retail stores. Upstream components—such as electronic parts, chemical materials, and precision-machined parts—must meet far stricter quality standards than those of general electrical products, as maintaining the quality of the final product is critical. Therefore, manufacturers often rely on outsourced materials and subcontracted processing. When upstream and downstream

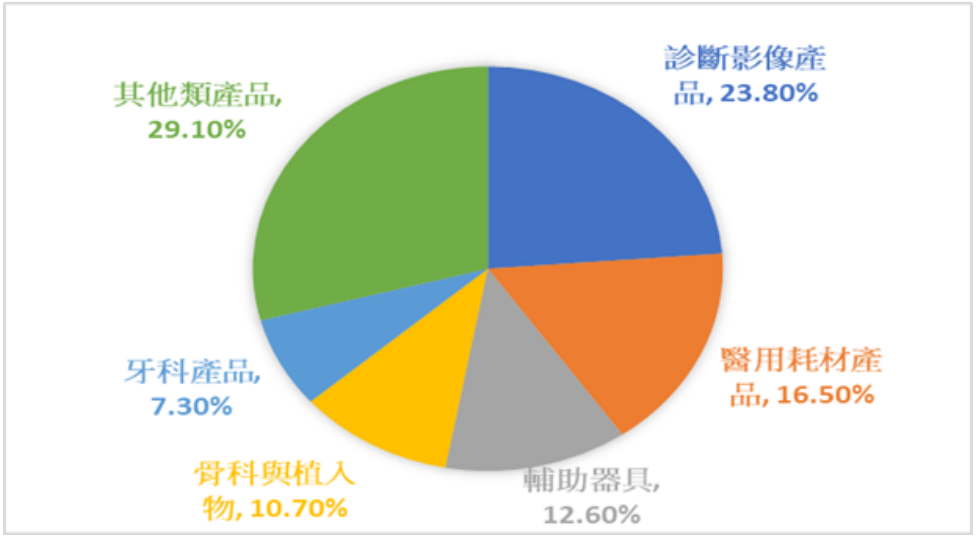
parties establish smooth collaboration, they typically enter into service contracts to form long-term, close partnerships.

The structure of the medical device industry in Taiwan:




(Source: Medical Device Industry Yearbook 2005, ITRI IEK-ITIS Project 05/2005.)

(C) Product Development Trend




2023 Global Medical Device Market Sales Distribution by Product Category
(Source: BMI, 2024; Industrial Technology Research Institute, Industrial Economics and Knowledge Center (IEK), 2024/5)

According to BMI Research's sub-sector classification of medical devices, the market is divided into six major product categories: Consumables, Diagnostic Imaging, Dental Products, Orthopaedic and Prosthetic Devices, Patient Aids, and Other Medical Devices. In 2023, with many countries downgrading COVID-19 to an endemic status, the global pandemic officially came to an end, and demand for medical devices returned to pre-pandemic norms. However, due to population aging, a rise in chronic

illnesses, and heightened health awareness following the pandemic, the medical device market continues to grow. Furthermore, advances in digitalization and telemedicine—particularly innovations in diagnostic and therapeutic tools—have further driven progress in the medical device sector. In 2023, areas such as diagnostic imaging, cardiovascular devices, and minimally invasive surgical technologies played a key role in expanding the market. Additionally, as the global focus on precision medicine intensifies, the market is gradually shifting toward more personalized healthcare solutions. This includes the use of artificial intelligence to improve diagnostic accuracy and treatment efficiency, as well as the development of wearable devices and remote monitoring systems to support home-based patient care. (Source: 2024 Biotechnology Industry White Paper)

(D) Market competition situation

With the rapid development of the global medical device industry, Taiwanese companies predominantly adopt the OEM/ODM model, with only a few focusing on independent brands and technology R&D. These companies face key challenges, including a high reliance on imported critical components and relatively low investment in R&D compared to revenue. However, with the continuous emergence of new business models and innovative products, Taiwan's medical industry is presented with opportunities for transformation. Leveraging high-quality medical resources and extensive data, Taiwan has not only established a competitive edge in the domestic market but is also expanding its presence in international markets, strengthening integration with the global market. Moving forward, the integration of products and services will foster cross-industry collaboration as the norm. The medical device industry will diversify, creating new growth opportunities. Taiwanese medical device companies will continue to advance R&D in key technologies and raw material supply chains, focus on future development, and expand into diversified markets. Driven by medical needs, they will further enhance market strategies and product innovation, while collaborating with industries across sectors to unlock greater product value. (Source: 2024 Biotechnology Industry White Paper)

(3) Technology and R&D Overview

(A) R&D Cost and Successfully developed products in recent years:

(a) R&D Cost:

Unit：NT$ thousands

| Year / Amount | 2024 | As of Mar. 31.2025 |
|---|---|---|
| R&D Cost (A) | 161,519 | 40,444 |
| Operating Revenue (B) | 1,852,211 | 558,753 |
| Ratio (A)／(B) | 8.72% | 7.24% |

(b) Successfully developed products in recent years：

| Year | Products | R&D Accomplishments |
|---|---|---|
| 2025 | GlucoSure Compact Blood Glucose Monitoring System | Using a new enzyme formula (FAD-GDH). Suitable of blood samples from capillaries, veins, arteries, and neonates. Only a small amount of blood sample is needed to obtain highly accurate and precise result of blood glucose levels. |
| | Influenza A&B Rapid Screening test | Rapid detection of influenza A&B virus infection within 15 minutes. For in vitro diagnostics by professionals. |

(4) Long-term and short-term business development plans

(A) Short-term:

The company will focus on enhancing customer satisfaction and upholding its core value of quality excellence. It aims to further deepen partnerships with existing clients while adjusting its current product and service portfolio. By improving operational efficiency, increasing capacity utilization, and seeking reasonable profitability levels, the company strives to achieve its short-term business development goals.

(B) Long-term:

a) Continue to strengthen core competencies in professional design and technical services, maintain high product quality, and provide comprehensive after-sales support.

b) Optimize the manufacturing chain by enhancing automation and gradually adopting digital smart manufacturing to improve efficiency and reduce costs.

c) Develop top R&D talent and enhance innovation capabilities to launch high value-added products and technical services with innovative features.

d) Promote green R&D and technological innovation by increasing investment in

green technologies and sustainable development, while integrating environmental standards into product design and manufacturing to align with global energy-saving and carbon-reduction trends.

2. Market, Production, and Sales Outlook：

(1) Market analysis

(A) Regions of major sales:

Unit: NT$ thousands

| Year / Geography | | 2022 | | 2023 | | 2024 | |
|---|---|---|---|---|---|---|---|
| | | Revenue | % | Revenue | % | Revenue | % |
| Export | USA | 900,592 | 40.13 | 686,883 | 40.97 | 723,662 | 39.07 |
| | Europe | 1,106,435 | 49.30 | 736,995 | 43.96 | 887,437 | 47.91 |
| | Asia | 118,597 | 5.28 | 154,281 | 9.20 | 144,454 | 7.80 |
| | Others | 23,684 | 1.06 | 24,072 | 1.44 | 18,302 | 0.99 |
| | Total | 2,149,308 | 95.77 | 1,602,231 | 95.57 | 1,773,855 | 95.77 |
| Domestic | | 94,868 | 4.23 | 74,306 | 4.43 | 78,356 | 4.23 |
| Total | | 2,244,176 | 100.00 | 1,676,537 | 100.00 | 1,852,211 | 100.00 |

(B) Approximate market share

The performance declined by 10% in 2024, with 75% of the revenue came from ODM (Original Design Manufacturer) products, 13% from OEM (Original Equipment Manufacturer) products, and 12% from sales of our own brand (OBM) worldwide. In the future, both blood glucose monitoring products and non-blood glucose monitoring products will be developed, and the Company will continue to uphold excellent product quality and competitive pricing to maintain the potential for future growth.

(C) The future supply and demand situation and growth potential of the market

a) Supply-side:

Rising global inflation has sustained high raw material costs, while increasingly stringent medical device regulations in major markets such as the EU have delayed the market entry of niche domestic products. Meanwhile, continued government support for Chinese medical device manufacturers has heightened competitive pressure on Taiwan’s industry.

b) Demand-side:

Although domestic demand for home-use rapid antigen test kits continues to decline—along with related peripheral products—demand for equipment and devices needed by medical institutions has increased as healthcare operations return

to normal. Meanwhile, inventory destocking in the blood glucose monitoring device market is expected to near completion, and the expansion of smart medical devices into emerging markets has begun to show promising results. Overall, the outlook for 2025 appears more optimistic.

(D) Competitive Advantage

a) The global aging population and the prevalence of chronic diseases are increasing, leading to steady growth in the usage of medical devices, apart from pandemic-related products.
b) Medical devices have a long life cycle and are less affected by political and economic situations.
c) To protect consumers, regulatory agencies in various countries are becoming increasingly strict, such as Taiwan TFDA and the EU MDR/IVDR.
d) Professional manufacturers with economic production scale and technical capabilities are more likely to be recognized and favored by international distributors.
e) The ability to master R&D technology and obtain multiple domestic and foreign invention patents, as well as the development of series products towards vertical and horizontal technology extensions, can drive the improvement of technology for upstream and downstream manufacturers.

(E) Favorable and unfavorable factors and corresponding strategies for future development

a) Favorable factors:
   i. The trend of aging population drives the long-term demand for intelligent medical aids and physiological measurement medical devices in various countries.
   ii. Ongoing restructuring of medical material supply chains in Europe and the United States may result in some reassignment of orders.
   iii. With explicit government support, combining information and communication technology with precision machinery in medical material product development adds value.

b) Unfavorable factors:
   i. Various medical device regulations in different countries are becoming increasingly strict and complicated, adding to the difficulty of global operational deployment for companies in our country.

ii. The global inflation pressure has not diminished, and the continuous closeouts of medical devices for disease prevention use will weaken the operational performance of companies in our country.

iii. Taiwanese companies may face significant threats from Chinese competitors in emerging markets and may encounter challenges entering the Chinese market.

c) Corresponding strategies:

i. Identify new niche products in individual industries and establish a diversified database of technology and talent to adapt to changes in product and customer demands in regional economic markets.

ii. Collaborate or merge with upstream, downstream, or even similar/different industries to align with international regulations and market competition trends, seeking larger business opportunities.

iii. Incorporate Environmental, Social, and Governance (ESG) considerations into product development to avoid market elimination.

(2) Main Product Applications and Production Processes

(A) Main Product Applications:

| Main Product | Applications and Function |
|---|---|
| biochemical blood glucose test kit | Used for monitoring blood glucose level changes as a control reference for insulin dosage, diet and exercise control for diabetes patients, hospitals, clinics, doctors, nurses, etc. |
| biochemical uric acid test kit | Used for monitoring changes in blood uric acid levels as a control reference for medication dosage, diet and exercise control for patients with hyperuricemia, hospitals, clinics, doctors, nurses, etc. |

(B) Production process of main products:

a) Meter instrument production process

Printed circuit board ⇒ Automatic insertion ⇒ Welding ⇒ Jig testing ⇒ Mechanical assembly ⇒ Testing ⇒ Packaging

b) Electrode testing strip production process

Sheet-shaped substrate ⇒ Coating various layers of bioactive layers and carrier layers on the substrate using screen printing technology ⇒ Bottling ⇒ Inspection and testing ⇒ Encoding card ⇒ Labeling ⇒ Packaging

(3) Supply of primary raw materials：

| Raw Materials | Supplier | Supply Chain Conditions |
|---|---|---|
| Mylar Film | NJ | Normal |
| Outer Casing | JJY | Normal |
| Electronic Component | ID | Normal |
| Tape | MH | Normal |

(4) A list of any suppliers and clients accounting for 10% or more of the company's total procurement (sales) amount in either of the 2 most recent fiscal years, the amounts bought from (sold to) each, the percentage of total procurement (sales) accounted for by each, and an explanation of the reason for increases or decreases in the above figures.

(A) Major customers for the past two years

Unit: NT$ Thousands

| Year | 2023 | | | | 2024 | | | |
|---|---|---|---|---|---|---|---|---|
| Item | Customer | Amount | Percentage of annual net sales (%) | Relationship with ApexBio | Customer | Amount | Percentage of annual net sales (%) | Relationship with ApexBio |
| 1 | B | 537,878 | 32.08 | NA | B | 568,530 | 30.69 | NA |
| 2 | C | 352,758 | 21.04 | NA | C | 323,091 | 17.44 | NA |
| 3 | A | - | - | NA | A | 245,123 | 13.23 | NA |
| 4 | Others | 785,901 | 46.88 | - | Others | 715,467 | 38.64 | - |
| | Net sales | 1,676,537 | 100.00 | | Net sales | 1,852,211 | 100.00 | |

Note: In 2024, Customer A increased order volumes following the completion of inventory adjustments, resulting in higher sales revenue.

(B) Major suppliers for the past two years

Unit: NT$ thousands

| Year | 2023 | | | | 2024 | | | |
|---|---|---|---|---|---|---|---|---|
| Item | Customer | Amount | Percentage of annual net purchases (%) | Relationship with ApexBio | Customer | Amount | Percentage of annual net purchases (%) | Relationship with ApexBio |
| 1 | A | 70,888 | 11.43 | - | Others | 704,338 | 100.00 | NA |
| 2 | Others | 549,452 | 88.57 | - | | | | - |
| | Net purchases | 1,125,794 | 100.00 | | Net purchases | 704,338 | 100.00 | |

Note: In 2024, no supplier accounted for more than 10% of the total annual purchase amount; therefore, none met the disclosure threshold.

3. Employees Information：

| Fiscal year | | 2023 | 2024 | As of March 31, 2025 |
|---|---|---|---|---|
| Number of employees | Administratoion staff | 168 | 162 | 162 |
| | R&D、Technical staff | 136 | 129 | 129 |
| | Operators | 404 | 378 | 380 |
| | Total | 708 | 669 | 671 |
| Average age | | 38.0 | 38.8 | 38.8 |
| Average years of service | | 8.0 | 8.6 | 8.6 |
| Education distribution percentage (%) | Ph.D. | 0.8% | 0.6% | 0.8% |
| | Master’s degree | 10.8% | 11.2% | 10.9% |
| | College | 33.4% | 32.9% | 32.7% |
| | Senior high school | 49.3% | 49.4% | 50.2% |
| | Below senior high school | 5.7% | 5.9% | 5.4% |

4. Environmental Protection Expenditures

(1) In recent years and up to the printing date of the annual report, the Company did not suffer any losses due to environmental pollution, including compensation and violations of environmental protection regulations as a result of environmental protection inspections.

(2) There are no major environmental expenditures planned in response to environmental issues in the next two years.

5. Labor-Management Relations

(1) Employee welfare measures, continuing education and training programs, retirement system and their implementation, as well as labor-management agreements and measures to protect employee rights and benefits in the Company:

(A) Employee welfare measures:

The Company stresses great importance on its employee welfare policies, and has established a dedicated unit (Personnel Department) within its organizational system which has been carefully planning a series of welfare measures to ensure the stability of employees' lives, to protect their rights, and to promote labor-management harmony.

The Company believes that only after employees’welfare and a worry-free daily life are ensured can they be fully devoted to their work, leverage their strengths, create higher-quality products, enhance the Company's core values, generate profits

and create maximum value for shareholders.

In February every year, the company measures market salary levels and overall economic indicators and makes appropriate adjustments to employees' salaries. The average salary increase in the past three years was about 3.5%。According to Article 27-1 of the Articles of Association, from the pre-tax net profit of current year before deducting remuneration of employees and remuneration of directors, no less than 3% shall be allocated as remuneration of employees. Employees' salaries and remuneration are determined based on their academic experience, professional knowledge and skills, and personal performance. They do not differ based on employees' gender, race, religion, political stance, etc.

Employee performance evaluations are conducted twice every year, and are used as the basis for performance bonuses, remuneration of employees, etc., to reward employees and encourage employees to improve their work performance in order to gain higher rewards. In addition, the company has also established an intellectual property incentive system to encourage the company's employees' technological development and enable the company's intellectual property (patents, trademarks, copyrights, business secrets, etc ) to be continuously innovated and developed.

In addition to employee labor insurance and health insurance in accordance with regulations, the company also provides a comprehensive group insurance plan to provide additional care for employees and their families. Besides, The company also provides holiday bonuses, birthday gift certificates, and various wedding and funeral subsidies to reduce employees' life pressure.

The company provides free parking, books, newspapers and magazines, lactation rooms, restaurants, coffee bars, and employee dormitories to provide employees with convenient daily needs. In terms of taking care of the physical and mental health of employees, massage services, annual health examinations, on-site physician services, health lectures, etc. are arranged to provide employees with stress relief and health care.

Various activities are held every year, such as employee domestic and overseas travel, year-end eve, birthday parties, parent-child visit days, employee competitions, etc. By participating in various leisure activities, employees can release their daily work pressure, strengthen communication among colleagues, and unite employees' cohesion. We also hope that through parent-child activities, we can enhance employees’ family members’ sense of identification with the company. In order to expand the social areas of employees, the company encourages employees to

organize and establish various clubs (currently there are mountaineering clubs, coffee clubs, etc.) and provides financial subsidies for club activities.

(B) Training and Development System and Implementation Status:

In order to implement the corporate sustainable management philosophy and enhance the career development of employees, various training and development activities are carried out for current employees to strengthen their expertise and capabilities, to achieve common organizational goals, and to create self-fulfillment. The Company provides a comprehensive annual education and training plan for employees, including new employee training, on-the-job professional training and other knowledge enhancement training. The needs for external training are first evaluated by each department based on employees' job requirements, and HR department integrates and executes the annual plan while tracking the progress and results of completed training. In 2024, a total of 112 employees participated in external training.

(C) Retirement system and implementation status, divided into the old system and the new system:

a) Old system: Employees who were employed before Jun. 30, 2005 can choose between the old and new retirement systems. The Company has a retirement plan for regular employees according to the Labor Standards Act. According to this plan, retirement pay is calculated based on years of service and the average salary of the last six months before retirement. The Company sets aside retirement reserve funds every month in accordance with regulations, which are managed by the Labor Pension Supervisory Committee and deposited in the Bank of Taiwan under its name.

b) New system: The new retirement system applies to employees who joined after Jul. 1, 2005, and to those who joined beforehand but chose the new system. The Company deducts 6% of the employee's salary each month and deposits it into the employee's personal retirement account. Employees can also choose to contribute between 0% and 6% of their salary each month to their personal retirement account based on their personal preference, and the Company will deduct the contribution from the employee's salary each month.

c) After the implementation of the Labor Pension Act, employees who choose to adopt the retirement pension system under the Labor Pension Act can retain their seniority before the implementation of the Labor Pension Act preserved. In 2024,

4 senior employees applied for retirement. Aside from assisting in the application for retirement pay, the Company also awarded them with a honor retirement medal presented by senior executives.

(D) Agreements between labor and management:

The Company upholds the concept of "labor-management unity" and "coexistence and prosperity", focusing on rational and humane management. We establish smooth communication channels through "open and frank" means to maintain a good relationship between labor and management, jointly create productivity, share profits, and establish a stable and harmonious labor-management relationship. Since its establishment, labor and management have been working together in solidarity and harmony to strive for the prosperity of the Company and the interests of shareholders. Therefore, we have never suffered losses due to labor disputes, and we consistently cooperate with each other only for professional development and employee welfare.

(E) Measures to protect employee rights:

In addition to establishing the Employee Welfare Committee, the Labor Retirement Reserve Supervision Committee and the Sexual Harassment Complaints Handling Committee based on the law, our Company also plans, allocates, safeguards, uses and handles other related matters in accordance with the law with regard to employee welfare funds and retirement reserves. We rely on legal regulations to protect the various rights and execute welfare systems for our employees.

(2) Losses suffered due to labor disputes (including violations of labor standards based on labor inspections) in the previous fiscal year up to the printing dateof this annual report, as well as estimated amounts and corresponding measures for present and future occurrences: None.

6. Information Security Management

(1) Information Security Objectives and Scope

Objectives: Including employees, customers, suppliers, shareholders, and operational information technology equipment and software.

Scope: Applicable to security management of information machine room operation, business continuity operation system and website system maintenance. The Company has fully grasped the information operation and management process, and further met various security requirements and expectations. The main categories are as follows:

(A) Information recording

(B) Computer system

(C) Personnel

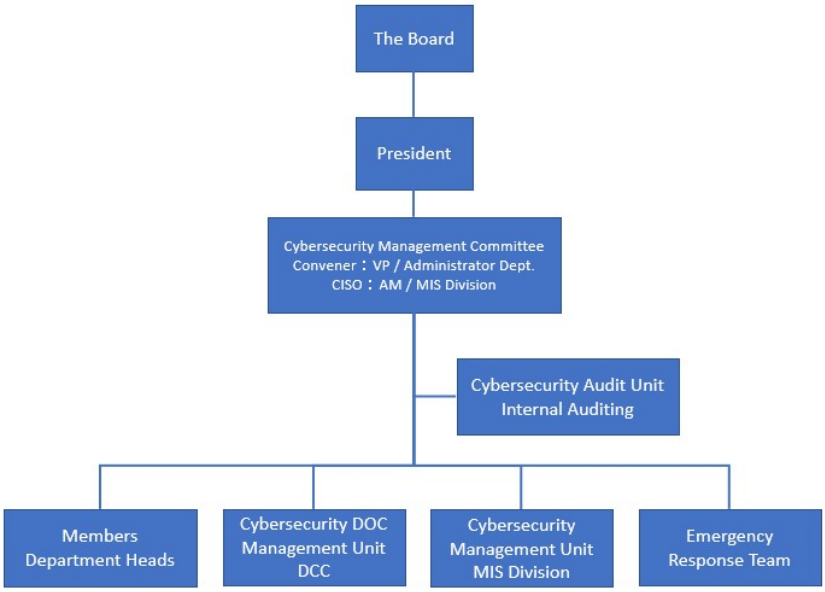
(D) Infrastructure services

(E) Physical areas

(F) Physical equipment

(2) Information Security Risk Framework

The Cybersecurity Management Committee was established by Vice President, Wu, of Administration Department. This committee is responsible for reviewing the implementation of cyber security policies to build cyber security defense capabilities and a strong awareness of cyber security among employees. The execution status of the cyber security policy and specific management plans of 2024 have been reported to the board of directors on Dec. 20, 2024.




(3) Information Security Policy

In order to ensure the smooth operation of Apexbio's businesses and prevent unauthorized access, use, control, disclosure, destruction, alteration, or other forms of infringement on information or cyber systems, and to ensure confidentiality, integrity, and availability of the information, Apexbio established this policy for all employees to follow.

(A) Strengthen personnel awareness of information security. Employees should participate in information security-related training to enhance the company’s overall security awareness.

(B) Adhere to information security measures. All information security management operations and policies should be strictly followed, with regular evaluations and adjustments based on actual conditions.

(C) Prevent sensitive data leakage. Protect the confidentiality and integrity of the company's sensitive information and information systems, and avoid unauthorized access and tampering.

(D) Implement internal information security audits. Regularly conduct internal audits of information security measures to ensure proper execution of all related operations.

(4) Information Security Policy Objectives

(A) Information and communication system operators are required to complete 1 hour of information security training annually.

(B) Information security personnel are required to complete 6 hours of information security professional training annually.

(C) Upon becoming aware of a cybersecurity incident, employees should be able to report, respond, and recover within the specified timeframe (number of major incidents per year ≤ 2; The reporting, response, and recovery operation rate is 100%).

(D) The email open rate and attachment click-through rate for the email social engineering drill are both below 5% and 2%, respectively.

(E) The number of items from the previous internal audit findings that have not been improved is ≤ 2.

(5) Information Security Controls

(A) To regularly conduct information security promotion and education, and to hold information security training for all employees annually. New employees must sign the confidentiality agreement.

(B) All employees, outsourced vendors and their subcontractors must sign a confidentiality statement to ensure that those who use our company's information to provide information services or perform related information business have the responsibility and obligation to protect the information assets of the Company, in order to prevent unauthorized access, alteration, destruction or improper disclosure.

(C) Important information systems or equipment should have appropriate backup or monitoring mechanisms established and regularly rehearsed to maintain their availability.

(D) Personal computers should have antivirus software installed, and the virus code should be regularly checked and updated. Moreover, usage of unauthorized software should be prohibited.

(E) Employee accounts, passwords and access should be well guarded, used properly and regularly changed.

(F) To develop standard procedures of responding to and reporting information security incidents, in order to handle information security incidents in a timely manner and to prevent existing harm from spreading.

(G) In consideration of the uncertainties in information security risks, electronic mail social engineering drills are conducted regularly on an annual basis.

(H) All employees should comply with the legal requirements and information security policy requirements. Supervisors should supervise the implementation of the information security system, and strengthen the awareness of information security and legal concepts of employees.

(I) The internal audit unit includes information and communication security inspections as mandatory items in the annual audit plan.

(6) Performance in 2024

(A) The internal audit unit's information and communication security audit for 2024 (E11320) was completed in August.

(B) No major deficiencies or significant cybersecurity incidents that violated information security, or resulted in customer information leakage or penalties this year.

(C) Have joined the Science Park Information Security Analysis Center (SP-ISAC) and the Taiwan Computer Emergency Response Team / Coordination Center (TW-CERT/CSIRT) Alliance (TW-ISAC) to receive real-time cybersecurity intelligence and respond promptly to incidents.

(D) Currently, there are a total of 17 members in the Cybersecurity Committee, including supervisors from various departments within the company (including Audit, Adimistration, R&D, Manufacturing, QA, and Finance).

(E) In 2024, we will hold regular meetings of the Cybersecurity Committee, totaling 3 times.

(F) A total of 11 information security training sessions (including new employees) were conducted this year, with 304 managers and employees participating in.

(G) This year, we commissioned an external cybersecurity firm to conduct 2 rounds of email social engineering exercises. In the first round, a total of 305 participants were involved, with an email open rate of 25% and an attachment click-through rate of 21%, exceeding the cybersecurity set targets. Following enhanced educational training, the second round saw a participation of 300 individuals, with an email open rate of 8% and an attachment click-through rate of 5%, showing a significant

decrease. We will schedule such exercises annually.

(H) This year, we commissioned an external cybersecurity firm to conduct vulnerability scanning operations on Apex information systems. We have carried out vulnerability management and planned upgrades based on the results.

(I) A information system disaster recovery drill was completed in Sept. 2024.

(7) For the most recent fiscal year and up to the printing of the annual report, there were no loss, potential impacts due to significant cybersecurity incidents.

7. Material Contracts

| Contract Type | litigant | Contract Start and Ending Dates | Main Content | Restrictions |
|---|---|---|---|---|
| Land Lease Agreement | Hsinchu Science Park Bureau, NSTC | Jan. 2024 to Dec. 2023 | Hsinchu Science Park Bureau (NSTC) land lease | None |
| Product Co-development Contract | Italy Menarini Corp. | Jul. 2017 to Jun. 2027 | Collaborative development of a severe ICU continuous blood glucose monitoring system | With an confidentiality and non-disclosure agreement |

# V、Financial Status, Operating Results and Status of Risk Management

1. Financial Status

Table of comprative analysis into financial status

Unit: NT$ thousands

| Item \ Year | 2024 | 2023 | Difference | |
|---|---|---|---|---|
| | | | Amount | % |
| Current Assets | 1,643,061 | 1,506,641 | 136,420 | 9.05% |
| Financial assets at amortized cost – non-current | 6,200 | 6,200 | 0 | 0.00% |
| Property, Plant and Equipment | 581,184 | 604,355 | -23,171 | -3.83% |
| Right-of-use Assets | 114,624 | 116,234 | -1,610 | -1.39% |
| Intangible Asset | 39,596 | 44,219 | -4,623 | -10.45% |
| Other non-current assets | 35,270 | 19,355 | 15,915 | 82.23% |
| Total Assets | 2,419,935 | 2,297,004 | 122,931 | 5.35% |
| Current Liabilities | 477,775 | 383,354 | 94,421 | 24.63% |
| Lease liabilities - non-current | 113,929 | 116,196 | -2,267 | -1.95% |
| Other non-current liabilities | 4,000 | 520 | 3,480 | 669.23% |
| Total Liabilities | 595,704 | 500,070 | 95,634 | 19.12% |
| Share Capital | 999,502 | 999,502 | 0 | 0.00% |
| Capital Surplus | 68,368 | 68,368 | 0 | 0.00% |
| Retained Earnings | 744,057 | 718,873 | 25,184 | 3.50% |
| Other Equity | 11,670 | 9,691 | 1,979 | 20.42% |
| Non-controlling Interests | 634 | 500 | 134 | 26.80% |
| Total Equity | 1,824,231 | 1,796,934 | 27,297 | 1.52% |

If the difference in comparison with the previous period exceeds 20%, and the main reason and the impact are analyzed as follows:

(1) Other non-current assets：Mainly due to the increase in prepayments for business facilities and net deferred benefits assets.
(2) Current Liabilities：Mainly due to the increase in notes payable, accounts payable and contract liabilities.
(3) Other non-current liabilities：Mainly due to the increase in deferred tax liabilities.
(4) Other Equity：Mainly due to the increase in exchange differences on the translation of the financial statements of foreign operations.
(5) Non-controlling Interests：Mainly due to the increase in net profit attributable to non-controlling interests.

2. Operating Results

Table of comparative analyses on the result of business operation

Unit: NT$ thousands

| Item | 2024 | 2023 | Difference | Increase/Decrease% |
|---|---|---|---|---|
| Operating Revenue | 1,852,211 | 1,676,537 | 175,674 | 10.48% |
| Operating Costs | 1,330,869 | 1,145,421 | 185,448 | 16.19% |
| Gross Profit | 521,342 | 531,116 | -9,774 | -1.84% |
| Operating Expenses | 392,878 | 389,400 | 3,478 | 0.89% |
| Income from Operation | 128,464 | 141,716 | -13,252 | -9.35% |
| Non-operating Income and Expenses | 24,663 | -754 | 25,417 | -3370.95% |
| Net Income before Tax | 153,127 | 140,962 | 12,165 | 8.63% |
| Income Tax Expenses | 25,023 | 25,248 | -225 | -0.89% |
| Net Income for the Year | 128,104 | 115,714 | 12,390 | 10.71% |
| Other Comprehensive Income | 9,138 | 3,257 | 5,881 | 180.56% |
| Total Comprehensive Income for the year | 137,242 | 118,971 | 18,271 | 15.36% |

Analysis of any increase/decrease in ratio exceeding 20%：

(1) Non-operating Income and Expenses：Mainly due to the increase in fair value changes of financial assets and decrease in impairment loss.
(2) Other Comprehensive Income: Mainly due to the increase in remeasurement of defined benefit plans and exchange differences on translation of foreign operations.

3. Cash Flow Analysis

Liquidity analysis

| Item \ Year | 2024 | 2023 | Increase/Decrease% |
|---|---|---|---|
| Cash flow ratio (%) | 68.79 | 60.10 | 14.46% |
| Cash flow adequacy ratio (%) | 101.72 | 114.06 | -10.82% |
| Cash flow reinvestment ratio (%) | 7.32 | 3.10 | 136.13% |

Analysis of any increase/decrease in ratio exceeding 20%：

(1) Cash flow reinvestment ratio：：Mainly due to the increase in net cash inflow generated from operating activities.

Cash Flow Projection for Next Year:

Unit: NT$ thousands

| Beginning cash balance<br>A | Net cash flow from operating activities anticipated in entire year<br>B | Net Cash used<br>C | Cash Balance<br>A＋B－C | Remedy for Liquidity Sortfall | |
|---|---|---|---|---|---|
| | | | | Investing Plan | Financing Plan |
| 532,685 | 133,097 | 236,145 | 429,637 | - | - |

Note：
1. Cash Flow Projection for Next Year：
(1) Operating activities：Mainly due to net income, depreciation expense and amortization expense.
(2) )Investing activities：Mainly due to the acquisition of property, plant and equipment.
(3) Financing activities：Mainly due to cash dividends paid.
2. Remedial Actions for Liquidity shortfall: Not applicable.

4. Major Capital Expenditures and Impact on Financial and Business in the Most Recent Fiscal Year
(1) Capital Expenditure and Source of Funds：No major capital expenditure in 2024.
(2) Expected Benefits： No major capital expenditure plan.
Expected increase in production and sales volume, value and gross profit：Not applicable.
Other expected Benefits： Not applicable.

5. Recent Reinvestment Policy, Major Reasons for Profits or Loses, Improvemnet Plan and Investment Plan for the Following Year

The Company’s re-invested policy was designed for the needs of operation as well as medium and long-term development strategies. Recently, the overall performances of Chinese and the US subsidiaries have been improved, and they are expected to continue their commitment to Increase product diversity, developing new customers and cutting down operating costs. Based on these methods, the Company’s operation is anticipated to make progress, showing better investment efficacy.

Dec. 31, 2024；Unit: NT$ thousands

| Investee Company | Shareholding % | Policy | Major Reasons for Profits or Loses | Improvemnet Plan | Investment Plan for the Following Year |
|---|---|---|---|---|---|
| Omnis Health LLC | 99% | The US market channel building | Stable Gross Margin | Increase product diversity, to strengthen customer development, new products promotion and to | — |

| Investee Company | Shareholding % | Policy | Major Reasons for Profits or Loses | Improvemnet Plan | Investment Plan for the Following Year |
|---|---|---|---|---|---|
| | | | | streamline operating costs. | |
| Apex Biotechnology (Suzhou) Corporation | 96% | China market channel building | Although revenue declined by 10%, strengthened cost and expense controls enabled the company to remain profitable. | Increase product diversity, to strengthen customer development, new products promotion and to streamline operating costs. | — |

6. Analysis of Risk Management in the Most Recent Fiscal Year and Up to the Printing Date of this Annual Report

(1) Effects of Changes in Interest Rates, Foreign Exchange Rates and Inflation on Corporate Finance, and Future Response Measures

(A) The impacts of the changes in interest rates：The interest income of the Company and subsidiaries of 2024 is NT$ 2,064,000; the interest expense is NT$ 3,642,000, so the net interest expense is NT$ 1,578,000, accounting for 1.23% of the operating profit.The interest expense mainly consisted of interest of lease liabilities and bank borrowings. The Company and subsidiaries will maintain regular examination on the impact of interest rate changes on profit and loss, and take countermeasures in response to actual needs.

(B) The impacts of the changes in exchange rates：To avoid the foreign exchange risk on net assets or net liabilities denominated in foreign currencies, the Company and its subsidiaries hedged by purchasing and selling forward exchange contracts.

(C) The impacts from inflation：No significant inflation in 2024.

(2) Policies, Main Causes of Gain or Loss and Future Response Measures with Respect to High-risk, High-leveraged Investments, Loans of funds to Others or Endorsement Guarantees, and Derivatives Transactions

(A) The company did not engage in transactions related to high-risk, high-leverage investments in 2024.

(B) The Company’s policy of lending funds to other parties or endorsements and guarantees of 2024 was conducted according to “the Procedure of Lending Funds to Other Parties” and “the Procedure of Endorsements and Guarantees”. Up to the printing date of the annual report, the targets of the Company’s fund lending and endorsements and guarantees are all our subsidiaries. Apart from those mentioned

above, the Company and subsidiaries have no other fund lending or endorsements and guarantees cases.

(C) The derivative transactions our Company has been engaged in are purchasing and selling forward exchange contracts. The main purpose is to avoid the foreign exchange risk on net assets or net liabilities denominated in foreign currencies. The operation procedure is conducted according to “the Procedure of Asset Acquisition or Disposition”.

(3) The future research & development plans and the expenses anticipated to be invested into reresearch & development

Research & Development Plans：

A. All-in-one multi-function remote transmission instrument set

B. Multifunctional blood lipid testing kit

C. Continuous blood glucose monitoring kit for home use

D. Rapid screening test reagents (RSV, dengue fever, drug testing)

E. Inflammation Index Test Kit

F. Liver function test kit

G. Creatine Liver and Kidney Function Test Kit

The estimated R&D expenditure for next 2 years is approximately NT$ 350 million.

(4) Changes in Domestic and Overseas Policies and Laws That Have an Impact on the Company’s Financial and Business and the Countermeasures:

1. The impact of changes in domestic and overseas policies and laws on the company’s financial and business in the recent year：：So far no impact.
2. Countermeasures: To strengthen patent portfolio management; to keep track of domestic and foreign policies, as well as the changes of financial markets.

(5) Impact of Changes in Technology and Industry to the Company's Finance and Business and the Countermeasures: Technological advancement and changes can stimulate product development, which is why it has no negative influence on our financial status.

(6) Impact of Corporate Image Change on Risk Management and Response Measures: In recent years, the Company has been constantly developing new products and technologies, as well as controlling our product quality to comply with international regulations and to meet customers’ standards for the promotion of our public image. Hence, there has been no negative change of our corporate image.

(7) Expected Benefits and Potential Risks of Merger and Acquisition： Not applicable.

(8) Expected Benefits, Potential Risks, and Countermeasures of Factory Expansion：

Not applicable.

(9) Risks Relating to the Concentration of Purchasing or Sales and the Countermeasures：

Centralized procurement: Our main concern is the feature of containing confidential technology of the products, and to maintain effective control of the quality and delivery time.

High customer concentration risk: In 2024, customer A, B and C accounted for 13.23%, 30.69% and 17.44% of the Company's total sales. The Company is now planning to continue developing new customers and new products in 2025, which could help adjust the situation.

(10) The Impact of Mass Transfer or Change of Equity by Directors, or Shareholders Holding More than 10% of Shares on the Company, Associated Risks and Response Measures: Not applicable.

(11) The Impact of Change of Operating Rights on the Company, Associated Risk and Response Measures: Not applicable.

(12) Litigious or Non-litigious Events：

(A) Final judgments or pending litigation, non-litigation or administrative proceedings in most recent year and as of the date of printing of this Report which may have a material impact on shareholders' interests or stock price: None

(B) Final judgment, ongoing major litigation, non-litigation or administrative proceedings involving Company directors, supervisors, general manager, substantial representative, and shareholders that hold more than 10% of the Company's stock and affiliated companies up to the publication date of this Annual Report that can have a material impact on shareholders' interest or stock price: None

(13) Other Major Risk and Response Measures：None.

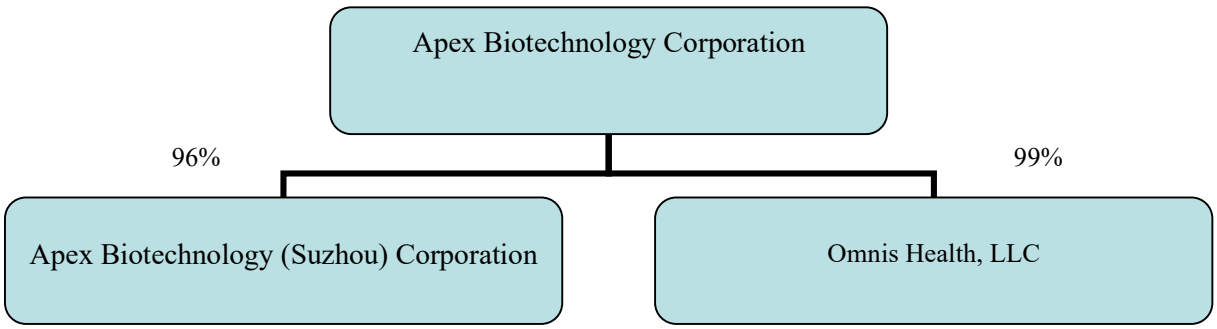
7.Other Material Events: None.

# VI. Special Disclosure

1. Summary of Affiliated Companies

(1) Consolidated Business Report

(A) Corporate Affiliation Chart




(B) Basic Information of Affiliated Companies

December 31, 2024

| Company Name | Incorporation Date | Address | Paid-in Capital | Main Business Items |
|---|---|---|---|---|
| Apex Biotechnology (Suzhou) Corporation | 2012.08 | Room 106, No.2, Kecheng Road, SIP, Suzhou, China | RMB 7,000,000 | Wholesale of medical consumable and medical equipment |
| Omnis Health, LLC | 2007.12 | 1736 River Hills Dr,Suite 6, Nashville, TN 37210 U.S.A. | USD 33,868,413.87 | Wholesale of medical consumable and medical equipment |

(C) The shareholders in common of the Affiliates presumed to have a relationship of control and subordination：None.

(D) Businesses operated by Affiliated Companies and their Relationship with each other

December 31, 2024

| Company Name | Main Business Activities | Division of Work Among the Affiliates |
|---|---|---|
| Apex Biotechnology (Suzhou) Corporation | Wholesale of medical consumable and medical equipment | Not applicable |
| Omnis Health, LLC | Wholesale of medical consumable and medical equipment | Not applicable |

(E) Directors, Supervisors, and President in all Affiliated Companies

December 31, 2024

| Company Name | Title | Name or Representative | Shareholding | |
|---|---|---|---|---|
| | | | Shares or Investment Amount | % |
| Apex Biotechnology (Suzhou) Corporation | Chairman | Apex Biotechnology Corporation (Representatives：Thomas Shen) | APEX invests RMB6,700,000 (Note) | 96% |
| | Director | Apex Biotechnology Corporation (Representatives：Ben Shen) | | |
| | Director | Apex Biotechnology Corporation (Representatives：Mark Yang) | | |
| | Supervisor | Apex Biotechnology Corporation (Representatives：Tammy Wu) | | |
| | President | Apex Biotechnology Corporation (Representatives：Prince Wu) | | |
| Omnis Health, LLC | Director & President | Apex Biotechnology Corporation (Representatives：Ben Shen) | APEX holds 70,312,094 shares | 99% |
| | Director | Apex Biotechnology Corporation (Representatives：Tammy Wu) | | |
| | Director | Apex Biotechnology Corporation (Representatives：James Chu) | | |

Note：Company limited.

(F) Overview of subsidiaries's operations

December 31, 2024；Unit: NT$ thousands

| Company Name | Capital Stock | Total Assets | Total Liabilities | Net Worth | Operating Revenue | Income from Operation | Net Income | EPS |
|---|---|---|---|---|---|---|---|---|
| Apex Biotechnology (Suzhou) Corporation | 35,394 | 26,661 | 19,586 | 7,075 | 47,517 | 2,062 | 2,239 | Note |
| Omnis Health, LLC | 1,011,647 | 128,002 | 98,472 | 29,530 | 201,363 | 2,201 | 929 | 0.013 |

Note：Company limited.

(2) Consolidated Financial Statements of affiliates

The entities that are required to be included in the combined financial statements of Apex Biotechnology Corporation as of and for the year ended December 31, 2024, under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standard 10, "Consolidated Financial Statements". In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, Apex Biotechnology Corporation and Subsidiaries do not prepare a separate set of combined financial statements.

(3) Affiliation Report: None

2. Private Placement Securities of the Most Recent Fiscal Year and Up to the Printing Date of this Annual Report：None

3. Other Necessary Supplements：None.

Apex Biotechnology Corpration

Chairman & President: Thomas Shen